

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Pension Fund Panel
Date:	15 December 2010
Title:	Pension Fund Panel representatives
Reference:	2424
Report From:	County Treasurer

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1. Executive Summary

- 1.1. This report sets out arrangements for the co-opted representatives on the Pension Fund Panel.

2. Background

- 2.1. At the meeting on 5 November 2010 the Panel deferred consideration of whether changes should be made to the representation on the Panel of other employers.
- 2.2. Decisions on the membership of the Pension Fund Panel, including co-opted representatives, are a matter for the County Council. If the Panel wishes to make recommendations about future representation, they would be reported for decision to the County Council.

3. Pension Fund Panel composition

- 3.1. There are currently 13 members of the Pension Fund Panel:

Table 1 – Pension Fund Panel membership

Hampshire County Council	9 county councillors	
Portsmouth and Southampton City Councils	Cllr Jeremy Moulton	to 30 September 2012
Hampshire district councils	Cllr Peter Giddings, Test Valley Borough Council	to 31 July 2013

Table 1 – Pension Fund Panel membership

Pensioners	Mr EW Hughes	annual rolling basis, expiring 31 March
Contributors	Mr Phillip Reynolds	to 31 July 2013

- 3.2. All the co-opted representatives have full voting rights.
- 3.3. It is appropriate for the County Council, as the administering authority of the Pension Fund, to have a working majority of the membership of the Panel.
- 3.4. In addition, the Panel needs to be a manageable size so that it can operate effectively. An alternative approach could be to have a larger Panel with smaller sub-Panels for matters such as investments or administration. But that would be more expensive to administer and support.

4. Changes to the representation on the Panel

- 4.1. At the recent Annual General Meeting of the Pension Fund, councillors from Basingstoke and Deane Borough Council repeated their previous requests that an additional representative on the Panel should be granted to the Hampshire district councils.
- 4.2. If this request is agreed and the representation of the Hampshire district councils increased from one to two, it could eventually be organised on a geographical basis, such as north and south, when the existing representation from Test Valley comes to an end at 31 July 2013. The division between north and south could be as set out in Table 2. This gives a broadly equal division of the districts between north and south, on the basis of the number of contributors.

Table 2 – Hampshire districts divided between north and south

North	South
Basingstoke & Deane	Eastleigh
East Hampshire	Fareham
Hart	Gosport
Rushmoor	Havant
Test Valley	New Forest
Winchester	

- 4.3. The existing representative of the Hampshire district councils, Councillor Peter Giddings of Test Valley Borough Council, was nominated by the Hampshire and Isle of Wight Local Government Association (HloWLGA). If the proposal for a second representative is agreed by the County Council, HloWLGA could be invited to nominate a second representative, noting that

councillors from Basingstoke and Deane Borough Council have already expressed an interest in the position.

5. Portsmouth and Southampton City Councils

- 5.1. The current representative of the two city councils, Councillor Moulton of Southampton City Council, has requested that the Panel consider a proposal that both Portsmouth and Southampton City Councils should each have a permanent representative on the Panel. This would replace the existing arrangement of the representative alternating between the city councils every two years. Councillor Jeremy Moulton is supported in this request by Councillor Donna Jones of Portsmouth City Council who was the representative prior to the transfer to Councillor Moulton on 1 October 2010.

6. Implementation of changes to the Panel's membership

- 6.1. If the Panel accepts the suggestions that the representation of the Hampshire district councils and the city councils should both be increased by one, it will be necessary for the County Council to consider the Panel's recommendations. That could take place following the next County Council elections in 2013, with the additional representation taking effect from mid 2013.
- 6.2. This proposal would increase the size of the Panel in 2013 from 13 to 15 members. The majority of county councillors on the Panel would reduce from five to three, but this should be a working number. The Panel will be larger and a little more unwieldy but should be manageable.
- 6.3. In practice, the Panel has not operated along stakeholder lines. Panel members have sought to take actions that are in best interest of the Pension Fund as a whole and in accordance with their fiduciary duties, and not simply reflected their representational constituencies.

7. Representation for other employers

- 7.1. No further changes to the membership of the Panel are proposed, with no direct representation for the Hampshire Police Authority, Hampshire Fire and Rescue Authority, Hampshire Probation Trust, the universities, colleges and schools, town and parish councils, and the various admission bodies.
- 7.2. The existing arrangements for keeping all employers informed will continue, including the Annual Report, the Annual Employers Meeting, newsletters, liaison meetings and the Pension Fund's website.

8. Pensioners' representative

- 8.1. Mr E.W. Hughes has served as the pensioners' representative on the Pension Fund Panel since the position was first introduced in 1994. The Panel has previously agreed that Mr Hughes' appointment should be on a rolling annual basis, expiring each 31 March.

- 8.2. Mr Hughes has indicated that he is willing to continue if the Panel wishes.
His appointment could be rolled over for a further year, until 31 March 2012.

9. Recommendations

- 9.1. That the County Council be recommended to increase the number of co-opted representatives on the Pension Fund Panel of the Hampshire district councils from one to two, with effect following the County Council elections in 2013.
- 9.2. That the County Council be recommended that both Portsmouth and Southampton City Councils be invited to nominate a co-opted representative on the Pension Fund Panel instead of alternating every two years, with effect following the County Council elections in 2013.
- 9.3. That Mr Hughes be invited to continue as the pensioners' representative on the Pension Fund Panel on an annual rolling basis, until 31 March 2012.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because actions are required to continue the appropriate advice arrangements for the Hampshire Pension Fund.
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Other Significant Links

Links to previous Member decisions:		
<u>Title</u> None	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u> None	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. Equality objectives are not considered to be adversely affected by the proposals in this report.

2. Impact on Crime and Disorder:

- 2.1. The proposals in this report are not considered to have any direct impact on the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

No specific impact.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No specific impact.