

# Warwickshire Local Pension Board

## 21<sup>st</sup> July 2020

### Terms of Reference

#### 1 Recommendations

- 1.1 That the Local Pension Board comments on the draft updated terms of reference.

#### 2 Executive Summary

- 2.1 This report sets out a revised and updated Terms of Reference for the Local Pension Board along with specific protocols for its periodic review in the future. This review actions recommendations from the recent governance review of The Pension Regulator code of practice requirements.
- 2.2 The Local Pension Board operates within defined terms of reference which were put in place when the Board was first formed in 2015. The key changes to the document are highlighted in the table below:

Section	Change
3.9	Protocol introduced for employer representatives if an employer leaves the fund
3.10	Protocol introduced for identifying and selecting employer and member representatives
4.2	Protocol introduced for chairing the board if the Chair is not in attendance
7	Additional clarification around roles of officers and advisers
7.4	Protocol introduced for setting the terms of reference of sub groups
9.1	Meeting frequency updated to quarterly
9.2	Annual schedule of meetings must now include a forward plan of future agenda items
9.4	Protocol introduced for meeting location and timing
9.5	Protocol introduced for exempt/confidential reports
9.6	Protocol introduced for calling special meetings
10.2	Code of conduct updated in respect of County Councillor responsibilities
14.3	Reference added for training costs
14.4	Protocol introduced for claiming for expenses
14.5	Protocol introduced for setting a budget for Board costs
16	Scope of the reporting breaches section broadened to encompass breaches or wider concerns, including specification for reporting to the Scheme Administrator, pension fund committees, and scheme members and employers

### **3 Financial Implications**

3.1 None.

### **4 Environmental Implications**

4.1 None.

### **5 Supporting Information**

5.1 This report and draft Terms of Reference were reported to the Local Pension Board in February 2020 but the agenda item was deferred to a later meeting due to lack of time. The draft terms of reference are unchanged from the version previously reported.

5.2 The terms of reference have been updated to reflect the possibility of remote meetings.

5.3 The Scheme Advisory Board explains how terms of reference should be created and updated as follows:

*“...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. The terms of reference are the rules setting out how the Board will be constituted and operate on a day to day basis. The terms of reference for a Local Pension Board should be reviewed periodically and at each material change in regulations impacting on Local Pension Boards...”*

5.4 The Terms of Reference have been reviewed alongside the Scheme Advisory Board’s *“Guidance on the creation and operation of Local Pension Boards in England and Wales”*.

5.5 The Terms of Reference includes the Board’s Conflict of Interest Policy as Annex A. This policy was reviewed by the Local Pension Board in November 2019. No further changes are proposed.

### **6 Timescales and Next Steps**

6.1 The Terms of Reference are required to be approved by the County Council and this will be sought following comments received from the Local Pension Board. Revised Terms of Reference would only come into effect following Council approval.

## Appendices

### Appendix 1 – Draft Terms of Reference

#### Background Papers

None.

	<b>Name</b>	<b>Contact Information</b>
Report Author	Chris Norton	chrisnorton@warwickshire.gov.uk
Assistant Director		
Lead Director	Strategic Director for Resources	
Lead Member	Portfolio Holder for Finance and Property	

The report was circulated to the following members prior to publication:

Local Member(s):

Other members: