LOCAL PENSIONS BOARD

Tuesday, 14 July 2015

Present:	J Raisin (Chair)	
	G Broadhead	P Goodwin
	M Hornby	P Wiggins
	K Beirne	P Maloney
	D Ridland	
Apologies	J Dawson	

1 **APPOINTMENT OF CHAIR OF PENSION BOARD**

On a motion by Mr Mike Hornby and seconded by Mr Paul Wiggins it was;

Resolved (unanimously) – That John Raisin be appointed Chair of the Wirral Local Pension Board for a term of 4 years.

2 **REVIEW OF PENSION BOARD POLICIES**

A report of the Strategic Director Transformation and Resources provided members with policies relevant to the Pension Board to which they would be subject.

Members were requested to approve and adopt the Board's Terms of Reference which had been agreed at Wirral's Council meeting on 16 March 2015.

The Terms of reference were attached at appendix 1 to the report and it was noted that the role of the Board members required the highest standards of conduct and therefore the "seven principles of public life" as defined within the Council Constitution would be applied to all Pension Board members and embodied in their code of conduct.

In addition, a 'Knowledge and Understanding' and 'Conflict of Interest Policy', attached as appendices 2 and 3 to the report, had been drafted to assist the Board in compliance with the LGPS regulations and the Pension Regulator's Code of Conduct.

Resolved – That;

1. **the Local Pension Board's Terms of Reference be approved and adopted and that it be agreed that the Chair of the Committee signs them on behalf of Members of the Board.**

2. **the other policies relevant to Members of the Board be noted.**

3 **BUSINESS PLANNING**

A report of the Strategic Director Transformation and Resources provided Members with an outline of current and future legislative changes affecting MPF and the Pension Fund's key activities and projects in response to them.
To assist the Pension Board in directing its future activities, MPF's key activities and projects were set out in the appendix to the report to enable Board members to identify and develop its work and training programme.

It was reported that the purpose of the Board was to assist the Administering Authority in its role as a scheme manager of the Scheme. Such assistance was to:
a) secure compliance with the Regulations , any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pension Regulator in relation to the Scheme and;
b) ensure the effective and efficient governance and administration of Merseyside Pension Fund.
c) provide the Scheme Manager with such information as it requires ensuring that any member of the Pension Board or person to be appointed to the Board does not have a conflict of interest.

Resolved – That;

1. **the report be noted.**

2. **the Head of the Pension Fund bring a draft Business Work Plan to the next meeting of the Local Pension Board.**

4 **STRONGER FUTURES: DEVELOPMENT OF THE LGPS**

The Board considered a report of the Strategic Director Transformation and Resources which informed members that Grant Thornton had undertaken a review of governance arrangements at local government pension scheme funds in England and Wales. Grant Thornton's findings were contained in the appendix to the report.

Grant Thornton had based its second review of the governance in LGPS funds on comprehensive research with pension fund senior officers, supported by insights from pension fund auditors.

The review was intended to help those with responsibility for managing funds to assess the strength of their governance arrangements. It would also assist members of Local Pension Boards to consider what good governance looked like and how they might best focus their efforts. The report also included the areas of priority focus and action points for local pension boards and administrating authorities.

Resolved – That the report be noted.

5 **POLICY ON COMPLIANCE WITH THE PENSIONS REGULATOR**

A report of the Strategic Director of Transformation and Resources informed Board Members that the changes introduced by the Public Service Pension Act 2013 provided for clearer governance and extended the work and the oversight of The Pensions Regulator (TPR) to the LGPS.

Members were informed that the aim of the TPR was to implement and monitor a robust and consistent set of principles to ensure the correct payment of benefits, timely receipt of contributions and the publication of clear information by pension administrators under agreed industry standard policy and practice.

Merseyside Pension Fund has a large and diverse employer base, including councils, colleges, and academies and admitted bodies. This presented a significant challenge in achieving and maintaining high quality data due to different IT systems, levels of staff knowledge and technical expertise amongst the employers.

The Pensions Regulator had published Code of Practice 14: Governance and Administration of Public Service Pension Schemes in January 2015, to assist schemes in achieving and maintaining high quality administration – this took effect from April 2015.

The code set out the legal requirements, gave practical guidance and expected standards for those responsible for the operations and management of public service pension schemes. It also raised awareness of the knowledge and understanding required of local board members and how potential conflicts of interest should be managed.

It was noted that the code of practice could be accessed via the link below:

http://www.thepensionsregulator.gov.uk/docs/draft-code-14-governance-administration-public-service-pension-schemes.pdf

Resolved – That the Code of Practice and Policy framework outlined in the report be noted.

6 TRAINING PROGRAMME

A report of the Strategic Director Transformation and Resources provided Members with an outline of the proposed programme to assist members in fulfilling requirements of the Knowledge and Understanding policy.

The Board were informed that in accordance with the Pensions Act 2004 members of the Wirral Pension Board must be conversant with key areas of knowledge and understanding of the law relating to pensions with particular reference to:

- Background and understanding of the legislative framework of the LGPS:
- General pension legislation applicable to the LGPS;
- Role and responsibilities of the Local Pension Board;
- Role and responsibilities of the Administering Authority;
- Funding and investment;
- Role and responsibilities of Scheme Employers;
- Tax and contracting out;
- Role of advisors and key persons;
- Key bodies connected to the LGPS.

Pension Board members were expected to complete induction training within the first three months of their appointment. This consisted of an online training course provided in a Trustee Toolkit by the Pensions Regulator (TPR). Several members raised concerns relating to the usability of the Toolkit and Guy Hayton, Operations Manager, agreed to undertake to look into this matter as some members were concerned that they may be unable to complete their induction training within the time limit.

Peter Wallach, Head of Pensions, informed members that he would prepare and circulate a timeline of training opportunities and providers to the Board.

Resolved – That the report be noted.

7 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

Resolved – That in accordance with section 100 (A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business, on the grounds that it involved the likely disclosure of exempt information as defined by relevant paragraphs of Part 1 of Schedule 12A (as amended) to that Act. The public interest test had been applied and favoured exclusion.

8 APPOINTMENT OF CHAIR - EXEMPT APPENDICES

The appendix to the report on Appointment of Chair of the Local Pension Board was exempt by virtue of paragraph 3.