

Part D – PENSION FUND COMMITTEE (SOMERSET COUNCIL PENSION FUND) TERMS OF REFERENCE

1. General

- 1.1 The Pension Fund Committee is a committee with delegated decision making powers for the Fund in accordance with Section 101 of the Local Government Act 1972.
- 1.2 The terms of reference will be formally approved by the Council as the Administering Authority and by the Committee itself thereafter.
- 1.3 These terms of reference shall be reviewed by the Council on the advice of the Committee and on a regular basis to ensure that they remain fit for purpose and in accordance with any regulations and guidance issued by the Secretary of State. Any revisions will be agreed by the Council and by the Committee.

2. Membership, Chair and Quorum

Number of Members	10 (see details below)
Substitute Members Permitted	No
Political Balance Rules apply	Yes
Appointments/Removals from Office	By resolution of full Council
Restrictions on Membership	None
Restrictions on Chair/Vice- Chair	None
Quorum	3 members (to include either the Chair or Vice-Chair)
Number of ordinary meetings per Council Year	At least 4 per year

- 2.1 The Committee shall consist of 10 members and be constituted as follows:
- (a) Nine employer representatives
- (i) Seven employer representatives will be Somerset councillors who are not a member of the Board or Executive and will be selected by the

Administering Authority having taken account of their relevant experience and their knowledge and understanding of the Local Government Pension Scheme;

- (ii) One employer representative of the Police and Crime Commissioner for Avon & Somerset to be selected by the Police and Crime Commissioner having taken account of their relevant experience and their knowledge and understanding of the Local Government Pension Scheme;
- (iii) one employer representative to be nominated by the remaining employers within the Fund who are not represented by (i) or (ii) above having demonstrated their relevant experience, their capacity to represent other scheme employers and their knowledge and understanding of the LGPS. In the event of there being more than one nomination, the Administering Authority will arrange for a voting process of the qualifying employers.

(b) One scheme member representative:

- (i) To be nominated by the Unions.

2.2 The Chair and Vice Chair will be appointed annually by the Council as Administering Authority.

2.3 Due to the specialist knowledge requirements of Committee members, substitutes to the appointed members of the Committee are not permitted.

2.4 The committee will also be attended by:

- (i) Relevant officers; and
- (ii) a specialist independent adviser. In this respect the term independent means:
 - (i) having no current employment, contractual, financial or other material interest in either Somerset County Council or any scheme employer in the Fund; and
 - (ii) not being a member of the LGPS in the Fund.

The independent advisor will be a remunerated position.

3. Responsibilities of the Chair

3.1 The Chair is responsible for:

- (a) ensuring the Committee delivers its purpose as set out in the Committee's terms of reference;
- (b) the arrangements for meetings of the Committee;
- (c) ensuring that Committee meetings are productive and effective and that opportunity is provided for the views of all Committee members to be expressed and considered; and
- (d) seeking to achieve the consensus of all Committee members on the business presented to the Committee and ensure that decisions are properly put to a vote when that cannot be reached.

4. Definitions

- the Fund - Somerset Council Pension Fund.
- the Committee – The Pension Fund Committee of Somerset Council.
- the Board – The Pension Fund Board of Somerset Council.
- LGPS – The Local Government Pension Scheme

5. Terms of Reference

5.1 The Committee will be provided with full delegated powers to discharge the functions of the Council in its role as the administering authority of the Somerset Council Pension Fund as defined in the LGPS Regulations.

5.2 The Committee's principal duties are:

- (i) Ensure the fund is run in line with all relevant law, statutory guidance and industry codes of best practice.
- (ii) Ensure all contributions due are collected from employers.
- (iii) Ensure that all benefits due are paid correctly and in a timely manner.
- (iv) Decide the aims of the investment policy.
- (v) Make arrangements for managing the fund's investments.
- (vi) Regularly monitor investment performance.
- (vii) Make arrangements to publish the fund's annual report and accounts.
- (viii) Consult stakeholders, and publish the funding strategy statement, statement of investment principles and other policies and documents as necessary.

- (ix) Order actuarial valuations to be carried out in line with the Local Government Pension Scheme Regulations.
- (x) Consider requests from organisations who want to join the fund as admitted bodies and consider any requests to change the terms of an existing admission agreement.
- (xi) Make representations to the Government about any planned changes to the Local Government Pension Scheme and all aspects of managing benefits.
- (xii) Put in place a written Scheme of Delegation to support the discharge of the above duties.

