



# Report to Pension Fund Committee

**Date:** 2 July 2020

**Title:** Establishment of Buckinghamshire Pension Board

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**Recommendations:** The Committee is asked to approve the establishment of the Buckinghamshire Pension Board.

**Reason for decision:** From 1 April 2020 Buckinghamshire Council is the administering authority for the Buckinghamshire Pension Fund. The Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 require an administering authority to establish a Local Pension Board.

## Executive summary

- 1.1 The Local Pension Board is responsible for assisting the administering authority to secure compliance with the Local Government Pension Scheme (LGPS) Regulations, any other legislation relating to the governance and administration of the Scheme, or any connected Scheme and any requirements imposed by the Pensions Regulator in relation to the Scheme.

## Content of report

- 1.2 The function of the Board is to assist the administering authority to secure compliance and ensure the effective and efficient governance and administration of the LGPS, including funding and investments.

The Board will consist of four member representatives and four employer representatives, which include the Chairman and Vice-Chairman. Board members can be elected members (councillors) providing they are not responsible for the discharge of any function under the Regulations (apart from any function relating to Local Pension Boards or the Scheme Advisory Board).

A Board member's term of office will be for a period of 3 years, after which time they can seek reappointment. Board members who served on the Local Pension Board for

the predecessor authority will be invited to be appointed to the Board in the first instance. If vacancies arise, the appointment of Board members will be via an open and transparent recruit process, designed to attract people with relevant experience and capacity to undertake the duties of a Board member. On appointment, the Board member will be required to provide a written undertaking that they understand the requirements of the role and will commit to those requirements.

The Board will meet four times per year with member and employer representatives having equal voting rights. The Chairman has a casting vote. A meeting is only quorate when at least 50% of both member and employer representatives are present. Board members are required to attend no less than two ordinary Board meetings per year.

The Chairman and Vice-Chairman will be elected from the Board membership. Their role will be to ensure meetings are properly conducted, that decision making is clear, and any professional advice is followed.

Secretariat services and pension fund information will be provided to the Board by administering authority officers.

The Board's Terms of Reference are attached at Appendix 1 to this report.

## Legal and financial implications

- 1.3 The Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 require an administering authority to establish a Local Pension Board.

There are costs in operating the Board. It will need secretariat services and access to a budget for specific purposes such as seeking legal, technical and professional advice, administrative support to conduct its meetings and training, allowances and expenses for Board members. The expenses of the Board are to be regarded as part of the costs of administration of the fund held by the administering authority.

The administering authority will pay allowances for Board members as follows:

- a) Board member allowance of £812 per annum
- b) Chairman's allowance of £4,100 per annum
- c) a) and b) do not apply if the Board member is a councillor member of a local authority or an employee of an organisation participating in the administering authority's pension fund
- d) Allowances will increase on 1 July each year in line with the previous September's increase in the Consumer Prices Index.

## Consultation and communication

- 1.4 A consultation was not applicable.
- 1.5 Establishment of the Board and the appointment of Board members will be communicated via our website and employer newsletter.

## Next steps and review

Recruitment of Board members and arrangements made for Board meetings to be held. A review of this decision is not required.

## Background papers

<https://www.legislation.gov.uk/uksi/2015/57/contents/made>

Appendix 1: Buckinghamshire Pension Board's Terms of Reference

