

**FALKIRK COUNCIL**

**Subject: GOVERNANCE ARRANGEMENTS**  
**Meeting: JOINT MEETING OF PENSIONS COMMITTEE AND PENSION BOARD**  
**Date: 26 JUNE 2015**  
**Author: CHIEF GOVERNANCE OFFICER AND CHIEF FINANCE OFFICER**

**1. INTRODUCTION**

- 1.1 This report advises of changes to the Fund's governance arrangements and seeks approval for a revised Governance Policy document.

**2. GOVERNANCE CHANGES**

- 2.1 The Pensions Committee, following consultation with the Pensions Panel and other key stakeholders, agreed to introduce revised governance arrangements for the Falkirk Council Pension Fund from 1 April 2015.
- 2.2 The changes were agreed by the Committee on 11 December 2014 and ratified by Falkirk Council on 17 December 2014 and are designed to ensure compliance with the requirements of the Local Government Pension Scheme (Governance)(Scotland) Regulations 2015 which give effect to the Public Service Pensions Act 2013.
- 2.3 The main changes were as follows:
- to dissolve the Pensions Panel from 1 April 2015
  - to establish a Pension Board from 1 April 2015
  - to maintain the existing structure of the Pensions Committee (i.e. 6 Falkirk Council members plus 3 co-opted members with one each drawn from Unions, Employers and Pensioners);
  - to have a Pension Board of 4 employer members and 4 trade union members;
  - to appoint trade union members from each of Unison, GMB, Unite and UCATT; and
  - to appoint employer members from each of Clackmannanshire Council, SEPA, SCRA and one other Scheduled or Admission Body (n.b. the Clackmannanshire Council place to be shared with Stirling Council depending on which Council is already represented on the Pensions Committee).

### **3. APPOINTMENTS TO THE PENSION BOARD**

- 3.1 Following a nomination exercise, the undernoted members have been appointed to serve on the Pension Board:-

4 Employer representatives:-

- Jennifer Welsh, Scottish Environmental Protection Agency (SEPA)
- Councillor Archie Drummond, Clackmannanshire Council
- Ed Morrison, Scottish Children's Reporter Administration (SCRA)
- Gordon Laidlaw, Scottish Autism

4 Member representatives (Trades Unions):-

- Margaret Cook, Unison
- Tommy Murphy, GMB
- Herbie Schroder, Unite
- Sandy Harrower, UCAAT

### **4. ELECTION OF PENSION BOARD CONVENER**

- 4.1 Both the Employer and the Union members are requested to nominate one of their number to be Chair the Pension Board.
- 4.2 The role of Chair of the Board requires to be rotated annually between the Union and Employer sides. The persons nominated from each side will be appointed as Chair for alternate years. The Board requires to determine which of the nominees will be the first Chair.
- 4.3 Normally, Board and Committee will meet jointly with the Convener of the Pensions Committee chairing the combined meeting.

### **5. PENSIONS COMMITTEE CHANGE**

- 5.1 Mr A.Redpath has resigned as pensioner representative from the Pensions Committee and Mr I. McLean who was the pensioner representative on the Pensions Panel has taken up the role.

### **6. GOVERNANCE POLICY DOCUMENT**

- 6.1 The Fund Governance Policy document which includes the statutory Governance Compliance Statement has been updated to reflect the recent governance changes. An updated policy document is attached for consideration as an appendix to this report.

**7. RECOMMENDATIONS**

**7.1 The Pension Board is invited to appoint a Chair.**

**7.2 The Pensions Committee and Pension Board are invited to note this report and the associated draft Governance Policy document.**

**7.3 The Pensions Committee is asked:**

- (i) to consider and approve the draft Governance Policy document; and**
- (ii) to request the officers to bring forward policy documents dealing with conflicts of interest and training arrangements.**

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**Chief Finance Officer**

**Date: 17 June 2015**

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**Chief Governance Officer**

**Date: 17 June 2015**

Contact Officers: Alastair McGirr, Pensions Manager (01324 506304)  
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**LIST OF BACKGROUND PAPERS**

**Nil**