

**CAMBRIDGESHIRE LOCAL PENSION BOARD –
TERMS OF REFERENCE & STANDING ORDERS**

To: **Cambridgeshire Local Pension Board**

Date: **27th October 2017**

From: **Democratic Services**

Purpose: **The Cambridgeshire Local Pension Board is asked to consider its Terms of Reference and Standing Orders.**

Recommendation: **The Cambridgeshire Local Pension Board is asked to recommend to Council:**

- (a) any revisions to its Terms of Reference as set out in Appendix A in the Council's Constitution; and**
- (b) any revisions to its Standing Orders as set out in Appendix B including changes proposed at its meeting.**

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1. BACKGROUND

- 1.1 The Administering Authority when establishing its Local Pension Board should create terms of reference for the Board on the basis that the Board is a stand-alone body but it is also a requirement for its terms of reference to be approved, in accordance with its Constitution. These terms of reference should be reviewed periodically and at each material change in regulations impacting on the Local Pension Board.
- 1.2 The County Council, at its meeting on 24th March 2015, agreed the establishment of a Local Pension Board for Cambridgeshire County Council (the Administering Authority). It also agreed the necessary changes to the Council's Constitution to allow the creation of the Board.
- 1.3 The Standing Orders and Terms of Reference were presented to the Board at its first meeting, then following amendment were formally adopted at its meeting held on 21st October 2015. Following the meeting of the Local Pensions Board in April 2017, a Board Member requested a review of the Terms of Reference and Standing Orders be undertaken by the Board.
- 1.4 The Board is invited to review, comment and recommend any amendments to its Terms of Reference and Standing Orders to Council.

2. GUIDANCE ON THE CREATION AND OPERATION OF LOCAL PENSION BOARDS IN ENGLAND AND WALES

- 2.1 The Government has issued Guidance designed to assist Administering Authorities in the creation and operation of Local Pension Boards in line with relevant legislation and in particular The Public Service Pensions Act 2013 and The Local Government Pension Scheme Regulations 2013 (as amended). See link http://www.lgpsboard.org/images/Guidance/LGPS_Board_Guidance_FINAL_PUBLISHEDv1%20clean.pdf

Source Documents	Location
Local Government Pension Scheme (Amendment) (Governance) Regulations 2015	Jo Walton, LGSS Pensions Service Governance and Regulations Manager Tel - 01604 367030 E-mail - jwalton@northamptonshire.gov.uk
Council – Agenda and Minutes 24 March 2015	http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/Meeting.aspx?meetingID=925



Appendix A

9.2 PENSION FUND BOARD

The Council shall establish a local pension board with the following membership and powers:-

Membership

Representatives of	Number of seats	Term of Appointment	Method of Appointment
Employers	3	4 Years or until qualification for membership ceases	Two representatives to be appointed by Cambridgeshire County Council Full Council One representative appointed via an open and transparent selection process.
Scheme Members	3	4 Years or until qualification for membership ceases	To be appointed via an open and transparent selection process.
Total	6		

Delegated Authority	Statutory Reference/ Condition
Authority to assist the administering authority in securing compliance with (i) the Principal 2013 Regulations, (ii) any other legislation, and (iii) requirements imposed by the Pensions Regulator in relation to the Scheme.	Local Government Pension Scheme (Amendment) Regulations 2014 (Regulation 106(1)(a) & (b))
Authority to assist the administering authority in ensuring the effective and efficient governance and administration of the Scheme.	As above (Regulation 106(1)(b))

The Chairman/woman and Vice-Chairman/woman of the Board shall be elected by the Pension Fund Board.

Cambridgeshire Pension Fund Board (Standing Orders)

1. Notice of Meetings

Meetings of the Board will be convened by the Administering Authority, who will also arrange the clerking and recording of meetings (a member of the County Council's Democratic and Members' Services Team will act as Clerk). Officers from the LGSS Pension Service will provide pension fund information to the Board.

The agenda and papers for meetings must be available at least five clear working days before the meeting.

2. Chairmanship

A Chairman/woman and Vice-Chairman/woman will be appointed by the employer and member representatives of the Board from among their own number but not from the same sector of representatives.

The role of the Chairman/woman is to ensure meetings are properly conducted, decision making is clear and professional advice is followed. The Chairman/woman will agree the agenda and approve the minutes for each meeting.

