Proposed changes to the Council Constitution and Scheme of Delegation

The Financial Regulations provide the framework of control, responsibility and accountability for the proper administration of the Council's financial affairs. They outline the financial responsibilities of officers and members and are part of the Council.

Part 5 (2) of the <u>Council's Constitution (Rules of Procedure) contains the Financial Regulations (FR)</u>, FR27 specifically relates to Treasury Management and the Pension Fund. The changes proposed to the Financial Regulations are given in the table below.

Part 5(2) Financial	Current Delegation	Proposed new
Regulation		Delegation/Amendment
27.5	The Section 151 Officer has delegated authority to take urgent action as required between Pension Fund Committee meetings, but such action can only be taken in consultation with and by agreement with the Chairman or Vice Chairman of the Pension Fund Committee and following consultation with any relevant Consultant or Independent Advisor.	Replace Section 151 Officer with Senior LGPS Officer
27.6	The Section 151 Officer will ensure that monitoring reports on the Pension Fund's investment performance and activities, and any other business, are considered	Replace Section 151 Officer with Senior LGPS Officer

Part 5(2) Financial Regulation	Current Delegation	Proposed new Delegation/Amendment
	by the Pension Fund Committee at least quarterly.	
27.7	The Section 151 Officer will ensure that a report on the triennial actuarial valuation of the Pension Fund is taken to the Pension Fund Committee.	Replace Section 151 Officer with Senior LGPS Officer
27.8	The Section 151 Officer will ensure that a report on the annual accounts and associated external audit of the pension fund is taken to the Pension Fund Committee.	Replace Section 151 Officer with Senior LGPS Officer

<u>Part 3 of the Council Constitution</u> relates to the Responsibility for Functions and Scheme of Delegation. Sections 1 & 2 Responsibility for Functions and Scheme of Delegation set out details of who is responsible for those functions that have been delegated. <u>Part 3, Section 1</u>, paragraph 6 deals with Council Committee functions and specifically 6.20 – 6.22 for the Surrey Pension Fund Committee. It is proposed to add a new term of reference to paragraph 6.22 as follows:

j) To consider and approve an annual conflict of interest policy, which shall include how the potential conflict of Surrey County Council in its dual role as Administering Authority for and scheme employer of the Surrey Pension Fund is managed.

<u>Section 3 Part 3A</u> and <u>Part 3B</u> relate to specific delegations to Officers. The changes proposed to the Finance – Pension Fund section are given in the table below and include one proposed change (ORB57 Pensions) relating to determining entitlements or payments in accordance with discretions in the LGPS Regulations. In addition, ORB57 should be moved from Part 3B to Part 3A and renumbered PEN7.

Scheme of	Current Delegation/Action	Currently Delegated to	Proposed Amendment to	Proposed Delegation to
Delegation			Delegation wording	
PEN1	Execute cash transfers to	Executive Director of	NA	LGPS Senior Officer
	pension fund managers	Resources (S151 Officer)		Head of Investment and
		Director of Finance –		Stewardship
		Corporate & Commercial		Head of Accounting and
		Director of Finance – Insight		Governance
		& Performance		
		Assistant Director – LGPS		
		Senior Officer		
		Strategic Finance Business		
		Partner (Corporate)		
PEN2	Borrowing, lending and	Executive Director of	Borrowing, lending and	LGPS Senior Officer
	investment of County	Resources (S151 Officer)	investment of	Head of Investment and
	Council Pension Fund	Director of Finance –	County Council Pension Fund	Stewardship
	moneys, in line with	Corporate & Commercial	moneys, in line with	Head of Accounting and
	strategies agreed by the	Assistant Director – LGPS	strategies agreed by the	Governance
	Pension Fund Board.	Senior Officer	Pension Fund Committee .	

