

Wolverhampton City Council

OPEN DECISION ITEM

PENSIONS COMMITTEE

Date **27.02.13**

Originating Service Group(s) **GOVERNANCE SERVICES - DELIVERY**

Contact Officer(s)/ **MARTIN FOX**
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Title **TRADE UNION REPRESENTATION ON INVESTMENT ADVISORY SUB-COMMITTEE**

RECOMMENDATION

That the Committee consider a recommendation to defer any increase in the number of Union representatives who sit as observers on the Investment Advisory Sub-Committee pending the publication of new pensions legislation.

1. **PURPOSE**

- 1.1 To give further consideration to a recommendation from the Pensions Joint Consultative Panel that trade union observer representation on the Investment Advisory Sub-Committee be increased from 1 to 2 representatives, alongside the retired members' representative.

2. **BACKGROUND**

- 2.1 At the meeting of the Pensions Joint Consultative Panel held on 18 July 2012, a suggestion was made that trade union observer representation on the Investment Advisory Sub-Committee be increased. The current representation consists of 2 trade union representatives, one of whom currently represents retired members. These representatives also observe meetings of the main Pensions Committee, along with another 2 trade union representatives.
- 2.2 The issue was considered by the Pensions Committee on 21 November, who agreed to increase representation by 1, making 3 representatives in total, 1 of whom represents retired members). The issue was discussed again by the Joint Consultative Panel on 5 December as it was noted that a question had arisen about the appointment of the retired member representative and the issue was referred back to Pensions Committee for clarification and further consideration. The issue concerns the method of appointment for the retired member representative and the process by which fund pensioners have an input into the selection of the representative.
- 2.3 For information, trade union observer representation on the Committee, Sub-Committee and Panel prior to the request from the Joint Consultative Panel was as follows:-

Pensions Committee

4 trade union representatives (1 of whom currently represents retired members)

Investment Advisory Sub-Committee

2 trade union representatives (1 of whom currently represents retired members)

Pensions Joint Consultative Panel

11 trade union representatives (1 of whom currently represents retired members)

- 2.4 The appointment of members to the Investment Advisory Sub-Committee is delegated to the Pensions Committee and the request is therefore at the Committee's discretion. The normal appointment process for trade union representation is that nominations are sought in May each year from the trade unions who are represented on the Committee, Sub-Committee and Panel. Councillors will be aware, however, of the Public Service Pensions Bill, which will have an impact on governance arrangements for the Fund and may wish to consider the impact of the legislation prior to making any changes to Committee membership. Regulations being developed for this Bill are expected to be in statute in April 2013 with a new scheme commencement date of April 2014.

3. **FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications arising from this report.
[SH/15022013/A]

4. LEGAL IMPLICATIONS

4.1 There are no legal implications arising from this report.
[MW/15022013/A]

5. EQUAL OPPORTUNITIES IMPLICATIONS

5.1 The report has no direct equal opportunities implications although the Panel receives reports which deal with the pension rights of employees.

6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no environmental implications arising from this report.

7. SCHEDULE OF BACKGROUND PAPERS

Nil.