


<b>Essex Pension Fund Strategy Board</b>	<b>PSB 07bi</b> 
<b>Date: 18 March 2022</b>	

## **Essex Pension Fund Advisory Board (PAB): Quarterly Report**

Report by the Compliance Manager

Enquiries to Amanda Crawford on 03330 321763

**This Report is for noting**

### **Executive Summary**

The Essex Pension Fund Strategy Board (PSB) meeting that was held on 15 December 2021 was discussed in full and no issues were raised.

The outcome of their Governance Effectiveness Review was considered and recommendations were agreed to be feedback to the PSB.

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

- 1.1 To provide the Board with an update on the PAB activity since the last Board meeting.

## **2. Recommendations**

- 2.1 That the Board should note the content of the report.

### **3. Background**

- 3.1 The Essex Pension Fund Advisory Board (PAB) was established as the Local Pensions Board for Essex in accordance with Section 5 of the Public Service Pension Act 2013 and Part 3 of the Local Government Pension Scheme (LGPS) Regulations 2013.
- 3.2 Since the PSB's last meeting, the PAB has met on one occasion on the 15 December 2021.

### **4. Report of the meeting of PAB on 15 December 2021**

- 4.1 The PAB received a report from the Director for Essex Pension Fund outlining the work undertaken by the PSB at their 15 December 2021 meeting which had taken place that morning.
- 4.2 Points covered were:
- the recommendation being forward by the Board to the Audit Governance, and Standards Committee (Audit Committee) to utilise the Public Sector Audit Appointments (PSAA) process;
  - the update in regard to the Fund's Audit Completion report noting that it had not yet been approved by the Audit Committee and the PSB's disappointment in delays;
  - the good progress noted against the Business Plan with twenty areas of activity completed;
  - the noting of the 8% underspend against the Fund's Budget;
  - the PAB's continuation of a red Scorecard Measure due to the vacant Scheme Member representative position which would be green at the next meeting;
  - the reassessment of Risks G3 and G4 in regard to the knowledge and expertise of the Fund's Advisers;
  - the completion of both the PAB Scheme Member and Independent Chairman recruitments;

- the outcome of the 2021 Actuarial Interim Review;
  - an update on the business discussed and agreed at the Investment Steering Committee (ISC) meetings on 13 October and 29 November 2021;
  - an update in regard to the outcome of the PAB meeting held on 22 September 2021;
  - the approval to consult Scheme Employers on the Draft Administration Strategy and for Officers to consider issuing the YouTube Training video to assist Employers understanding; and
  - an update in regard to Employers exiting the Fund and the progress in regard to a Deferred Debt Arrangement (DDA) application.
- 4.3 The PAB considered the outcome of their Governance Effectiveness Review.
- 4.4 In addition, following a request PAB Members received a Hot Topic presentation on Guaranteed Minimum Pension (GMP).
- 4.5 The PAB also reviewed the Fund's 100% compliance against The Pensions Regulator (TPR) Code of Practice 14 which has been provided at Appendix A for noting by the Board.

## **5. Link to Essex Pension Fund Objectives**

- 5.1 Ensure compliance with the LGPS regulations, other relevant legislation, and the Pensions Regulator's Codes of Practice.

## **6. Risk Implications**

- 6.1 Non-compliance with regulations caused by lack of knowledge by staff, changes in government policy/LGPS reforms and systems not kept up-to-date leading to reputational damage and financial loss.

## **7. Background Papers**

- 7.1 PAB Agenda and Notes of 15 December 2021 meeting.
- 7.2 PSB Minutes of 15 December 2021 meeting.