

Draft Terms of Reference for the Joint Pension Committee and Board of LB Haringey

1) Introduction

- 1.1 The purpose of this document is to set out the terms of reference for the Joint Pension Committee and Board of the London Borough of Haringey Pension Fund (“the Committee & Board”) as required by the Public Service Pensions Act 2013 (“the Act”) and the Local Government Pension Scheme Regulations 2013 (“the Regulations”).
- 1.2 The Scheme Manager for the purposes of the Public Sector Pensions Act 2013 is London Borough of Haringey (“LB Haringey”). Its functions as administering authority are discharged in accordance with the Council’s Constitution by this Committee.

2) Responsibilities of the Committee & Board

- 2.1 The role of the Committee & Board is:
- (a) To exercise the functions which are stated not to be the responsibility of The Executive in Regulation 2 and Schedule 1 paragraph H of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) and in any Statute or subordinate legislation further amending these Regulations relating to those matters concerning the Local Government Pension Scheme. The Committee & Board’s functions are those of the “Administering Authority” under the Pensions legislation.
 - (b) Exercising all the Council’s functions as “Administering Authority” and being responsible for the management and monitoring of the Council’s Pension Fund and the approval of all relevant policies and statements. This includes:
 - (i) Selection, appointment and performance monitoring of investment managers, AVC scheme providers, custodians and other specialist external advisers;
 - (ii) Formulation of investment, socially responsible investment and governance policies and maintaining a statement of investment principles and funding strategy statement;
 - (iii) Determining the allocation of investments between each asset class;
 - (iv) Reviewing specialist external advisers performance;
 - (v) Publicising statements and policy documents as required by legislation, government directives and best practice.
 - (c) To monitor and as appropriate to decide upon Pensions Administration issues.
 - (d) Monitoring the Pension Fund Budget including Fund expenditure and actuarial valuations; and to receive the Pension Fund Budget annually.
 - (e) To agree to the admission of bodies into the Council’s Pension scheme.
 - (f) To receive actuarial valuations.
 - (g) To ensure that members receive appropriate training to undertake their responsibilities.
 - (h) To approve the Annual Accounts of the Local Government Pension Scheme and consider recommendations from the Auditor.

- (i) To secure compliance with:
 - i) the Regulations,
 - ii) and any other legislation relating to the governance and administration of the Scheme and any connected scheme,
 - iii) any requirements imposed by the Pensions Regulator in relation to the Scheme and any connected scheme, and
- (k) To ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

3) Membership

3.1 The Committee & Board shall consist of 10 members and be constituted as follows:

Employer Representative

Two representatives from scheduled and admitted employers, other than LB Haringey, whose councillors are ineligible as employer or employee representatives.

Employee Representatives

Two scheme membership representatives, one being appointed by local trade unions and the other selected from scheme member nominations.

Other

Six Councillors appointed by the administering authority.

3.2 The Chair of the Committee & Board will be one of the Council representatives.

3.3 The Chair will ensure that meetings are properly conducted, decision making is clear and professional advice is followed. The decision of the Chair on all points of procedure and order shall be final. The Chair will monitor the performance and attendance of Committee & Board members and if appropriate make recommendation to terminate appointments in accordance with section 4 below.

3.4 All members of the Committee & Board will have equal voting rights. The Chair will have a casting vote.

3.5 The Committee & Board may co-opt no more than two persons to advise and support them. Co-optees are not Committee & Board members and do not have voting rights.

4) Appointment of Committee & Board Members

4.1 The employer representatives will be nominated by employers other than the Council. If there are more than two nominations a panel consisting of the Chair of the Committee & Board and CFO to the Council will select a candidate.

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

- 4.3 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 Committee & Board and CFO to the Council will select a candidate.
- 4.4 The administering authority will appoint six 'other' members of the Committee.
- 4.5 Prospective members of the Committee & Board will be required to demonstrate to the Chair of the Committee & Board that they have the capacity to represent other employers and employees (as appropriate) and that they do not have a conflict of interest. The decision of the Chair will be final.
- 4.6 Each employer and employer representative 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. Other members will be appointed and replaced by the administering authority.
- 4.7 Each Committee & Board member should endeavour to attend all meetings during the year. No substitutes shall be permitted for employer and employee representatives. Employer and employee representatives will remain as members of the Committee & Board during their appointed term of office unless in the opinion of the administering authority they are not adequately performing their role (including non attendance at two consecutive meetings), they become incapable of acting, they cease to represent their constituency, they resign or a replacement member is nominated by their relevant nominating body. If an appointment is terminated a new appointment process will commence for the remainder of the term.
- 4.8 Other than by ceasing to be eligible as set out above, a Committee & Board member may only be removed from office during a term of appointment by Full Council.

5) Quorum & Voting

- 5.1 The Committee & Board shall have a formal quorum of five comprising at least three Council and two employer or employee representatives. Advisers and co-opted persons do not count towards the quorum. All decisions will be by majority of votes, with the Chair having a casting vote when the votes are initially tied unless stated otherwise in these terms, although it is expected that the Committee & Board will, as far as possible, reach a consensus.

6) Meetings

- 6.1 The Committee & Board shall meet sufficiently regularly to discharge its duties and responsibilities. There will be a least four meetings a year, with additional meetings if the Committee & Board so agrees.
- 6.2 Notice of all meetings will be provided to Committee & Board Members at least 30 days in advance, unless agreed otherwise by Committee & Board Members.
- 6.3 The agenda for each meeting will be agreed by the Chair and all papers will be circulated to Members at least one week prior to the date of the meeting.
- 6.4 A formal record of Committee & Board proceedings will be maintained. Following the approval of the minutes by the Chair, they shall be circulated to all members.

6.5 The Committee & Board has the power to set up working groups on whatever terms that it determines and will prepare terms of reference for these entities.

7) Standards of Conduct and Conflicts of Interest

7.1 All members of the Committee & Board, Councillors and others, are expected to act at all times within these terms of reference and in accordance with the Members' Code of Conduct. In accordance with section 108 of the Regulations Board members must not have a financial or other interest that could prejudice them in carrying out their duties. This does not include a financial or other interest arising merely by virtue of membership of the LGPS.

7.2 Each Committee & Board member must provide the Council with such information as is reasonably required for the purpose of demonstrating that there is no conflict of interest.

8) Budget and Business Plan

8.1 The Committee & Board will prepare a Business Plan and Budget each year.

9) Committee & Board Review Process

9.1 The Committee & Board will undertake each year a formal review process to assess how well it and the members are performing with a view to seeking continuous improvement in performance.

10) Advisers to the Committee & Board

10.1 The Committee & 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 independent Advisor;
- The Fund's Actuary;
- The Fund's Investment Managers and Custodian;
- The Fund's Investment Consultant; and
- Any other appointed advisers.

10.2 Remuneration to advisors appointed by the Committee & Board must be in accordance with the Budget.

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

11) Knowledge and Skills

11.1 Every member of the Committee & Board must be conversant with –

1 The rules 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.

11.2 It is for individual Committee & Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions.

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

11.4 The Council will provide a training programme, which all Committee & Board members must attend. Training undertaken will be reported at each meeting.

12) Expense Reimbursement, remuneration and allowances

12.1 Remuneration for Employee and Employer Representatives who are not Councillors will be limited to a refund of actual expenses incurred in attending meetings and training. Remuneration for Councillors will be in line with Council policy.

12.2 The expenses of the Committee & Board are a part of the costs of administrating the Pension Fund.

13) Publication of Committee & Board information

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

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