

Wandsworth Local Pension Board Conflict of Interest Policy

Whilst members of the Pension Board may be subject to other legal requirements when exercising functions as a member of the Pension Board, the Regulator expects the requirements which specifically apply by virtue of the Public Service Pensions Act 2013 to be met and the standards of conduct and practice set out in its Code of Practice to be complied with.

A conflict of interest is defined in section 5(5) of the 2013 Act as “a financial or other interest which is likely to prejudice a person’s exercise of functions as a member of the Pension Board, but does not include a financial or other interest arising merely by virtue of membership of the scheme or any connected scheme”.

Therefore, a conflict of interest may arise when a member of a Local Pension Board must fulfil their legal duty to assist the Administering Authority and at the same time they have:

- a separate personal interest (financial or otherwise); or another responsibility in relation to that matter, giving rise to a possible conflict with their first responsibility as a Local Pension Board member; or
- someone they have a close personal relationship with (such as a spouse or sibling) has such a personal interest or responsibility

To ensure the Board is fully transparent in the performance of its role, a 3 stage process is used to ensure potential conflicts of interest are :

- Identified
- Monitored
- Managed

Identify

The Administering Authority will maintain a Register of Interests for the Board. All Pension Board members are required to notify the Council’s Monitoring Officer of any disclosable interest within 28 days of taking office. This requirement excludes the interest inherent in their appointment as either an employer or member representative as this interest is integral to the appointment.

It is the duty of any appointed Pension Board member to declare any potential conflict of interest. If an interest has not previously been declared and a relevant item is on the agenda the Board Member must disclose it at the beginning of the Board Meeting under the Declaration of Interest or during the item if it becomes apparent there is a relevant interest during discussions. These declarations will be minuted and recorded in the Register of Interests.

Monitor

The Pension Board shall identify and monitor any potential conflict of interests in a Register of Interests. The Register will be presented to Board annually, asking members to confirm or update their records. The Board will then consider if the mitigation included in the Register is sufficient or whether any of the interests disclosed preclude continued membership.

This report will be a public document and will be published as part of the Board's governance arrangements.

Declaration of Interests is a standing Board agenda item and Board members must use this item to disclose any new interests or whether a known interest is relevant to an item on the agenda.

Manage

Where a potential conflict of interest is disclosed, the Board member should also disclose the actions they will take to ensure this potential conflict does not manifest.

The member cannot participate in any discussion of, vote on, or discharge any function related to any matter in which they have an interest, unless dispensation has been granted.

If the Pension Board suspects any potential conflict of interest has not been fully mitigated it should report its concerns to the Scheme Manager and take legal advice if needed.