

9. Pension Fund Committee

Membership

Representatives of	Number of seats	Term of Appointment	Method of Appointment
Cambridgeshire County Council Members	6	4 years from County Council elections	Determined by Cambridgeshire County Council Full Council.
All other local authorities, police and fire	2	4 years	Nominations determined by a leaders/chief executives' group. Selection would be linked to the respective employers' election cycle. Details of process to be agreed by the Chair.
All other employers	1	4 years	Nominations to be determined by eligible employers. Details of process to be agreed by the Chair.
Active scheme members	1	4 years	Determined by Unison. Where Unison fails to nominate a committee member for any period of six months or more, nominations will be requested from all eligible active scheme members and a representative will be picked following interviews. Details of process to be agreed by the Chair.
Deferred and pensioner scheme members	1	4 years	Determined by Unison. Where Unison fails to nominate a committee member for any period of six months or more, nominations will be requested from all eligible deferred and pensioner scheme members and a representative will be picked following interviews. Details of process to be agreed by the Chair.
Total Committee Members	11		

Substitutes: Full Council may appoint substitute members to the Pension Fund Committee in accordance with the scheme of substitution.

Delegated Authority	Statutory Reference/ Condition
<p>Authority to set the Pension Fund’s objectives and determine and maintain appropriate strategies, policies and procedures with ongoing monitoring in relation to the following areas:</p> <ul style="list-style-type: none"> (i) Funding Strategy – Ongoing monitoring and management of the liabilities including ensuring appropriate funding plans are in place for all employers in the fund, overseeing the triennial valuation and interim valuations, and working with the actuary in determining the appropriate level of employer contributions for each employer. (ii) Investment strategy – To determine the fund's investment objectives and to set and review the long-term high level investment strategy to ensure these are aligned with the fund's specific liability profile and risk appetite and to oversee the delivery of the investment strategy by the LGPS ACCESS Joint Committee. (iii) Administration Strategy – The administration of the fund including collecting payments due, calculating and paying benefits, gathering from and providing information to scheme members and employers. (iv) Communications Strategy – Determining the methods of communications with the various stakeholders including scheme members and employers. (v) Discretions – Determining how the various administering authority discretions are operated for the fund. (vi) Governance - The key governance arrangements for the fund, including representation. (vii) Risk Management Strategy – To include regular monitoring of the fund’s key risks and agreeing how they are managed and/or mitigated. 	<p>Regulations under the Superannuation Act 1972</p>
<p>Authority to approve and apply the policy on, and to take decisions relating to, employers joining and leaving the fund. This includes which employers are entitled to join the fund, any requirements relating to their entry, ongoing monitoring and the basis for leaving the fund.</p>	<p>As above</p>

Delegated Authority	Statutory Reference/ Condition
Authority to agree the terms and payment of bulk transfers into and out of the fund in consultation with the Section 151 Officer.	As above
Authority to consider and approve business plans at least annually and monitor progress against them and to monitor compliance with the Myners Principles on an annual basis.	As above
Authority to develop and maintain a training policy for all Pension Fund Committee and Sub-Committee members and for all officers of the fund, including determining the fund's knowledge and skills framework, identifying training requirements, developing training plans and monitoring attendance at training events.	Regulations under the Superannuation Act 1972
Authority to select, appoint, monitor and where necessary terminate advisors to the fund not solely relating to investment matters.	As above
Authority to approve and issue administering authority responses to consultations on LGPS matters and other matters where they may impact on the fund or its stakeholders.	As above
Authority to consider and determine where necessary, alternative investment strategies for participating employers.	As above
Authority to oversee the work of the Investment Sub-Committee and consider any matters put to them by the Investment Sub-Committee.	As above
Authority to set up sub-committees and task and finish groups including jointly with other LGPS administering authorities.	As above
Authority to review and amend the strategic investment policies on an appropriate regular basis, in consultation with the Section 151 Officer.	As above
Authority to manage any other strategic or key matters pertaining to the Fund not specifically listed above.	As above
Production of an annual report for consideration by the Council.	

