

<b>Essex Pension Fund Strategy Board</b>	<b>PSB 09b(iii)</b>
<b>Date: 07 July 2021</b>	

## **Essex Pension Fund Advisory Board (PAB) Recruitment**

Report by the Compliance Manager

Enquiries to Amanda Crawford on 03330 321763

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### **1. Purpose of the Report**

- 1.1 To provide the Board with an update in regard to the current Scheme Member vacancy on the Essex Pension Fund Advisory Board (PAB) and to outline a revised proposed recruitment process for the Board's consideration.
- 1.2 In addition, to notify the Board of the outcome of the Scheme Member representative (UNISON) PAB Member recruitment process.

### **2. Recommendations**

2.1 That the Board **agrees**:

- for Fund Officers to re-commence the recruitment process for a Scheme Member representative; and
- the proposed timetable for the recruitment.

2.2 That the Board note:

- the continuation of Andrew Coburn as UNISON's Scheme Member representative on the PAB for a term of up to six years;
- the Membership of the Appointment's Panel in line with the PAB's Terms of Reference; and
- the content of the report.

### **3. Background**

- 3.1 The PAB is appointed by Essex County Council as its Local Pensions Board in accordance with section 5 of the Public Service Pensions Act 2013 and Part 3 of the Local Government Pension Scheme Regulations 2013.
- 3.2 In line with the PAB's Terms of Reference, it shall consist of nine members and be comprised of:
- i. Four employer representatives made up of one from each of the following groups of employers in the Essex Pension Fund:
    - Essex County Council (an elected member);
    - the District, City and Borough Councils of Essex (an elected member);
    - Southend-on-Sea and Thurrock Unitary Authorities (an elected member);
    - all other employers;
  - ii. four scheme member representatives of which:
    - one will be nominated by the trade unions; and
    - the rest will be drawn from the total Essex Pension Fund active, deferred and pensioner membership;
  - iii. one independent Chairman.

### **4. Revised Proposed Process for the Scheme Member Representative**

- 4.1 The Board were notified of a resignation from a Scheme Member representative at their 17 March 2021 meeting which has resulted in a vacancy. The Board subsequently approved the recruitment process to fill the vacancy.
- 4.2 Unfortunately, despite the Fund advertising the vacancy through its Employers and extending the deadline, only one expression of interest was received.

- 4.3 As a result, it was therefore decided to postpone the recruitment process until after the 2021 elections.
- 4.4 The Appointment's Panel is required to be set up in line with the PAB's Terms of Reference for this recruitment and should include:
- the Chairman of the PSB;
  - the Scheme Member representative from the PSB; and
  - the Director for Essex Pension Fund.

Advice from the Independent Governance & Administration Adviser (IGAA) may be sought if required.

- 4.5 The Scheme Member representative will be appointed through a clear and transparent process via advertisement through various communication media.

## 5. Revised Timetable

- 5.1 The revised proposed timetable for the Scheme Member representative recruitment has been detailed below:

<b>Date</b>	<b>Action</b>	<b>Owner</b>
07 July 2021	PSB agree the Panel, timetable and process	PSB
08 July – 31 August 2021	Advertising of vacancy via: <ul style="list-style-type: none"> <li>• Employer communications;</li> <li>• Essex Pension Fund Website news item; and</li> <li>• Essex County Council Intranet news item.</li> </ul>	Fund Officers
17 September 2021	Closing of advertisement and evaluation	Fund Officers
October 2021 (date to be agreed)	Interview by the Appointments Panel	Chairman and Fund Officers

<b>Date</b>	<b>Action</b>	<b>Owner</b>
October to November 2021	Confirmation of appointment of Scheme Member representative	Fund Officers
November 2021	Carry out induction training	Fund Officers
15 December 2021	1 <sup>st</sup> PAB Meeting	New Scheme Member Rep

5.2 Fund Officers are also exploring the use of a YouTube advertisement video and the possibility of including a flyer within the production of the Active Members Annual Benefit Statements.

5.3 Once the Board has agreed to proceed with the revised proposed process, the Compliance Manager will commence the necessary recruitment arrangements.

## **6. Outcome of the Scheme Member (UNISON) Representative**

6.1 The Board were notified at their 17 March 2021 meeting that the existing four-year term for the Scheme Member representative provided by UNISON expires end of August 2021.

6.2 It was proposed that Fund Officers start the discussions with UNISON to establish if the current incumbent would be reappointed for a further term of up to six years or if they would intend to nominate another individual for the position on the PAB.

6.3 With approval from the Board, Fund Officers contacted the UNISON Regional Contact on 22 March 2021 to seek their preference.

6.4 UNISON contacted the Fund on 09 April 2021 stating that following consultation, the branches in Essex overwhelmingly felt that Andrew Coburn was doing a great job and nominated for him to continue for a further term of up to six years.

## **7. Link to objectives**

7.1 Act with integrity and be accountable to our stakeholders.

7.2 Ensure the Pension Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise.

## **8. Risk Implications**

8.1 Without full membership of the PAB, the Fund are in breach of the Public Service Pensions Act 2013 and therefore are at risk of not fulfilling their duties as advisers to the PSB.

8.2 Links to Risk Register include:

- Failure of governance arrangements to match up to statutory requirements and recommended best practice leads to financial loss and reputational damage; and
- A lack of expertise, insufficient knowledge and maintenance of the PSB, ISC and PAB arising out of high turnover and/or changes within the LGPS benefit structure, regulations and associated directives/deliverables.

## **9. Communication Implications**

9.1 The advert for the Scheme Member representative will be advertised via Employer communications, along with news items on the Essex Pension Fund website and the Essex County Council Intranet. Other communication avenues are being explored.

9.2 Other than ongoing reporting to the Board, there are no further communication implications.

## **10. Finance and Resource Implications**

10.1 The process will be carried out in the main by Fund Officers but there may be a requirement for advice from the Fund's IGAA. This advice will be met within the proposed 2021/22 Budget.

## **11. Background Papers**

- 11.1 Essex County Council Constitution and the Essex Pension Fund Advisory Board Terms of Reference therein.
- 11.2 PAB Vacancy, PSB 07.C, 17 March 2021.