

## LGPS Governance Draft Regulations: Further Consultation

### Suggested Draft Response: Surrey Pension Fund Board

#### 1) Local Pension Board Membership

Previously, elected members (of any authority) were not permitted to sit on the Local Pension Board. In the latest draft Regulations, this will now be permissible, albeit introduced with the proviso that any elected member or officer of the Administering Authority who is “responsible for the discharge” of any LGPS function cannot be a member of the Board.

**Whilst Surrey does not think it necessary to have a Local Pension Board, we welcome this amendment, although this appears to leave it open for other employer or scheme member representatives who are part of the existing Pension Fund Board membership to also be on the Local Pension Board (subject to requirements such as ensuring there is no conflict of interest). Surrey feels it should be made clear that any member of the existing decision-making Pensions Board or Committee should not be able to sit on the Local Pension Board in tandem.**

#### 2) Local Authority Board Terms of Reference

Administering Authorities will have their own flexibility to draft the terms of reference, rather than being required to fit within section 270 of the Local Government Act 1972.

**Surrey welcomes this flexibility.**

#### 3) Powers of the Local Pension Board

The amended Regulations outline that a local Pension Board will have the power to do anything which is “calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions”.

**Surrey welcomes this power which will provide flexibility for the Local Pension Board to properly carry out its functions.**

#### 4) Areas no longer included within the Regulations

The following are no longer included even though they were mentioned in the initial consultation covering letter:

- AGMs
- Public equality
- Joint Pension Boards (i.e. cross border)
- Knowledge and understanding for pension committees

**Surrey welcomes this revised approach which gives individual LGPS schemes flexibility to decide itself on these various issues without an unnecessary, rigid approach prescribed by statutory instrument.**

## 5) Effective Date of the Regulations

It appears that it is intended that the Regulations will come into force with effect from 1 January 2015 with establishment of the Local Pension Board being required by 1 April 2015.

**Surrey regards it as disappointing that this further consultation is required but concedes it is understandable, given the fundamental shift in approach for elected members. Surrey regards the establishment of the Local Pension Board as being realistic before 1 April 2015.**