

# TEESSIDE PENSION FUND

Administered by Middlesbrough Council

AGENDA ITEM 7

## TEESSIDE PENSION BOARD REPORT

25 NOVEMBER 2024

DIRECTOR OF FINANCE – DEBBIE MIDDLETON

### Update on Work Plan Items

#### 1. PURPOSE OF THE REPORT

- 1.1 To present Members of the Teesside Pension Board (the Board) with information on items scheduled in the work plan for consideration at the current meeting and to present the Board with an updated work plan covering the next two calendar years.

#### 2. RECOMMENDATION

- 2.1 That Board Members note this report and provide any comments or suggestions in relation to the proposed updated work plan.

#### 3. FINANCIAL IMPLICATIONS

- 3.1 There are no specific financial implications arising from this report.

#### 4. BACKGROUND

- 4.1 At its meeting on 19 July 2021 the Board agreed an updated work plan for the coming months and years which set out areas for the Board to discuss or consider at subsequent meetings. These were typically areas that the Pensions Regulator and/or the Scheme Advisory Board (SAB) had identified as important for Local Pension Boards to consider. At its last meeting the Board noted that the previous iteration of the work plan finished at the end of 2024 and agreed that the Head of Pensions Governance and Investments should draft a revised Work Plan and bring this back to the Board for comment and approval.
- 4.2 The item scheduled for consideration in the work plan for this meeting is the annual review of board training – this is set out later in this report. The updated work plan is contained at Appendix A.

## 5 ANNUAL REVIEW OF BOARD TRAINING

5.1 The Local Government Pension Scheme (LGPS) Regulations 2013 were amended in line with requirements introduced by the Public Service Pensions Act 2013 for all public service pension schemes to establish a pension board. Under the LGPS Regulations, each LGPS administering authority had to set up a Local Pension Board with effect from 1 April 2015.

5.2 The Pension Fund set up the Teesside Pension Board in line with these legislative requirements. The Board's terms of reference sets out the Board's purpose as follows:

***“Statement of purpose***

*6. The Board is responsible for assisting the Administering Authority:*

*(a) to secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme; and*

*(b) to ensure the effective and efficient governance and administration of the Scheme.*

*7. The Council considers this to mean that the Pension Board is providing oversight of these matters and, accordingly, the Pension Board is not a decision making body in relation to the management of the Pension Fund. The Board makes recommendations and provides assurance to assist in the management of the Fund.”*

5.3 In order to fulfil this function, and to comply with the requirements of the overriding regulations and legislation, the Board needs to have and maintain appropriate knowledge and understanding of the LGPS and pensions in general. In particular (as set out in the Board's Terms of Reference: a member of the Board **must be conversant with:**

- the legislation and associated guidance of the Local Government Pension Scheme (LGPS), and
- any document recording policy about the administration of the LGPS that is adopted by the Teesside Pension Fund.

a member of the Board **must have knowledge and understanding of –**

- The law relating to pensions, and
- Any other matters which are prescribed in regulations.

5.4 The main documents the Board is required to be conversant with are:

Regulations and guidance

- The LGPS Regulations 2013
- LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.
- LGPS (Management and Investment of Funds) Regulations 2016

- Together with any guidance issued under these regulations.

All these documents are at <https://www.lgpsregs.org/schemeregs/index.php>

#### Scheme documents

Member booklets, announcements and other key member and employer communications

Relevant policies of the Administering Authority and/or Pension Committee (for example: conflicts of interest, record-keeping, data protection and freedom of information, internal dispute resolution procedure, reporting breaches).

- The Council's statements (in its role as Administering Authority to the Pension Fund) on
  - Governance Compliance
  - Funding Strategy
  - Investment Strategy
  - Discretionary Policies
  - Communications Policy
- The Pension Fund risk register
- The actuarial valuation report
- The Pension Fund annual report and accounts
- Pension fund external audit report

These documents are mainly available at the following websites, or have been presented to the Board previously:

[TPF - Trust Documents \(teespen.org.uk\)](https://teespen.org.uk)

[Committee details - Teesside Pension Fund Committee | Middlesbrough Council](#)

[Committee details - Teesside Pension Board | Middlesbrough Council](#)

5.5 The main areas the Board is expected to have knowledge and understanding of are:

- Background and Understanding of the Legislative Framework of the LGPS
- General pensions legislation applicable to the LGPS
- Role and responsibilities of the Local Pension Board
- Role and responsibilities of the Administering Authority
- Funding and Investment
- Role and responsibilities of Scheme Employers
- Tax and Contracting Out
- Role of advisors and key persons
- Key Bodies connected to the LGPS

## **6 TRAINING APPROACH**

6.1 Board Members receive induction training when they join the Board and are able to access training events as and when they are held for Pension Fund Committee and

Board members. Board Members are also invited to attend Border to Coast's Annual Conference which is usually held in Leeds at the end of September – this typically includes a training session, often related to investments.

6.2 The level of knowledge and understanding required cannot be acquired overnight and can be delivered in a number of ways, through (for example)

- Papers provided to the Board throughout the year
- Training sessions delivered by Council staff or by external companies
- Self-study through access to training materials and documents

6.3 An initial starting point for new Board members is to ensure they complete the Pensions Regulators on-line training modules the Public Service Toolkit, which is at the following web page:

<https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes>

6.4 Training sessions can be arranged to cover the areas set out in section 5 above. Pension Fund Committee members can also be invited to attend any training.

6.5 In addition the Fund has engaged an external provider (Hymans Robertson) to provide access for Board and Pension Fund Committee members to an on-line learning academy. This is designed to allow Board members to learn at their own pace and covers the full range of topics required to meet the knowledge and understanding requirement. Board members can access the on-line learning academy at the following link: [Aspire](#)

6.6 The Fund recently participated in a National Knowledge Assessment arranged by Hymans Robertson. The purpose of this assessment was to evaluate the overall level of knowledge and understanding of the Board and the Pension Fund Committee and identify any area which should be a particular focus for future training. Officers will work with the Board and Committee to deliver appropriate training to target any identified gaps.

## **6. NEXT STEPS**

6.1 The workplan will continue to be provided to future Board meetings.

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<b>Teesside Pension Board Work Plan</b>		
<b>Date of Board meeting and any standard items scheduled</b>	<b>Suggested areas of focus (from the Pensions Regulator's Public Service Toolkit list)</b>	<b>Suggested activities (including from the Scheme Advisory Board guidance)</b>
November 2024 Annual Review of Board Training		Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme
February 2025	Conflicts of interest	Update on Code of Practice review
April 2025 Annual Board Report	Managing risk and internal controls	Review of risk register Review internal and external audit reports
July 2025 Draft Report and Accounts	Maintaining accurate member data	Review administration reports, including data quality scores and progress in relation to any data improvement plans.
November 2025 Annual Review of Board Training	Maintaining member contributions	Review administration reports including in relation to any late payment of contributions. Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme
February 2026	Providing information to members and others	Review standard employer and scheme member communications. Review procurements carried out by Fund
April 2026 Annual Board Report	Resolving internal disputes	Review and internal dispute cases / Pensions Ombudsman cases since the last review. Review the outcome of actuarial reporting and valuations.
July 2026 Draft Report and Accounts	Reporting breaches of the law	Review breaches process and log. Review the complete and proper exercise of employer and administering authority discretions.
November 2026 Annual Review of Board Training		Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme
February 2027	TBC	TBC
April 2027 Annual Board Report	TBC	TBC
July 2027 Draft Report and Accounts	TBC	TBC
November 2027 Annual Review of Board Training	TBC	TBC