

Pension Board and Committee – Work Programme

Future Pension Board Agenda		
Item	Description	Author
Standing items (items that appear on each agenda)		
Pension Committee Agenda	A consideration of the draft agenda of the Pension Committee.	Head of Pensions
Governance Report	A report on governance issues effecting the fund, developments in the LGPS, policy amendments and McCloud working group update	Pensions Manager – Governance and Compliance
Employer Engagement and Contributions Report	A report on Employer Engagement matters to note, Employer Contributions update, Communications from the Fund and Communications working group update	Pensions Manager – Employer Engagement
Pensions Administration report	An update on the performance of the Pensions Administration Team.	Head of Pensions Administration
Internal Audit reports	All internal audit reports on the ESPF are reported to the Board	Head of Internal Audit

East Sussex Pension Fund (ESPF) Quarterly budget report	An update on the ESPF's budget. This is reported in Q2-4 only.	Head of Pensions
East Sussex Pension Fund (ESPF) Risk Register	A report on the ESPF's Risk Register	Head of Pensions
Work programme	A report on the Board and Committee's work programme	Head of Pensions
East Sussex Pension Fund (ESPF) Breaches Log	A report on the ESPF breaches log	Head of Pensions
Employer Admissions and Cessations	A report on the admission and cessation of employers to the ESPF.	Head of Pensions
4 September 2023		
2 November 2023		
Independent Auditors Report on the Pension Fund Accounts 2021/22	A report on the External Audit findings of the Pension Fund financial Statements for 2021/22	Head of Pensions
Additional Voluntary Contributions (AVC) Report	AVC update report on AVC offerings to members	Head of Pensions

Pension Fund Annual Report and Accounts 2021/22	2020/21 Annual Report and Accounts for approval	Head of Pensions
Employer Forum Agenda	Discussion on Pension Fund Employer Forum Agenda topics	Pensions Manager – Employer Engagement
Annual Training Plan	Report on Training completed in the year and training recommendations for the up-coming year	Head of Pensions
8 February 2024		
Business Plan and Budget 2024/25	Report to set the Budget for the Pension Fund for the Financial Year 2024/25 including the Business Plan with key deliverables for the year.	Head of Pensions
External Audit Plan for the East Sussex Pension Fund 2023/24	Draft External Audit Plan for 2023/24 Pension Fund Financial Statements	Head of Pensions
5 June 2024		
Governance and Compliance Statement	Annual Review of Governance and Compliance Statement	Governance and Compliance Pensions Manager
Annual Report of the Pension Board	Annual report of the Pension Board to the Scheme manager outlining the work throughout the year	Head of Pensions with the Chair of the Board
Privacy Notice and Memorandum of Understanding	Annual review of Funds Privacy Notice (summary and full) and Memorandum of Understanding to check for any changes. This will be reported as a note in the governance report if no required changes.	Governance and Compliance Pensions Manager

Training Strategy	Two year review and refresh of the Funds Training Strategy	Governance and Compliance Pensions Manager
Risk Management Policy	Three years review and refresh of the Funds Risk Management Policy	Governance and Compliance Pensions Manager
11 September 2024		
7 November 2024		
13 February 2025		

Actions requested by the Pensions Board		
Subject Area	Detail	Status
Internal Audit reports	The Board requested that internal audit consider an audit of the common data sets provided to the Pensions Regulator	TBC
Scheme administration	The Board requested a report on potential recommendations from the Scheme Advisory Board (SAB) that the Scheme Manager role is removed from local authority control.	Ongoing discussions

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Pensions Administration report	An update on the performance of the Pensions Administration Team.	Head of Pensions Administration
Internal Audit reports	Internal audit reports on the ESPF and annual audit plan.	Head of Internal Audit
East Sussex Pension Fund (ESPF) Quarterly budget report	An update on the ESPF's budget - <i>reported Q2-4 only</i>	Head of Pensions
East Sussex Pension Fund (ESPF) Risk Register	A report on the ESPF's Risk Register	Head of Pensions
Work programme	A report on the Board and Committee's work programme	Head of Pensions
Investment Report	A Quarterly performance report of the investment managers	Head of Pensions and Investment Consultant

