

## **WILTSHIRE COUNCIL**

WILTSHIRE LOCAL PENSION BOARD  
20 July 2016

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### **Assessing the impact of the Local Pension Board**

#### **Purpose of the Report**

1. The purpose of this report is to present for discussion how the Local Pension Board (LPB) might annually assess its own performance for potential inclusion in the LPB annual report.

#### **Background**

2. Some 89 LPBs were established by DCLG in 2015 with the aim of assisting the 89 Administering Authorities of the 89 Local Government Pension Scheme (LGPS) funds. The role of each LPB is to ensure their fund is compliant with the LGPS regulations and the requirements of the Pension Regulator, and to ensure their funds governance and administration are effective and efficient.

#### **Key Considerations for the Board**

3. Attached at Annex 1 are some updated (after discussion at our last meeting) and revised proposed performance assessments for discussion and approval by the LPB.

#### **Financial Considerations**

4. The intention is the annual assessment will utilise existing data and information and so it is not envisaged there will be any new or additional costs, and if there are they would be marginal.

#### **Risk Assessment**

5. The risks associated with undertaking this annual assessment are viewed to be low and it should benefit the overall governance of the Wiltshire Fund.

#### **Legal Implications & Environmental Impact of the Proposal**

6. None

#### **Safeguarding Considerations/Public Health Implications/Equalities Impact**

7. None

#### **Reasons for Proposals**

8. To assist the LPB undertake its statutory duties.

#### **Proposals**

9. To discuss Annex 1 and consider amendments to be re-considered and approved by the Board at its July meeting.

HOWARD PEARCE  
Chairman of the Local Pension Board

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Unpublished documents relied upon in the production of this report: NONE

## Annex 1

### Assessing the impact of the Local Pension Board

The purpose of these measures and key performance indicators (KPIs) is to measure and assess the performance, impact, and achievements of the LPB.

	<b>Topic</b>	<b>Description of measure</b>	<b>How assessed</b>	<b>Assessment July 2015 to July 2016</b>
<b>1</b>	<b>Conflicts of interest</b>	LPB members have no or only minimal conflicts of interest with any fund investments or pensions paid by the fund	All LPB members conflicts of interest are disclosed on the LPB public register	Achieved (TBC)
<b>2</b>	<b>Participation and engagement</b>	Attendance at quarterly meetings and valued inputs to the fund management between meetings	Full attendance at LPB meetings. Comments made on meeting papers. Other contributions to LPB and fund business between meetings by email or phone.	Partly achieved  Some meeting absences and no in absentia comments on the papers.
<b>3</b>	<b>Pensions knowledge</b>	LPB members level of understanding of the LGPS, the fund objectives, the fund compliance, and its relative performance	All LPB members passed all modules of the TPR public sector pensions training, attended LGPS fundamentals and all in-house fund training at LPB meetings, and all LPB training logged	Partly achieved  Member training underway.
<b>4</b>	<b>Work planning</b>	LPB members contribute to the development of the LPB work plan and its implementation	LPB has a defined work plan for at least one year ahead which is reviewed at each meeting and updated accordingly	Achieved
<b>5</b>	<b>Influence</b>	LPB members recommendations to positively contribute to the development of the overall fund strategy and policies drawing on their collective and individual experience and expertise.	Recommendations made by LPB acted upon by the fund and used in redrafting of policies or to adapt processes to assist with the internal implementation and communication of the fund compliance and stewardship.	Achieved
<b>6</b>	<b>Compliance</b>	LPB work ensures compliance with the TPR code of practice on enforcement	LPB members agreed breaches policy and reviewed fund compliance against TPR code.	Achieved
<b>7</b>	<b>Governance</b>	LPB work ensures fund complies with statutory governance standards	Fund governance compliance statement and its achievement based on DCLG standard and	Achieved

			assessment measures and refers to role of the LPB.	
<b>8</b>	<b>Administration</b>	Fund participation in annual CIPFA LGPS funds annual administration survey	LPB work encourages fund administration to adopt best LGPS practice	Achieved.  Fund compared its charges made to non-complying employers with other funds.
<b>9</b>	<b>Efficiency and Effectiveness</b>	LPB work encourages fund to actively benchmark its performance	LPB assessment of fund governance, administration, investment, and costs per member being within the range of similar sized LGPS funds	Achieved
<b>10</b>	<b>Value for money</b>	Costs of LPB	LPB actual spend less than budgeted spend	Achieved
<b>11</b>	<b>Communications and reporting</b>	LPB meetings, papers, minutes and annual reports	All available and published on fund website	Achieved
<b>12</b>	<b>Enhanced fund reputation</b>	Input by LPB members help funds external reputation to be enhanced	Positive feedback on fund and LPB in meetings, in letters, or in the news media, or Pension Fund Awards. Improving rank position in relation to other LGPS funds in national surveys.	Not achieved  Too early to assess
<b>13</b>	<b>Succession planning for LPB members</b>	Fund have high quality people saying they want to be future members of LPB	Ease of external recruitment of new or replacement LPB members based on number and suitability of future applicants.	Not achieved  Too early to assess