

	<h2>Pension Fund Committee</h2> <h3>31 October 2016</h3>
Title	Pension Board Budget 2016-17
Report of	Chief Executive / Section 151 Officer
Wards	Not Applicable
Status	Public
Enclosures	Appendix 1 – Proposed Pension Board budget 2016-17 Appendix 2 – Draft Pension Board work plan
Officer Contact Details	<p>Iain Millar, Head of Treasury Finance - Customer and Support Group (CSG) iain.millar@barnet.gov.uk 020 8359 7106</p> <p>Patricia Phillipson, Interim Head of Finance – Commissioning Group patricia.phillipson@barnet.gov.uk 020 8359 2800</p> <p>Salar Rida, Governance Officer salar.rida@barnet.gov.uk 020 8359 2761</p>
<h2>Summary</h2>	
<p>The Public Service Pensions Act 2013 required the establishment of Pension Boards with responsibility for assisting the scheme manager with the effective management of the local pension fund. The expenses of the Pension Board are met by the Barnet Pension Fund, therefore the Pension Board’s workplan and budget are submitted to the Barnet Pension Fund Committee for annual approval. The Pension Board is required to operate within the approved budget and for the purpose it was approved. It is envisaged that the Board will review aspects of the pension fund over time rather than react to the regular monitoring cycle of the Pension Fund Committee.</p>	

Recommendations
<p>1. That Pension Fund Committee note the proposed workplan for the Local Pension Board and approve the proposed Pension Board budget for 2016-17.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 To approve the Pension Board budget and workplan.
- 1.2 The Public Service Pensions Act states that the scheme regulations will provide for the establishment of the Pension Board which will be responsible for assisting the scheme manager (in LBB's case, the Pension Fund Committee) in securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme. Whilst the guidance has provided some further suggestions about what the Board will do, specific local functions have primarily been left up to the local authority's determination. While the Board can make recommendations to the Pension Fund Committee, it will be up to the Committee whether to take action in relation to the recommendations. The Board will not be a decision making body, but will contribute to the governance of the pension scheme by providing advice and scrutiny.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Public Service Pensions Act 2013 required the establishment of Pension Boards by 1 April 2015 to assist local authorities with the effective management of local pension funds. As the expenses of the Board are met by the Barnet Pension Fund, the Board's workplan and budget need to be submitted to the Barnet Pension Fund Committee for approval annually.

2.1 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

Not applicable.

3. POST DECISION IMPLEMENTATION

- 3.1 Pension Board will operate within the budget approved by Pension Fund Committee.

4. IMPLICATIONS OF DECISION

4.1 Corporate Priorities and Performance

- 4.1.1 The Local Pension Board will support the delivery of the Council's corporate priorities as expressed through the Corporate Plan by assisting in maintaining the integrity of the Pension Fund by monitoring the administration and compliance of the Fund.

4.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

4.2.1 All costs of implementing and running the Local Pension Board are funded from the Barnet Pension Fund.

4.2.2 The main costs will be Board member training, governance support and Pension Board member attendance allowances.

4.3 Legal and Constitutional References

4.3.1 The Public Service Pensions Act 2013 and the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 required the Council to establish a Pension Board by 1 April 2015. The proposed terms of reference comply with the requirements of the legislation and due regard has been paid to the guidance.

4.3.2 The Pension Fund Committee's terms of reference include 'To determine the appropriate course of action on any matter not specifically listed above that pertains to the leadership and/or strategic management of the Pension Fund, in particular any matter which could materially affect its financial performance or long-term standing.

4.4 Risk Management

4.4.1 The Pension Board terms of reference include ensuring the Pension Fund's internal risk register is in place and reviewed at least annually.

4.5 Equalities and Diversity

4.5.1 There are no Equalities and Diversity issues arising from this report.

4.6 Consultation and Engagement

4.6.1 Not applicable

5. BACKGROUND PAPERS

5.1 None