

# **LONDON BOROUGH OF HARROW PENSION FUND**

## **PENSION BOARD**

### **DRAFT TERMS OF REFERENCE**

#### **1) Introduction**

The purpose of this document is to set out the Terms of Reference for the Pension Board (the Board) of the London Borough Harrow Pension Fund (the Fund).

#### **2) Responsibility of the Board**

The responsibility of the Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013, is to assist the Administering Authority (London Borough of Harrow) as Scheme Manager in ensuring the effective and efficient governance and administration of LGPS including:

- securing compliance with the Local Government Pension Scheme (LGPS) regulations and other legislation relating to the governance and administration of the LGPS;
- securing compliance with requirements imposed in relation to the LGPS by the Pensions Regulator; and
- such other matters the LGPS regulations may specify.

The Administering Authority retains ultimate responsibility for the administration and governance of the scheme. The role of the Board is to support the Administering Authority to fulfil that responsibility and secure compliance with any requirements imposed by the Pensions Regulator.

In its role, The Board will have oversight of the administration of the fund including:

- a) The effectiveness of the decision making process
- b) The direction of the Fund and its overall objectives
- c) The level of transparency in the conduct of the Fund's activities
- d) The administration of benefits and contributions

### **3) Membership**

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

- (i) 2 Employer representatives – Administering Authority (1), other scheduled and admitted bodies [ie organisations other than the Administering Authority who, under the regulations, can participate in the LGPS] (1);
- (ii) 2 Scheme Member representatives – active members (1), pensioners (1); and
- (iii) 1 independent member

Each member of the Board will serve or a period of three years. subject to compliance with conditions of appointment.

The Chair of the Board will be elected by the Board at its first meeting and will serve for a period of three years.

The Board may, with the approval of the Administering Authority, co-opt persons to advice and support them. Co-optees are not Board members and do not have voting rights..

### **4) Appointment of Board members**

All Board members will be appointed by Full Council. It is a statutory requirement that the Administering Authority must be satisfied that a person to be appointed as an employer or scheme member representative has the relevant experience and capacity to represent employers or scheme members (as appropriate)

- Administering Authority to nominate one Employer representative
  - The second Employer representative to be nominated by the scheduled and admitted bodies. If more than one is nominated, Council will determine who is to be appointed.
- (i) Scheme member representatives to be selected through a process administered by the Administering Authority with a recommendation to Council
  - (ii) Independent member – applications to be invited by public advertisement with a recommendation by the s151 Officer to Council.

### **4) Meetings**

The Board shall meet twice a year.

An extraordinary meeting will be called when the Chair considers this necessary and/or in circumstances where the Chair receives a request in writing by 50% of the voting membership of the Board

### **5) Quorum**

A quorum will comprise 3 of the 5 members of which at least one shall be an Employer representative and one a scheme member representative.

## **6) Decision making**

Each member of the Board will have an individual voting right but it is expected that the Board will, as far as possible, reach a consensus. The Chair of the Board will have the final deciding vote which will be reported to the Administering Authority.

## **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, a Board member 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 member of the LGPS.

## **8) Knowledge and Skills**

Following appointment each member of the Board should be conversant with:

- The legislation and associated guidance of the LGPS
- Any document recording policy about the administration of the LGPS which is for the time being adopted by the Fund

The Administering Authority will provide a training programme which all Board members will be required to attend.

## **9) Accountability**

The Board will refer all relevant recommendations and decisions to the Pension Fund Committee of the Administering Authority and, where appropriate to Full Council. It will present a report on its work to the Full Council once a year.

## **10) Publication of Pension Board Information**

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

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

## **11) Expense Reimbursement**

Each member of the Board and any co-opted persons, excluding elected Councillors of the London Borough of Harrow and Council Officers will be reimbursed at a rate of £445 per annum (exclusive of VAT if payable) . All members of the Board and any co-opted persons will be paid “out-of-pocket” expenses when carrying out the functions of the Board including approved training.