

# Terms of reference for the Pension Board of the London Borough of Lewisham Pension Fund

## **Terms of Reference and Delegated Authorities**

### **1) Introduction**

The purpose of this document is to set out the terms of reference for the local Pension Board of the London Borough of Lewisham pension fund.

### **2) Role of the Local Pension Board**

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 the London Borough of Lewisham as Scheme Manager; –
  - to secure compliance with the 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
- Secure the effective and efficient governance and administration of the LGPS for the Lewisham Pension Fund
- 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.

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.

The Pension Board will also help ensure that the Lewisham 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.

The Pension Board shall meet sufficiently regularly to discharge its duties and responsibilities effectively.

### **3) Appointment of members of the Pension Board**

The process for selecting members of the Pension Board is set out below.

[ THIS WILL BE DETERMINED AT THE NEXT PENSION INVESTMENT COMMITTEE ]

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

- i) 2 employer representatives;
- ii) 2 scheme member representatives;
- iii) 1 independent member selected by Scheme Manager.

Scheme member and employer representatives shall be appointed in equal number and shall together form the majority of the Board's membership.

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The Chair of the local Pension Board will be the Independent member. It will be the role of the Chair to ensure that all members of the Board show due respect for process, that all views are fully heard and considered and to determine when consensus has been met.

The term of office for the Chair will be 3 years.

In the first year of the local pension board, the employer and scheme member representatives shall serve for a mixed tenure of 2 and 3 years. Thereafter they will serve a fixed term of 3 years.

Each Board member should endeavour to attend all Board meetings during the year. In the event of consistent non-attendance by any Board member, then the tenure of that membership should be reviewed by the other Board members in liaison with the Scheme Manager.

Other than by ceasing to be eligible as set out above, a Board member may only be removed from office during a term of appointment by the unanimous agreement of all of the other members. The removal of the independent member requires the consent of the Scheme Manager.

The Board may, with the approval of the Scheme Manager, co-opt persons who are not members of the Board to serve on sub committees, particularly where this would add skills and experience. The maximum number of co-opted members to a committee shall be [...]. Notwithstanding the appointment of co-opted members, the majority of the Board shall be comprised of employer and Scheme member representatives, represented in equal number.

### **4) Quorum**

The Board shall have a formal quorum of 3 rounded up where membership is not an even number.

Advisers and co-opted persons do not count towards the quorum.

### **5) Conflicts of Interest**

The policy for identifying conflicts of interest is set out in a separate policy document.

[REFERENCE FROM HELEN GLASS]

### **6) Board Review Process**

The Board will undertake each year a formal review process to assess how well it and its committees, and the members are performing with a view to seeking continuous improvement in the Board's performance.

### **7) Advisers to the Board**

- The Board may make use of advisers from time to time, subject to any applicable regulation and legislation in force, but this will be optional resource subject to budget agreements.

### **8) Knowledge and Skills**

A member of the Pension Board must be conversant with –

1 The legislation and associated guidance of the Local Government Pension Scheme (LGPS).

2 Any document recording policy about the administration of the LGPS which is for the time being adopted by the Lewisham Pension Fund.

A member of the Local Pension Board must have knowledge and understanding of –

- The law relating to pensions, and
- Any other matters which are prescribed in regulations.

It is for individual Pension Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Pension Board.

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In line with this requirement Pension Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Pension Board members are therefore required to maintain a written record of relevant training and development.

Pension Board members will undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses. Pension Board members will comply with the Scheme Manager's training policy.

### **9) Board Meetings – Notice and Minutes**

The Scheme Manager shall give notice to all Pension Board members of every meeting of the Pension Board. The Scheme Manager shall ensure that a formal record of Pension Board proceedings is maintained. Following the approval of the minutes by the Chair of the Board or Board committee, they shall be circulated to all members.

There will be one Pension Board meeting a year to be held, with the option to call another in the case of emergency.

### **10) Remit of the Board**

The Pension Board must assist the Scheme Manager with such other matters as the scheme regulations may specify. It is for scheme regulations and the Scheme Manager to determine precisely what the Pension Board's role entails.

### **11) Standards of Conduct**

The role of Pension Board members requires the highest standards of conduct and therefore the "seven principles of public life<sup>1</sup>" will be applied to all Pension Board members and embodied in their code of conduct.

<sup>1</sup> Standards Matter: a review of best practice in promoting good behaviour in public life", Committee on Standards in Public Life, January 2013

These are –

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

### **12) Decision making**

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

### **13) Publication of Pension Board information**

Scheme members and other interested parties will want to know that the Lewisham Pension Fund is being efficiently and effectively managed. They will also want to be confident that the Pension Board is properly constituted, trained and competent in order to comply with scheme regulations, the governance and administration of the scheme and requirements of the Pension Regulator.

Up to date information will be posted on the Lewisham Pension Fund website showing

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- The names and information of the Pension Board members
- How the scheme members are represented on the Pension Board
- The responsibilities of the Pension Board as a whole
- The full terms of reference and policies of the Pension Board and how they operate
- The Pension Board appointment process
- Who each individual Pension Board member represents
- Any specific roles and responsibilities of individual Pension Board members.

Pension Board papers, agendas and minutes of meetings will be published on the [Lewisham Pension Fund website](#). These may at the discretion of the Scheme Manager be edited to exclude items on the grounds that they would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data covered by the Data Protection Act 1998.

The Scheme Manager will also consider requests for additional information to be published or made available to individual scheme members to encourage scheme member engagement and promote a culture of openness and transparency.

### **14) Accountability**

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

### **15) Expense Reimbursement, [remuneration and allowances]**

Member allowance will be £600 per annum.

### **16) Reporting Breaches**

Any breach brought to the attention of the Pension Board, whether potential or actual, shall be dealt with in accordance with the procedure set out in a [separate policy document](#).

### **17) Definitions**

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

<i>"Pension Board" or "Board"</i>	Means the local Pension Board for the London Borough of Lewisham administering authority for the Lewisham Pension Fund as required under the Public Service Pensions Act 2013
<i>"Scheme Manager"</i>	Means the London Borough of Lewisham as administering authority of the Lewisham Pension Fund.
<i>"Chair"</i>	Reference to duties to be performed, or authorities exercised, by the Chair
<i>"LGPS"</i>	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 The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009
<i>"Scheme"</i>	Means the Local Government Pension Scheme as defined under "LGPS"

### **18) Interpretation**

Any uncertainty or ambiguity or interpretation required relating to any matters contained in this document shall be resolved by reference to the Scheme Manager.