

Round Up of Current Issues Affecting Public Sector Pensions

Pension Boards, Collaboration, Procurement
etc etc

Neil Sellstrom and Gerard Moore

PENSION BOARDS 1

- Origin: Lord Hutton's report
- Legislation: PSPA 2013
- Pensions Regulator Code 14
- Scheme Advisory Board

PENSION BOARDS 2

- Powers of Pensions Regulator
- Knowledge and Understanding are obligatory for Board members (minimum 15 scheme documents, minimum 73 aspects of pensions law)
- But, is not a decision making body (assist Scheme Manager, review function)

PENSION BOARDS 3

BOARD FUNCTIONS

Assist the Administrating Authority:

- To secure compliance with Regulations, other legislation and requirements of Pensions Regulator
- To ensure effective and efficient governance & administration of LGPS

PENSION BOARDS 4

Board Representation and Set Up

- Equal number employer and employee reps with voting powers (minimum 4 in total)
- An independent Chair has no vote
- Quorum? Both sides present?
- Terms of Reference? Open to Public?
- Board Secretary: key relationship with Chair
- Officials in attendance?

PENSION BOARDS 5

Teething troubles? Early Days?

- Recruitment problems? Not quorate?
- Too much like another Committee? Objective?
- Inadequate Terms of Reference?
- K & U problems? Huge training requirement?
- Agenda setting?
- Are 2 meetings p.a. enough to achieve worthwhile outcomes to produce a meaningful Annual Report?

Board has a cost: needs to make a difference! Be seen as a Critical Friend to assist Scheme Manager.