



People, Performance and Development Committee  
5 September 2022

**Review of the appointment process for the Independent Chair and employer and member representatives of the Local Pension Board**

**Purpose of the report:**

This report sets out the proposed process for appointment of the Independent Chair and employer and member representatives of the Local Pension Board (the Board).

The Local Pension Board is a requirement under section 5 of the Public Service Pensions Act 2013, and Regulation 106 of the Local Government Pension Scheme Regulations 2013.

**Recommendations:**

It is recommended to the PPDC that:

1. The term of the current Independent Chair of the Board, Tim Evans, is extended for a further year.
2. On expiring of this one-year extension the role of Independent Chair be appointed for a four-year term (2023-2027) through an open recruitment process.
3. Approval for future member and employer representatives of the Board be delegated to the Appointment Panel, in consultation with the Chair of the PPDC.

**Introduction:**

1. Under the provisions of section 5 of the Public Service Pensions Act 2013 (“the 2013 Act”) and regulation 106 of the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended) (“the Regulations”) each LGPS Administering Authority must establish a Board for the purposes of assisting the Administering Authority in all aspects of

governance and administration of the LGPS, including funding and investments.

2. The Board is constituted separately to the Surrey Pension Fund Committee which has delegated authority to carry out pension functions for the Council as the Administering Authority.
3. On 17 March 2015, the Council established the Board, and delegated the appointment of members of the Board to the People, Performance and Development Committee (PPDC). An appointment panel of officers and Members was established to oversee the recruitment process and produce recommendations for the PPDC.
4. On 17 July 2015 the PPDC appointed the originally required eight employer and member representatives of the Board.

<b>Detail</b>
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5. At its meeting of 19 July 2021, the PPDC approved the appointment of the Tim Evans as the Independent Chair of the Board for a term of one year.
6. It is recommended to the PPDC that this appointment be extended for a further one year.
7. The proposed extension of the appointment of the current Independent Chair of the Board recognises the significant work undertaken by the Board membership to develop knowledge and expertise in the areas covered by the Board's terms of reference. An extension will benefit the Administering Authority and Fund by ensuring a skilled and engaged Independent Chair continues to assist in all aspects of governance and administration of the LGPS.
8. It is further proposed that, on the expiry of this one-year term extension, an Independent Chair be appointed for a four-year term (2023-2027) through an open recruitment process. This will allow for continuity of independent leadership of the Board outside of the term of the County Council.
9. At its meeting of 17 June 2022, the Pension Fund Committee approved the recommendation for approval to the PPDC the extension of the appointment of the current Independent chairman of the Local Pension Board, Tim Evans, for a further one year term and on expiring of this one year term, the role of Independent Chair be appointed for a four year term (2023-2027) through an open recruitment process.
10. It is proposed that the recruitment process, remuneration for the role and appointment of the Independent Chair be delegated to the Appointment Panel, in consultation with the Chair of the PPDC.
11. To enable the Board to act in an agile way to fill future vacancies for member and employer representatives of the Board, if necessary, outside of the schedule of PPDC meetings, it is also recommended that

approval for future member and employer representatives of the Board be delegated to the Appointment Panel, in consultation with the Chair of the PPDC.

12. The Appointment Panel is comprised of the following:
- The Chairman of the Pension Fund Committee;
  - The Deputy Chief Executive and Executive Director of Resources (or his nominee);
  - The Assistant Director – LGPS Senior Officer;
  - The Director of Law and Governance (or his nominee).

### **Financial and value for money implications**

13. Board expenses are borne by the Pension Fund and must be approved by the Director of Corporate Finance and Commercial. Retaining skills and expertise minimises the cost to the Pension Fund, and provides assurances with respect to good governance, and in the long term informs better decision making.

### **Equalities and Diversity Implications**

14. The establishment of the Board is a statutory requirement. There are no specific equality implications arising from these appointments.

### **Risk Management Implications**

15. All risk related issues related to the termination and appointment of Board members are managed within the Board's terms of reference, as agreed by Council on 17 March 2015 and amended by the Pension Fund Committee on 18 September 2015 and 12 March 2021.

### **Next steps:**

The next public meeting of the Board is on 11 November 2022.

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### **Annexes:**

#### **Sources/background papers:**

Public Service Pensions Act, 2013

Local Government Pension Scheme (LGPS) Regulations, 2013

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