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**Decision Maker:** General Purposes & Licensing Committee  
Council

**Date:** 16<sup>th</sup> May 2019  
22<sup>nd</sup> May 2019

**Decision Type:** Non-Urgent Non-Executive Non-Key

**Title:** **LOCAL PENSION BOARD – APPOINTMENT OF BOARD MEMBERS**

**Contact Officer:** Fahar Rehman, Pensions Manager  
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**Chief Officer:** Director of Finance

**Ward:** Borough Wide

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1. Reason for report

- 1.1 This report seeks the required approval for the appointment of the new Member and Employer Representatives to the Local Pension Board, following the end of term of office of current members.

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2. **RECOMMENDATION(S)**

2.1 The General Purposes and Licensing Committee is requested to:

- (i) formally appoint two member representatives to the Local Pension Board for a period of 4 years from 1<sup>st</sup> July 2019 (paragraph 3.8).
- (ii) nominate two Employer Representative to be recommended to Council for appointment (paragraph 3.8);

Recommend that Council

- (iii) formally appoint the Employer Representatives to the Local Pension Board.

## Corporate Policy

1. Policy Status: Existing Policy: The Council's pension fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees.
  2. BBB Priority Excellent Council
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## Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: N/A
  3. Budget head/performance centre: Any costs associated with the reimbursement to Board Members of directly incurred expenses are chargeable to the Pension Fund
  4. Total current budget for this head: £40.7m expenditure (pensions, lump sums, etc); £52.5m income (contributions, investment income, etc); £1,041m total fund market value at 31<sup>st</sup> March 2019)
  5. Source of funding: Contributions to Pension Fund
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## Personnel

1. Number of staff (current and additional): The Local Pension Board comprises of two Employer Representatives and two Member Representatives. The Board is supported by the Pensions Manager.
  2. If from existing staff resources, number of staff hours: n/a
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## Legal

1. Legal Requirement: Statutory Requirement The Local Government Pension Scheme Regulations 2013 (as amended)
  2. Call-in: Not Applicable:
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,316 current employees; 5,370 pensioners; 5,746 deferred pensioners as at 31<sup>st</sup> March 2019.
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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Council Wide

### **3. COMMENTARY**

- 3.1 Under the Public Service Pension Act 2013, all public sector pension schemes are required to establish a Local Pension Board (LPB) to assist in the governance of the pension scheme and to provide a challenge and accountability to the administration and management of public sector pension schemes.
- 3.2 The establishment of the Local Pension Board and its Terms of Reference for the London Borough of Bromley were formerly approved by Council on 23<sup>rd</sup> February 2015.
- 3.3 In accordance with Regulation 107 of the Local Government Pension Scheme (LGPS) Regulations 2013, the Board must consist of an equal number of Employer and Scheme Member Representatives with a minimum number of four in total. In line with the Council's approved composition and, as set out in the Terms of Reference, Bromley's LPB is made up of two Employer and two Member representatives
- 3.4 The appointment of the initial two Member Representatives was approved by the General Purposes and Licensing Committee at its meeting of 27<sup>th</sup> May 2015. The General Purposes and Licensing Committee also recommended to Council Two Employer Representatives for appointment. This was approved by Council at their meeting of 29<sup>th</sup> June 2015. There have since been a number of changes to the membership of the Board, all approved by the GP&L Committee.
- 3.5 The original LPB Terms of Reference required that the term of office for all Board members was originally a period of three years. The Terms of reference were amended to extend the term of office to 4 years and this was formally approved by the General Purposes and Licensing Committee at their meeting of 20<sup>th</sup> March 2018.
- 3.6 On 24/01/2019 one of the current Member Representative; Geoffrey Wright, resigned from the Board. The term of office for the remaining three members expires on 30<sup>th</sup> June 2019. In line with the terms of reference, Expressions of Interest have been sought for 2 Employer Representatives and 2 Member Representatives for a term of office of 4 years from 1<sup>st</sup> July 2019.
- 3.7 Applications were invited from all staff, Trade Union Reps, Departmental Reps, other Employers in the Bromley Pension Fund and from Councillors.
- 3.8 Only four Expressions of Interest were received by the deadline of 28<sup>th</sup> April 2019, from Pinny Borg (currently employed by the LBB), Lesley Rickards (formerly employed by LBB) and Emma Downie (currently employed by LBB) who are existing LPB Members and one new Expression of Interest from Vinit Shukle (currently employed by LBB). No Expressions of Interest were received from other Employers in the Fund. The General Purposes and Licensing Committee is therefore requested to:
- (i) Formally appoint Lesley Rickards and Vinit Shukle to act in the capacity of Member Representatives for a term of 4 years from 1<sup>st</sup> July 2019;
  - (ii) nominate Emma Downie and Pinny Borg to act in the capacity of employer representatives;
  - (iii) recommend that Council formally appoint Pinny Borg and Emma Downie for a term of 4 years from 1<sup>st</sup> July 2019.

The expressions of interest forms are included on the agenda as a confidential appendix to this report (appendix 1).

#### **4. POLICY IMPLICATIONS**

- 4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 Although permitted under Regulations, Local Pension Board members are not paid an allowance. As set out in the terms of reference, remuneration for Board members will be limited to a refund of actual expenses incurred in attending meetings and training.
- 5.2 As the administering authority the Council is required to facilitate the operation of the Local Pension Board including providing suitable accommodation for Board meetings as well as administrative support, advice and guidance. This is currently done within existing in-house resources.
- 5.3 Any costs arising from the establishment and operation of the Local Pension Board are treated as appropriate administration costs of the scheme and, as such, are chargeable to the Pension Fund.

#### **6. LEGAL IMPLICATIONS**

- 6.1 The Public Service Pensions Act 2013 provides primary legislation for all public service schemes including the LGPS 2014..
- 6.2 The LGPS (Amendment) (Governance) Regulations 2015 were laid before Parliament on 28th January 2015 and came into force on 1st April 2015.

#### **7. PERSONNEL IMPLICATIONS**

- 7.1 All Local Government Pension Scheme employers and members must have an equal opportunity to be nominated to become Board members through an open and transparent process.

<b>Non-Applicable Sections:</b>	Procurement Impact of vulnerable Adults and Children
Background Documents: (Access via Contact Officer)	Local Pension Board (Council 23 <sup>rd</sup> February 2015) Local Pension Board – Appointment of Board Members (GP&L Committee 27 <sup>th</sup> May 2015) Local Pension Board – Appointment of Board Members (GP&L Committee 20 <sup>th</sup> March 2018) Public Service Pension Act 2013 LGPS Regulations 2013 LGPS (Amendment)(Governance) Regulations 2015