

Terms of Reference for the Local Pension Board of the  
Gloucestershire LGPS Pension Fund

Report of the Strategic Finance Director

**Introduction**

The Public Service Pensions (PSP) Act 2013 requires each Local Government Pension Scheme (LGPS) to set up a Local Pension Board. The Department of Communities and Local Government (DCLG) have been consulting on the regulations relating to this and their most recent consultation ended on 21<sup>st</sup> November 2014. Final regulations are expected in early 2015 and LGPS Funds are expected to have agreed terms of reference in place by 1<sup>st</sup> April 2015.

A first draft of these terms of reference was considered by the Pension Committee on 28<sup>th</sup> November 2014 and comments from that meeting along with advice from the Head of Legal have been included in the attached final terms of reference.

**Report**

Final regulations on Pension Boards are still awaited from DCLG. If they are issued by the date of the meeting, the Committee will be given details of their content and the need for any changes to the terms of reference, on the day.

Otherwise, all members of the Committee will be advised of any further changes required, once the final regulations are issued.

The terms of reference clearly outline the role and remit of the board and it's membership. This paper outlines the process by which board appointments will be made;

The selection process for recruiting members of the board will include a reasonable period of advertising the positions. A closing date for the receipt of applications will be given at least two weeks from the date the advert is first placed. Information will be prepared and sent to those requesting application forms. Applicants will be considered against the skills and knowledge requirements outlined in the terms of reference and also in annex A. The panel will meet and consider applications and interview candidates. In the event of excessive numbers of eligible board members, appointments of candidates will aim to reflect the balance of employers within the Gloucestershire LGPS.

Members of the Gloucestershire Pension Fund (active, deferred and pensioner members) have been contacted via their annual benefit statements or a message in the pensioner payslips, advising them that a Pension Board will be set up in 2015.

Shortly after the terms of reference for the Board have been agreed by the County Council (scheduled for 18<sup>th</sup> February 2015) an application form will be available on the Pension Fund's website.

Employers with members in the Pension Fund will also be contacted and advised of this process.

Anyone wishing to be considered as a member of the Pension Board can then complete an application form detailing their relevant knowledge and experience and their ability to represent other members or employers.

It is anticipated that members of the Pension Board will be appointed by the end of May 2015, with the first meeting of the Pension Board taking place in July 2015.

It is very important that awareness of the board continues to be raised. To this end annex B outlines what will be available on the website.

The draft terms of reference of the Pension Board will be considered by the Constitution Committee on 4<sup>th</sup> February and then by County Council on 18<sup>th</sup> February.

### **Recommendation**

The Committee are asked to agree the attached draft terms of reference.

### **Contact Officer**

Graham Burrow (01452 328944)

## **Annex A**

### Knowledge and Skills

It is for individual Pension Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Pension Board.

In line with this requirement Pension Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Pension Board members are therefore required to maintain a written record of relevant training and development.

Pension Board members will undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses.

Pension Board members will comply with the Scheme Manager's training policy.

## **Annex B**

### Board Meetings and Publication of Board Information

Scheme members and other interested parties will want to know that the Gloucestershire Local Government Pension Fund is being efficiently and effectively managed. They will also want to be confident that the Pension Board is properly constituted, trained and competent in order to comply with scheme regulations, the governance and administration of the scheme and requirements of the Pension Regulator.

Up-to-date information will be posted on the Gloucestershire Local Government Pension Fund website showing

- The names, contact details and representation of the Pension Board members.
- The responsibilities of the Pension Board as a whole
- The full terms of reference and policies of the Pension Board and how they operate
- The Pension Board appointment process
- Who each individual Pension Board member represents
- Any specific roles and responsibilities of individual Pension Board members.

The Scheme Manager will also consider requests for additional information to be published or made available to individual scheme members to encourage scheme member engagement and promote a culture of openness and transparency