Buckinghamshire Local Pension Board
Terms of Reference

Introduction

1. This document sets out the terms of reference of the Local Pension Board of Buckinghamshire County Council (the 'Administering Authority') a scheme manager as defined under Section 4 of the Public Service Pensions Act 2013. The Buckinghamshire Local Pension Board (hereafter referred to as 'the Board') is established in accordance with Section 5 of that Act and under regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).

2. The Board is established by the Administering Authority and operates independently of the Committee. Relevant information about its creation and operation are contained in these Terms of Reference.

3. The Board is not a committee constituted under Section 101 of the Local Government Act 1972 and therefore no general duties, responsibilities or powers assigned to such committees or to any sub-committees or officers under the constitution, standing orders or scheme of delegation of the Administering Authority apply to the Board unless expressly included in this document.

4. Except where approval has been granted under regulation 106(2) of the Regulations, the Board shall be constituted separately from any committee or sub-committee constituted under Section 101 of the Local Government Act 1972 with delegated authority to execute the function of the Administering Authority.

Interpretation

5. The following terms have the meanings as outlined below:

‘the Act’	The Public Service Pensions Act 2013.
‘the Code’	means the Pension Regulator’s Code of Practice No 14 governance and administration of public service pension schemes.
'the Committee'	means the committee who has delegated decision making powers for the Fund in accordance with Section 101 of the Local Government Act 1972.
'the Fund'	means the Fund managed and administered by the Administering Authority.

'the Guidance'	means the guidance on the creation and operation of local pension boards issued by The Local Government Pension Scheme Advisory Board.
'the Regulations'	means the Local Government Pension Scheme Regulations 2013 (as amended from time to time), the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended from time to time) including any earlier regulations as defined in these regulations to the extent they remain applicable and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (as amended from time to time).
'Relevant legislation'	means relevant overriding legislation as well as the Pension Regulator's Codes of Practice as they apply to the Administering Authority and the Board notwithstanding that the Codes of Practice are not legislation.
'the Scheme'	means the Local Government Pension Scheme in England and Wales.

Statement of purpose

6. The purpose of the Board is to assist the Administering Authority in its role as a scheme manager of the Scheme. This covers all aspects of governance and administration of the LGPS, including funding and investments. Such assistance is to:

   (a) secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme and any connected scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and any connected scheme, and;

   (b) to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.

   (c) helping the Administering Authority, including doing work requested by the administering authority.

Duties of the Board

7. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members should be subject to and abide by the code of conduct for Board members.

Establishment

8. The Board was established on 12 February 2015 via approval by County Council. Subsequent to its establishment, the Board may establish sub-committees. Terms of reference for any sub-committees will be formulated and agreed by the Board as and when any sub-committee is proposed.

Membership

9. The Board shall consist of 8 voting members, as follows:

   4 Member Representatives; and

   4 Employer Representatives.

10. There shall be an equal number of Member and Employer Representatives.

Member representatives

11. Member representatives shall either be scheme members or have capacity to represent scheme members of the Fund.

12. Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings, participate in training as required and competently represent members, including providing information to members effectively.

13. A total of 4 member representatives shall be appointed following a transparent recruitment process which will be open to all Fund members and be approved by the Administering Authority.

Employer representatives

14. Employer representatives shall be office holders or senior employees of employers of the Fund or have experience of representing scheme employers in a similar capacity. No officer or elected member of the Administering Authority who is responsible for the discharge of any function of the Administering Authority under the Regulations may serve as a member of the Board.

15. Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings, participate in training as required and competently represent employers, including providing information to employers effectively.

16. A total of 4 employer representatives shall be appointed to the Board following a transparent recruitment process which will be open to all employers in the Fund and be approved by the Administering Authority.

Other members

17. No other members shall be appointed to the Board by the agreement of both the Administering Authority and the Board. This will however be kept under review and be revisited should the Board feel it necessary.

Election of chair

18. Subject to the meeting arrangements in paragraphs 31 to 33 below, a chair shall be elected for the Board by the employer and member representatives of the Board from amongst their own number.

Duties of chair

19. The chair of the Board:

    (a) Shall ensure the Board delivers its purpose as set out in these Terms of Reference,
    (b) Shall ensure that meetings are productive and effective and that opportunity is provided for the views of all members to be expressed and considered, and
    (c) Shall seek to reach consensus and ensure that decisions are properly put to a vote when it cannot be reached. In the event of voting at a Board meeting being equal, the Chairman will have a casting vote.

Election of vice-chair

20. Subject to the meeting arrangements in paragraphs 31 to 33 below a vice-chair shall be elected for the Board by the employer and member representatives of the Board from amongst their own number.

Duties of vice-chair

To deputise for the chair in their absence.

