



Pension Board
27 July 2016

**Report from the Chair of Council's
Pensions Board**

For information*

Wards affected:
ALL

Annual report

1.0 Summary

- 1.1 This report provides a summary of the work carried out by the Council's Pensions Board. The report covers the period from the Board's inception and first meeting in July 2015 to the end of 2015/16. It presents detailing of the Board members, training, the programme of work and items discussed during the Board's two meetings during the year.

2.0 Recommendation

To note the annual report, and agree to submit it to the General Purposes Committee.

3.0 Detail

3.1 The Board Membership

The membership of the Board was agreed by the Council's General Purposes Committee on 27 May 2015 was as follows:

Brent Council employer representatives - Councillors Chaudhary and Kabir

Trade Union representative – Unison – Bola Geoarge

Trade Union representative – GMB – Euton Stewart

Employer representative from another employer within the pension fund – Vacant (Angela Cattermole, Finance Officer, of the Ark Academy, has since been appointed).

Pension Scheme member – Trevor Dawson

Independent Chair – David Ewart

3.2 The Board's Training

The Board received two training seasons during the year:

- The first in July 2015 was provided the Pension Funds Actuaries' Hymans Robertson LLP covering:
 - What is the Local Government Pension Scheme (LGPS)
 - Brent Pension Fund specifics
 - The background to Local Pensions Boards (LPBs)
 - The Pensions Boards:
 - Role
 - Responsibilities
 - Knowledge and skills required
 - Training Strategy
 - The compliance and enforcement by the Pension Regulator in the LGPS
- The second session in February 2016 was specifically on the Board's roles, responsibilities and training needs which was provided by the Council's Director of Finance.

3.3 The Board's Meetings

During the year the Board met twice

The First Meeting

At its first meeting in July 2015, the Board agreed:

- (i) Its Terms of Reference:
 - (a) that, having noted that there was still one vacancy to be filled, noted the terms of reference and arrangements for the Board's meetings,
 - (b) They also agreed that a quorum of three, comprising at least one employer and one employee representative; and
 - (c) That a programme of dates for future meetings be subject to further consideration.
- (ii) On how to communication of Pension Board business back to employees and scheme members, the Board noted that the current Council web site provided pensions' information and a link to the administrators of the scheme, Capita's web site. However this did not provide information about the work of the Board. It was therefore felt that an item should be included in the next edition of the pension newsletter explaining the establishment and role of the Board. Further consideration would need to be given to how the work of the Board could be communicated back to scheme members.
- (iii) There work plan, the Board requested that the next Pension Fund Annual Report (for 2014/15) due to be submitted to the Pension Fund Sub-Committee be circulated to Board members. Further the Board resolved that the work plan for 2015/16 comprise:
 - (a) A report to the next meeting of the Board on the governance and the administration of the pension scheme; and
 - (b) An update on any cases referred to the Pension Regulator (and/or the Pension Ombudsman) and whether any action is required of the Board.

The Second Meeting

At its second meeting in February 2016, the Board:

- (i) Considered a report on the performance of Capita Employee Benefits, the Funds Pensions manager, against the contract for the year October 2014 to September 2015, the fourth year of a six year contract. The Board was advised that the performance for the period had been unsatisfactory but were pleased to note that it had since improved, the Board agreed to receive an update on the performance at its next meeting.
- (ii) Received a report details Local Government Pension Scheme (LGPS) pension related complaints under the council's Internal Dispute Resolution Procedure (IDRP) including those escalated externally to the Pensions Ombudsman Service. The Board was re-assured that whilst there was the possibility of one further complaint being referred to the Ombudsman, the IDRP was dealing with the majority of complaints.
- (iii) Considered the Annual Report and Accounts of the Brent Pension Fund for 2014/15. Board members asked questions arising from the report concerning accounting methods, investment performance an strategy and the number of active employers. It was noted that the Council's Finance Director has offered to receive questions from Board members outside the meeting and ensure answers were copied to all Board members.

3.4 The Board's work plan

The Board agreed as part of the forward work plan to consider the following item:

- a. Update on the Council's Pensions Fund Manager Capita's performance;
- b. Discussion on a training strategy for Board Members;
- c. Issues arising from the Brent Pension Fund Annual Report:
 - The risk framework; and
 - The Pension Administration Strategy;
- d. Emerging results of actuarial review;
- e. Update on any pension related complaints; and
- f. Consideration of development of the role of the Board arising from the Brent Pension Fund Annual Report and draft annual accounts.

3.5 Other Changes

It has also been agreed that the Board will meet three times, rather than the twice in 2015/16.

David Ewart
Independent Chair Brent Pensions Board
June 2016.