

APPENDIX A

Consultation on Draft LGPS Governance Regulations

This consultation response represents the views of Nottinghamshire County Council. The Chairman and Vice Chairman of the Pensions Committee have been consulted and approved the content.

The consultation asks for a preference in respect of Regulation 106(5). One option is for the local pension board to be established under the Local Government Act 1972. The alternative is for the local authority to determine arrangements itself. Nottinghamshire County Council's preference is, for simplicity, is to establish boards under the 1972 Act. However, consideration would need to be given to making the necessary exceptions to the 1972 Act provisions, for example in relation to voting rights and joint committees.

Regulation 107 contains provision about the membership of local pension boards, and stipulates that representatives have the relevant experience and capacity to perform their respective roles. The Council asks that consideration is given to elected members forming the majority membership of boards. It is established practice for elected members to carry out scrutiny functions and this might be a more comfortable arrangement than requiring officer involvement, when it is more usual for them to act in an advisory capacity.

It is noted that board costs are to be regarded as administration costs and charged to the pension fund. The Council would welcome guidance on the payment of allowances in addition to expenses.

Regulation 113 provides that the expenses of the scheme advisory board are to be treated as administration costs and recharged to administering authorities. The County Council has no objection on the basis costs will be rechargeable to the pension fund, and that the advice and assistance provided by the advisory board will be beneficial. It is suggested that administering authorities should have the ability to nominate members to the board.

Comments are invited on whether the regulations should allow for administering authorities to establish a single body to carry out the dual functions of managing and administering their scheme, and the local pension board duties. The County Council acknowledges there could be practical difficulties with this. However provided the necessary safeguards are included there is no objection to incorporating provision in the regulations for flexibility.

The County Council has no objection to the regulations allowing shared local pension boards for flexibility. However the Council would object if it was made subject to any requirement for a shared local pension board.

Nottinghamshire already facilitates an annual forum for employers and employees. It is not therefore considered necessary to include provision in the regulations.

All public bodies are already required to comply with the Equality Duty and it is not considered necessary to include specific provision in the regulations.

In respect of knowledge and understanding of pension committee members, it is impractical to stipulate specific knowledge and capacity of democratically elected councillors as a condition of nomination to a committee. However it is considered appropriate to set requirements in respect of essential training once a councillor becomes a committee member.

Early publication of statutory guidance would be welcome to assist with making arrangements in a relatively short timescale.