Notification of appointments

21. When appointments to the Board have been made the Administering Authority shall publish the name of Board members, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

Terms of Office

22. The term of office for Board members is 3 years.

23. Extensions to terms of office may be made by the Administering Authority with the agreement of the Board.

24. A Board member may be appointed for further terms of office using the methods set out in paragraphs 13 and 16.

25. Board membership may be terminated prior to the end of the term of office due to:

    (a) A member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Fund.
    ~~(b) A member representative no longer being a scheme member or a representative of the body on which their appointment relied.~~
    ~~(c)~~(b) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied.
    ~~(d)~~(c) A Board member no longer being able to demonstrate to ~~Buckinghamshire County Council~~the Adminstering Authority their capacity to attend and prepare for meetings or to participate in required training. Where this occurs, the Chairman will have lead responsibility for an initial informal discussion with the member about the concerns. The opportunity to address the issue will be given to the Board member, with the proviso that clear evidence that the issue has been resolved is presented to the administering authority, within 3 months of the date of the Chairman's discussion. Where this is not met, the A~~a~~dministering A~~a~~uthority will give 1 months' notice of termination to the Board member.
    ~~(e)~~(d) A Board member has a conflict of interest which cannot be managed in accordance with the Board's conflict policy.
    ~~(f)~~(e) A Board member who is an elected member becomes a member of the Committee.
    ~~(g)~~(f) A Board member who is an officer of the Administering Authority becomes responsible for the discharge of any function of the Administering Authority under the Regulations.
    ~~(h)~~(g) A Board member wishes to resign
    ~~(i)~~(h) Where a vacancy occurs, a new Board member will be appointed for a 3 year term.

Conflicts of interest

26. All members of the Board must declare to the Administering Authority 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 Board.

27. A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the Scheme.

28. On appointment to the Board and following any subsequent declaration of potential conflict by a Board member, the Administering Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Board's conflicts policy and the requirements of the Code.

Knowledge and understanding (including Training)

29. Knowledge and understanding must be considered in light of the role of the Board to assist the Administering Authority in line with the requirements outlined in paragraph 6 above. The Board shall establish and maintain a Knowledge and Understanding Policy and Framework to address the knowledge and understanding requirements that apply to Board members under the Act. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.

30. Board members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.

31. Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

Meetings

32. The Board shall as a minimum meet 4 times each year.

33. Board members are required to attend no less than 2 ordinary Board meetings per year. Board members can attend meetings by conference call.

34. Meetings will normally take place between the hours of 10:00am and 12.00pm at New County Offices. Failure to meet this requirement will be referred to the Chair and dealt with under paragraph 24(d) of these terms of reference.

35. The Chair of the Board, with the consent of the Board membership, may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

Quorum

36. A meeting is only quorate when at least 50% of both member and employer representatives are present.

37. If any Board meeting is not quorate, the chair must adjourn the meeting and either arrange it for another date and time or consider any unfinished business at the next ordinary meeting.

Board administration

38. The Chair shall agree with the Board Secretary an agenda prior to each Board meeting.

39. The agenda and supporting papers will be issued at least 5 working days in advance of the meeting except in the case of matters of urgency.

40. Draft minutes of each meeting including all actions and agreements will be recorded and published within 5 working days after the meeting. These draft minutes will be subject to formal agreement by the Board at their next meeting. Any decisions made by the Board should be noted in the minutes and in addition where the Board was unable to reach a decision such occasions should also be noted in the minutes.

41. The minutes may, with the agreement of the Board, 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 2018.

42. The Board Secretary shall ensure that Board members meet and maintain the knowledge and understanding as determined in the Board's Knowledge and Understanding Policy and Framework and other guidance or legislation.

43. The Board Secretary shall arrange such advice as is required by the Board subject to such conditions as are listed in these Terms of Reference for the use of the budget set for the Board.

44. The Board Secretary shall ensure an attendance record is maintained along with advising the Administering Authority on allowances and expenses to be paid under these terms.

45. The Board Secretary shall liaise with the Administering Authority on the requirements of the Board, including advanced notice for officers to attend and arranging dates and times of Board meetings.

Public access to Board meetings and information

46. The Board meetings can be open to the general public (unless there is an exemption under relevant legislation which would preclude part (or all) of the meeting from being open to the general public).

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

    (a) *Members of the Committee,*
    (b) *Any person requested to attend by the Board.*

    Any such attendees will be permitted to speak at the discretion of the Chair.

48. In accordance with the Act the Administering Authority shall publish information about the Board to include:

    (a) The names of Board members and their contact details.
    (b) The representation of employers and members on the Board.

(c) The role of the Board.
(d) These Terms of Reference.

