

REPORT OF THE CHAIRMAN OF THE PENSIONS COMMITTEE**APPOINTMENT OF PENSIONER REPRESENTATIVES TO THE PENSION
SUB-COMMITTEE****Purpose of the Report**

1. To consider the arrangements for the appointment of pensioner representatives to the Pension Sub-Committee from May 2013.

Information and Advice

2. For many years there have been two pensioner representatives on the Pension Administration Sub-Committee. These representatives have been chosen in the past by an election of all pensioners following a nomination process. When the governance arrangements changed to the Committee system, changes were made to the Pension Sub-Committee structure and effectively the Administration Sub-Committee was subsumed into a new Pension Sub-Committee on which the two pensioner representatives continued to sit. Having pensioner representation on the Sub-Committee is considered to be best practice in the governance of the Local Government Pension Scheme.

The period of office of the current representatives; Mr Terry Needham and Mr Keith Stedman ends in May 2013 after their four year term of office.

In previous years the selection process involved information being circulated in Nest Egg. Nominations were sought from pensioners which required supporting information. If more than 2 candidates were nominated, an election by postal ballot was held.

In 2001, there were eight candidates standing for election and in 2005 there were three. In 2009 the requirement that representatives had to be nominated by ten other scheme pensioners was removed and pensioners were able to self nominate to stand for election provided that they submitted a statement of not more than two hundred words stating the reasons why they would be suitable as a pensioner representative. In 2009 a total of fourteen potential nominees put themselves forward. The maximum number of nominations to be included on the ballot was set at ten. In order to reduce the number standing for election to ten, the supporting statements received were assessed on the basis of the quality of the written statements and the experience of the nominated pensioner. Voting papers were circulated to all pensioners and the response rate was just under fifteen per cent.

There are 25,335 pensioners and 4,104 widower pensioners. The cost of running a postal ballot would therefore be significant.

An alternative approach would be to seek nominations from pensioner representatives in the same way as previously. This would be done through an article in Nest Egg and information on the Pensions website. Instead of an election the selection process would be by an Appointment Sub-Committee of the Pensions Committee consisting of Chairman, Vice-Chairman and one other. The Sub-Committee would shortlist and interview potential representatives as necessary. The Appointment Sub-Committee would be authorised to make the necessary appointments. Details of the outcome of the process would be provided on the Pensions website and reported on a subsequent edition of Nest Egg. No additional postal costs would therefore be incurred.

2.1 Other Options Considered

To discontinue having pensioner representatives on the Sub-Committee. This was not felt appropriate as there is a benefit in pensioner representatives contributing to decisions on the operations of the Pensions scheme.

2.2 Reason for the Recommendation

The proposed selection process will still enable all pensioners to be nominated but will enable the provision of a selection process at a lower cost.

Statutory and Policy Implications

3. This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, crime and disorder and those using the service and where such implications are material they have been described in the text of the report.

RECOMMENDATIONS

4.
 - 1) That approval be given to the revised arrangements for the selection of the pensioner representatives on the Pensions Sub-Committee as set out in the report.
 - 2) That an Appointments Sub-Committee consisting of the Chairman, Vice-Chairman and one other Councillor be established to appoint the two pensioner representatives as set out in the report.

Councillor Mike Cox
Chairman of the Pensions Committee

For any enquiries about this report please contact:
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Constitutional Comments (SLB 14/01/2013)

5. Pensions Committee is the appropriate body to consider the content of this report.

Service Director (Finance and Procurement) Comments (NS 18.1.13)

6. As indicated in the report, the proposed approach for the selection of pension representatives on the Pensions Sub-Committee, would not incur any cost.

Background Papers Available for Inspection – Nil

ELECTORAL DIVISION FOR MEMBERS AFFECTED - ALL