



Pension Fund Committee

23 February 2022

Title	Local Pension Board – Annual Report
Report of	Head of Governance
Wards	All
Status	Public
Enclosures	Appendix A - Local Pension Board – Annual Report Appendix B – Detailed Terms of Reference for Local Pension Board Appendix C – Local Pension Board, Forward Work Plan 2021/22
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Summary

The report sets out an annual update of the Local Pension Board and seeks approval of the Local Pension Board budget.

Recommendations

1. The Pension Fund Committee are requested to note appendix A, B and C
2. The Pension Fund Committee are requested to note that the report shall be presented to the next meeting of Full Council
3. That the Pension Fund Committee approve the Local Pension's Board annual budget as set out in appendix A.

1. WHY THIS REPORT IS NEEDED

1.1 The Terms of Reference of the Local Pension Board states that:

- *submit an annual budget to the Barnet Pension Fund Committee for approval.*
- *annually submit a proposed work plan for the forthcoming financial year to the Pension Fund Committee.*
- *The Board shall report annually to Full Council on its work.*
- *It will also and as necessary from time to time report to Full Council any breach in compliance or other significant issues such as:*
 - *any areas of persistent non-compliance*
 - *any area of non-compliance within the LGPS Regulations that have been reported to the Pension Fund Committee*
 - *areas raised to the Board to be investigated and how they were dealt with;*
 - *any risks or other areas of potential concern it wishes to raise;*

1.2 The Pension Fund Committee are further requested to note that the Local Pension Board received it's annual report and enclosures at it's meeting on 03 February 2022. At this meeting the Board considered the report and agreed to make the amendments that are contained in appendix A.

1.3 The Local Pension Board requested the following paragraph be added to the report which is reflected in appendix A 1.7:

- *That Local Pension Boards were established to ensure that staff and participating employers can have sight and influence the management of the pension fund. The role of the Board is to help the Council to ensuring the effective and efficient governance and administration of the fund. The Board achieves that role through reviewing the decisions made by the Committee and officers and the performance of appointed service providers, in particular the administrator, WYPF. The Board applies a wide range of experiences that enable them to probe management's plans and outcomes.*

1.4 The Local Pension Board also requested that 1.16 in appendix A be amended to outline that:

- *the boards budget be more in line with the Board's potential requirements and absence of any previous spending. Should a higher spend be required this will be brought to the attention of the Committee.*

2. REASONS FOR RECOMMENDATIONS

2.1 As document in section 1.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None.

4. POST DECISION IMPLEMENTATION

Following approval, the report shall be submitted to the next meeting of Full Council.

5. IMPLICATIONS OF DECISION

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

5.2 The Board's budget is contained in appendix A of the report.

5.3 Legal and Constitutional References

- The Council's Constitution – Article 7 – includes within the responsibilities of the Pension Fund Committee.
- The Local Pensions Board Terms of Reference confirms the reporting procedure as documented in section 1 of the report.

5.4 Risk Management

- Risk management is central to the LGPS; which are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met.

5.5.2 Understanding the causes of sources and variabilities of scheme returns informs the management of investment and funding risk.

5.5 Equalities and Diversity

- Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation. The Council also has regard to the additional protected characteristic of marriage and civil partnership even though this does not apply to the public-sector equality duty.

5.6 Consultation and Engagement

5.7 None applicable.

6. Environmental Impact

None in the context of this report.

7. BACKGROUND PAPERS

7.1 [Agenda for Local Pension Board on Thursday 3rd February, 2022, 6.00 pm | Barnet Council \(moderngov.co.uk\)](#)