East Sussex Pension Fund (ESPF) Breaches Log	A report on the ESPF breaches log – <i>reported only when a new breach is recognised, or status changed. Report goes quarterly to Board.</i>	Head of Pensions
Employer Admissions and Cessations	A report on the admission and cessation of employers to the ESPF - <i>reported only when outstanding admissions or cessations.</i>	Head of Pensions
19 September 2023		
Carbon Footprinting	A report on the carbon footprint of the portfolio of ESPF including whether investments are in line with transition pathways. (Note this may slip to September depending on supplier turnaround times)	Head of Pensions
ESG Impact Assessment	Annual assessment by Investment consultants on the ESG standing of Investment managers with action plan	Head of Pensions
Investment Strategy Statement	Refresh of the Investment Strategy Statement following Strategy review workshop in July to formalise and approve the new strategy post triennial valuation. Review to include Statement of Investment Principles.	Head of Pensions
Stewardship Code submission for 2022	Update on status for submitting second annual submission to FRC for Stewardship activities for calendar year 2022 prior to October submission date	Head of Pensions
16 November 2023		
Independent Auditors Report on the Pension Fund Accounts 2021/22	A report on the External Audit findings of the Pension Fund financial Statements for 2021/22	Head of Pensions

Additional Voluntary Contributions (AVC) Report	AVC update report on AVC offerings to members	Head of Pensions
Pension Fund Annual Report and Accounts 2021/22	2020/21 Annual Report and Accounts for approval	Head of Pensions
Employer Forum Agenda	Discussion on Pension Fund Employer Forum Agenda topics	Pensions Manager – Employer Engagement
Annual Training Plan	Report on Training completed in the year and training recommendations for the up-coming year	Head of Pensions
22 February 2024		
Business Plan and Budget 2024/25	Report to set the Budget for the Pension Fund for the Financial Year 2024/25 including the Business Plan with key deliverables for the year.	Head of Pensions
External Audit Plan for the East Sussex Pension Fund 2023/24	Draft External Audit Plan for 2023/24 Pension Fund Financial Statements	Head of Pensions
19 June 2024		
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Annual Report of the Pension Board	Annual report of the Pension Board to the Scheme manager outlining the work throughout the year	Head of Pensions with the Chair of the Board

Privacy Notice and Memorandum of Understanding	Annual review of Funds Privacy Notice (summary and full) and Memorandum of Understanding to check for any changes. This will be reported as a note in the governance report if no required changes.	Governance and Compliance Pensions Manager
Training Strategy	Two year review and refresh of the Funds Training Strategy	Governance and Compliance Pensions Manager
Risk Management Policy	Three years review and refresh of the Funds Risk Management Policy	Governance and Compliance Pensions Manager
17 July 2024 - Investment Strategy Workshop and training day		
25 September 2024		
21 November 2024		
27 February 2025		

Actions requested by the Committee		
Subject Area	Detail	Status
The case for Divestment and implications on Investment Strategy	<p>Committee agreed in July 2022 to ask officers and the Fund's external advisers to conduct a piece of work concurrent with the completion of the triennial valuation which:</p> <ol style="list-style-type: none"> 1. Assesses the fiduciary and legal consequences of fossil fuel divestment for the Fund; 2. Examines how such a move aligns with relevant guidance and advice; 3. Explores how practical an act it would be within the context of the ACCESS pool; and 4. Reviews evidence on the efficacy of such an approach in promoting the energy transition. 	Complete – presented to the Committee at their workshop day and will be included in the September investment report.
Presentations from Investment Managers	Meetings / Presentations with impact managers to understand what investments are held in the portfolios and IFM to understand the future proofing of infrastructure assets	In progress - expected to be scheduled in September
Training	<p>Requests were made, following the July 2023 investment workshop day, for training on the following areas</p> <ul style="list-style-type: none"> • How to invest in the energy transition. Eg electric storage/batteries, renewables, nuclear, hydrogen, EV's. What is cost and access to markets for these investments. • How are Private Equity Companies selected for the underlying portfolios, do we know what is held, do the IM's have influence/control of the underlying companies, can we influence what is included or not? Are there Impact or ESG PE options? • What are the pros and cons of DGF / absolute return funds? How are they correlated to other asset classes? • Global sovereign gilts – access to market, pros and cons of investing in other jurisdictions rather than the UK including ESG 	In progress – these will be looked at and considered how to best roll out