Delegated Authority	Statutory Reference/ Condition
<p>In relation to pooled asset arrangements under the LGPS ACCESS Joint Committee:</p> <ul style="list-style-type: none"> (i) Determining the requirements of the administering authority in relation to the provision of services by LGPS ACCESS to enable it to execute its investment strategy effectively; (ii) Receiving and considering reports from the LGPS ACCESS Joint Committee in order to ensure that the fund's investor rights and views are represented appropriately; and (iii) Ensuring arrangements are in place to identify and manage the risks and costs associated with investment pooling. 	

9.1 Pension Fund Committee Investment Sub-Committee

The Pension Fund Committee shall establish an Investment Sub-Committee with the following membership and powers:

Membership

All Investment Sub-Committee members shall be drawn from committee membership including substitutes. The Chair and Vice-Chair of the Investment Sub-Committee shall be the Chair and Vice-Chair of the committee respectively.

Representatives of	Number of seats	Term of Appointment	Method of Appointment
Cambridgeshire County Council Members	4	As above	Determined by Cambridgeshire County Council representatives on the Committee. Details of process to be agreed by the Chair.
All other employers	2	Up to term of office ceasing in accordance with Committee membership or six years whichever is later	Determined by non-Cambridgeshire County Council employer representatives at the Committee. Details of process to be agreed by the Chair.
Scheme member representative	1	Up to term of office ceasing in accordance with Committee membership or six years whichever is later	By agreement between active and deferred/pensioner representatives on Committee. Details of process to be agreed by the Chair.
Total	7		

Substitutes: The Pension Fund Committee may appoint substitute members to the Investment Sub-Committee in accordance with the scheme of substitution. Similarly, substitutes for the representatives of all other employers and of scheme members may be appointed by eligible employers and by Unison respectively.

Delegated Authority	Statutory Reference/ Condition
Authority to implement the fund's investment strategy including setting benchmarks and targets for the investment pool operator and reviewing performance against those benchmarks.	Regulations under the Superannuation Act 1972

Delegated Authority	Statutory Reference/ Condition
Authority to review and maintain the asset allocation of the fund within parameters agreed with the Pension Fund Committee.	As above
Authority to appoint and terminate investment managers to the fund and to monitor the performance of investment managers leading to review and decisions on termination where necessary where this is not undertaken by the LGPS ACCESS Joint Committee.	As above
Authority to appoint and monitor and where necessary terminate external advisors and service providers solely relating to investment matters, for example, the fund custodian, independent investment advisers, investment consultants and investment managers where this is not undertaken by the LGPS ACCESS Joint Committee.	Regulations under the Superannuation Act 1972
Authority to set benchmarks and targets for the fund's investment managers where this is not undertaken by the LGPS ACCESS Joint Committee.	As above
Authority to monitor the risks inherent in the fund's investment strategy in relation to the fund's funding level.	As above
<p>Authority to monitor and review:</p> <ul style="list-style-type: none"> (i) Legislative, financial and economic changes relating to investments and their potential impact on the fund; (ii) The investment management fees paid by the fund and to implement any actions deemed necessary; (iii) The transactions costs incurred by the fund across its investment mandates and raise relevant issues and concerns with the investment providers as necessary; (iv) The investment providers' adoption of socially responsible investment considerations, on an annual basis, including corporate governance matters and a review of compliance with the UK Stewardship Code. 	As above
Authority to receive reports from investment providers.	As above
Authority to undertake any task as delegated by the Pension Fund Committee.	As above

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	At least 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		

The Chair and Vice-Chair of the Board shall be elected by the Pension Fund Board.

