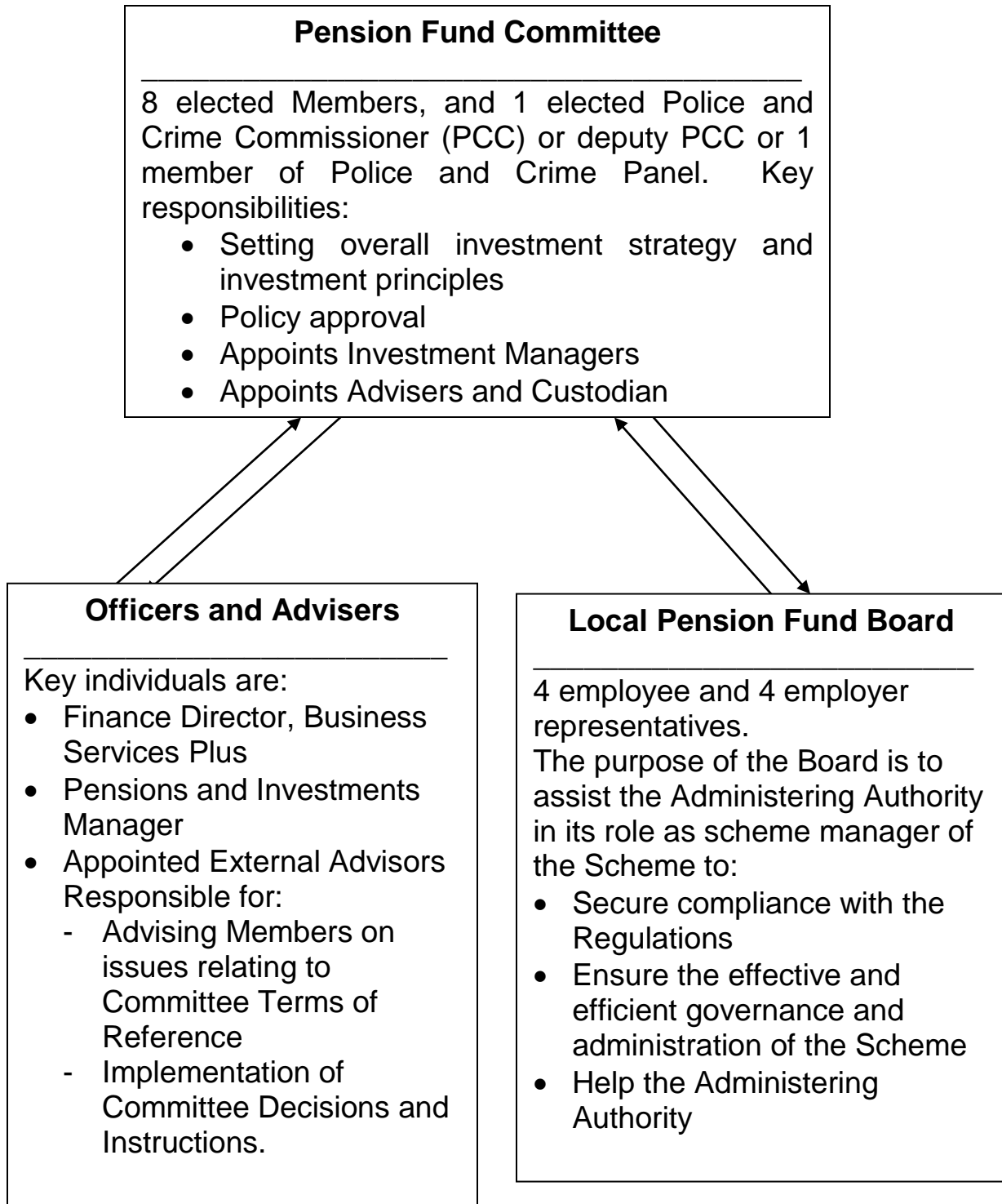


Buckinghamshire County Council Pension Fund Governance Arrangements.

Structure:



Buckinghamshire County Council Pension Fund Committee Terms of Reference

1. Purpose

- 1.1 To be responsible for the Council's statutory function as administering authority (also including investment matters) under the Local Government Pension Scheme Regulations and associated legislation under Sections 7, 12 and 24 of the Superannuation Act 1972. The committee will be established under s101 of the Local Government Act 1972.
- 1.2 The Pension Fund Committee will be provided with full-delegated powers to discharge the following functions on behalf of the Council:
 - To deal with all matters arising relating to the Buckinghamshire Local Government Pension Scheme;
 - To instruct the Finance Director - Business Services Plus on the management and investment of the Buckinghamshire County Council Pension Fund ("the Pension Fund")