	<ul style="list-style-type: none">• How does LGPS investment strategy evolve over time, what is rebalancing, when is it done, what are the timelines associated with setting investment strategies, what are the impacts of pooling on strategy implementation• Cost benefit implications of de-risking the portfolio• Core responsibilities of Councillors in their role on the pension committee to ensure proper exercise of its responsibilities and powers. Readdressing the need for Governance framework role of the Committee and considering strategic investment change recommendations from expert advisers, rather than directing underlying investment holdings.	
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Current working groups		
Title of working group	Detail and meetings since last Pensions Board and Committee meetings	Membership
Investment Implementation Working Group (IIWG)	<p>The Investment Working Group and ESG working group have been amalgamated, as agreed at Pensions Committee 21 September 2020.</p> <p>The IIWG has an advisory role to oversee the implementation of decisions by the Pension Committee in relation to investment decisions and carry out detailed research and analysis for Pensions Committee.</p> <p>Recent IIWG meetings</p> <ul style="list-style-type: none"> • 11 May 2023 (Gilt triggers, property pooling, performance, strategy review progress, PE valuations, liquid asset pooling) • 24 May 2023 <i>Officers and Advisers only</i> – progress on Divestment project • 29 June 2023 <i>Officers and Advisers only</i> – progress on Divestment project <p>Scheduled</p> <ul style="list-style-type: none"> • 21 August 2023 (Investment Strategy Recommendations) 	<p>William Bourne, Russell Wood, Sian Kunert, Representative from Investment Consultant</p> <p>Cllr Fox or substitute committee member is invited to attend</p>
Administration Working Group	<p>The Administration Working Group was set up in 2021 following the conclusion of the ABS and Data Improvement Working Group. The group discuss ongoing administration projects and areas of administration focus</p> <p>Recent meetings</p> <ul style="list-style-type: none"> • 4 July 2023 <p>Scheduled</p> <ul style="list-style-type: none"> • 24 August 2023 • 9 October 2023 • 5 December 2023 	<p>Cllr Fox, Ray Martin, Neil Simpson, Paul Punter, Sian Kunert, Ian Gutsell</p> <p>Vacancy for employer rep</p>

<p>McCloud Working Group</p>	<p>The McCloud Working Group has been established to oversee the implementation of the McCloud ruling within a prescribed timeframe and addressing any gaps and barriers preventing progress and ultimately delivery of the project.</p> <p>A high-level impact assessment has been completed to identify those members of the scheme that will be affected by this ruling.</p> <p>The Group have acknowledged there are many data requests of employers and this project needs to be managed carefully with other demands on employers time.</p> <p>The Terms of Reference for this working group have now ended, Board and Committee to determine if the group needs to continue.</p>	<p>Cllr Fox, Paul Punter, Sian Kunert, Dave Kellond, Mike Burton</p> <p>Board representatives needed</p>
<p>Communications Working Group</p>	<p>The Communications Working Group was established by the Pensions Board in February 2021 to drive forward improvements in communications with stakeholders with support from employee and employer representatives.</p> <p>Recent meetings</p> <ul style="list-style-type: none"> • 17 May 2023 – TME/MSS, Member booklet <p>Scheduled meetings</p> <ul style="list-style-type: none"> • 12 September 2023 • 12 December 2023 	<p>Ray Martin, Sian Kunert, Tim Hillman, Paul Linfield,</p> <p>Vacancy for employer rep & employee rep</p> <p>Note - All Board members invited to attend</p>

Training and Development – attendance at recent events

Date	Topic	Committee	Board
6-8 June 2023	<p style="text-align: center;">PLSA Investment Conference</p> <p>This year pensions industry leaders and aspiring leaders will discuss:</p> <ul style="list-style-type: none"> • The impact of macroeconomic and political instability on the investment climate <ul style="list-style-type: none"> • The way we identify, understand and manage the next big risks • The investment outlook for an industry searching for growth opportunities • How pension funds can support positive growth for the national economy and society 		Ray
14 June 2023	Private Credit Training	Cllrs Redstone, Hollidge, Taylor	
29 June 2023	<p style="text-align: center;">Climate risk for investors</p> <ul style="list-style-type: none"> • A brief introduction to the issues; <ul style="list-style-type: none"> • What can pension funds do and what can't they do; • Practical pointers regarding the identification and measurement of climate risk and how this can feed into decision making; • Options currently available to a pension fund to take climate change risks into account (what could we do to mitigate the risk to the Fund); <ul style="list-style-type: none"> • What East Sussex is doing to manage this risk; and <ul style="list-style-type: none"> • Possible future developments. 	Cllrs Fox, Hollidge, Tutt, Taylor	

