

## Local Pension Board – Review of Effectiveness 2024

### Introduction

In March 2024, members of the Local Pension Board ('Board') independently conducted an annual effectiveness survey and attended a workshop to discuss potential improvements in its effectiveness. This report summarises the survey results and the future improvements discussed at the workshop.

*The Board is asked to agree the actions to improve its effectiveness as outlined below.*

### Actions from previous Reviews of Effectiveness

The Board discussed the progress on the actions from previous reviews and pleased with the progress made.

Outstanding actions relate to:

- *Provide a shorter, more succinct reports on pensions administration for Board meetings.*
- *Develop plan to improve succession planning for Board membership.*
- *In relation to communications between the Board and the Authority, the Board welcomed the joint Away Day in November 2023. The Board also recognised the newly established meetings between the chairs and vice-chairs of the Board and the Authority. The Board would welcome a discussion around the purpose and effectiveness of these meetings.*

*The Board is asked to agree that the above outstanding actions remain relevant.*

### Board Survey Results

The survey of Board members included questions on the way Board meetings are conducted and knowledge, skills and capacity. The survey was completed by 7 of the 9 members of the Board.

The results of the survey were positive in a number of areas. All (or a significant majority of) members of the Board agreed that:

- Board papers are timely, relevant and focused on priorities and minutes are accurate and record decisions made and actions agreed.
- Discussions are facilitated to allow all Board members to contribute in order to seek opinion and develop ideas.
- Board members are not afraid to ask obvious or simple questions to ensure collective understanding.

- Meeting minutes are accurate and record decisions made and actions agreed.
- The Board works in an open, transparent and collaborative manner.
- All Board members act with integrity, declaring and managing any personal conflicts of interest.
- The Board's independent adviser helps the Board to fulfil its responsibilities.

### ***Knowledge, Skills and Capacity***

The Board recognised the Authority's increased focus on developing knowledge and skills over recent years and particularly welcomed the joint Away Day for Board and Authority members. Holding training sessions immediately after Board meetings was also welcomed, particularly where linked to content to be discussed at future meetings, although communications about these sessions could be improved.

Some Board members questioned whether the topics for training have been linked to the Board members' knowledge assessments. The Board also felt that training and/or updates for meetings could provide more insight into the issues facing the LGPS at a national level including the priorities for the Scheme Advisory Report.

The Authority's on-line knowledge library was also discussed and the Board felt that it can be difficult to navigate.

*The Board is asked to agree the following actions:*

- *Request that the Authority ensures the training plan is linked to the needs highlighted by knowledge assessments and ensure Board members have advance notice of all events.*
- *Request the Authority provides training/briefings on the issues facing the LGPS at a national level and awareness of the priorities for the Scheme Advisory Report.*
- *Request the Authority assess the effectiveness of the on-line knowledge library.*

### ***General***

The Board discussed the ways in which they undertake their role and most members felt they could be more effective in assisting the Authority by having a greater input and more involvement in Authority matters before decisions are made. Matters are usually considered by the Board after decisions are made and the opportunity to contribute is usually limited.

The Board also discussed the rotation of the chair/vice-chair roles between employer and member representatives. The Chair noted that the Authority's expectation was for the vice-chair to assume the role of chair once the chair's term had been completed (with an election held only for the vice-chair role). The Board would like clarification on the process – for example an alternative approach would be that the vice-chair is not automatically appointed to the chair role for the new municipal year (i.e. nominations would be sought,

and votes held, for both the chair and vice-chair roles irrespective of who has held the positions in the previous year).

The Board discussed options to increase its profile such as presence/promotion of the Board at the meetings/forums which the Authority holds with employers and members. This could help to improve succession planning.

The Board also discussed the fact that the Authority does not reimburse costs of caring for dependents whilst members undertake Board business. The Board also felt that the Authority offer the option for members' remuneration to be given to their employers to reimburse for time spent.

*The Board is asked to agree the following actions:*

- *Board to discuss with the Authority ways in which the Board could have greater input with Authority matters before decisions are made.*
- *Request the Authority to confirm voting arrangements for chair and vice-chair.*
- *Develop plan to improve the profile of the Board with members and employers.*
- *Request the Authority considers its policy in relation to reimbursing care expenses incurred by members undertaking Board business.*
- *Request the Authority considers its policy in relation to paying remuneration to a member's employer.*

**Clare Scott**

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**April 2024**