

PROCEDURE FOR FUTURE APPOINTMENTS TO THE LOCAL PENSION BOARD

To: **Cambridgeshire Local Pension Board**

Date: **20th January 2016**

From: **Democratic Services Manager**

Purpose: **To consider a procedure for future appointments to the Local Pension Board.**

Recommendation: **The Cambridgeshire Local Pension Board is asked to consider arrangements to address the issue of substitute members, succession planning and the length of service for Board members.**

<i>Officer contact:</i>	
Name:	Michelle Rowe
Post:	Democratic Services Manager
Email:	michelle.rowe@cambridgeshire.gov.uk
Tel:	01223 699180

1. BACKGROUND

- 1.1 John Stokes, Employee Representative on the Local Pension Board, has asked that the Board consider and agree the procedure for future appointments to the Local Pension Board.
- 1.2 The County Council, at its meeting on 24th March 2015, agreed the establishment of a Local Pension Board for Cambridgeshire County Council (the Administering Authority). It further agreed that the Board should comprise six members (three employer representatives and three member representatives).
- 1.3 At the same meeting, it also agreed to appoint at least two County Councillors to the Local Pension Board as employer representatives – Councillors McGuire and Nethsingha, and to delegate authority to the Monitoring Officer (Quentin Baker), in consultation with Group Leaders, to appoint the one employer and employee representatives to the remaining positions on the board, following a set recruitment process.

2. RECRUITMENT OF LOCAL PENSION BOARD REPRESENTATIVES

- 2.1 Following the approval of the Local Pension Board by Full Council, the recruitment and selection of board representatives commenced. The one employer and three member representative positions were subject to an open and transparent recruitment and selection process managed within very limited resources.
- 2.2 The first recruitment process led to the appointment of two employee representatives – Mr Barry O’Sullivan and Mr John Stokes. At its last meeting, the Board was asked to consider how appointments should be made to outstanding employer and employee vacancies. Following discussion, it was resolved to re-advertise the vacant employer and employee representative places on the Local Pension Board, which resulted in the appointment of Mr Ian Dewar (Employer Representative) and Mr David Brooks (Employee Representative).

3. PROCEDURE FOR FUTURE APPOINTMENTS

- 3.1 At the last meeting, it was agreed that a report that addressed substitute members, succession planning and the length of service for Board members be produced for a future meeting.

Length of Service

- 3.2 The Council’s Constitution states that employer and employee representatives are appointed for a period of four years or until qualification for membership ceases.
 - Councillors McGuire and Nethsingha were appointed by Council on 12 May 2015
 - Mr Barry O’Sullivan and Mr John Stokes were appointed from the first meeting of the Board on 16 July 2015
 - Mr David Brooks and Mr Ian Dewar were appointed from the second meeting of the Board on 21 October 2015

Succession Planning

- 3.3 Council agreed to appoint at least two County Councillors to the Local Pension Board as employer representatives. Therefore any changes to be made to these appointments will need to be made by Council.
- 3.4 In considering the appointment of the other representatives, Council was mindful of the Local Government Pension Scheme (LGPS) – Guidance on the Creation and Operation of Local Pension Board in England and Wales. However, it was informed that the Guidance was contradictory in that it states the following:

15.20 An individual's ability to properly represent the interests of employers or members (as appropriate) and channel information back to those persons effectively should also be a key factor in selecting members of the Local Pension Board. This needs to take account of the wide range of membership of the Fund to ensure all employers and members are represented.

A few paragraphs before this, it makes it very clear that the appointment process must be open to all members:

15.14 All employers and members within a Fund must have equal opportunity to be nominated for the role of employer or member representative through an open and transparent process.

- 3.5 Whilst Council felt that the importance of paragraph 15.14 of the Guidance outweighed any other considerations, it was acknowledged that any person to be appointed to the local pension board as a member representative must have the capacity to represent members but it was stressed that any interviewee would need to demonstrate this via an open and transparent interview process.
- 3.6 The appointment of new members to the Local Pension Board will need to be conducted via an open and transparent interview process.
- 3.7 Local Pension Board Guidance states that the ability of members to seek re-appointment for a further term needs to be considered. Given the complexity of the subject matter there is a case for renewing membership over an extended period. One proposal would therefore be for a member to be invited six months before the end of his/her appointment to confirm whether he/she wishes to renew his/her membership.
- 3.8 There is a need to publicise the membership of the Board and what it does. It is proposed to take photographs of members at the next meeting in order to prepare an entry for the LGSS Pensions website which could then be linked to other relevant websites e.g. employer contacts. The contact details for representatives need to be included on the website in case employers and employees wish to contact them about an issue. This site entry could also include a link where employers and employees could express an interest to be a member of the Board; a waiting list could then be prepared. Another possible option is to include this information within the Annual Statement.
- 3.9 The Code of Practice indicates that the Administering Authority should consider providing high quality pre-appointment training to proposed members of the Local Pension Board.

Substitutes

- 3.10 At its meeting on 16 July 2015, the Board questioned whether substitute members of the Board were necessary. It was agreed that substitute members were not required as the Democratic Services Officer, when arranging meetings of the Board, would do his utmost to ensure that a mutually convenient date was proposed for meetings. It was noted that this might involve, subject to the Chairman's approval, cancelling and rearranging meetings. Given the difficulties experienced recruiting to the Board, it might be more appropriate to await any possible feedback from the web entry before deciding to appoint substitutes.

Source Documents	Location
Local Government Pension Scheme (Amendment) (Governance) Regulations 2015	Jo Walton, LGSS Pensions Service Governance and Regulations Manager Tel - 01604 367030 E-mail - jwalton@northamptonshire.gov.uk
Local Pension Board – Agenda and Minutes 16 July 2015&21 October 2015	http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/Committee.aspx?committeeID=87