


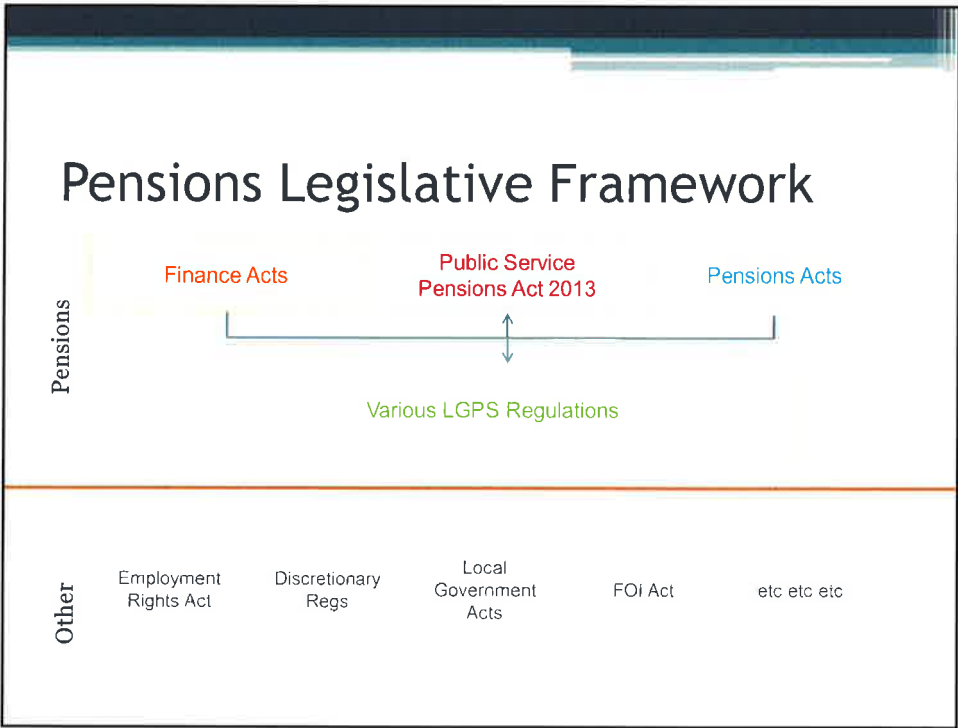
# LOCAL PENSION BOARD

## GOVERNANCE OVERVIEW

Kevin Taylor, Deputy Pension Fund Manager

8<sup>th</sup> October 2019





## Impact of Enactments

Finance Acts  
(HM Treasury)

- Tax relief on pension contributions
- Tax free cash lump sum
- Thresholds on total and annual pension savings
- No tax on investment growth
- Freedom and choice

Pensions Acts  
(Dept Work & Pensions)

- Disclosure requirements
- Contracting out
- Governance eg dispute resolution, record keeping

Public Service  
Pensions Act 2013

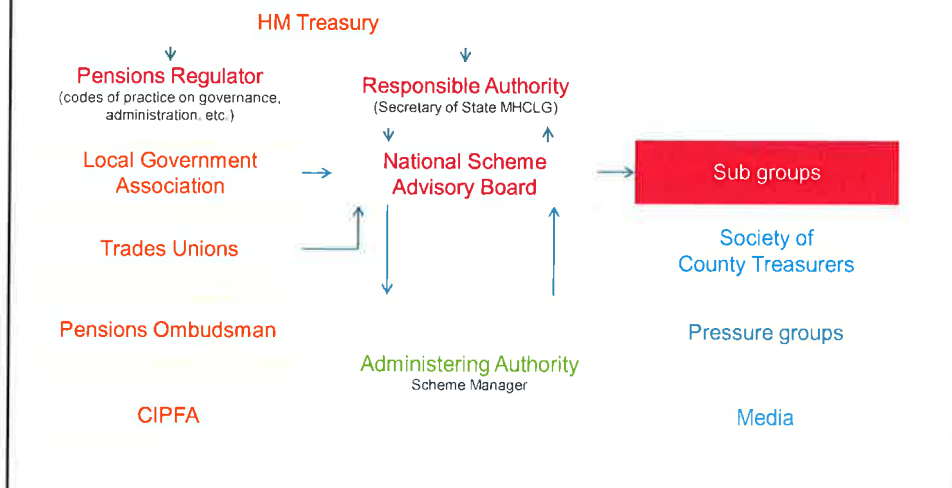
- Benefit structure (Career Average Revalued Earnings)
- Local Pension Boards
- Role of the Pensions Regulator
- Scheme Advisory Board

## LOCAL GOVERNMENT PENSION SCHEME

Primary  
Legislation

- Local Government Pension Scheme Regulations 2013 (as amended)
- Local Government (Transitional Provisions, Savings and Amendment) Regulations 2014
- Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (as amended)
- Lots of saved former regulations (2008, 1997, 1995 etc etc)
- ...all subject to (numerous) amendments!