6. Conflicts of interest

- 6.1 All members of the Committee must declare on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Committee.
- 6.2 On appointment to the Committee and following any subsequent declaration of potential conflict the conflict must be managed in line with the, the internal procedures of Somerset Council, the requirements of the Public Service Pensions Act 2013 and the requirements of the Pensions Regulator's codes of practice on conflict of interest for Committee members.
- 6.3 The Council's Monitoring Officer shall include interests registered by all members of the Committee in the published Members' and Co-opted Members' Register of Interests. All such interests are to be registered with the Monitoring Officer within 28 days of appointment to the Committee.

7. Knowledge and understanding including training

- 7.1 All new members must follow an induction training plan and all members of the Committee will be expected to attend the training provided to ensure that they have the requisite knowledge and understanding to fulfil their role.
- 7.2 The Committee has adopted a training policy and all members of the Committee are expected to meet the requirements of that policy.
- 7.3 Failure to attend training or participate in the processes referred to above may lead to removal from the Committee.

8. Term of office and removal from office

- 8.1 The members of the Committee serve for a four year term, subject to the following:
- (a) the representatives of the administering authority shall be appointed annually by the Somerset Council Annual Council Meeting, but with a view to maintaining stability of membership;
 - (b) the representatives of the Police and Crime Commissioner for Avon and Somerset can be replaced by them at their behest, but with a view to maintaining stability of membership;
 - (c) the members' representative may be replaced by the Unions, but with a view to maintaining stability of membership.
- 8.2 Members of the Committee will be expected to attend all meetings and training sessions. This will be recorded and published.
- 8.3 Other than by ceasing to be eligible for appointment to the Committee, Committee members may only be removed from office during their term of appointment by the unanimous agreement of all of the other members of the Committee at a meeting of the Committee where this is specified as an agenda item or with the agreement of the Council at a Full Council meeting.
- 8.4 Arrangements shall be made for the replacement of Committee members in line with the procedures for their original appointment.

9. Meetings

- 9.1 The frequency of meetings is to be determined by the Committee once it has agreed a workplan, with a minimum of four meetings annually. In addition to this, training sessions will be held as necessary to ensure that Committee members have sufficient knowledge and skills to undertake the role.
- 9.2 The Chair of the Committee may call additional meetings with the consent of other members of the Committee. Urgent business of the Committee between meetings may, in exceptional circumstances, be conducted via

communications between members of the Committee including telephone conferencing and emails.

9.3 The Committee will meet at the Council's main offices, or another location to be agreed by the Chair. Meetings will be held during normal working hours at times to be agreed by the Chair.

9.4 As a committee of the Council, the Rules of Procedure in the Council's constitution apply to meetings of the Committee. Committee meetings will be held in open session with closed sessions where appropriate. The agenda papers will be circulated to members of the Committee and published in advance of meeting in line with Council policy. The minutes of meetings will be recorded and published in line with Council policy.

10. Voting rights

11.1 Each of the 10 members of the Committee will have voting rights. In the event of a tied vote the Chair has the option of having a final casting vote.

11. Code of Conduct

12.1 All members of the Committee will be required to formally sign up to comply with the Somerset Council Code of Conduct

12. Allowances and Expenses

13.1 Any councillor of the Council appointed to the Committee will be entitled to receive allowances in accordance with the Council's constitution (Scheme of Members' Allowances).

13.2 Reimbursement of expenses for all members of the Committee will be claimable in line with Somerset Council's agreed expenses rates.

13. Budget

14.1 All costs arising from accommodation and administrative support to conduct its meetings and other business, and the training needs of the Committee will be met by the Fund.

14.2 The Council's Democratic Services will provide the secretariat services to the Committee, the cost of which will be met by the Fund.

14. Accountability and reporting

15.1 The Committee is accountable solely to Somerset Council for the effective operation of its functions.

15.3 The Committee shall report annually to Council on its work.

15. Data protection and Freedom of Information

16.1 For legal purposes the Committee is considered a committee of and part of the administering authority legal entity. Therefore the Committee must comply with the Council's Data Protection and Freedom of Information policies.