



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**COUNCIL**

**WEDNESDAY, 22 MARCH 2023**

**Report of the Interim Director of Finance and ICT**

**Derbyshire Pension Board - Appointment of Independent Chair**

**1. Purpose**

- 1.1 To seek approval for the appointment of an Independent Chair for Derbyshire Pension Board (the Pension Board/the Board).

**2. Information and Analysis**

- 2.1 Section 5 of the Public Service Pensions Act 2013 and Regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended by the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015) introduced a requirement for administering authorities of local government pension funds to establish local pension boards as part of an enhanced governance structure for the Local Government Pension Scheme (LGPS).

Pension boards were introduced to assist administering authorities to secure compliance with pension legislation and to ensure the effective and efficient governance and administration of the LGPS. Derbyshire County Council is the administering authority of Derbyshire Pension Fund (Pension Fund/the Fund).

In April 2015, Council approved the establishment of Derbyshire Pension Board and its inaugural terms of reference. Council has subsequently reviewed the operation of the Board, extended Board

terms of membership, approved Board appointments and approved updated terms of reference which are attached as Appendix 2.

The Board has successfully supported the Pensions and Investments Committee in discharging the Council's statutory functions under the LGPS Regulations and associated pension legislation related to the Fund. The Board has also encouraged the administering authority in its drive to adopt best practice in relation to the governance and administration of the Pension Fund.

The Board is made up of two Member Representatives and two Employer Representatives, together with an Independent Chair. The Independent Chair must be neither a member of the Pension Fund, nor a representative of a Fund employer.

2.2 Following previous Council approvals of Board appointments, the Member and the Employer Representatives of the Board are as follows:

<b>Role</b>	<b>Name</b>	<b>Start Date of Term</b>	<b>Term</b>	<b>Expiry</b>
Member Rep	Karen Gurney	Jun 2019	4 Years	Jun 2023
Member Rep	John Sadler	Nov 2022	4 Years	Nov 2026
Employer Rep	Oliver Fishburn	May 2019	4 Years	May 2023
Employer Rep	Susan Ambler	Feb 2022	4 Years	Feb 2026

2.3 The role of the Independent Chair of the Pension Board, which is a non-voting position, is to:

- ensure that the Board carries out the functions set out in its Terms of Reference
- develop a work plan for the Board in conjunction with officers of the Council
- determine the agenda for meetings of the Board in conjunction with officers of the Council
- ensure that meetings of the Board are productive and effective, and that opportunity is provided for the views of all Board members to be expressed and considered
- prepare a draft Annual Pension Board Report in conjunction with officers of the Council, for consideration by the Board

2.4 The term of office of the current Board Chair, Ronald Graham, is due to expire on 31 March 2023. A recruitment exercise has been undertaken to appoint a Board Chair from 1 April 2023 for a four year fixed term

period, subject to periodic review. Remuneration for this role is £10,000 p.a. plus reasonable expenses.

This position was advertised as follows:

- on the Fund's website
- through the County Council's recruitment site
- by the Local Government Association to its LGPS contacts
- via LinkedIn

2.5 Four applications were received, including one from the current Chair of the Pension Board. All of the candidates were interviewed by the Chair of the Pensions and Investments Committee, the Head of Pension Fund and by one of the Fund's Pensions Officers.

The candidates were evaluated against their responses to interview questions which explored their knowledge, experience and fit for the role. The current Chair of the Pension Board, Ronald Graham, achieved the highest score.

Mr Graham has substantial experience of pension matters as a solicitor, partner and, subsequently, as a consultant, specialising in pensions law with one of the largest law firms in the UK, prior to his retirement from day to day legal work.

It is proposed that Ronald Graham is reappointed as Chair of Derbyshire Pension Board for a term of four years, subject to periodic review.

### **3. Implications**

3.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

### **4. Background Papers**

4.1 Background papers held by the Head of Pension Fund:

- Derbyshire Pension Board Independent Chair Role & Person Specification
- Applications for the position of Independent Chair of the Pension Board

## **5. Appendices**

5.1 Appendix 1 – Implications

5.2 Appendix 2 – Derbyshire Pension Board Terms of Reference

## **6. Recommendation(s)**

That Council:

Approves the appointment of Ronald Graham as Independent Chair of Derbyshire Pension Board for a term of four years from 1 April 2023.

## **7. Reasons for Recommendation(s)**

7.1 To ensure that Derbyshire Pension Board has an appropriate Independent Chair in line with its Terms of Reference.

**Report Author:** Dawn Kinley

**Contact details:** dawn.kinley@derbyshire.gov.uk

## **Implications**

### **Financial**

- 1.1 The cost of the Independent Chair for Derbyshire Pension Board is met by the Pension Fund.

### **Legal**

- 2.1 Regulation 105(2) of the Local Government Pension Scheme Regulations 2013 (as amended) allows an administering authority to delegate any function under those Regulations. An administering authority is also required under Regulation 109 to 'have regard' to guidance issued by the Secretary of State in relation to local pension boards. Under government guidance issued in 2015 when Pension Boards were first established, the administering authority has to consider carefully the establishment of its local pension board and the appointment of its members. The guidance indicates that this should be a function undertaken by the administering authority (i.e. full council) rather than delegated to a committee or officers.

### **Human Resources**

- 3.1 None

### **Information Technology**

- 4.1 None

### **Equalities Impact**

- 5.1 None

### **Corporate objectives and priorities for change**

- 6.1 None

### **Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

- 7.1 None