

**PENSION FUND ADMINISTRATION STRATEGY**

**Reason for this Report**

1. To review the proposed Administration Strategy for the Pension Fund.

**Background**

2. Regulation 59 of the LGPS Regulations 2013 states that Administering Authorities may prepare and publish an Administration Strategy. The Pension Regulator had recommended that the Cardiff and Vale of Glamorgan Pension Fund implement an Administration Strategy.
3. The draft Administration Strategy was considered by the Local Pension Board at its meeting on 18 January 2021.

**Issues**

4. The draft Administration Strategy for the Fund is attached as Appendix 1. The objective of the Administration Strategy is to formulate the administrative arrangements between the Cardiff and Vale of Glamorgan Pension Fund (the administering authority) and the participating employing authorities (the employers). The Strategy should clearly define the roles and responsibilities of the Pension Fund and the Employing Authorities. In preparing (or reviewing and making revisions to) its Strategy, an Administering Authority must consult its Scheme employers and such other persons as it considers appropriate.
5. The Strategy will include :-
  - Procedures for liaison and communication between the administering authority and the employers.
  - The establishment and agreement of levels of performance which the administering authority and the employers are expected to achieve in carrying out their respective Local Government Pension Scheme (LGPS) functions. Performance data will be published.
  - Procedures to secure compliance with statutory requirements for those functions
6. The Administration Strategy must be reviewed on at least an annual basis. If revisions to the Fund's Administration Strategy are proposed then the Fund must consult with its

employing authorities. Material changes to the Administration Strategy will be presented to the Local Pension Board for their consideration prior to being presented to the Pension Committee for consideration and approval.

7. The Administration Strategy must be published and any revisions to the Strategy must also be published. A copy of the revised strategy must be sent to each employing authority. The strategy will be published on the Fund's website

## Legal Implications

8. Pursuant to and in accordance with Regulation 59 of the Local Government Pension Scheme Regulations 2013 (as amended) ("the LGPS Regulations") an administering authority may prepare a pension administration strategy in relation to such of the matters mentioned therein. Where it does prepare such a administration strategy regulation 59 also specifies what actions are then required of the administering authority in relation to the said administration strategy.
9. Regulation 59 of the LGPS Regulations is set out in Appendix 1 to the report.
10. The recommendation does not appear to raise any specific legal implications however the general legal advice set out below should be considered.

### 11. General Legal Advice

Any decision must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council eg. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its tax payers; and (h) be reasonable and proper in all the circumstances and comply with any equalities legislation.

The Council also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.

The Well-Being of Future Generations (Wales) Act 2015 ("the Act") places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2019-22: <https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Corporate-Plan/Pages/Corporate-Plan.aspx>

The well-being duty also requires the Council to act in accordance with ‘sustainable development principle’. This principle requires the Council to act in a way, which seeks to ensure that the needs of the present are met without comprising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
- Focus on prevention by understanding the root causes of problems
- Deliver an integrates approach to achieving the 7 national well-being goals
- Work in collaboration with others to find shared sustainable solutions
- Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council has to consider the Well-being of Future Guidance (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.

## **Financial Implications**

12. There are no financial implications arising directly from this report.

## **Recommendations**

13. That the Committee approves the Administration Strategy.

**CHRISTOPHER LEE**  
**CORPORATE DIRECTOR RESOURCES**

Appendix 1 Administration Strategy