

SURREY COUNTY COUNCIL**SURREY PENSION FUND COMMITTEE****DATE: 18 SEPTEMBER 2015****LEAD OFFICER: SHEILA LITTLE, DIRECTOR OF FINANCE****SUBJECT: LOCAL PENSION BOARD****SUMMARY OF ISSUE:**

The report provides an update on the operations of the Surrey Local Pension Board and a recommendation for the Pension Fund Committee to approve amendments to the terms of reference of the Surrey Local Pension Board.

RECOMMENDATIONS:

It is recommended that the Pension Fund Committee:

1. Note the report;
2. Approve amendments to the terms of reference of the Local Pension Board.

REASON FOR RECOMMENDATIONS:

The Pension Fund Committee must be aware of all operations of the Local Pension Board. The Administering Authority has delegated its statutory functions in regard to the Surrey Pension Fund to the Pension Fund Committee. These include approval of amendments to the terms of reference of the Local Pension Board.

DETAILS:**Background**

- 1 The changes introduced by the Public Service Pensions Act 2013 Act are aimed at achieving a more coherent and consistent system to provide assurance that benefits are paid, contributions are received and the Pensions Regulator Code of Practice 14 is followed in accordance within the law and subject to good practice. The creation of a new Local Pension Board was achieved at a meeting of full Council on 17 March 2015.

Implementation of the Local Pension Board

- 2 The terms of reference of the Local Pension Board were approved at the meeting of full Council on 17 March 2015. The terms of reference of the Local Pension Board included an Appointment and Termination Process for Local Pension Board members.
- 3 The appointment of the Local Pension Board members was carried out by the People, Performance and Development Committee (PPDC) on 17 July 2015 following recommendations from the Appointment/Termination Panel.

4 The make-up of the Local Pension Board is:

- Two x Surrey County Councillors:
Cllr Nick Harrison (Chairman)
Cllr John Orrick (Vice chairman)
- Two x representatives to come from nominations from other employers:
Paul Bundy (Surrey Police)
Claire Williams-Morris (Guildford Borough Council)
- One x GMB nominated representative:
Mandy Horrell
- One x Unison nominated representative:
Tony Geer
- Two x other member representatives:
David Stewart
Trevor Willington
- Two x independent representatives.

It was agreed that no initial appointments be made and that the future requirement for independent representatives of the Local Pension Board to be assessed by the newly formed Local Pension Board.

Inaugural Meeting of the Local Pension Board

- 5 The inaugural meeting of the Local Pension Board was held on 27 July 2015. The draft minutes of this meeting are included as Annex 1.

Amendments to the Local Pension Board Terms of Reference

- 6 In the PPDC meeting of 17 July 2015, a recommendation was made to clarify the appointment and termination process and the quorum requirements in the Terms of Reference. The proposed amendments are contained in paragraphs 4.10, 5.1 and 11.1 of version 2 of the Terms of Reference, included as Annex 2.
- 7 In the Local Pension Board meeting of 27 July 2015, a recommendation was made to clarify the position of independent representatives of the Local Pension Board in the Terms of Reference. The proposed amendments are contained in paragraphs 4.1 and 4.2 of version 2 of the Terms of Reference, included as Annex 2.
- 8 Further revisions of the terms of reference to reflect the change in title of the Surrey Pension Fund Board to the Surrey Pension Fund Committee and to provide consistency in reference terminology of the Local Pension Board are also contained in paragraphs 9.5, 10.1, 13.3, 13.4, 14.1, 14.2, 14.3 and 16.1 of the terms of reference, included as Annex 2.
- 9 It is recommended that the Pension Fund Committee approves all amendments as noted and confirmed in paragraph 20.3 of version 2 of the Terms of Reference.

CONSULTATION:

- 10 The Chairman of the Pension Fund Committee has been consulted on the report.

RISK MANAGEMENT AND IMPLICATIONS:

- 11 There are no risk related issues.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

- 12 The costs of running the new Local Pension Board will be borne by the administration cost centre of the Pension Fund, as prescribed by the Regulations.

DIRECTOR OF FINANCE COMMENTARY

- 13 The Director of Finance has been consulted on the report.

LEGAL IMPLICATIONS – MONITORING OFFICER

- 14 The legal team has been consulted regarding the legal implications and legislative requirements associated with this report.

EQUALITIES AND DIVERSITY

- 15 There are no equalities or diversity implications associated with this report.

OTHER IMPLICATIONS

- 16 There are no potential implications for council priorities and policy areas.

WHAT HAPPENS NEXT

- 17 The following next steps are planned:
- The next Local Pension Board meeting will be held on 12 October 2015.

Contact Officer:

Phil Triggs, Strategic Finance Manager (Pension Fund and Treasury)

Consulted:

Surrey Pension Fund Committee Chairman

Annexes:

Annex 1: Minutes of the meeting of the Local Pension Board held on 27 July 2015
Annex 2: The Local Pension Board Terms of Reference (version 2 – marked copy)

Sources/background papers:

None

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