

ATTACHMENT 1

TERMS OF REFERENCE FOR THE PENSIONS BOARD

1. Role of the Pension Board

1.1 The role of the local Pension Board as defined by sections 5 (1) and (2) of the Public Service Pensions Act 2013, is to –

- Assist Gloucestershire County Council as Scheme Manager; -
 - to secure compliance with the Local Government Pension Scheme (LGPS) Regulations and any other legislation relating to the governance and administration of the LGPS
 - to secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator
 - in such other matters as the LGPS regulations may specify.
- Provide the Scheme Manager with such information as it requires to ensure that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest.

1.2 In addition, the LGPS (Amendment) (Governance) Regulations 2015 expect the Pension Board to assist the Scheme Manager to secure the effective and efficient governance and administration of the LGPS for the Gloucestershire Local Government Pension Fund

1.3 The Board shall provide an annual report to the Pension Committee and then to a full meeting of Gloucestershire County Council. The report will include information on the business conducted by the Pension Board with any risks or concerns identified and mitigation steps proposed. The report will also be published on the Pension Fund's website. Any concerns requiring reporting outside the annual process should be raised with the Pensions Committee.

1.4 The Pension Board will ensure it effectively and efficiently complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

1.5 The Pension Board will also help ensure that the Gloucestershire Local Government Pension Fund is managed and administered effectively and efficiently and complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

1.6 The cost of running the Pension Board will be met from the Pension Fund.

2. Appointment of members of the Pension Board

2.1 The Pension Board shall consist of seven members and be constituted as follows:

a) The Chairman

The Chair of the Pension Board, who can demonstrate their knowledge and understanding of the Local Government Pension Scheme will be appointed by the Scheme Manager taking due regard of the Appointment of Other Members guidance, as set out in the LGPS Guidance on the creation and operation of Local Pension Boards in England and Wales.. The Chair of the Pension Board cannot be a Gloucestershire County Councillor.

b) Three employer representatives who can demonstrate their capacity to represent other scheme employers, and their knowledge and understanding of the Local Government Pension Scheme. To be appointed by the Scheme Manager taking due regard of the process for appointing Employer and Member Representatives guidance, as set out in the LGPS Guidance on the creation and operation of Local Pension Boards in England and Wales

c) Three scheme member representatives who can demonstrate, their capacity to represent other scheme members, and their knowledge and understanding of the Local Government Pension Scheme. To be appointed by the Scheme Manager taking due regard of the process for appointing Employer and Member Representatives guidance, as set out in the LGPS Guidance on the creation and operation of Local Pension Boards in England and Wales

One of the employer or member representatives should be a County Councillor appointed annually at a meeting of Full Council.

In order to ensure that effective Board Members are appointed who can demonstrate their capacity to represent other scheme employers or members (as appropriate), a direct appointment process will be followed wherever possible, with member representative being selected through nominations made by recognised trade unions, and employer representatives being selected through nominations made from established employers within the Fund.

3. Length of term and removal:

3.1 The Chairman, each employer representative, and scheme member representative so appointed shall serve initially for a 4 year term, which may be extended for further 4 year terms subject to taking due regard of the process for appointing Employer and Member Representatives guidance, and other Members, as set out in the LGPS Guidance on the creation and operation of Local Pension Boards in England and Wales.

3.2 Board members can be removed on grounds of non attendance, breach of code of conduct and non participation in training.

3.3 Each Board member should endeavour to attend all Board meetings during the year and is required to attend at least one of the scheduled meetings each financial year. In the event of a Board member failing to do this, or other persistent non-attendance then the tenure of that member should be reviewed by the other Board members.

3.4 Other than by ceasing to be eligible, a Board member may only be removed from office during a term of appointment by the unanimous agreement of all of the other

members in attendance at the Board Meeting where this is being considered. The removal of the Chairman also requires the consent of the Scheme Manager

4. Quorum

The Board shall have a formal quorum of 3 to include one employer representative and one member representative.

Because of the specialist nature of their work, no substitution is permitted.

Meetings of the Local Pension Board will always be chaired by the appointed Chair of the Board when in attendance. Where the Chair is not in attendance at a meeting, those members present will elect a temporary chairperson for that meeting.

5. Code of Conduct and Conflicts of Interest

The principles included in the County Council's Member Code of Conduct applies to all members of the Local Pension Board. Likewise, all other relevant County Council policies shall apply to members of the Pension Board.

6. Knowledge and Skills

A member of the Pension Board will be conversant with –

- The legislation and associated guidance of the Local Government Pension Scheme (LGPS).
- Any document recording policy about the administration of the LGPS which is for the time being adopted by the Gloucestershire Local Government Pension Fund.
- A member of the Pension Board must have knowledge and understanding of –
 - The law relating to pensions, and
 - Any other matters which are prescribed in regulations.

7. Board Meetings and Publication of Board Information

7.1 The Board shall meet no less than twice per annum. If there is a need for additional meetings these will be determined by the Chair of the Board.

7.2 The agenda and supporting papers shall be distributed to members of the board 5 clear working days prior to each meeting

7.3 Pension Board papers, agendas and minutes of meetings will be published on the Gloucestershire Local Government Pension Fund website subject to the Rules on Access to Information and the Data Protection Act 1998.

7.4 The reimbursement of reasonable travel and subsistence expenses for attendance at Board meetings and approved training events will be made to Board Members.

8. Remit of the Board

The Board shall:

- i. Ensure the Pension Fund's strategy and policy documents are in place and have been maintained in accordance with the LGPS Regulations. These documents are the: communications policy statement; funding strategy statement; governance compliance statement; pensions administration strategy; Pension Fund annual report and accounts; statement of investment principles.
- ii. Ensure the Pension Fund's internal Risk Register is in place and reviewed at least annually.
- iii. Review the Pension Fund's performance in complying with the requirements of the LGPS Regulations and any other legislation relating to the governance and administration of the LGPS.
- iv. Review the Pension Fund's performance in complying with the requirements of the Pension Regulator.
- v. Provide advice and make recommendations when required, to the Pensions Committee, on areas that may improve the governance of the Pension Fund.
- vi. Formulate and agree an annual workplan for the Board.
- vii. To carry out any other activities relating to the efficient governance and administration of the Pension Fund, which the Pensions Committee may request the Pension Board to undertake.

9. Voting Rights and Decision making

9.1 Only members of the Pension Board who are employer or member representatives will have an individual voting right but it is expected the Pension Board will as far as possible reach a consensus.

9.2 A majority of Board members, with a voting right and present at a meeting, will be required to agree any decision of the Board, including any referrals back to the Pensions Committee.

10. Accountability

The Pension Board will be collectively and individually accountable to the Scheme Manager.

Definitions

The undernoted terms shall have the following meaning when used in this document:

“Pension Board”
or “Board”

Means the local Pension Board for Gloucestershire County Council as administering authority for the Gloucestershire Local Government (LGPS) Pension Fund as required under the Public Service Pensions Act 2013

“Scheme Manager”	Means Gloucestershire County Council as administering authority of the Gloucestershire Local Government (LGPS) Pension Fund
“LGPS”	The Local Government Pension Scheme as constituted by the Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 and The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009
“Scheme”	Means the Local Government Pension Scheme as defined under “LGPS