

CARDIFF & VALE OF GLAMORGAN PENSION FUND

LOCAL PENSION BOARD TERMS OF REFERENCE (AMENDED JUNE 2018)

1. Introduction

The purpose of this document is to set out the Terms of Reference for the local Pension Board of the Cardiff & Vale of Glamorgan Pension Fund. The Pension Board is established by Cardiff Council under the powers of Section 5 of the Public Service Pensions Act 2013 and regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).

2. Role of the Pension Board

The role of the local Pension Board as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 and regulation 106(1) of the LGPS Regulations is to assist Cardiff Council as Scheme Manager and Administering Authority

- to secure compliance with the LGPS regulations and any other legislation relating to the governance and administration of the scheme
- to secure compliance with any requirements imposed by the Pensions Regulator in relation to the LGPS
- to ensure the effective and efficient governance and administration of the scheme

3. Appointment of Members of the Pension Board

The Pension Board shall consist of **7** members and be constituted as follows:

- **3** employer representatives
- **3** scheme member representatives
- **1** non-voting independent member who shall chair the Board

Members will be appointed in accordance with the following process:

The Corporate Director Resources of Cardiff Council will determine and publish the eligibility and selection criteria that will apply, having due regard to the requirements of the Public Service Pensions Act, the LGPS Regulations and any relevant guidance.

Employer Representatives

Stage 1: Each employer with employees in active membership of the Cardiff & Vale of Glamorgan Pension Fund may nominate up to two persons as employer representatives. The Chair of the Pensions Committee together with the Corporate Director Resources shall consider all persons so nominated and meeting the eligibility criteria and appoint up to three representatives.

Stage 2: If insufficient eligible persons are nominated the Chair of the Pensions Committee together with the Corporate Director Resources shall take such actions as are necessary to complete the number of employer representatives.

Scheme Member Representatives

Stage 1: Each trade union with members in membership of the Fund may nominate up to two persons as scheme member representatives. The Chair of the Pensions Committee together with the Corporate Director Resources shall consider all persons so nominated and meeting the eligibility criteria and appoint up to three representatives.

Stage 2: If insufficient eligible persons are nominated the Chair of the Pensions Committee together with the Corporate Director Resources shall take such actions as are necessary to complete the number of scheme member representatives.

Appendix 1

Independent Member

The Chair of the Pensions Committee together with the Corporate Director Resources shall appoint the independent member following external advertisement and selection process as appropriate.

Members are appointed for a period of four years and are eligible for reappointment at the end of their first term of office. A representative member's appointment will terminate if the member resigns or the Corporate Director Resources following consultation with the member's nominating employer or trade union, and the Chair of the Board determines that the member no longer has the capacity to represent employers or scheme members. Non-attendance at two consecutive meetings will trigger a review of a member's eligibility to remain on the Board. Vacancies on the Board may be filled from persons previously nominated and remaining eligible to be appointed, or by inviting new nominations.

4. Code of Conduct

Relevant sections of Cardiff Council's Code of Conduct for Members and Co-opted Members shall apply in relation to the standards of conduct of Pension Board members.

The Board may prepare and adopt its own Code of Conduct.

5. Quorum & Voting

The Board shall be quorate when at least three members are present including at least one Employer Representative and one Scheme Member representative.

Each employer and scheme member representative present shall have a vote. The Chair will not have a vote and shall ensure that proposals are properly put to a vote when consensus cannot be reached. The Annual Report of the Pension Board will record the results of any decisions put to a vote.

6. Role of the Chair

The role of the Chair will be to ensure that meetings of the Board are properly conducted and that all views are fully heard and considered. The Chair shall agree the agenda for each Board meeting and sign the minutes after approval at the following meeting.

7. Frequency, Location and Administration of Meetings

The Board will meet at least twice in each financial year. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via telephone conferencing or e-mails. The Board will normally meet in the Cardiff or Vale of Glamorgan areas during office hours. A schedule of meetings shall be prepared on an annual basis. Notices of meetings including the agenda and papers shall be circulated to members no later than three clear working days before the meeting.

8. Reporting

The minutes of the Pensions Board will routinely be reported to the Pensions Committee. If the Pensions Board has any concerns it should initially report the concerns to the Pensions Committee. Where the concerns are sufficiently serious the Pension Board has the right to report directly to Council. This could be for a fundamental breach of the Regulations or, fundamental failure by the Administering Authority to ensure the effective governance of the fund. It could also be where a concern has been raised with the Pensions Committee and the Local Pension Board consider that the Pension Committee has not taken appropriate action to rectify the issue.

9. Remuneration and Expenses

Board members who are employees of an employer in membership of the Fund will not be entitled to any attendance allowance if attending during their normal working hours with their employer's permission. Board members attending meetings or any other Board business (e.g. training) in their own time will be entitled to an allowance in accordance with Cardiff Council's scheme of allowances for co-opted committee members. The Chair of the Board will be entitled to an allowance in accordance with the scheme of allowances for co-opted committee chairs. All Board members will be entitled to reclaim any expenses incurred in attending Board meetings or training events.

10. Conflicts of Interest

Each person nominated for membership of the Board must declare that they do not have any conflicts of interest as defined by the Public Service Pensions Act, and provide such information as may be required to confirm their eligibility for appointment. Members of the Board must declare prior to each meeting that they continue not to have any conflicts of interest.

11. Knowledge and Skills

Each member of the Board must be conversant with:

- the legislation and associated guidance of the Local Government Pension Scheme
- any policy document recording policy in respect of the administration of the LGPS which is adopted for the Cardiff & Vale of Glamorgan Pension Fund

Each member must also have knowledge and understanding of:

- the law relating to pensions
- any other matters which are prescribed in the LGPS regulations

These obligations commence from the date of appointment and members will be required to attend appropriate induction training prior to attending their first Board meeting. Members will be required to keep their knowledge and skills up to date by undertaking a personal training needs analysis and maintaining a personalised training plan. Once established the Board should adopt, and periodically review, a Knowledge and Understanding Policy for its members.

12. Access to the Public and Publication of Pension Board Information

The Pension Board is not constituted as a committee of the Council and it is not intended that meetings will be open to the general public.

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

- Members of the Pensions Committee
- Corporate Director Resources
- Monitoring Officer
- Revenue Services Manager
- Pensions Manager
- Principal Pensions Officer
- Other officers of Cardiff Council involved in the administration of the Pension Fund, subject to approval in advance by the Chair or on request by the Chair
- Any other person with the approval of the Chair

Any such attendees will be permitted to speak with the approval of the Chair

In compliance with the Public Service Pensions Act, Cardiff Council is required to publish and keep up to date the following information about the Board:

- who are the members of the Board
- how scheme members are represented on the Board
- the matters falling within the Board's responsibility

Cardiff Council may also publish other information relating to the Pension Board including:

- agendas and minutes (redacted where appropriate to comply with the Council's obligations under the Local Government Act 1972 and the Data Protection Act 1988)
- records of attendance at meetings and training events
- an annual report on the work of the Board

Appendix 1

The Board must be aware of, and comply with, the Council's obligations under the Data Protection Act and the Freedom of Information Act.

13. Review of the Pension Board's Constitution and Terms of Reference

The Council and the Board shall review their operation periodically and following material changes to relevant parts of the LGPS Regulations. Minor amendments may be approved by the Corporate Director Resources in consultation with the Chair of the Pensions Committee and the Chair of the Pensions Board.