

PENSION FUND ADMINISTRATION STRATEGY

Reason for this Report

1. To review the 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 Fund's Administration Strategy was approved by the Pension Committee at its meeting on 8 February 2021.

Issues

4. 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 includes :-
 - 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 and with the Local Pension Board. The Administration Strategy was

considered by the Local Pension Board at its meeting on 29 April 2022 and no changes were proposed.

7. The Administration Strategy for the Fund is attached as Appendix 1 with the strategy also being published on the Fund's website

Legal Implications

8. Various legislation, regulation, and government guidance impose obligations on administering authorities in relation to the administration of the LGPS, including in relation to requirements to prepare and maintain prescribed strategy statements.
9. The recommendations refer to the fund's Pension Administration Strategy and seeks approval of the same. Pursuant to 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 an administration strategy regulation 59 also specifies what actions are then required of the administering authority in relation to the said administration strategy. If required, further advice may be sought in relation to discharging obligations or carrying out functions under the LGPS Regulations.
10. Regulation 59 of the LGPS Regulations is set out in Appendix 2 to the report.
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 2022-25 : <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>

Financial Implications

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

Recommendations

13. That the Committee approves that no changes are required to the Fund's current Administration Strategy.

CHRISTOPHER LEE CORPORATE DIRECTOR RESOURCES

Appendices

Appendix 1 Administration Strategy

Appendix 2 Regulation 59 of the LGPS Regulations 2013 Pension Administration Strategy