



Open Report on behalf of Andrew Crookham, Executive Director - Resources

Report to:	Lincolnshire Pension Board
Date:	01 December 2022
Subject:	Meetings and Delegations

Summary:

This paper brings to the Board proposed amendments to the meeting timetable for the Board following amendments to the Committee meetings timetable. In addition it provides updated information on the delegations of the administering authority administration discretions, and delegations for various investment decisions, which had previously not been formally documented. The aim of these amendments is to enable more time at Board meetings to focus on what is important to the Board, more time at Committee meetings for discussion and training, and to better document and improve the overall governance of the Pension Fund.

Recommendation(s):

That the Board consider and discuss the paper and approve the amendments to the Board meetings.

Background

1. As the Board are aware, the Scheme Advisory Board (SAB) has undertaken a governance review of the LGPS, which resulted in a draft Good Governance Review report ([Good Governance Final Report February 2021.pdf \(lgpsboard.org\)](#)) being published in 2021 and which was shared with the Committee. DLUHC have approved the recommendations, with some minor changes, and it is expected that there will be a consultation shortly with the requirements coming into effect from 1 April 2023. Officers have been reviewing the guidance to see where improvements or changes could be made to better meet the new requirements, ahead of them being introduced.

Committee meeting timetable

2. A paper was taken to the December Pensions Committee on proposed amendments to the meeting timetable. The current timetable for Committee meetings allows for four quarterly meetings, two manager presentation meetings and two training meetings each year. Officers have been considering whether there is a more

effective way of using the eight meetings to ensure there is enough time to cover all the information we need to, at the appropriate level, and to enable more time for training sessions. This will help meet the new requirements for a mandatory level of training for all members being brought in under the Good Governance Review.

3. The meeting timetable at appendix A retains the eight meetings but splits the agenda to have four meetings covering investments and stewardship and four meetings covering administration and governance, enabling additional time for more detailed discussion, presentations, and training on various topics throughout the year.
4. Appendix A sets out the expected agenda items at each meeting, and the list below shows the months for the meetings, similar to the current timetable, but allowing for when certain papers need to go before Committee for approval, such as the policies each March, or the accounts each July.
 - January – Admin and Governance
 - March – Admin and Governance
 - April – Investment and RI
 - June – Investment and RI
 - July – Admin and Governance
 - September – Investment and RI
 - October – Admin and Governance
 - December – Investment and RI
5. The new meeting timetable would be implemented from the new Council year, following the AGM in May 2023.
6. In addition to the timetable of the meetings being changed, there were some amendments suggested to the Committee on the paper content, to allow more time for discussion on the key strategic areas that the Committee are responsible for.
7. The main areas where change was recommended were:
 - Pensions Administration report – concentrating on the key areas of performance and benchmarking, a shared service update and a regulatory update – this covers the more strategic areas that the Committee should be concentrating on. The detail that is currently covered would still be reported to the Board, whose remit is for more oversight of the administration and concerns/issues can be reported back in the Chairman’s Board Update report.
 - Investment Management Report – invite the investment consultant to present at each investment meeting and go through their report on managers and performance, which should enable greater discussion for the Committee.
 - Annual Policies Review – split the large number of policies to review every three years, rather than every year, but bringing any material changes when

needed. This will enable the Committee more time to understand and discuss the policies rather than reviewing them all in one meeting.

Board Meeting Timetable

8. It is proposed that the Board meetings follow in the afternoon of the Administration and Governance Committee meetings. Given the amendments mentioned above to the Committee reports, and the changes proposed below to the papers taken to the Board, there is expected to be less overlap and duplication.
9. Appendix B sets out the expected workplan for the annual round of meetings and, as with the Committee changes, we would expect to see this implemented following the Council's AGM in May 2023.
10. It is proposed that some of the papers are re-focused to allow more time for review and challenge on the things that are important to the Board. The main areas where change is recommended are:
 - remove from the agenda the quarterly Stewardship Update Report, as this area is the responsibility of the Committee.
 - Fund Update Report – expand to include an opportunity for the Board to discuss any items from the Committee agenda, where they don't come to the Board separately.
 - Pensions Administration Report – the report to the Board will continue to provide detailed information for the oversight of the administration service, with the look and content of the report refreshed to better meet the needs of the Board.
 - Annual Policies Review – split the large number of policies to review every three years, rather than every year, but bringing any material changes as required. This will allow more time to understand and discuss the policies in detail.
 - Employer Contribution Report – remove the quarterly paper and replace with an annual item with expanded content. As well as covering monthly contributions, it would also provide an employer update (on new employers, ceased employers, ad hoc information etc.), and employer data quality. Any concerns between annual reports would be added to the agenda or included in the Fund Update Paper.

Administering Authority Administration Discretions and Investment Delegations

11. The guidance will require each administering authority to document key roles and responsibilities relating to the LGPS and publish a roles and responsibilities matrix

setting out how key decisions are reached. The matrix should reflect the authority's scheme of delegation and constitution.

12. At its October meeting, the Committee agreed amendments to improve the terms of reference set out in the constitution, which will be taken to Full Council in December for approval. The Fund has a set of administering authority discretions, which were last approved following scheme changes in 2014, but it does not currently formally document the delegations for investment decisions to be made.
13. To enable this requirement to be fully met, work has been undertaken to review the administration discretions (at appendix C) to update titles and ensure they are still fit for purpose. In addition, the delegations for investment decisions (at appendix D) have been documented, which reflect current practice. This was taken to the December meeting of the Pensions Committee for approval.

Conclusion

14. The Pensions Committee timetable has been reviewed to reflect the recommendations being made in the Good Governance Review, as set out in appendix A. These will take effect following the Council's AGM in May 2023.
15. Alongside the changes proposed to the Committee timetable, proposals have been made to amend the Board meetings to better align them to the requirements of the Pension Board.
16. In addition, the administering authority administration discretions have been reviewed and updated, and the investment decision making delegations have been formally set out. This will also enable the upcoming requirements of the Good Governance review to be met.

Consultation

a) Risks and Impact Analysis

The Pension Fund has a risk register which can be obtained by contacting the Head of Pensions.

Appendices

These are listed below and attached at the back of the report	
Appendix A	Committee Meeting Timetable
Appendix B	Local Pension Board Annual Workplan
Appendix C	Administering Authority Administration Discretions
Appendix D	Administering Authority Investment Delegations

Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Jo Ray, who can be contacted on 01522 553656 or jo.ray@lincolnshire.gov.uk.

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