

Hampshire County Council – application for joint Pension Fund Panel and Board

Schedule B - Terms of Reference

1. Introduction

- 1.1. Hampshire County Council has appointed a combined Pension Fund Panel and Board for Hampshire and delegated to it responsibility for its statutory functions as the administering authority for the Hampshire Pension Fund and its responsibilities in respect of operating a Pension Fund Board for Hampshire.

2. Composition

- 2.1. The Pension Fund Panel and Board for Hampshire includes within its membership:
 - Nine elected members from the Administering Authority.
 - Three employer representatives appointed in accordance with the Hampshire Pension Panel and Board Appointment Policy approved by the Pension Fund Panel and Board from time to time.
 - Three scheme Member representatives appointed in accordance with the Hampshire Pension Panel and Board Appointment Policy approved by the Pension Fund Panel and Board from time to time.
- 2.2. The Administering Authority members will be appointed by Hampshire County Council. The nomination process for the employer and scheme member representatives is contained in the Appointments Policy and they will be appointed by the County Council in accordance with that Policy.
- 2.3. Employer representatives and scheme member representatives should remain as members of the Pension Fund Panel and Board during their appointed term of office unless in the opinion of the County Council they are not adequately performing their role, they become incapable of acting, they cease to represent their constituency, they resign by giving written notice to the Proper Officer of the County Council, a replacement member is nominated by their relevant nominating body or they are removed from the Panel and Board pursuant to Paragraph 5.8.
- 2.4. Each employer and scheme member representative should endeavour to attend all Panel and Board meetings during the year and are required to attend at least 4 meetings each year.

3. Appointment of Substitute Members

- 3.1. **Allocation** - As well as allocating seats on the Pension Fund Panel and Board, the County Council will at the Annual General Meeting of the County Council in each year appoint a designated Substitute Member for each Scheme and Employer member of the Pension Fund Panel and Board.

3.2. **Powers and duties** - Substitute Members will have all the powers and duties of the designated Scheme and employer Members of the Board.

3.3. **Substitution** - Substitute members may attend meetings in that capacity only:

- a. to take place of the designated Scheme and Employer Member for whom they are the designated substitute;
- b. where the member for whom they are the designated substitute will be absent for the whole of the meeting; and
- c. after notifying the Chief Executive 5 working days before the meeting of the extended substitution.

4. Voting rights

4.1. All members of the Panel and Board, including all the Employer and Scheme Member representatives shall have full voting rights.

4.2. Any independent advisers appointed by the Panel and Board are invited to attend all meetings of the Pension Fund Panel and Board but independent advisers will not be a member of the Pension Fund Panel and Board and have no voting rights.

5. Role of the Pension Fund Panel and Board

5.1. In its role as the Pension Fund Panel for the Hampshire Pension Fund the Pension Fund Panel and Board is responsible for the County Council's statutory functions as administering authority of the Hampshire Pension Fund under the Local Government Pension Scheme Regulations and associated legislation under sections 7, 12 and 24 of the Superannuation Act 1972. This includes dealing with all matters arising that relate to the Hampshire Pension Fund, including the management and investment of the Fund.

5.2. In its role as the Pension Board for the Hampshire Pension Fund the Pension Fund Panel and Board is responsible for assisting Hampshire County Council as the administering authority of the Hampshire Pension fund to secure compliance with the Local Government Pension Scheme Regulations 2013 and any other legislation relating to the governance and administration of the Local Government Pension Scheme ('LGPS'), for securing compliance with requirements imposed in relation to the LGPS by the Pensions Regulator and for ensuring the effective and efficient governance and administration of the Hampshire Pension Fund.

5.3. When acting in its capacity as the Pension Fund Board the Pension Fund Panel and Board shall have the power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.

6. Conflicts of Interest

6.1. In addition to the obligations on Members of the Pension Fund Panel and Board under the County Council's Member's Code of Conduct arising out of

their position as either members or co-opted members of the County Council the following provisions apply.

- 6.2. No member of the Panel and Board may participate in any business of the Panel and Board if they have a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Panel and Board (this does not include a financial or other interest arising merely by virtue of membership of the Scheme or any connected Scheme) ('Conflict of Interest').
- 6.3. All Panel and Board members must before becoming a member of the Panel and Board declare any potential Conflict of Interest to the Monitoring Officer of the County Council.
- 6.4. After appointment all Panel and Board members must within 14 days of becoming aware of any new potential Conflict of Interest declare that potential Conflict of Interest to the Monitoring Officer of the County Council.
- 6.5. A member of the Panel and Board must at any time provide the Monitoring Officer of the County Council with such information as he or she requires for the purpose of establishing whether or not the Panel or Board member has a Conflict of Interest.
- 6.6. A Panel and Board member should disclose any Conflict of Interest in any business of the Panel and Board either at the commencement of the meeting, the commencement of the consideration of the item or when the Conflict of Interest becomes apparent.
- 6.7. If a Panel and Board member has a Conflict of Interest in any business of the Board then that Member may not participate in any discussion of, vote on or discharge any function in relation to the matter. In addition the Panel and Board member should withdraw from the room where the meeting is being held.
- 6.8. Any alleged non-compliance with this paragraph 5 shall be referred to the County Council's Conduct Advisory Panel for consideration and in the event that the Conduct Advisory Panel find that a member of the Panel and Board has failed to comply with the provisions of this paragraph then the Conduct Advisory Panel may recommend to the County Council that the Member is to immediately cease to be a member of the Panel and Board or take such other action as the Conduct Advisory Panel regard as appropriate which can include but is not limited to requiring the member to apologise or requiring the member to undertake such training as the Panel believe is appropriate.

7. Knowledge and Skills

- 7.1. A member of the Panel and Board must have knowledge and understanding of:
 - the law relating to pensions, and
 - any other matters which are prescribed in Regulations.
- 7.2. The County Council has therefore adopted the requirements of the CIPFA Pensions Finance Knowledge and Skills Framework recognising the

importance of ensuring that all staff and members charged with the financial management and decision making with regard to the Hampshire Pension Fund are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them.

- 7.3. Members of the Pension Fund Panel and Board are required to acquire and maintain the appropriate level of expertise, knowledge and skills as set out in the CIPFA Pensions Finance Knowledge and Skills Framework in order to remain members of the Panel and Board.
- 7.4. A formal training plan for the Pension Fund Panel and Board is prepared every year to identify and meet the training needs for the Panel and Board as a whole and for individual members. The plan reflects the recommended knowledge and skills level requirements set out in the CIPFA Pensions Finance Knowledge and Skills Framework.

8. Publication of Pension Fund Panel and Board information

- 8.1. Details of the Pension Fund Panel and Board are published on the County Council's website, including:
 - The names and details of the members of the Pension Fund Panel and Board
 - How the Scheme members are represented on the Panel and Board
 - The responsibilities of the Panel and Board as a whole
 - The Terms of Reference and policies of the Panel and Board and how they operate
 - The appointment process for the Employer and Scheme members of the Panel and Board
 - Who each Employer and Scheme member represents
 - Any specific roles and responsibilities of individual Board Members
- 8.2. The procedure for the publication of Pension Fund Panel and Board meeting information and reports is contained in Part 3 Chapter 4 of the County Council's Constitution.

9. Reporting Breaches

- 9.1. Any potential or actual non compliance with a duty relevant to the administration of the LGPS which is likely to be of material significance to the Pensions Regulator in the exercise of any of its functions that comes to the attention of the Panel and Board shall be dealt with in accordance with the Protocol for Reporting Breaches agreed from time to time by the Panel and Board.