

Pensions Committee

21 June 2023

Report title	Annual Governance Arrangements	
Originating service	Pension Services	
Accountable employee	Rachel Howe Email:	Head of Governance, Risk and Assurance Rachel.Howe@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood Email:	Executive Director of Pensions Rachel.Brothwood@wolverhampton.gov.uk

Recommendation(s) for decision:

The Pensions Committee is recommended to:

1. Approve the revised Terms of Reference for the Pensions Committee.
2. Confirm the re-appointment of the Unite and Unison Trade Union representatives for the municipal year 2023/24:

Recommendation(s) for action:

The Pensions Committee is asked to note:

1. The following dates and time of the meetings of the Pensions Committee:

Pensions Committee – 10am

27 September 2023

13 December 2023

20 March 2024

1.0 Purpose

- 1.1 To seek approval for the Annual Governance matters of Pensions Committee, ensuring effective due diligence in decision making through regular review of delegated powers, terms of reference and the continued engagement of representatives appointed to the Fund's governing bodies.

2.0 Pensions Committee Terms of Reference

- 2.1 In accordance with best practice, Officers, in consultation with the Chair of Pensions Committee, have reviewed and updated the Terms of Reference for the Committee.
- 2.2 The West Midlands Pension Committee Membership consists of 10 Wolverhampton elected councillors (as the Administering Authority), together with invited members from across the Metropolitan District Authorities of the West Midlands region who all participate as voting members. The Fund also invites four representatives from the region's trade unions to join as observers to matters being presented. The trade union members do not hold voting powers, but are invited to participate in the debate of matters on the agenda. Quorum for the committee is determined by the committee and should be of a number that enables effective decision making across the membership. To ensure the effective operation of the Committee, taking into account attendance of Committee members, the Committee's quorum has been amended to 5 voting members.
- 2.3 The Terms of Reference for 2023/24 have been amended and updated to reflect statutory requirements, operational practices of both the Fund and Committee (including the Committee's ability to request reports on any matter throughout the year), noting the various regulatory changes which have arisen over the 2022/23 year, anticipated areas of guidance forthcoming from the Scheme Advisory Board's Good Governance Review (knowledge and skills), and the Pension Regulator (Equality, Diversity and Inclusion). Committee are asked to approve the revised terms of reference, at appendix A.
- 2.4 Following approval, the Fund's Representation policy will be updated to include details of the revised quorum, a copy of the Representation policy is available on the Fund's website and is included as a background paper to this report.

3.0 Appointment of Trade Union Observer Representatives

- 3.1 As outlined above, the Fund invites Trade Union observers to join the Committee with nominations being put forward by the relevant individual Unions. Nominated persons may participate in debate but hold no voting rights on the matters presented. Further details with regards to the role of Trade Union representatives are included in the Fund's Representation Policy
- 3.2 Following receipt of nominations from the Trade Unions, the Committee is asked to;
 - confirm the reappointment of the following Trade Union observer representatives to the Pensions Committee for the 2023/34 Municipal Year:

- Martin Clift and Ian Smith – Unite
- Malcolm Cantello – Unison
- Janice Wadrup – GMB

4.0 Governing Bodies Training Policy

- 4.1 In compliance with section 248a of the Public Service Pensions Act 2013, guidance from the Fund's regulatory bodies (the Pensions Regulator's and the Scheme Advisory Board) and statutory guidance and codes of practice from the Chartered Institute Public Finance and Accountancy (CIPFA), the Fund has adopted a formal training program to support in ensuring that members of its Governing Bodies (the Pensions Committee and the Local Pensions Board), have an appropriate level of knowledge and understanding, to undertake the roles and functions of the positions they have been appointed to.

The Fund's Governing Body training program sets out the duties and responsibilities of Governing Body members in relation to knowledge and understanding and outlines how the Fund complies with meeting statutory expectations on knowledge and understanding through a tailored and structured programme of knowledge development. In accordance with best practice the Fund has reviewed its training program to ensure that it remains effective and compliant with the changing regulatory environment. In consideration of forthcoming regulatory guidance, the program is kept under review with ongoing regulatory change across the LGPS.

- 4.2 A copy of the training policy has been included as a background paper to this report.

5.0 Dates and Times of Meetings for 2023/24

- 5.1 The Committee are asked to note the following dates and times of meetings of the Committee for the remainder of the current Municipal Year:

Pensions Committee – 10am

27 September 2023

13 December 2023

20 March 2024

6.0 Financial Implications

- 6.1 The Fund is statutorily required to have adequate resource to ensure the governance, management and administration of the local pension scheme. The budget for Governing Body support and training is included within the Fund's budget for governance.

7.0 Legal Implications

7.1 Failure by the Fund to comply with the legislation and/or statutory guidance can result in enforcement action from National Governing and Regulatory Bodies, including Scheme Advisory Board, Pensions Regulator and the Pensions Ombudsman. Failure in the Fund's administration process may also give rise to challenge under judicial review.

8.0 Equalities Implications

8.1 The Fund's representation policy has been created in consideration of the Fund's role as a regional pension fund, with there being no implications for equality.

9.0 All Other Implications

9.1 There are no other direct implications.

10.0 Schedule of Background Papers

10.1 WMPF Representation Policy: [Representation Policy 2022 \(wmpfonline.com\)](https://www.wmpfonline.com/Representation-Policy-2022)

10.2 WMPF Governing Body Training Policy: [governing_bodies_training_policy.pdf \(wmpfonline.com\)](https://www.wmpfonline.com/governing_bodies_training_policy.pdf)

11.0 Schedule of Appendices

11.1 Appendix A: Pensions Committee Terms of Reference 2023.