

 Brent	Pension Board 13 March 2019
	Report from the Chief Finance Officer
Brent Pension Board Terms of Reference review	

Wards Affected:	ALL
Key or Non-Key Decision:	Non-Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	OPEN
No. of Appendices:	2
Background Papers:	N/A
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Conrad Hall, Chief Finance Officer Ravinder Jassar, Head of Finance

1.0 Purpose of the Report

- 1.1 The purpose of this report is to update the terms of reference of the Brent Pension Board, taking into account relevant guidance from The Pensions Regulator, advice from the Fund actuary and implementing lessons learned from recent training events. The aim of the revised terms of reference will be to further clarify the roles and responsibilities of the Pension Board to board members, pension fund members, officers and other interested parties.

2.0 Recommendation(s)

- 2.1 The board is recommended to note the revised terms of reference.

3.0 Background

- 3.1 The current terms of reference for the Brent Pension Board was agreed in July 2015 following the implementation of the Public Service Pensions Act 2013. Since then, the knowledge and experience of the Pension Board has increased significantly, primarily via training events and through matters regularly reported to the board. Also, a number of guidance documents have recently been released to support Pension Boards in their roles and responsibilities. It is therefore an appropriate time to update the terms of reference in order to comply with this new

guidance. It is important to note that the fundamental principles of the current terms of reference will not change (for example membership and quorum) rather the purpose, roles, responsibilities and core functions of the board will be further clarified.

4.0 Detail

- 4.1 The current terms of reference is attached as Appendix A and the proposed terms of reference is attached as Appendix B.
- 4.2 The terms of office for Pension Board members are referenced in section three of the proposed terms of reference. This states that the term of office for members will run for an initial two year period and be reviewed thereafter. That said, the appointments to the Pension Board are confirmed annually by the General Purposes Committee. Each appointment will be examined in turn.
- 4.3 There are two Brent employer representatives. These members are councillors who are appointed every year by Full Council as part of the Council's Annual Meeting (the last meeting being 14 May 2018) and confirmed at the next available General Purposes Committee (the last meeting being 21 May 2018).
- 4.4 There is another Brent employer representative from another employer in the pension fund. This position was confirmed by the General Purposes Committee on 21 May 2018 for a period of two years.
- 4.5 There are two Brent member representatives. This includes members from the Council's main trade unions, Unison and GMB. These members are appointed by each trade union as part of their own internal decision making and confirmed by the General Purposes Committee (the last meeting being 21 May 2018).
- 4.6 The Brent member representative (Pension Scheme member) was confirmed by the General Purposes Committee on 30 May 2017 for a period of two years. As the term of office ends on 30 May 2019, a recruitment process will be undertaken to fill this position for approval at the General Purposes Committee planned for May 2019.
- 4.7 The Independent Chair of the Board was confirmed by the General Purposes Committee on 10 July 2017 for a period of two years from 1 July 2017. As the term of office ends on 1 July 2019, a recruitment process will be undertaken to fill this position for approval at the General Purposes Committee planned for May 2019.

5.0 Financial Implications

- 5.1 There are no direct financial implications from this report.

6.0 Legal Implications

- 6.1 The General Purposes Committee discharged the Council's statutory duty to establish the Pension Board.

- 6.2 The Board is not a committee constituted under Section 101 of the Local Government Act 1972 and therefore no general duties, responsibilities or powers assigned to such committees or to any sub-committees or officers under the Council's constitution, standing orders or scheme of delegation apply to the Board unless expressly included in its terms of reference.
- 6.3 Paragraph 8 of The General Purposes Committee Terms of Reference provides that it can "determine matters referred to it by the Chief Finance Officer or the Pension Fund Sub-Committee concerning the Council's functions under the Local Government Pension Scheme (Para 7).
- 6.4 The constitution enables the General Purposes Committee to confirm appointments to the Pension Board. This report does not seek to change this process, and aims to update the Pension Board on the existing arrangements for appointments and to further clarify the proposed changes to the existing terms of reference of the Pension Board.

7.0 Equality Implications

7.1 Not applicable.

8.0 Consultation with Ward Members and Stakeholders

8.1 Not applicable.

9.0 Human Resources

9.1 Not applicable.

Report sign off:

Conrad Hall
Chief Finance Officer