

Title of Report	Frequency of Pensions Board Meetings
For Consideration By	Pensions Board
Meeting Date	15 April 2024
Classification	Public
Ward(s) Affected	All
Group Director	Jackie Moylan, Interim Group Director of Finance

1. **Introduction**

- 1.1. The Fund feels that with the introduction of a new Board it is an appropriate time to review the frequency of meetings. The Board is asked to discuss what the frequency of future Board meetings should be. This report sets out the background and things to consider.

2. **Recommendations**

- 2.1. **The Pensions Board is asked to reach agreement on the frequency of future Board meetings.**

3. **Related Decisions**

- 3.1. None

4. **Comments of the Interim Group Director of Finance**

- 4.1. The responsibilities for the Pension Fund are complex and varied covering the whole spectrum of investments, administration and financial management. The Board should ensure that meetings are held at sufficient intervals to ensure that it is meeting its requirements under the Terms of Reference.
- 4.2. Additional meetings will incur additional administration costs, but these are expected to be minimal in the context of the overall administration costs of the Fund.

5. **Comments of the Acting Director of Legal, Democratic and Electoral Services**

- 5.1. The Council has established a Pensions Board to support the Scheme

Manager of the Pension Fund in accordance with legislation. The Board is responsible for assisting the Administering Authority (the Scheme Manager) in securing compliance with legislation and The Pensions Regulator's requirements, and to ensure effective and efficient governance and administration of the LGPS.

- 5.2. The Terms of Reference of the Pensions Board are contained within Appendix 3 of the Council's Constitution. The Board provides oversight of compliance, and effective and efficient governance and administration, and is not a decision-making body.

6. **Background to the report**

- 6.1. The requirement for an Administering Authority to set up a Pensions Board was introduced by the Public Service Pensions Act 2013 (PSPA 2013) and was subsequently included in the Local Government Pension Scheme Regulations 2013 (as amended) (LGPS Regulations 2013). The regulations relating to the setting up of Pension Boards came into effect in April 2015.
- 6.2. Neither the PSPA 2013 nor the LGPS Regulations 2013 set out any requirements for how often a Pensions Board should meet.
- 6.3. In February 2015 the national LGPS Scheme Advisory Board (SAB) issued guidance for Administering Authorities on the creation and operation of Pension Boards. This guidance does not set out how often a Pensions Board should meet, although it does say that 'the frequency of Pension Committee meetings may serve as a useful benchmark for how often the Board should meet'. More detail on how this applies to the Hackney Pension Fund is set out in point 6.10 below.
- 6.4. The Terms of Reference for the Pensions Board of the Hackney Pension Fund were originally agreed in April 2015 on the initial creation of the Hackney Pensions Board and these Terms of Reference set out that the Board will meet a minimum of twice in each calendar year. The Terms of Reference have been reviewed at appropriate intervals since their introduction but the wording regarding the frequency of meetings has not changed.
- 6.5. The Board held meetings twice a year from its inception in April 2015 until September 2022. However previous Board members had queried whether two meetings a year was sufficient and a discussion was due to be held on this matter before events overtook this and the previous Board members resigned.
- 6.6. In March 2024 The Pension Regulator's (TPR's) new General Code of Practice came into force, replacing 10 previous Code of Practice including Code of Practice 14: Governance and administration of public sector pension schemes. The PSPS 2013 extended TPR's powers to public sector pension schemes, including the LGPS, and therefore LGPS funds are expected to comply with the new General Code, as they did with the previous Code of

Practice 14.

- 6.7. The 'meetings and decision-making' module of the General Code states that 'The governing body should spend an appropriate amount of time running its scheme. In most cases, the governing body will need to meet at least quarterly'. However, for a public sector pension scheme such as the LGPS the term 'governing body' in the Code encompasses the Scheme Manager, the Pensions Committee and the Pensions Board rather than referring specifically to the Pensions Board.
- 6.8. It is therefore down to each Administering Authority to determine how often its Pension Board should meet, taking into account TPR's guidance about ensuring an appropriate amount of time is spent running the scheme.
- 6.9. In the experience of the Fund's current and previous Governance Advisers, the majority of LGPS Pension Boards meet quarterly although there are some that do meet less frequently.
- 6.10. The Board should consider how many meetings a year is sufficient to carry out the proposed work plan, noting that it is likely that the Pensions Committee will meet 6 times during 2024-25. Options could include:
- Continuing to meet twice a year
 - Increasing the number of meetings e.g. to three or four a year
 - Linking the number of Pensions Board meetings to the number of Pensions Committee meetings.

Appendices

None

Background documents

None

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