

Essex Pension Fund Strategy Board	PSB 04
Date: 22 September 2021	

Update on Pension Fund Activity : Quarterly Update Report

Report by the Compliance Manager

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Executive Summary

The Quarterly Update Report is provided at Appendix A.

Business Plan – of 45 priorities, 13 activities have already been completed for 2021/22.

Budget – the Fund is forecasting an underspend of 7%.

Scorecard – one movement in Governance from amber to green in relation to the number of risks at their target score.

Risk – since the 07 July 2021 meeting, two further risks have been reduced back to their target score due the Fund being able to carry out Business as Usual throughout the Covid-19 Pandemic and the likelihood reduced due to the lift in restrictions.

1. Purpose of the Report

1.1 To provide the Board with the latest Pension Fund Activity Report on:

- progress against 2021/22 Business Plan;
- Budget;
- Scorecard as at 30 June 2021; and

- Risk Management.

2. Recommendations

- 2.1 That the Board **review** the full Scorecard and Risk Register as part of the Annual Review and **agree** for these to be shared with the Essex Pension Fund Advisory Board (PAB) for noting.
- 2.2 That the Board note the latest Pension Fund Activity Report.

3. Latest Position

- 3.1 The latest Pension Fund Activity Report at Appendix A outlines progress to date against the Fund's 2021/22 Business Plan and Budget, Scorecard and Risk Management.

4. Key Developments to note

Business Plan

- 4.1 The Business Plan update can be found in Section A to this report. A summary of progress to date is shown in the table below:

Function	Total	Complete	In Progress	Delayed	Not due to start	N/A
Governance	12	5 (4)	5 (5)	0 (0)	2 (3)	0 (0)
Funding	6	1 (1)	4 (2)	0 (0)	0 (2)	1 (1)
Investments	13	2 (1)	7 (6)	0 (0)	4 (6)	0 (0)
Admin	7	2 (1)	4 (4)	0 (0)	1 (2)	0 (0)
Comms	7	3 (1)	4 (5)	0 (0)	0 (1)	0 (0)
Total	45	13 (8)	24 (22)	0 (0)	7 (14)	1 (1)

The numbers in brackets represents the progress reported at the 07 July 2021 meeting.

Budget

- 4.2 The 2021/22 Budget vs Forecast is shown in Section B to this report.

Scorecard

- 4.3 The full Scorecard report can be found at Section C to this report as part of the Annual Review to be undertaken by the Board.

Risk Management

- 4.4 The Risk Management report has been provided at Section D to this report which includes the full Risk Register as part of the Annual Review to be undertaken by the Board.

- 4.5 The Fund's Risk Register is monitored and updated on a regular basis as part of business as usual, with some key risks being reviewed more regularly due to the impact of the Covid-19 pandemic.
- 4.6 Two risk scores have changed since the last meeting returning back to their target scores due to the lifting of Covid-19 restrictions and the Fund continuing to deliver Business as Usual throughout the pandemic.
- 4.7 No new risks have been identified during this period.
- 4.8 In addition, Fund Officers have undertaken a complete review of the risk descriptions in consultation with the ECC Risk Advisor. Minor amendments have been made to risk descriptions where required to ensure it includes a trigger, risk and impact.

5. Link to Essex Pension Fund Objectives

- 5.1 Monitoring Pension Fund activity via the Business Plan, Risks and Scorecard assists the Fund in achieving all of its objectives, and in particular to:
- provide a high-quality service whilst maintaining value for money;
 - understand and monitor risk and compliance; and
 - continually measure and monitor success against our objectives.

6. Risk Implications

- 6.1 Key risks are identified at Section C within the Risk Management section of the report.

7. Communication Implications

- 7.1 Other than ongoing reporting to the Board, there are no communication implications.

8. Finance and Resources Implications

- 8.1 To deliver the activities outlined in the Business Plan for 2021/22 a Budget of £5.65m has been approved which includes an operational internal budget of £3.83m and a budget allocation for third party provider support/advice of £1.82m. This will be periodically kept under review.

9. Background Papers

- 9.1 Update on Pension Fund Activity, PSB 06, 07 July 2021.
- 9.2 Update on Pension Fund Activity, PSB 03a, 17 March 2021.
- 9.3 Update on Pension Fund Activity, PSB 04, 16 December 2020.