

Pension Board

Date:	27 July 2015
Classification:	General Release
Title:	Background and Role of Board
Report of:	Steve Mair <i>City Treasurer</i>
Wards Involved:	All
Policy Context:	Effective Control over Council Activities
Financial Summary:	There are no financial implications arising from this report

1. Executive Summary

- 1.1 This report sets out the background to the creation and operation of Local Pension Boards in England and Wales and the role of the Board as defined by section 5 of the Public Service Pensions Act 2013 and regulation 106 of the Local Government Pension Scheme (LGPS) Governance Regulations 2013.

2. Key Matters for the Board

- 2.1 The Board note the contents of this paper and the Terms of Reference
- 2.2 The Board agree on the approach for substitute members

3. Background

- 3.1 The Public Service Pensions Act 2013 (the 'Act') and the Local Government Pension Scheme (LGPS) Regulations 2013 required the Council to establish a Pension Board by 1 April 2015.

- 3.2 The Shadow LGPS Scheme Advisory Board (which was set up under Section 7 of the Act to encourage best practice, increase transparency and coordinate technical and standards issues within the Scheme) published guidance on the creation and operation of Local Pension Boards in England and Wales. This document is provided for Board members as Appendix 1.
- 3.3 The General Purposes Committee approved the setting up of a Pension Board and the Terms of Reference, in accordance with the delegation given by the Council, at its meeting in February 2015.

4. Role of the Board

- 4.1 The Terms of Reference for the Pension Board (attached as Appendix 2) includes the role of the Pension Board, as defined by the above legislation, which is to assist the administering authority [the Council] with:
- (i) securing compliance with the LGPS Governance regulations and any other legislation relating to the governance and administration of the LGPS;
 - (ii) securing compliance with any requirements imposed by the Pensions Regulator in relation to the scheme and
 - (iii) ensuring effective and efficient governance and administration of the Scheme
- 4.2 The role of the Pension Board is, therefore, to review, assist and monitor the administration and management of the Scheme, not to make operational or investment decisions concerning the City of Westminster Pension Fund. That function is the role of the Pension Fund Committee, which is reported elsewhere on this agenda.
- 4.3 As this is the inaugural meeting of the Board and training has not yet been undertaken by the members (refer to agenda item 9), it is recommended that the Board consider their role specifications at the next meeting.
- 4.4 The Terms of Reference includes a section on substitute members. The Board is asked to consider whether they wish to nominate substitutes, who would act in the Board member's absence.

**If you have any queries about this Report or wish to inspect any of the
Background Papers please contact:**

Nikki Parsons

Pension Fund Officer

Email: nparsons@westminster.gov.uk

Telephone: 020 8641 6925

BACKGROUND PAPERS:

None

APPENDIX 1:

Local Government Pension Scheme (LGPS): Guidance on the Creation and Operation of Local Pension Boards in England and Wales

APPENDIX 2:

Terms of Reference – City of Westminster Pension Board