2 Terms of Reference

- 2.1 To agree and ensure the continual review of:
 - The strategic asset allocation and objectives of the Pension Fund in terms of investment return and risk exposure
 - The Statement of Investment Principles
 - The strategic benchmarks for the performance of the Pension Fund against which the actual performance is to be measured
 - The strategic targets against which the performance of the Fund Managers is to be measured.
- 2.2 To agree the appointment and termination of:
 - Fund Managers
 - The Actuary
 - The Custodian
 - Firms or individuals to provide investment and actuarial advice for the Fund
- 2.3 On a quarterly basis, review the performance of the Pension Fund and the Fund Managers against the objectives, benchmarks and targets set and to consider if, and to what extent, any change may be necessary to ensure the efficient and effective performance of the Pension Fund. This may include:
 - The dismissal, selection, appointment and enhanced performance monitoring of, the Managers of the Pension Fund
 - Reviewing the allocation of the assets of the Pension Fund and the generic selection of asset portfolios in order to meet the objectives of the Pensions Fund.

- To agree from time to time any restrictions to be placed on any one or more Managers of the Pension Fund as to particular classes of authorised investment or decisions they may take on behalf of the Pension Fund or as to the exercise of voting rights;
 - Reviewing the structure of the management arrangements necessary to achieve the effective management of the Pension Fund to meet its objectives.
 - Reviewing the Pension Fund Risk Register (every six months).
- 2.4 On an annual basis (or more frequently as required by the Committee), review the performance of the Pension Fund and the Fund Managers against the strategic objectives, benchmarks and targets set by them and to consider if, and to what extent, any change may be necessary to ensure the efficient and effective performance of the Pension Fund.
- 2.5 To approve the Pension Fund Annual Accounts and Governance Compliance Statement.
- 2.6 Review the formal Actuarial Valuation and to consider if, and to what extent, any change may be necessary to ensure the efficient and effective performance of the Pension Fund.
- 2.7 To consider the admission of employing organisations to the Fund where there is discretion to do so and as escalated by the Finance Director - Business Services Plus.
- 2.8 To have due regard to the advice of the Finance Director - Business Services Plus and to the advice of Consultants appointed by the Committee. If the Pension Fund Committee shall disregard the advice of Consultants, its reasons for so doing shall be recorded in the minutes of the Committee.
- 2.9 To receive auditor reports as appropriate and seek assurance that any action points arising are implemented.
- 2.10 To deal with any other matters arising in respect of Local Government Pensions.
- 3. Reporting**
- 3.1 Minutes of the Committee will be reported to Council under the existing County Council Committee framework.
- 3.2 Detailed performance reports will remain confidential items on Committee agenda as will any other item deemed as such by the Chairman although the Committee aims to operate as transparently as feasible.

3.3 The Chairman shall consult with the County Council's Monitoring Officer (and that of any relevant partner organisation) where any Member misses three Committee meetings in a row (to include formal training sessions).

4. Membership

Comprises 9 members as follows:

4.1 Six Elected Members from Buckinghamshire County Council

4.2 One Elected Co-Opted Member from Milton Keynes Council

4.3 One Elected Police and Crime Commissioner (PCC) or deputy PCC or 1 member of the Police and Crime Panel from Thames Valley Police

4.4 One Elected Co-Opted Member chosen by the four District Councils in Buckinghamshire in consultation with the Chairman.

4.5 Members have Quasi-Trustee status and consequently substitutions are not permitted.

4.6 The quorum for this Committee is 4 Members.

5. Frequency

5.1 Six meetings will be scheduled each year, additional meetings may be scheduled for appointing fund managers, global custodian or the Fund's actuary. Formal Committee meetings are supplemented by Committee Training Days.

Buckinghamshire County Council Pension Fund Governance Arrangements – Role of Officers

1. **Delegation of Responsibilities to the Finance Director - Business Services Plus:**

- To act as the statutory officer of the Council under Section 151 of the Local Government Act 1972 and Section 114 of the Local Government finance Act 1988.
- To manage and invest the Pension Fund in accordance with instruction from the Pension Fund Committee.
- To automatically apply appropriate pension increases for gratuities.
- To consider any requests for admission to the Pension Fund as an “admitted body” and escalate decisions to the Pension Fund Committee if necessary.
- To act as the “appointed person” under the Local Government Pensions Scheme (Resolution of Disputes) Regulations 1997. To escalate any key issues arising to the Chairman of the Pension Fund Committee and to appoint an alternative person (as agreed with the Chairman) where circumstances dictate (e.g. conflict of interest) that the Finance Director - Business Services Plus should not remain in this role on a temporary basis.
- To implement and communicate changes to contribution rates.
- To be accountable for the record keeping of pension fund accounts.
- To monitor the performance of Fund Managers, the Actuary and the Custodian, reporting to the Pension Fund Committee in accordance with the Pension Fund Committee’s requirements.