

# **CIPFA Pensions Network – Implementing Governance and Efficiency**

**4th July 2014**

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# Outline

- Views on our current governance arrangements
- How these may need to adapt
- What 'good practice' looks like

I intend to look at:

Existing pressures and responses to these;

Developing internal pressures and influences; and

An avalanche of new external challenges.

# Where are we starting from?

## Across the LGPS:

- Scarce skills base;
- Recruitment and retention issues;
- Roles;
- Support services (adequacy, focus);
- The funding gap;

## Solutions

**Successes – could try harder?**

# Internal Pressures

- 3 schemes. At least.
- Outsourcing, academies, engaged employers
- New administrations across London (and next year a General Election...)
- ... with a different set of priorities and a mandate
- Austerity
- Blurred boundaries, too many hats and a Cinderella service.

# Just a few more pressures

- A different (wider) definition of local government with new responsibilities
- Accounts and audit
- Fiduciary duty
- Let's not forget our membership

# External Factors

Where do you start?

- New LGPS. That's the most recent new LGPS, not the next new LGPS. Or the one before that.
- Governance arrangements
- External scrutiny – FOIs, CTax Alliance, Daily Mail
- Shadow Boards (local & National)
- tPR
- Passive vs Active
- Reform of investment regs

# More External Factors

- Lack of data, facts, information, informed debate
- Lack of resources, support for initiatives
- The 'size' question
- Engagement with 'the Industry' – an awakening giant?
- Anything else that might be around the corner.

# Some Initiatives

- Croydon Frameworks (Investment Advisors, Benefits Consultancy and Actuarial Services – single providers)
- West Country Initiatives
- National LGPS Frameworks
- Pan-London collaboration
- Tri-Boroughs, the Wandsworths, LGSS, Cumbria and others
- Scotland and Wales

# Some More Initiatives

- London CIV
- Not forgetting:
  - LAPFF
  - LPFF
  - London Councils
  - NAPF
  - PIP

# To summarise

- Plenty of challenges
- Acknowledgement and engagement, at least from us
- Many examples of best practice
- Many works in progress
- Need time to bed in, assess, understand, learn and share.

# Any questions before lunch?