

PE5. GOVERNANCE ARRANGEMENTS

The Committee and Board considered a joint report by the Chief Finance Officer and Chief Governance Officer advising of changes to the Fund's governance arrangements and seeking approval of a revised Governance Policy document.

The report advised that the Pensions Committee, following consultation with the former Pensions Panel and other key stakeholders, agreed to introduce revised governance arrangements for the Falkirk Council Pension Fund from 1 April 2015. The changes were agreed by the Committee on 11 December 2014 and ratified by Falkirk Council on 17 December 2014.

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 Trades Union members;
- to appoint Trades Union members from Unison, GMB, Unite and UCATT; and
- to appoint employer members from each of Clackmannanshire Council, SEPA, SCRA and one other Scheduled or Admission Body with the Clackmannanshire Council place being shared with Stirling Council depending on which Council was already represented on the Pensions Committee.

The report detailed:-

- the appointed employer and Trades Union representatives following a nomination exercise to serve on the Pension Board;
- there being a resignation from the Committee;
- that members of the Board were requested to nominate one of their number to serve as Chair of the Board, to be rotated annually between the Trades Union and Employer sides; and
- the Fund Governance Policy document including the updated statutory Governance Compliance Statement to reflect the recent governance changes.

Decision

The Committee and Board noted:-

- (1) the report;**
- (2) the associated draft Governance Policy document as detailed in the Appendix to the report;**
- (3) the correction to the Unison appointment on the Board to that detailed within the report to Susan Crook and not Margaret Cook; and**

- (4) that Andy Douglas had been appointed by Unison to the Committee to replace Mary Keggan.

The Board (a) nominated Councillor Drummond to serve as Chair of the Board from the Employers side; (b) requested that the Trades Union nomination would be submitted to the Clerk to the Board, and (c) that both sides agree and thereafter notify the Clerk to the Board of which side would take the role of Chair first for a period of one year.

The Committee agreed:-

- (1) the nomination of Councillor Drummond as Chair to the Board from the Employers side and that the nomination from the Trades Union side would be submitted to the Clerk to the Board together with the rotational arrangements;
- (2) the draft Governance Policy document; and
- (3) that officers bring forward policy documents dealing with conflicts of interest and training arrangements.