



LONDON BOROUGH OF BRENT

MINUTES OF THE GENERAL PURPOSES COMMITTEE Held in the Conference Hall, Brent Civic Centre on Monday 8 April 2024 at 9.30 am

PRESENT: Councillor M Butt (Chair), Councillor M Patel (Vice-Chair) and Councillors Donnelly-Jackson, Georgiou, Grahl, Knight, Nerva and Tatler.

Also present: Councillor Farah.

1. **Apologies for absence and clarification of alternate members**

Apologies for absence were received from Councillor Krupa Sheth with Councillor Nerva attending as a substitute member.

2. **Declarations of interests**

There were no declarations of interest made during the meeting.

3. **Deputations (if any)**

No deputations were received.

4. **Minutes of the previous meeting**

RESOLVED that the minutes of the previous meeting held on 11 March 2024 be approved as a correct record.

5. **Matters arising (if any)**

There were no matters arising.

6. **Administration of the Brent Pensions Payroll**

Councillor Mili Patel introduced a report from the Corporate Director Finance & Resources seeking approval to extend the existing shared service arrangements for pensions administration to include payroll administration.

Members noted the current arrangements for administration of the Local Government Pension Scheme (LGPS) for Brent delivered through a shared service arrangement with Local Pensions Partnership Administration (LPPA) which included administration of all aspects of the Fund excluding payroll services. Currently calculation of pension benefits were completed by LPPA using the Civica Universal Pensions Management (UPM) System with payments then processed through the Brent Pensions and Payroll Teams. Given the built in payroll functionality within the UPM system, approval was being sought to extend the current shared service arrangement to include the payroll process enabling the end-

to-end processing of calculation of pension benefits and payments on the same system.

In outlining the associated benefits from a Pension members perspective, Sawan Shah (Head of Finance) advised that provision of an integrated system through a single team would not only improve service delivery but also ensure all data (including payslips and P60s) was available to access on the existing member portal whilst also delivering significant process benefits in terms of avoiding the current need for maintenance of data across separate systems. As further assurance, members were advised of the comprehensive nature of the LPPA payroll service and their experience in providing the same service for other local authority clients with any transition being subject to a full implementation plan (for which indicative timings had been provided within Appendix 1 of the report) overseen by the Brent Pension Board.

In recognising the associated benefits outlined, it was **RESOLVED** to approve the extension to the existing shared service arrangements for pensions administration with Local Pensions Partnership Administration to include pensions payroll administration.

7. **Pass-through Policy**

Councillor Mili Patel introduced a report from the Corporate Director Finance & Resources outlining, for consideration, preferred arrangements for contractors participating in the Brent Pension Fund based on the move to a “pass through” approach for new admission agreements.

In considering the report, members noted the background to the current approach operated by Brent Pension Fund when entering into admission agreements (as outlined in section 3.2.3 of the report) along with the paper (attached as Appendix 1 to the report) prepared by Hymans Robertson as Brent Pension Fund actuary, which outlined the key principles, benefits and risks of moving to a ‘pass through’ approach for the Funds admission agreements when compared to the current ‘traditional’ approach. Members noted the basis of the proposed move towards the introduction of pass-through agreements, which would involve the letting authority retaining an element of the pension risk rather than the contractor bearing this in full, with the recommended option involving a balanced hybrid approach in terms of the way in which the pension risks were retained between the contractor and letting authority.

In noting the associated administrative benefits of the approach outlined and summary of the key policy proposals (as detailed in section 3 of the report) members attention was also drawn to the key risks identified (as detailed within Appendix 2 of the report). Members were assured that the final approach outlined had been assessed on the basis of detailed professional advice provided by the Fund actuary and subject to detailed consideration by the Council’s Pension Fund Sub Committee at its meeting on 21 February 24, who had recommended final approval of the approach outlined to General Purposes Committee.

Having considered the report, it was **RESOLVED** having noted that the proposed pass-through approach in respect of pensions risk on the outsourcing of services detailed in the report had been considered and recommended to General Purposes

Committee for formal approval by the Pension Fund Sub-Committee at its meeting on 21 February 2024:

- (1) To approve the proposed pass-through approach in respect of pensions risk on the outsourcing of services as set out in paragraph 3.2.19 of the report.
- (2) To note that the Corporate Director, Finance and Resources pursuant to paragraph 9.5 of Part 3 of the Constitution would consider whether Brent Council as administering authority for the Pension Fund entered into pass-through agreement in respect of pensions risk on the outsourcing of services when considering the form of admission agreement to be entered into.

8. Appointments to Sub-Committees / Outside Bodies

There were no appointments to be considered in relation to any of the General Purposes Sub Committees.

9. Exclusion of Press and Public

There were no items that required the exclusion of the press or public from the meeting.

10. Any other urgent business

None.

The meeting closed at 9.40 am

COUNCILLOR MUHAMMED BUTT
Chair