Training and Development – Upcoming Training Offered to Pension Board

September

Date	Topic
<p>Location and Dates:</p> <p>12 Sep, Wolverhampton - 14:00 - 17:00</p> <p>13 Sep, Leeds - 14:00 - 17:00</p> <p>21 Sep, Edinburgh – 11:30 - 15:00</p> <p>26 Sep, Cardiff, - 12:00 - 15:00</p> <p>Organisation: LGA</p> <p>Cost: Free</p>	<p>Investment cost transparency</p> <p>These sessions will provide:</p> <ul style="list-style-type: none"> • An explanation of the purpose and background of the Scheme Advisory Board’s Code of Transparency • a case study from an LGPS fund on how investment cost information has been used • a troubleshooting session on how to use the online reporting system, run in conjunction with Byhiras (the system providers), and • a facilitated discussion on the information that fund officers should be receiving and how this information should be reported to pension boards and committees. <p>Sessions 1 - 3 for all attendees</p> <p>Sessions 4 - 5 for Officers only</p>
<p>13 September</p> <p>Organiser: PLSA</p> <p>Time: 11:00-11:45</p> <p>Location: Online</p>	<p>The Mansion House Reforms - Where do we stand now?</p> <p>In this webinar:</p> <ul style="list-style-type: none"> • Experts from the PLSA’s Policy team outline the key points we have been putting to the Government on issues as pensions and growth, value for money in DC, small pots and the future of LGPS pooling. • Scheme leaders give their perspective on what it all means in practice.

Cost: Free	<ul style="list-style-type: none">• We look ahead to what happens next in pensions policy, as we move towards a General Election
14 September Organiser: Pensions Age Time: 08:50 – 17:00 Location: London Cost: Free	<u>Pensions Age Autumn Conference 2023</u> Topics include regulatory updates, investment, technology, administration, communication, de-risking and more

Training and Development – Upcoming Training Offered to Pension Committee

September

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<p>7 September</p> <p>Organiser: SPS</p> <p>Time: 09:00 - 16:00</p> <p>Location: London</p> <p>Cost: Free</p>	<p><u>Bond Strategies in the New Investment Climate</u></p> <p>Conference objectives:</p> <ul style="list-style-type: none"> • Update yourself on the economic and market environment • Explore a range of fixed income investment strategies • Support your decision making • Answer your concerns in Q&A led by investors • Network with peers and speakers (77% pension fund attendees SPS Bonds Jan 2023)
<p>7-8 September</p> <p>Organiser: LGC</p> <p>Location: Leeds</p> <p>Cost:</p> <p>1 night accommodation: £1049.00</p> <p>2 nights accommodation: £1199.00</p>	<p><u>LGC Investment & Pensions Summit 2023</u></p> <p>The event brings together the whole LGPS community for 2 days of critical insight, topical content and high-level debate to navigate through the key and numerous challenges facing those delivering local government pensions today.</p> <p>New for this year are sessions covering some of the broader pensions issues including:</p> <ul style="list-style-type: none"> • Debate on what the pensions of the future look like • Global outlook on an unprecedented economic landscape

	The LGPS as a lever for change to boost UK growth
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<p>Organiser: Pensions Age</p> <p>Time: 08:50 – 17:00</p> <p>Location: London</p> <p>Cost: Free</p>	<p>Topics include regulatory updates, investment, technology, administration, communication, de-risking and more</p>
<p>20 September</p> <p>Organiser: SPS</p> <p>Time: 09:00 – 16:30</p> <p>Location: London</p> <p>Cost: Free</p>	<p><u>Net Zero, Impact & Sustainable Investment Conference</u></p> <p>Conference objectives:</p> <ul style="list-style-type: none"> • Explore a range of new impact and sustainable investment strategies • Consider manager selection – and avoid greenwashing • Understand the latest research on effective ESG data in different countries • Answer your concerns in Q&A led by investors • Network with peers and speakers (75% investor attendees SPS ESG April 2023)
<p>28 September*</p> <p>Organiser: DG Publishing</p> <p>Time: 08:30 – 13:50</p> <p>Location: Loch Lomond</p> <p>Cost: Free</p>	<p><u>DB Strategic Investment Forum</u></p> <p>This is an annual reality check on the state of the DB pensions industry, enabling senior pensions executives to compare notes in a non-competitive environment on the investment and funding challenges they all face in delivering guaranteed member outcomes. This is the ideal place for public and private sector pension schemes to exchange ideas on handling issues such as climate change, inflation protection and risk mitigation.</p> <p><i>*In the delegate pass is included: 2-nights accommodation and dinner on the 27th and 28th September.</i></p>
<p>October</p>	
<p>19 October</p>	<p><u>LGPS Sustainable Investment & Other Topical Issues Conference</u></p>

Organiser: SPS

Time: 09:00 – 16:30

Location: London

Cost: Free

- Topics to be covered will include:
- Life Sciences with an impact theme
- Litigation as part of a toolkit to allow sustainability in pension fund investments
- Private Debt
- Fixed Income
- TCFD
- Plus topical LGPS issues from key industry figures