



<b>Report for:</b>	Pensions Committee: 23 June 2014	<b>Item number</b>	
<b>Title:</b>	Terms of Reference of the Pensions Committee		
<b>Report authorised by :</b>	Assistant Director of Corporate Governance and Monitoring Officer		
<b>Lead Officer:</b>	Oliver Craxton (Tel. 020 8489 2615)		
<b>Ward(s) affected:</b> Not applicable	<b>Report for Key/Non Key Decision:</b> Not applicable – for information.		

**1. Describe the issue under consideration**

To inform the Pensions Committee of its Terms of Reference as agreed by Full Council on 24 March 2014.

**2. Cabinet Member Introduction**

Not applicable.

**3. Recommendations**

That the report be noted.

**4. Other Options Considered**

Not applicable.

**5. Background Information**

- 5.1 Full Council, at its meeting on 24 March 2014, agreed to the establishment of a Pensions Committee with effect from 1 April 2014.
- 5.2 Prior to the Full Council meeting pensions matters had been within the remit of the Council's Corporate Committee. However, Full Council were



informed that the benefits of establishing a pensions committee were (1) to free up Corporate Committee time for non pension issues, (2) to better manage the training and knowledge and skills requirements through a smaller focused committee, and (3) to streamline decisions by having detailed debates at the decision making Pensions Committee rather than the non-decision making Pension Working Group, which will rarely be required in future.

- 5.2 Pension fund issues previously occupied a significant proportion of the Corporate Committee's available time. Proposals to reform Local Government Pension Schemes (LGPS) will introduce additional governance requirements. In particular there will be a need to demonstrate that members taking decisions have sufficient knowledge and skills to understand the issues. This will involve both increased training and periodic assessments of the effectiveness of training. Meeting these requirements within a dedicated Pensions Committee is more achievable than when applied to the larger Corporate Committee.
- 5.3 Full Council were further informed that an additional advantage of establishing a Pensions Committee was that the detailed monitoring, currently undertaken by the Pension Working Group, can be assumed by the Pensions Committee thereby streamlining decision making.
- 5.4 During 2013 the Government consulted on the LGPS governance arrangements and is expected to require the establishment of a Pensions Board with employee and pensioner representation to scrutinise the work of the Pensions Committee. Should the Government regulate as expected this will require a second pension related entity to be established to carry out the scrutiny function, although the decision making responsibility will remain with the Pensions Committee.

## **6. Comments of the Chief Financial Officer and Financial Implications**

- 6.1 Most committee time is devoted to investment matters although it should be noted that employer and member issues fall within the remit of the Committee.
- 6.2 The terms of reference should be kept under review and revised both to reflect changes in regulation but also the Committee's appraisal of its role.
- 6.3 There are no direct financial implications arising from the contents of this report.

## **7. Assistant Director of Corporate Governance Comments and Legal Implications**



**Haringey** Council

Where appropriate these are contained in the individual delegations.

**8. Equalities and Community Cohesion Comments**

N/A

**9. Head of Procurement Comments**

N/A

**10. Policy Implications**

N/A

**11. Use of Appendices**

Appendix 1 – Terms of Reference of the Pensions Committee.

**12. Local Government (Access to Information) Act 1985**

N/A

Background Papers

The following background papers were used in the preparation of this report:

Report on 'Establishment of a Pensions Committee from 1 April 2014' submitted to Full Council on 24<sup>th</sup> March 2014.

The background papers are located at River Park House, 225 High Road, Wood Green, London N22 8HQ