

# **Terms of reference for the Pension Board of LB Haringey**

## **1) Introduction**

The purpose of this document is to set out the terms of reference for the Pension Board of the London Borough of Haringey Pension Fund (“the Fund”) as required by the Public Service Pensions Act 2013.

The Scheme Manager for the purposes of the Public Sector Pensions Act 2013 is London Borough of Haringey (“LB Haringey”). Its functions are discharged in accordance with the Council’s scheme of delegation by the Pensions Committee.

## **2) Responsibilities of the Pension Board**

The role of the Pension Board as defined by sections 5 (1) and (2) of the Public Service Pensions Act 2013, is to assist LB Haringey in ensuring the effective and efficient governance and administration of the Fund including; –

- i) to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS,
- ii) to secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator, and
- iii) in such other matters as the LGPS regulations may specify.

The Council retains ultimate responsibility for the administration and governance of the Fund and has delegated its functions as scheme manager & administering authority of the Fund to the Pensions Committee. The role of the Pension Board is to support the Pensions Committee to fulfil that responsibility and secure compliance with any requirements imposed by the Pensions Regulator.

The principle functions of the Pension Board shall include:

- (i) Seeking assurance that due process is followed with regard to Pensions Committee decisions.
- (ii) Considering the integrity and soundness of Pensions Committee decision making processes.

## **3) Membership**

The Pension Board shall consist of 5 members and be constituted as follows:

- i) 2 employer representatives, being 1 from LB Haringey and 1 from other scheduled and admitted employers;
- ii) 2 scheme member representatives, being 1 active and 1 pensioner & deferred members; and

- iii) 1 independent member, who will also act as Independent Advisor to the Board.

The Chair of the Pension Board will be the Council representative. In the absence of the Council representative, the meeting will appoint a chair.

All members of the Board will have equal voting rights.

The Board may, with the approval of the Pensions Committee, co-opt no more than two persons to advise and support them. Co-optees are not Board members and do not have voting rights.

#### **4) Appointment of Board Members**

The Council representative will be appointed by Full Council and may be either a Councillor who is not a member of the Pensions Committee or an officer of the Council.

The Admitted and Schedules bodies representatives will be nominated by employers other than the Council. If there is more than one nomination a panel consisting of the Chair of the Pensions Committee, Chair of the Pension Board and CFO to the Council will select a candidate.

The active scheme member representatives will be appointed jointly by trade unions who represent working scheme members.

The pensioner and deferred member representative will be selected through an open invitation to apply. If there is more than one nomination a panel consisting of the Chair of the Pensions Committee, Chair of the Pension Board and CFO to the Council will select a candidate.

The Independent member who will also be Independent Advisor to the Board will be appointed by a panel consisting of the Chair of the Pensions Committee, Chair of the Pension Board and CFO to the Council. The Independent member will be required to be a person with good proven knowledge, experience and understanding of the LGPS and a clear understanding of the scrutiny function.

Each member of the Board will serve for a period of four years and will be eligible to be re-appointed in accordance with the above processes, subject to compliance with the conditions of appointment.

Each Board member should endeavour to attend all Board meetings during the year. No substitutes shall be permitted. Should a Board member miss two consecutive meetings then the tenure of that membership will be reviewed by the other Board members and may be terminated, in which case a new appointment process will commence for the remainder of the term.

Other than by ceasing to be eligible as set out above, a Board member may only be removed from office during a term of appointment by the unanimous agreement of all

of the other members. The removal of the independent member or Council representative requires the consent of the Chair of the Pensions Committee.

Should a member of the Board resign, a replacement will be appointed using the appropriate process outlined above.

### **5) Quorum & Voting**

The Board shall have a formal quorum of three comprising at least one employer and one employee representative. Advisers and co-opted persons do not count towards the quorum. All decisions will be by majority of votes unless stated otherwise in these terms, although it is expected that the Board will, as far as possible, reach a consensus.

### **6) Meetings**

The Board shall meet sufficiently regularly to discharge its duties and responsibilities. There will be a least two meetings a year, with additional meetings if the Board so agrees.

The Council shall give notice to all Pension Board members of every meeting of the Pension Board. The Council shall ensure that a formal record of Pension Board proceedings is maintained. Following the approval of the minutes by the Chair of the Board or Board committee, they shall be circulated to all members.

### **7) Standards of Conduct and Conflicts of Interest**

All members of the Board are expected to act in accordance with the Code of Conduct for Councillors where applicable. In accordance with s5(5) Public Service Pension Act 2013 Board members must not have a financial or other interest that could prejudice them in carrying out their Board duties. This does not include a financial or other interest arising merely by virtue of membership of the LGPS.

### **8) Budget and Business Plan**

The Board will prepare a Business Plan and Budget each year to be approved by the Pensions Committee.

### **9) Board Review Process**

The Board will undertake each year a formal review process to assess how well it and its sub-committees (if any), and the members are performing with a view to seeking continuous improvement in the Board's performance.

### **10) Advisers to the Board**

The Board may be supported in its role and responsibilities through the appointment of advisers, in addition to the Independent member and shall, subject to any

applicable regulation and legislation from time to time in force, consult with such advisers on such terms as it shall see fit to help better perform its duties including:

- Officers from the Council's Finance, HR, Legal and other teams as needed;  
The Fund's Actuary;
- T The Fund's Investment Managers and Custodian;
- The Fund's Investment Consultant; and
- Other advisers, so approved by the Scheme Manager.

The Board shall ensure that the performances of the advisers to the Board are reviewed on a regular basis.

### **11) Knowledge and Skills**

Every member of the Pension Board must be conversant with –

- 1 The legislation and associated guidance of the LGPS.
- 2 Any document recording policy about the administration of the LGPS which is for the time being adopted by the LB Haringey Pension Fund.

It is for individual Pension Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Pension Board.

Pension Board members are required to be able to demonstrate their knowledge and understanding and to keep these up to date. Pension Board members are therefore required to maintain a written record of relevant training and development.

The Council will provide a training programme, which all Board members must attend.

### **12) Accountability**

The Pension Board will refer all relevant recommendations and decisions to the Pensions Committee.

### **13) Expense Reimbursement, remuneration and allowances**

Remuneration for Board members will be limited to a refund of actual expenses incurred in attending Board meetings and training. Remuneration for the Chair and Independent member, who will also act as Independent Advisor to the Board, will be agreed on appointment and approved by the Pensions Committee.

### **14) Publication of Pension Board information**

The Council will publish up to date information on the Council's website including:

- The names and information of the Pension Board members.
- The Board's terms of reference.
- Papers, agendas and minutes of meetings.