

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND LOCAL PENSION BOARD
17 February 2022

PENSION FUND – FUND DELEGATIONS & CONTROLS

Purpose of the Report

1. This report has been prepared to set out the existing documented interactions between the Committee, the Board, and the delegations to Officers.

Background

2. Section 101 of the Local Government Act 1972 enables a local authority to arrange for the discharge of its function by a committee, a sub-committee or an officer of the authority.
3. Wiltshire Council's constitution (Part 3B, paragraph 2.5) states that the Local Authority will maintain a Wiltshire Pension Fund (WPF) Committee which will:
“exercise the functions of the Council as Administering Authority under the Local Government Superannuation Act and Regulations and deal with all matters relating thereto”
Part 3B, paragraph 2.5 of the Council's constitution is also supported by Protocol 2a of the constitution which sets out the terms of reference of the Pension Fund Committee. The documented delegations of the Fund are derived from the Committee.
4. While Part 2, Article 12.1 of the Constitutions states:
“The council may engage such staff (referred to as officers) as it considers necessary to carry out its functions.”
And Part 2, Article 12.7 of the Constitution states:
“... The Corporate Director of Resources & Deputy Chief Executive (s151 Officer) will have responsibility for the administration of the financial affairs of the council including: ...the proper administration of the authority's financial affairs, including the Wiltshire Pension Fund...”
5. The Corporate Director of Resources & Deputy Chief Executive (s151 Officer) is the most senior officer responsible for pension matters.
6. Senior Officers can further delegate decisions using a scheme of sub-delegation. The Section 151 officer has used this provision and an abridged version (dated February 2022) detailing the delegations to pensions officers is attached (see Appendix 2). In practice, most strategic decision making is undertaken by the Head of the Wiltshire Pension Fund.
7. To exercise its functions the WPF Committee oversees the work of officers at a high-level through receipt of committee papers and the operation of a framework of key documents, notably the Governance Compliance Statement last updated in March 2021, but also the Fund's Business plan, Discretion's policy, Funding Strategy Statement, Investment Strategy Statement, Cessations Policy, Communications strategy & Administration strategy documents.
8. To comply with the Public Services Pensions Act 2013 and the LGPS (Governance) Regulations 2015, the Council established the Local Pension Board. The Wiltshire

Pension Fund Local Pensions Board (LPB) also has a term of reference within the Council's constitution entitled Protocol 2b and is dated July 2020.

9. Based on the framework of key documents, & terms of reference set out above, outlined in Appendix 1 is an officer produced document entitled "Guidance to delegations" which sets out the Committee's & Board's cyclical responsibilities.
10. As part of the cycle of Fund delegations & controls, the LPB can review & make recommendations in relation to the maintenance of key documents, Committee minutes & record those recommendations within the LPB's Annual Report

Considerations for the Board

11. References to the Brunel Pension Partnership (BPP) now form part of the Fund's Governance Compliance Statement and BPP have also prepared their own terms of reference, a copy of which has been passed to the Fund. However, it is recognised that the governance framework of BPP may still need further development. Part of that development will be to ensure that the governance structures between both organisations resonate well with each other.
12. The register of sub-delegations setting out the Section 151 Officer's responsibilities is a brief summary of those responsibilities. It is expected that recent changes to the Corporate Director of Resources & Deputy Chief Executive (s151 Officer) role and senior management structure, in turn may lead to changes in the Scheme of sub-delegation document. Consequently, it is expected that these changes will form part of an on-going review during 2022. This review may also give consideration to tPR's new Single Code of Practice and the Scheme Advisory Board's good governance review, both of which are due to be published this year.

Conclusions

13. Whilst a framework of Fund delegations & controls clearly operates for the WPF it is recognised that changes to the existing operating practices, may warrant changes and certain formalisations to the current delegations & controls to ensure that this document remains current.
14. Furthermore, it is noted the existing officer delegations continue to lack detail in key areas and hence rely on a mutual understanding concerning the split of roles and responsibilities between officers and between officers and the Committee.

Environmental Impact

15. There is no environmental impact from this report.

Financial Considerations

16. There are no immediate financial considerations resulting from this report.

Risk Assessment

17. There are no immediate risks resulting from this report, however risks in the longer term may present themselves should appropriate steps not be taken.

Legal Implications

18. There are no immediate legal implications arising from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

19. There are no implications at this time.

Proposals

20. The Board is asked to note Officer conclusions and to consider whether it would be desirable for changes to be made to the structure of delegations & controls to incorporate changes arising, namely officer titles and recommendations arising from the anticipated good governance review and single code of practice. Furthermore, consideration should also be given to the breakdown of responsibilities outlined in the "Guidance to delegations" Appendix 1. These changes should include.

- a) Where required, changes also arising from published guidance; and
- b) Ensuring that the governance arrangements of both the Fund and BPP are clearly reflected which each other, as appropriate.

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