
Decision Maker: **COUNCIL**

Date: **Monday 16 October 2023**

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

Title: **LOCAL PENSION BOARD - APPOINTMENT OF BOARD MEMBER**

Contact Officer: Kerry Nicholls, Democratic Services Officer
Tel: 0208 461 7840 E-mail: kerry.nicholls@bromley.gov.uk

Chief Officer: Director of Corporate Services and Governance

Ward: All Wards

1. Reason for decision/report and options

- 1.1 This report seeks approval from Full Council to appoint one Employer Representative to the Local Pension Board as a Board Member.

2. **RECOMMENDATION(S)**

- 2.1 **That David Kellond be formally appointed as an Employer Representative to the Local Pension Board for the balance of a four-year term of office commencing 17 July 2023.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable.
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Transformation Policy

1. Policy Status: Existing Policy
 2. Making Bromley Even Better Priority:
(5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: TBC
 5. Source of funding: Contributions to the Pension Fund
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Personnel

1. Number of staff (*current and additional*): The Local Pension Board comprises two Employer Representatives and two Scheme Member Representatives. The Board is supported by the Head of Pensions Shared Service.
 2. If from existing staff resources, number of staff hours: Not Applicable
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Legal

1. Legal Requirement: Statutory Requirement: Local Government Pension Scheme Regulations 2013 (as amended)
 2. Call-in: Not Applicable: Decision by Full Council.
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Procurement

1. Summary of Procurement Implications: Not Applicable
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Property

1. Summary of Property Implications: Not Applicable
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: Not Applicable
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Impact on the Local Economy

1. Summary of Local Economy Implications: Not Applicable
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Impact on Health and Wellbeing

1. Summary of Health and Wellbeing Implications: Not Applicable
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Customer Impact

1. Estimated number of users or customers (*current and projected*): 6,509 current employees; 6,019 pensioners; 6443 deferred pensioners as at 31 March 2023.
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Ward Councillor Views

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

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 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 Full Council on 23 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 Board members in total.
- 3.4 The current Terms of Reference for the Local Pension Board states that the Board shall consist of four Board members comprising two Employer Representatives to be appointed by Full Council and two Scheme Member Representatives to be appointed by the Pensions Committee (this responsibility was held by the General Purposes and Licensing Committee prior to May 2021). Board members will ordinarily serve a term of four-years, except where they are appointed to replace an outgoing Board member mid-term, in which case they will complete the balance of the existing four-year term. Board members may express the wish to be reselected at the end of their term.
- 3.5 Two Employer Representatives were appointed to four-year terms at the meeting of Full Council on 17 July 2023; however, one of the appointed representatives subsequently stood down, leaving a vacancy for the balance of a four-year term of office commencing 17 July 2023 for which nominations have been sought from all fund employers including the London Borough of Bromley.
- 3.6 David Kellond has been nominated for appointment as a new Employer Representative by the London Borough of Bromley as a Scheme Employer within the Bromley Fund to fill the vacant Board Member role. Further information regarding this nominee can be viewed at Appendix A.

4. TRANSFORMATION/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 Local Authority 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.
- 5.1 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. PERSONNEL IMPLICATIONS

- 6.1 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.

7. LEGAL IMPLICATIONS

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

Non-Applicable Headings:	Impact of Vulnerable Adults and Children; Procurement/Property/Carbon Reduction and Social Value Implications; Impact on the Local Economy/Health and Wellbeing; Customer Impact; Ward Councillor Views.
Background Documents: (Access via Contact Officer)	Local Pension Board – Appointment of Board Members (GP&L Committee 6 May 2019 / Council 22 May 2019) Public Service Pension Act 2013 LGPS Regulations 2013 LGPS (Amendment)(Governance) Regulations 2015

Supporting Statement – David Kellond

I contacted the London Borough of Bromley with a view to putting myself forward as a member representative of the Local Pension Board. However, having done so I was asked by Dan Parsons to consider representing employers on Board.

I have significant experience in the Local Government Pension Scheme having worked for various local authority pension funds in a variety of roles for almost 25 years. This includes previously having worked as Pensions Manager for the London Borough of Bromley at the time Local Pension Boards were introduced in 2015. I continue to work within the LGPS for East Sussex Pension Fund in a role primarily concerned with governance and compliance. I feel that my insight and experience of the LGPS will allow me to make a meaningful contribution to the Local Pension Board of the London Borough of Bromley.