

ANNUAL REPORT OF THE BEDFORDSHIRE LOCAL PENSION BOARD – 2017/2018

1. INTRODUCTION

- 1.1 This is the Annual Report of the Bedfordshire Local Pension Board for 2017/2018.
- 1.2 Pension Boards were introduced in to the Local Government Pension Scheme (LGPS) from April 2015 under the Public Sector Pensions Act 2013 with responsibility to assist Administering Authorities, in particular pension managers, and to secure compliance with LGPS Regulations.
- 1.3 The Bedfordshire Local Pension Board was established in March 2015 and operates independently of the Pensions Committee.

2 PURPOSE

- 2.1 The Pensions Board assists the Administering Authority in its role as a Scheme Manager of the LGPS. Such assistance is to:
 - secure compliance with the LGPS Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and;
 - ensure the effective and efficient governance and administration of the Scheme.

3 EXECUTIVE SUMMARY

- 3.1 The Board have not identified any significant concerns relating to the Bedfordshire Pension Fund or its administration for 2017/18.
- 3.2 A decision was made to appoint an Independent Chair to support the work of the Board. The Terms of Reference were amended to reflect this decision and to outline the Chair's role and purpose. The updated Terms of Reference were approved by Full Council in February. Following a recruitment exercise, interviews were conducted in April and Gerard Moore was recommended and appointed at the meeting of the Board in May; he will chair meetings of the Board in 2018/19.

4 CONSTITUTION AND MEMBERSHIP

- 4.1 The Bedfordshire Local Pension Board 2017/18 was made up of four Employer Representatives and four Member Representatives:

Employer Representatives

- Councillor Stephen Moon (Chair) (Bedford Borough Council)
- Councillor James Jamieson (Central Bedfordshire Council)
- Councillor Paul Castleman (Luton Borough Council)
- Stuart Goodwin (Bedfordshire Police) – from 24 November 2017

Member Representatives

- Martin Foster (GMB) – from 15 September 2017
- Stewart Briggs (Pensioner)
- Liam McKeating (Unison)
- Frances Bowler (Active member)

4.2 The Board met on three occasions: 20 July 2017, 19 October 2017 and 14 December 2017. The meeting due to be held in March 2018 was deferred to 3 May 2018 to allow time to recruit the Independent Chair.

4.3 Attendance at meetings for the year was 65%. (These have been adjusted for attendance by the substitute member, Councillor David Lawrence (Central Bedfordshire)).

5 PROGRAMME

5.1 At its meeting on 20 July 2017 the Board reviewed compliance against the Pensions Regulator Code of Practice 14 and guidance from the Scheme Advisory Board. This review was completed using a checklist of 99 requirements which is completed by officers for the Pensions Board on a regular basis. The checklist was updated and reviewed at both the October and December meetings.

5.2 In July's meeting, the Board considered the draft 2016/17 Annual Report and Accounts of the Bedfordshire Pension Fund.

5.3 The second Board Annual Report was published in July as required by the regulations and Guidance provided by the Scheme Advisory Board.

5.4 At its meeting on 14 December 2017, the Board reviewed its Terms of Reference relating to the membership of the Board and in particular the adoption of an Independent Chairman. The option was approved to undertake the recruitment, of an Independent Chairman as a non-voting member of the Board. This recommendation was agreed by General Purposes Committee for onward approval by Full Council in accordance with the Council's Constitution. A recruitment exercise was subsequently carried out between February and April, with a final recommendation coming to the 3 May 2018 meeting of the Board, deferred from March 2018, after the year end.

5.5 In each of the three meetings, a standing item on each agenda was the reporting of developments within the Border to Coast Pension Partnership (BCPP Pool). The local Pension Board has no jurisdiction over this development, but it is important to be aware of how these developments may affect the strategic decision making of the Bedfordshire Pension Fund. It should also be noted that the local Pension Board has oversight over the Governance processes relating to Bedfordshire Pension Fund's relationship and transactions with BCPP.

5.6 A second standing item reviews the Pensions Committee decisions that have been made at the preceding Committee, noting any updates that have happened since that meeting. This has ensured that the Board is kept up to date with the key decisions made by the Administering Authority.

6 TRAINING

- 6.1 The Board has a duty to monitor its own training needs to ensure that each member has the knowledge required to exercise their responsibilities. To that end, the Board has adopted the CIPFA Knowledge and Skills Framework and is following an agreed Training Plan. This 2017/18 Plan was agreed on 27 June 2017 at the meeting of the Pensions Committee, and it makes clear reference to the Public Pension Act 2013 and the requirement for knowledge and understanding of Board members. Workshops, seminars and formal training events are offered to provide members with the knowledge to perform their duties for the Board, along with one to one sessions with officers and experienced members as required.
- 6.2 The requirement for Board members to be trained is a fundamental part of the legislation and has been an area of focus this year. Specifically a training needs analysis report was presented at the July meeting. This report was designed to enable the Board be more focused in its training provision.
- 6.3 Following an adjournment of the October meeting, Gerard Moore (CIPFA) delivered a training session to the Board on the function of the Local Pension Board and how it fits into the governance of the Bedfordshire Pension Fund.
- 6.4 As part of the 2017/18 Training Plan, there was a commitment to complete the Pension Regulator e-learning public sector toolkit in recognition of their responsibilities as Board members. Not all Board members had completed the toolkit by the end of the year.

7 OUTCOMES AND RECOMMENDATIONS

- 7.1 With the objective of assisting the administering authority, the Board have made a number of recommendations during the year:
- 7.2 The draft Pension Fund Annual Report 2016/17 was recommended for approval at the Pension Fund Committee on 20 July 2017. At the same meeting a draft Summary Report and Accounts was also recommended by the Board.
- 7.3 At its 3 May 2018 meeting, the Risk Register was reviewed and recommended to the Pensions Committee for approval.
- 7.4 Following discussion at the 19 October 2017 meeting regarding the appointment of an Independent Chair, the Board recommended that the Terms of Reference be amended at the 14 December 2017 meeting. This was to provide for the Chair to hold a term of office of 4 years and to provide for the administering authority to appoint an independent person to the Board who would be a non-voting Member and who would Chair meetings of the Board during their tenure as an independent member. Board members were subsequently involved in the recruitment of an Independent Chair.
- 7.5 At each meeting of the Board, items from the previous Committee were reviewed by way of a report of the Committee Decisions.