

# Pensions Committee

29 June 2022

<b>Report title</b>	Annual Governance Arrangements	
<b>Originating service</b>	Pension Services	
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## Recommendations for decision:

The Pensions Committee is recommended to:

1. Confirm the re-appointment of the Unite and Unison Trade Union representatives for the municipal year 2022/23:
  - Martin Clift and Ian Smith – Unite
  - Malcolm Cantello – Unison
  - Janice Wadrup – GMB
2. Approve the revised Training Policy developed for members of the Fund's governing bodies.

## Recommendations for action:

The Pensions Committee is asked to note:

1. The Committee's Terms of Reference
2. The following dates and time of the meetings of the Pensions Committee:

### **Pensions Committee – 10am**

21 September 2022

14 December 2022

22 March 2023

## **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 the Fund's stakeholders on its governing bodies.

## **2.0 Pensions Committee Terms of Reference**

- 2.1 In accordance with best practice, the Fund, in conjunction with the Chair of Committee, has reviewed the Terms of Reference for Pensions Committee to ensure they remain effective, and compliant with the changing regulatory environment in which the Fund operates. The Terms of Reference have been drafted to support effective and efficient decision making with transparent accountability to the Fund's stakeholders.
- 2.2 In consideration of forthcoming regulatory guidance, the Terms of Reference have been reviewed to ensure they remain fit for purpose but have not been amended this year, but will undergo a full review where required in response to change and on publication of relevant guidance.

## **3.0 Appointment of Trade Union Observer Representatives**

- 3.1 Trade Union member representatives are invited to sit on the Committee to represent the Pension Fund members. Trade Union Representatives are invited observers, they 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 (Appendix A).
- 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 2022/2023 Municipal Year:
    - Martin Clift and Ian Smith – Unite
    - Malcolm Cantello – Unison
    - Janice Wadrup – GMB

## **4.0 Representation Policy**

- 4.1 In accordance with best practice and based on recommendation by the Scheme Advisory Board's (SAB) Good Governance review, the Fund has established a policy for representation of scheme members and non-administering authorities on its governing bodies.
- 4.2 The policy was formally adopted at the meeting on 23 June 2021, since that time there has been no change to the governing body membership categories or size. The policy has been updated to note changes in working practices (including the change to the Committee's quorum agreed in December 2021).

4.3 The Representation Policy of the Fund aims to ensure a broad representation of the Fund's employers and members, having representation from across employer groups on the Pension Board together with Trade Union members representing all categories of members including pensioner members, of whom there are 2 in the Trade Union observers on Committee.

## **5.0 Governing Bodies Training Policy**

5.1 The West Midlands Pension Fund believes a well governed scheme is led from the top, by its governing bodies and decision makers. To support the members of those bodies in their roles, equipping them with the knowledge and understanding of relevant issues, the Fund has established a formal training policy which details the minimum requirements expected of governing body members, to support and enable policy decision and oversight of implementation, where delegated.

5.2 The training policy has been developed in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Code of Practice on Knowledge and Skills, which covers knowledge requirements for both governing body members and officers and the potential requirements which are anticipated from both the Pensions Regulator's Draft Single Code of Practice and the draft recommendations included in the SAB's Good Governance review. The Fund will continue to review and update its policy and where required, further updates will be presented to the Committee for approval as necessary.

5.3 Recognising the importance of training in the developing landscape of the Scheme, the Fund has included details on the training requirements of the governing bodies within its Governance Compliance Statement. The Fund reviews its training policy on an annual basis to ensure it remains compliant with best practice and delivers a comprehensive suite of opportunities for governing body members to develop knowledge and understanding.

5.4 Committee are asked to consider and approve the training policy, included at Appendix B.

## **6.0 Dates and Times of Meetings for 2022/23**

6.1 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**

21 September 2022

14 December 2022

22 March 2023

6.2 The Local Pensions Board also meet four times a year, meetings continue to be held two to four weeks after Pensions Committee, when outcomes from the Committee, together with any matters the Committee would like the Board to consider, are raised. Any points raised by the Board for consideration by the Committee will be reported to the Committee for consideration no later than the next scheduled Committee meeting.

## **7.0 Financial Implications**

7.1 The Fund have established a budget for governing body training, which is reported on and monitored in accordance with Fund procedures.

## **8.0 Legal Implications**

8.1 Failure by the Fund to comply with the legislation and/or statutory guidance can result in enforcement action and a fine from both the Pensions Regulator and the Courts via judicial review.

## **9.0 Equalities Implications**

9.1 There are no equalities implications.

## **10.0 All Other Implications**

10.1 There are no other direct implications.

## **11.0 Schedule of Background Papers**

11.1 Pensions Committee Terms of Reference - [Microsoft Word - TOR Committee 2022.docx \(wmpfonline.com\)](#)

11.2 [The Pensions Regulator Singular Code of Practice Consultation – Interim Response](#)

11.3 [Scheme Advisory Board – Good Governance Review – Phase 3 Report](#)

## **12.0 Schedule of Appendices**

12.1 Appendix A: Representation Policy

12.2 Appendix B: Governing Bodies Training Policy