## Who's Who at National Level



## Who's Who at Fund Level



## Berkshire Pension Fund Panel

### Elected Members of RBWM:

**Chairman:** Cllr. Julian Sharpe  
**Vice-Chairman:** Cllr. David Hilton  
**Other Members:** Cllr. Simon Bond  
Cllr. Wisdom Da Costa  
Cllr. John Story

### Officers:

Currently vacant (Head of Finance)  
Mr Kevin Taylor (Deputy Pension Fund Manager)  
Mr Philip Boyton (Pension Administration Manager)

## Berkshire Pension Fund Advisory Panel

### Unitary Authority Representatives:

Cllr. Ian Leake (Bracknell Forest)  
Cllr. Alan Law (West Berkshire)  
Cllr. Jo Lovelock (Reading)  
Cllr. Balvinder S Bains (Slough)  
Cllr. John Kaiser (Wokingham)

### Other Employer Representatives:

Mr Kieron Finlay (University of West London)  
Vacant

### Independent Advisor:

Mr Andrew Harrison (Law Debenture)

### Employee Representatives:

Mr Mark Butcher (Deferred Member)  
Vacant

## Pension Board

**Reg. 106.** - (1) Each administering authority shall no later than 1st April 2015 establish a pension board ("a local pension board") responsible for assisting it -

- a) to secure compliance with –
  - i. these Regulations,
  - ii. any other legislation relating to the governance and administration of the Scheme and any connected scheme(a), and
  - iii. any requirements imposed by the Pensions Regulator in relation to the Scheme and any connected scheme; and
- b) to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

## The remit of the Pension Board...

- Being a critical friend
- Assisting with compliance eg the Regulator's requirements
- Ensuring due process has been followed
- Reviewing administration standards
- Reviewing published policies for compliance
- Input into consultation
- Produce an annual report – feedback to scheme members and employers

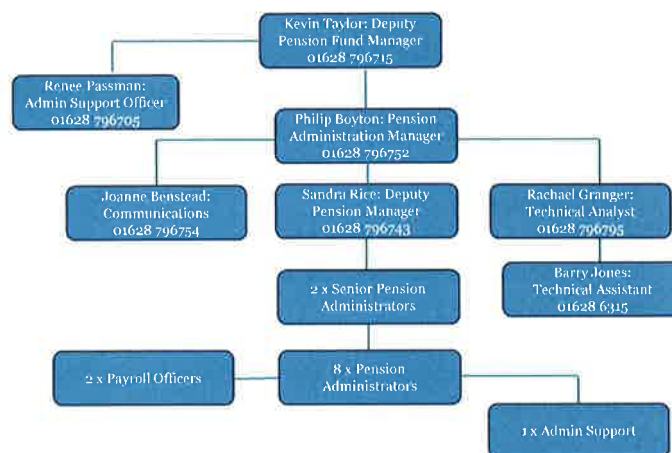
Not so much of this



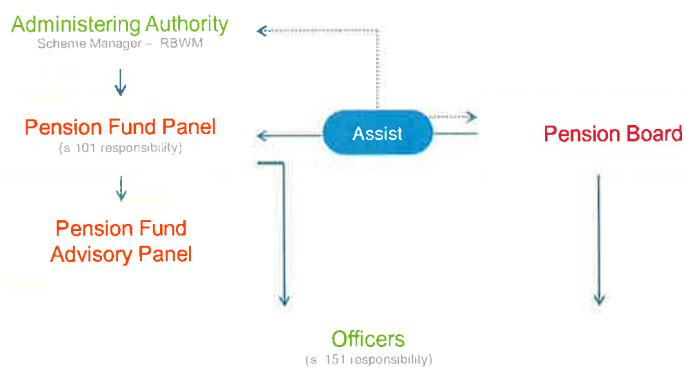
But more of this



## Pension Fund Team



## Local Governance Structure



## Different legislation



The Pension Fund Panel

- Local Government Act 1972 - Section 101
- Local delegated function under council constitution
- Delegated **decision** making



The Pension Board

- Public Service Pensions Act 2013 – Regulation 5
- LGPS Regulations 2013 (amended 2015)
- **Assisting** with securing compliance

## The Administering Authority should...

- Prepare and maintain a Funding Strategy Statement (FSS)
- Provide advice and guidance to employers
- Collect and properly account for contributions
- Manage the valuation process in consultation with the Fund's actuary
- Prepare and maintain an Investment Strategy Statement (ISS)
- Invest surplus monies in accordance with the ISS & LGPS Regulations
- Prepare and publish an Annual Report
- Prepare and maintain a Communications Strategy
- Calculate and pay pension benefits
- Ensure that cash is available to meet the liabilities as and when they fall due
- Agree Administering Authority discretions policy
- Administration strategy

## What is the LGPS?

- Public Service
- Occupational
- Defined Benefit
- Registered
- Qualifying for Auto-enrolment purposes



## Benefit Structure

### Final Salary

1/80 pension  
3/80 Lump sum

### Final Salary

1/60 pension  
Lump sum by  
conversion

### CARE

1/49 pension  
Lump sum by  
conversion



April 2008

April 2014