



# Pensions Committee

## 18 March 2015

<b>Report title</b>	Governance Reform 2014, Implementing the Pension Board	
<b>Originating service</b>	Pension Services	
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### Recommendation(s) for action or decision:

The Committee is recommended to:

1. Appoint the five Trade Union representatives to the Pension Board
2. To formally close the Joint Consultative Forum from 31 March 2015
3. Approve the revised Governance Statement 2015.

### Recommendations for noting:

The Committee is asked to note:

1. The appointment of Chris West, Executive Director of Resources at Coventry City Council as the fifth employer representative.
2. The proposal to seek nominations from Full Council for two Wolverhampton Councillors to sit on the Pension Board from June 2015.
3. The process for seeking trade union representatives (once of which will represent our pensioners interests) to pension committee for the next municipal year.

## **1.0 Purpose**

- 1.1 To seek appointment of member representatives to the Pension Board.

## **2.0 Background**

- 2.1 Following Pension Committee's approval to appoint the employer representatives from the Governance Review Working Party as full members of the pension board after 1 April 2015, officers from the Fund have been in contact with the four trade unions and the TUC to seek member representatives.
- 2.2 Committee will recall that we were outstanding one employer representative from our contractor employer group on the working party and that we were approaching this employer group to seek nominations.
- 2.3 Unfortunately, no representative from our contractor group was forthcoming and at Standards Committee in January 2015, it was proposed that we seek to appoint a District Council Finance Director to the board to fill the vacancy.

## **3.0 Work Undertaken**

- 3.1 Following discussions with the Finance Directors, a nomination has been received from Chris West, Executive Director of Resources at Coventry City Council.
- 3.2 In addition, officers at the Fund have been in contact with the Trade Unions, Unison, UCATT, Unite and GMB together with the TUC to seek their involvement in the recruitment of member representatives to the pension board.
- 3.4 In response 5 nominations from the unions were received,
  - 2 from Unison, Sharon Campion and Adrian Turner
  - 1 from Unite, Lee Nash
  - 1 from GMB Annette King
  - 1 from UCATT Paul Sayers

## **4.0 Next Steps**

- 4.1 Following the appointment of these nominations, an induction session has been arranged for 19 March 2015 when members of the pension board will be given a full day's training on the role of the pension board, their responsibilities and an overview of their work program as detailed in the report "Scheme Advisory Board Performance and Benchmarking" also on this committee's agenda.
- 4.2 Currently, it is anticipated that the work of the pension board will function separately to that of the decision-making pension committee and therefore meetings will be held on a different rotation.

- 4.3 Members of the pension board will have access to all committee papers.
- 4.4 As detailed in previous reports, it is proposed that two Wolverhampton Elected Councillors will move from Pensions Committee to the pension board at the start of the new municipal year in consideration of the new role of the pension board and in recognition of the experience and leadership of our elected councillors.
- 4.5 Nominations to Committees are made at Full Council's annual meeting in May and we will seek nominations to the pension board at this time.

## **5.0 Other considerations**

- 5.1 As previously reported, with the requirement to have a local pension board it is proposed to formally close the Joint Consultative Forum which sits as a sounding board to committee.
- 5.2 The valued benefit of this group has been previously acknowledged in the continued approval of their appointment as non-voting observers to the pension committee and nominations to these 4 seats (one of which will be a pensioner group) will be sought directly from the trade unions in readiness for formal appointment at committee's annual meeting in June.
- 5.3 Trade union observers appointed to Pension Committee will sit for a term of one year and will have the opportunity to sit on the Fund's Investment Advisory Sub-Committee.

## **6.0 Governance Compliance Statement**

- 6.1 In seeking approval to the proposed implementation of the pension board, attached at Appendix One is a revised Governance statement which reflects the governance structure of the Fund from 1 April 2015.

## **7.0 Financial implications**

- 7.1 There are no financial implications.

## **8.0 Legal implications**

- 8.1 The Public Service Pensions Act 2013 requires the Fund to appoint equal employer and member representatives to its pension board. It does not prevent those representatives being trade union members.

## **9.0 Equalities implications**

- 9.1 There are no equalities implications.

## **10.0 Schedule of background papers**

- 10.1 Pension Committee 25 June 2014 Governance Reform report  
<http://wolverhampton.moderngov.co.uk/ieListDocuments.aspx?CId=186&MId=4112&Ver=4>
- 11.2 Pension Committee 24 September 2014 Governance Reform update report  
<http://wolverhampton.moderngov.co.uk/ieListDocuments.aspx?CId=186&MId=4113&Ver=4>
- 11.3 Pension Committee 10 December 2014 Governance Reform report  
<http://wolverhampton.moderngov.co.uk/documents/s6276/14.Governance.reform.pdf>
- 11.4 Public Service Pensions Act 2013  
<http://www.legislation.gov.uk/ukpga/2013/25/contents/enacted>

## **12.0 Appendices**

- 12.1 Appendix One - Governance Compliance Statement 2015.