3. Other members

The Board may appoint other members with the agreement of the Administering Authority. Other members will not have voting rights on the Board.

4. Reporting

The Board should in the first instance report its requests, recommendations or concerns to the Pension Committee.

On receipt of a report, the Committee should, within a reasonable period, consider and respond to the Board.

Where the Board is not satisfied with the response received it may request that a notice of its concern be placed on the website and in the Fund's annual report.

Where the Board is satisfied that there has been a breach of regulation which has been reported to the Committee and has not been rectified within a reasonable period of time it is under an obligation to escalate the breach.

The appropriate internal route for escalation is to the Monitoring Officer and the Section 151 officer.

The Board may report concerns to the LGPS Scheme Advisory Board for considering subsequent to, but not instead of, using the appropriate internal route for escalation.

Board members are also subject to the requirements to report breaches of law under the Act and the Code [and the whistleblowing provisions set out in the

Administering Authority's whistle blowing policy].

The Board will publish an annual report of its activities for that year and include it part of the Pension Fund's annual report.

5. Board Knowledge and Understanding

Every individual who is a member of the Board must be conversant:

- with the rules of the Local Government Pension Scheme;
- any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund.

Every individual who is a member of the Board must also have knowledge and understanding of:

- the law relating to pensions; and
- such other matters as may be prescribed.

The Board shall establish and maintain a Knowledge and Understanding Policy and Framework to address the knowledge and understanding requirements that apply to Board members under the Act.

6. Members' Conduct

The Board should at all times act in a reasonable manner in the conduct of its purpose. Part 5 - Codes and Protocols of the County Council's Constitution will therefore apply to all members of the Board

http://www.cambridgeshire.gov.uk/info/20050/council_structure/288/councils_constitution

The Board should always act within its terms of reference and standing orders.

7. Termination of Membership

Board membership may be terminated prior to the end of the term of office due to:

- (i) a member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Fund;
- (ii) a member representative no longer being a scheme member or a representative of the body on which their appointment relied;
- (iii) an employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;
- (iv) a Board member no longer being able to demonstrate to the Administering Authority their capacity to attend and prepare for meetings or to participate in required training;
- (v) the representative being withdrawn by the nominating body and a replacement identified;
- (vi) a Board member has a conflict of interest which cannot be managed in

accordance with the Code of Conduct;

- (vii) a Board member who is an elected member becomes a member of the Pensions Committee;
- (viii) a Board member who is an officer of the Administering Authority becomes responsible for the discharge of any function of the Administering Authority under the Regulations.

8. Role of Advisors

The Board will seek alternative routes for advice prior to outside advisors being commissioned at considerable cost. The approval of the Section 151 is required if the Board needs to pay advisers.

9. Urgent Items of Business and the Publication of Information

The Board will follow the requirements of the Local Government Access to Information Act 1985 as set out in the Administering Authority's Constitution.

10. Working Groups/Sub-Committees

The Board will have the power to set up working groups/sub committees if appropriate.

11. Expenses

Board members will be able to claim reasonable expenses from the Pension Fund if claimed within two months.

Travel by private vehicles will be reimbursed at the rates set for tax allowance purposes by the Inland Revenue for business travel. Currently these are 45p per mile for the first 10,000 miles and 25p a mile thereafter and an additional 5p per mile where a passenger (another councillor) is carried.

Parking fees and public transport fares will be reimbursed at cost on production of a valid ticket or receipt. In the case of travel by rail, standard class fare or actual fare paid (if less) will be reimbursed.

12. Public Access to Board Meetings and Information

The Board meetings can be open to the general public (unless there is an exemption under the relevant legislation which would preclude part (or all) of the meeting from being open to the general public.

The following will be entitled to attend Board meetings in an observer capacity:

- (a) Members of the Pension Fund Committee;
- (b) Any person requested to attend by the Board.

Any such attendees will be permitted to speak at the discretion of the Chairman/woman.

13. **Data Protection**

The Administering Authority, Cambridgeshire County Council, assumes the role of the Data Controller.

14. **Amendment of the Terms of Reference (Constitution) and Standing Orders**

The Board may recommend variations to its Terms of Reference or Standing Orders by a simple majority vote by the members provided that prior notice of the nature of the proposed variation is made and included on the agenda for the meeting. The recommendation will then need to be approved by Full Council.