

Committee(s):	Date(s):
Local Government Pensions Board	31 st October 2018
Subject:	Public
Local Government Pensions Board – Terms of appointment	For Decision
Report of:	
Town Clerk & Chief Executive	
Report author:	
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Summary

At its meeting on 29th June the Local Government Pensions Board (The Board) considered a report relative to the terms of Membership of the Employer representatives on The Board with a view to creating staggered terms and allowing for a continuation of Members' knowledge and experience on The Board and to allow for a smooth transition in future years.

As part of the discussion, clarity was sought regarding the role of Scheme Member representatives and whether there were any plans to make changes to these terms and it was clarified that further research would be needed before any proposal could be put forward.

Further research has now been conducted and appropriate legal advice sought, and the latest position is presented for The Board to consider.

Recommendation(s)

The Board are asked to consider options for staggering the terms of the Scheme Member representatives for recommendation to the Town Clerk.

Main Report

Background and Context

1. The Local Government Pension Board was established in June 2015 to meet the requirements of both the Public Services Pension Act 2013 and a change in legislation relating the overall governance of pensions schemes, that a local Pensions Board be established by 1 April 2015; but that it need not be operational at this point.
2. In order to meet this requirement, the Court of Common Council agreed at its meeting on 25 June 2015 to the creation of a Pensions Board and appointed two Members, Alderman Ian Luder and James Tumbridge, as Scheme Manager representatives for terms of four-years years expiring in April 2019. The term of James Tumbridge was subsequently extended by two years to expire in April 2021.
3. Legislation further stipulated that the Pensions Board must also include an equal number of Scheme Member representatives and the Court of Common Council agreed at its meeting on 25th October 2015 that the three Scheme Member Representatives be appointed by a process determined by the Town Clerk & Chief Executive.
4. The final constitution of the Board also included a senior officer, by appointment of the Town Clerk, as an additional Scheme Manager representative.

Current Position

5. The Current Composition of the Board is two Common Councilmen, one Senior Officer and three Scheme Member representatives that were appointed to the Board by an application and appointment process against agreed criteria and Christina McLellan, Yvette Dunne and Martin Newnham were all appointed in 2016 for a period of four years expiring in 2020.
6. At the time of appointing the Scheme Member representatives to the Board it was agreed that the terms of appointment for each would be on a four-year term.
7. Having reflected on the terms of Membership of the Scheme Member representatives, it is now considered by the Board that staggered terms of Membership would be appropriate to allow for a continuity of membership and to ensure an appropriate knowledge level is maintained on the Board and that a sensible rotation of Members is allowed for in future years.

Proposal

8. The Local Government Pension Regulations 2013 state that each determining authority, subject to consideration to the relevant guidance, shall determine –
 - a) the membership of the local pension board; (b) the manner in which members of the local pension board may be appointed and removed; (c) the terms of appointment of members of the local pension board.
9. The Court of Common Council agreed at its meeting on 25 October 2015 that the three Scheme Member Representatives be appointed by a process determined by the Town Clerk & Chief Executive.
10. The Board may wish to give consideration to options for the staggering of terms of the Scheme Member representatives on the board for recommendation to the Town Clerk. These could include:
 - a) an immediate extension to terms of Membership; reverting to four-yearly terms at the time of the next appointment, thereby creating staggered terms.
 - b) Allowing membership terms to run until expiry in 2020; introducing shortened terms for a set period and then reverting to four-yearly terms thereafter, thereby creating staggered terms of membership.

Corporate & Strategic Implications

11. The Board has a strategic oversight role in relation to the administration of the City Corporation Pension Fund and in securing compliance with the scheme regulations and other legislation relating to the governance of the scheme and any statutory pension scheme that is connected to it.

Financial Implications

12. There are no financial implications.

Conclusion

13. During the initial period of the Board, it has been acknowledged that staggered terms of membership would be appropriate to allow for continuity of Members and to ensure a suitable knowledge level is maintained and to allow for an appropriate rotation of membership in future years. The Board are asked to consider an appropriate process for achieving this for proposal to the Town Clerk.

Appendices

14. There are no appendices.

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