

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
23 September 2024

PROPOSED CONSTITUTIONAL CHANGES

Purpose of the Report

1. To bring before Board members proposed changes concerning the Board's terms of reference and the Fund's Governance Compliance Statement (GCS). Noting that:
 - a) These changes to the Board's terms of reference (Protocol 2b) will cover titles, membership and appointment processes: &
 - b) These changes to the Fund's GCS are limited to the standing down of the Investment sub-Committee in order to ensure its continued continuity with the Committee's terms of reference (Protocol 2a)

Background

2. The Local Pension Board's terms of reference (Protocol 2b) and the GCS, introduced under the LGPS Regulations 2008, were last updated in July 2020. Since then, a number of operational practices have changed in the way the Fund is governed, leading to the summary of recommended changes below:

LPB terms of reference changes

- a) Access to the guidance from an Independent Governance Adviser is to be updated:
- b) Relaxing the requirement for nominations from a trade union to a minimum of 1-member representative and a maximum of 2-member representatives, rather than the current mandating of two union reps:
- c) To review the current process for the appointment of member and employer reps. In particular, relaxing the sourcing of nominations from a particular employer group, the number of advertising cycles undertaken to fill a vacancy, the requirement for shortlisting candidates & removing the requirement to ask the active membership to vote for an active member candidate:
- d) To stipulate the term of office for the chair, by increasing it up to five years:
- e) Relaxing the requirements for appointing a vice chair on an alternate basis, between member and employer reps: &
- f) Updating the attendees in an observer capacity who may speak with the permission of the chair.

Governance Compliance Statement changes

- a) To remove all references to the Investment sub-Committee: &
- b) To reflect that the Committee meets more frequently under the new Committee meeting structure:

3. A further review of both of these documents will take place to consider relevant changes arising from the introduction of the Regulator's new general code of practice and the awaited SAB's good governance review when it is published.

Considerations for the Board

4. The Board terms reference (Appendix 1) and the GCS (Appendix 2) have been updated to reflect the changes outlined above. Members are asked to consider the changes and where required, recommend those changes be submitted to the Council's Constitution Focus group for their own consideration and onward implementation.

5. Members should note that the Committee members will be reviewing their own terms of reference (Protocol 2a) changes in October, prior to submission to the Council's Constitution Focus group.

Further review

6. As outlined in paragraph 3 the following broad areas of review and recommendation are likely to be considered:
 - a) The continued refinement of roles and responsibilities of both the Committee & Board members, so that each group can work effectively with the other: &
 - b) To review a number of definitions and clarifications within the existing suite of documents to ensure the continued continuity between documents.

Conclusions

7. Officers consider these changes will lead to a better & stronger cooperation between all parties as well as be consistent with the prevailing legislation and regulations.

Environmental Impact

8. There is no environmental impact from this report.

Financial Considerations

9. There are no immediate financial considerations.

Risk Assessment

10. There are no risks identified at this time.

Legal Implications

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

Safeguarding Considerations/Public Health Implications/Equalities Impact

12. There are no implications at this time.

Proposals

13. The Board is asked to recommend those changes be submitted to the Council's Constitution Focus group for their own consideration and onward implementation.

Jenny Devine
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Appendix 1 – LPB Terms of Reference
Appendix 2 – Governance Compliance Statement