49. The Administering Authority shall also publish other information about the Board including:

    (a) Agendas and minutes
    (b) Training and attendance logs
    (c) An annual report on the work of the Board to be included in the Fund's own annual report.

50. All or some of this information may be published using the following means or other means as considered appropriate from time to time:

    (a) On the Fund's website.
    (b) As part of the Fund's Annual Report.
    (c) As part of the Governance Compliance Statement.

51. Information may be excluded on the grounds that it 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.

Expenses and allowances

52. The Administering Authority will meet the expenses of Board members in line with the Administering Authority's policy on expenses as set out in Part 6 of Constitution.

53. The Administering Authority will pay allowances for Board members as follows:

    a) the Administering Authority will pay allowances to Board members of £750 per annum.
    b) the Administering Authority will pay an allowance to the elected Chair of the Board of £3,785 per annum.
    c) a) and b) do not apply if the Board member is a councillor member of a local authority or an employee of an organisation participating in the administering authority's pension fund.

Budget

54. The Board is to be provided with adequate resources to fulfil its role. In doing so the budget for the Board will be met from the Fund and determined by:

    a) The Administering Authority will allocate an annual budget which is managed by and at the discretion of the Board.

Core functions

55. The first core function of the Board is to assist the Administering Authority in securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

    a) *Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations by the Committee.*
    b) *Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code.*
    c) *Review the compliance of scheme employers with their duties under the Regulations and relevant legislation.*
    d) *Assist with the development of and continually review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Investment Strategy Statement ~~of Investment Principles~~.*
    e) *Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.*
    f) *Monitor complaints and performance on the administration and governance of the scheme.*
    g) *Assist with the application of the Internal Dispute Resolution Process.*
    h) *Review the complete and proper exercise of Pensions Ombudsman cases.*
    i) *Review the implementation of revised policies and procedures following changes to the Scheme.*
    j) *Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.*
    k) *Review the complete and proper exercise of employer and administering authority discretions.*
    l) *Review the outcome of internal and external audit reports.*
    m) *Review draft accounts and Fund annual report.*
    n) *Review the compliance of particular cases, projects or process on request of the Committee.*
    o) *Any other area within the statement of purpose (i.e. assisting the Administering Authority) the Board deems appropriate.*

56. The second core function of the Board is to ensure the effective and efficient governance and administration of the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

    a) *Assist with the development of improved customer services.*
    b) *Monitor performance of administration~~,~~ governance and investments against key performance targets and indicators.*
    c) *Monitor internal and external audit reports.*

d) Review the risk register as it relates to the scheme manager function of the authority.
e) Assist with the development of improved management, administration and governance structures and policies.
f) Review the outcome of actuarial reporting and valuations.
g) Assist in the development and monitoring of process improvements on request of Committee.
h) Any other area within the statement of purpose (i.e. ensuring effective and efficient governance of the scheme) the Board deems appropriate.

57. In support of its core functions the Board may make a request for information to Pension Fund Committee with regard to any aspect of the Administering Authority's function. Any such request should be reasonably complied with in both scope and timing.

58. In support of its core functions the Board may make recommendations to Pension Fund Committee which should be considered and a response made to the Board on the outcome within a reasonable period of time.

Reporting

59. The Board should in the first instance report its requests, recommendations or concerns to Pension Fund Committee. In support of this any member of the Board may attend a Committee meeting as an observer.

60. Requests and recommendations should be reported under the provisions of paragraphs 55 and 56 above.

61. The Board should report any concerns over a decision made by Pension Fund Committee to the Committee, subject to the agreement of at least 50% of voting Board members, provided that all voting members are present. If not all voting members are present, the agreement should be of all voting members who are present, where the meeting remains quorate.

62. On receipt of a report under paragraph 59 above, Pension Fund Committee should, within a reasonable period, consider and respond to the Board.

63. Where the Board is not satisfied with the response received it may request that a notice of its concern be placed on the website and in the Fund's annual report.

64. Where the Board is satisfied that there has been a breach of regulation which has been reported to Pension Fund Committee under paragraph 59 and has not been rectified within a reasonable period of time it is under an obligation to escalate the breach.

65. The appropriate internal route for escalation is to the Monitoring Officer and Regulatory and Audit Committee.

66. The Board may report concerns to the LGPS Scheme Advisory Board for consideration subsequent to, but not instead of, using the appropriate internal route for escalation.

67. Board members are also subject to the requirements to report breaches of law under the Act and the Code (and the whistleblowing provisions set out in the Administering Authority's whistle blowing policy).

Review of terms of reference

68. These Terms of Reference shall be reviewed on each material change to those parts of the Regulations covering local pension boards and at least annually.

69. These reviewed Terms of Reference were adopted on 18 July~~0 October~~ 2019~~8~~.