

The Gloucestershire Local Government Pension Scheme (LGPS)

Pension Board – Annual Report 2018/19

All Public Sector Pension schemes were required, under the Public Service Pensions Act 2013, to set up a Pension Board with effect from 2015/16, to assist the administering authorities of their Pension scheme in ensuring compliance with LGPS and other pension regulations.

The County Council, as administering authority of the Gloucestershire LGPS agreed the terms of reference of the Pension Board in February 2015. These terms of reference are included within the Pension Fund's Governance Policy document, and this is on pages XX to XX of the Pension Fund's Annual Report for 2018/19.

Employers, scheme members and the relevant unions were invited to be considered to become members of the Pension Board and the following make up the current membership of the Board.

Chair

Sean Collins – Head of Pensions for the Oxfordshire Pension Fund.

Employer representatives

Cllr Nigel Moor (Gloucestershire County Council)

Annette Benson (University of Gloucestershire)

Scheme member representatives

Owen Shaw

Jon Topping

Taking account of the relevant LGPS regulations and guidance, the Gloucestershire LGPS decided to appoint an independent non voting chair of the Pension Board. An independent chair of the Pension Board cannot have any involvement (e.g. through membership or employer links) with the local pension scheme they would be chairing, but having good experience and knowledge of the LGPS would be advantageous and would assist the other Board members in their role. To comply with these requirements the Gloucestershire LGPS invited the Head of the Pension Fund at the Oxfordshire LGPS, Sean Collins, to become chair of the Gloucestershire Pension Board.

There were two meetings of the Board in relation to the 2018/19 financial year. These meetings were attended by the vast majority of the Board members, with only one apology being received for one of the meetings.

In addition to attendance at Board Meetings, members of the Pension Board are invited to attend joint training and update sessions with members of the Pension Committee. During 2018/19 a number of members from the Pension Board attended at each of the following training events:

Regional engagement event on the Brunel Pension Partnership

In house training event on Investment Risks and Rewards

Members of the Pension Board are also sent all agenda papers for the Pension Committee meetings, which they can attend as observers. The minutes of the Pension Board are reported to the next Pension Committee and Cllr Nigel Moor, as a member of the Board, attends to give a verbal update to the Committee on these minutes.

In relation to the financial year 2018/19 the Board have focused on the following key areas:

- The continued development of the Governments requirement for LGPS Funds to combine their investments in pools of at least £25 billion via one FCA regulated company.
- The Risk Register. The Board reviewed the risk register at each meeting and made one recommendation for an amendment to the register, which was subsequently actioned.
- Pension Administration Arrangements. The Board considered a detailed performance report on the administration arrangements. The Board was very pleased to be informed that 100% of Annual Benefit Statements relating to 2017/18 were issued by the statutory deadline of the end of August 2018 to active members set up on the Pensions Administration system. The Board also noted the significant improvement in performance against KPI's included within the Pension Fund Business Plan.

In relation to pension administration arrangements, the board requested and were provided with, additional details on performance related issues. They also supported the request for additional staff to be recruited to meet the increased administrative demands of the career average local government pension scheme, which was subsequently agreed by the Pension Committee.

- The Annual Business Plan and Annual Report of the Pension Fund.
- Other areas considered by the Board in relation to 2018/19 included the draft guidance on LGPS asset pooling released by the Department for Communities and Local Government, with the Board receiving assurance that the Brunel Pension Partnership, which the Gloucestershire Fund has joined, already meets all of the substantive requirements included within the guidance.