Summary of Functions

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))

Rules of Procedure for the Pension Fund Committee, Investment Sub-Committee and Pension Fund Board

The Council's Rules of Procedure set out in Part 4 of the Constitution apply to the Pension Fund Committee, the Investment Sub-Committee and Pension Fund Board, except where they concern the following matters:

- Frequency of meetings;
- Appointment of Chair and Vice-Chair;
- Voting rights;
- Quorum; or
- Training requirement.

In which case the rules are modified as necessary to accommodate the provisions set out in the table below.

Frequency of Meetings	<p>The Pension Fund Committee will meet a minimum of five times a year. The date, hour and place of routine meetings shall be fixed by the committee, but the Chair may call additional meetings if deemed necessary.</p> <p>The Investment Sub-Committee will meet a minimum of four times a year. The date, hour and place of routine meetings shall be fixed by the committee, but the Chair of the Sub-Committee may call additional meetings if deemed necessary.</p> <p>The Local Pension Fund Board will meet a minimum of four times a year. The date, hour and place of routine meetings shall be fixed by the board, but the Chair may call additional meetings if deemed necessary.</p>
Chair and Vice-Chair's Term of Office	<p>The normal term for the Pension Fund Committee and Board's chair and vice-chair shall be one year subject to earlier removal by vote of the Pension Fund Committee or Board respectively.</p>
Voting Rights	<p>All Pension Fund Committee members, Investment Sub-Committee members and Local Pension Fund Board members shall have the right to vote in their respective meetings.</p>
Quorum	<p>5 (1/3 plus 1) committee members shall form a quorum for meetings of the Pension Fund Committee.</p> <p>4 (1/3 plus 1) Investment Sub-Committee members shall form a quorum for meetings of the Investment Sub-Committee.</p> <p>3 (1/3 plus 1) Board members shall form a quorum for meetings of the Local Pension Fund Board (shall include at</p>

	<p>least one each from the employer and member sides). No business requiring a decision shall be transacted at any meeting of the Pension Fund Committee or Investment Sub-Committee or Local Pension Fund Board unless the meeting is quorate. If it arises during the course of a meeting that a quorum is no longer present, the chair shall either suspend business until a quorum is re-established or declare the meeting at an end and arrange for the completion of the agenda at the next meeting or at a special meeting.</p>
<p>Training Requirement</p>	<p>Members may not take part in meetings of the Pension Fund Committee, Investment Sub-Committee or Local Pension Fund Board unless they have complied with any training requirements set out by the Chair of the Pension Fund Board or for Board members as set out in the Public Services Pensions Act.</p>

Cambridgeshire Pension Fund Board (Standing Orders)

1. Notice of Meetings

Meetings of the Pension Fund 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 Pensions 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. Chair

A Chair and Vice-Chair 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 Chair is to ensure meetings are properly conducted, decision making is clear and professional advice is followed. The Chair will agree the agenda and approve the minutes for each meeting.

Either or both the Chair and Vice-Chair, or a substitute board member from the same side (i.e. employer or scheme member representative), will be present at interviews to recruit members of the board.

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 Fund Committee.

On receipt of a report, the Pension Fund 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 Pension Fund's annual report.

Where the board is satisfied that there has been a breach of regulation which has been reported to the Pension Fund 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:

- (a) The rules of the Local Government Pension Scheme; and
- (b) 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:

- (a) The law relating to pensions; and
- (b) 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 Council's Constitution will therefore apply to all members of the board.

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

7. Termination of Membership

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

- (a) A member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Pension Fund;
- (b) A member representative no longer being a scheme member or a representative of the body on which their appointment relied;

- (c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;
- (d) 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;
- (e) The representative being withdrawn by the nominating body and a replacement identified;
- (f) A board member has a conflict of interest which cannot be managed in accordance with the Code of Conduct;
- (g) A board member who is an elected member becomes a member of the Pensions Committee;
- (h) 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 Local Pension Fund Board will seek alternative routes for advice prior to outside advisors being commissioned at considerable cost. The approval of the Section 151 Officer 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 Her Majesty's Revenue and Customs 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 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 Chair.