

GOVERNANCE UPDATE - LOCAL PENSION BOARD	
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<i>Papers with this report</i>	None
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SUMMARY

This report provides an update on the introduction of a local Pension Board and the consequent recent constitution changes affecting Pensions Committee and Investment Strategy Sub Committee.

RECOMMENDATIONS

The report is for information only.

INFORMATION

Implementation of Local Pension Boards

Regulations are being laid to require Administering Authorities of LGPS Funds to establish Local Pension Boards by 1st April 2015, as part of central government's overhaul of public sector pensions as detailed in the Public Sector Pensions Act 2013. The intention of these regulations is to increase governance over administration of LGPS funds, mirroring the set up in private pension schemes. The local Pension Board will be a non-decision making body and will, in effect, undertake more of a scrutiny function.

At Council on 6 November 2014 delegated authority was given to set up a Hillingdon Local Pension Board by 1 April 2015, in accordance with the draft Local Government Pension Scheme (Amendment) (Governance) Regulations 2014. It will have a membership of 3 elected Members (2 Con' & 1 Lab') and 3 employee/scheme member representatives - scheme members to be asked for expressions of interest and then selected at interview by the Chairman and one other Member of the Pensions Committee and a Senior Officer, on the basis of capacity and/or experience.

Council also agreed that the membership of Pensions Committee will be reduced to 5 Members (3 Con' and 2 Lab') and it will have increased powers (see below).

Further, Council agreed that the Investment Strategy Sub Committee will be abolished and the powers transferred to the full Pensions Committee which will continue to meet four times per year. To enable any urgent decisions to be taken, authority be delegated to the Corporate Director of Finance, aligned with the powers already delegated to him in relation to Treasury Management. Any exercise of those powers would then be reported back to Pensions Committee.

Work to begin the selection process for the employee / scheme member representatives on the Board is underway and an application process will begin shortly. It is anticipated that interviews will be arranged in the first quarter of 2015. A further update will be brought to Committee in March 2015.

Background Documents:

Report of the Head of Democratic Services to Council 06.11.14