Scheme of	Current Delegation/Action	Currently Delegated to	Proposed Amendment to	Proposed Delegation to
Delegation			Delegation wording	
	Delegated authority to the		Delegated authority to	
	Executive Director of		the LGPS Senior Officer to	
	Resources (S151 Officer) Part		take any urgent action	
	3 Scheme of Delegation July		between Committee	
	2024 24 S151 Finance		meetings but such	
	Officer to take any urgent		action only to be taken in	
	action between Board		consultation with and by	
	meetings but such action		agreement with the	
	only to be taken in		Chairman and/or Vice	
	consultation with and by		Chairman of the	
	agreement with the		Pension Fund Committee an	
	Chairman and/or Vice		d any relevant Consultant	
	Chairman of the Pension		and/or Independent Advisor.	
	Fund Board and any relevant			
	Consultant and/or			
	Independent Advisor.			
PEN3	To exercise discretion in	Director of Finance –	To exercise discretion in	LGPS Senior Officer
	relation to the Local	Corporate & Commercial	relation to the	Head of Service Delivery
	Government Pension	Assistant Director – LGPS	Local Government Pension	
	Scheme except (1) where a	Senior Officer	Scheme except (1) where a	
	policy on the matter has		policy on the matter has	
	been agreed by the Pension		been agreed by the Pension	
	Board and included in the		Fund Committee and	
	Discretionary Pension Policy		included in the	
	Statement published by the		Discretionary Pension Policy	
	Council, (2) decisions		Statement published by	
	relating to "admitted body		the Council, (2) decisions	
	status" and (3) decisions		relating to "admitted body	

Scheme of	Current Delegation/Action	Currently Delegated to	Proposed Amendment to	Proposed Delegation to
Delegation			Delegation wording	
	relating to individual cases		status" and (3) decisions	
	as provided for in the		relating to individual cases	
	separate delegation to the		as provided for in the	
	Strategic Finance Manager		separate delegation to the	
	(Pensions).		Senior LGPS Officer.	
	This delegation is subject to			
	any limitations imposed and			
	confirmed in writing from			
	time to time by the			
	Executive Director for			
	Resources (S151 Officer).			
PEN4	Hear stage one or stage two	Executive Director of	Hear stage one or stage two	Stage 1 disputes – any
(new	appeals relating to disputes	Resources (S151 Officer)	appeals relating to the	County Council Director
PEN4A)	involving the Local	Director of Finance –	County Council disputes	Stage 2 disputes – any
	Government Pension	Corporate & Commercial	involving the employer Local	County Council Executive
	Scheme, Compensation	Director – Law &	Government Pension	Director
	Benefits and Injury	Governance	Scheme, Compensation	
	Allowances provided that an	Director of People & Change	Benefits and Injury	
	officer hearing an appeal will		Allowances provided that an	
	not have been involved at an		officer hearing an appeal will	
	earlier stage in the process.		not have been involved at an	
			earlier stage in the process.	
(new)	NA	NA	Hear stage one or stage two	(Any of the following)
PEN4B			appeals relating to the	LGPS Senior Officer
			Surrey Pension Team	Head of Investment and
			disputes involving the Local	Stewardship
			Government Pension	Head of Accounting and
			Scheme, Compensation	Governance

Scheme of	Current Delegation/Action	Currently Delegated to	Proposed Amendment to	Proposed Delegation to
Delegation			Delegation wording	
			Benefits and Injury	Head of Service Delivery
			Allowances provided that an	or
			officer hearing an appeal will	Head of Change
			not have been involved at an earlier stage in the process.	Management
PEN5	To exercise discretion	Assistant Director – LGPS	To exercise discretion	NA
	(excluding decisions on	Senior Officer	(excluding decisions on	
	admitted body status) in		admitted body status) in	
	relation to the Local		relation to the Local	
	Government Pension		Government Pension	
	Scheme where no policy on		Scheme where no policy on	
	the matter has been agreed		the matter has been agreed	
	by the Council and included		by the Council and included	
	in the Discretionary Pension		in the Discretionary Pension	
	Policy Statement published		Policy Statement published	
	by the Council, subject to		by the Council.	
	any limitations imposed and			
	confirmed in writing from			
	time to time by the S151			
	Finance Officer.			
PEN6	To determine decisions	Executive Director of	NA	LGPS Senior Officer
	conferring 'admitted body'	Resources (S151 Officer)		
	status to the Pension Fund	Director of Finance –		
	where such requests are	Corporate & Commercial		
	submitted by external			
	bodies.			
ORB57	To exercise discretion in	Head of Pensions	To exercise discretion in	Head of Service Delivery
(new PEN7)	relation to the Local	Administration	relation to the	

Scheme of	Current Delegation/Action	Currently Delegated to	Proposed Amendment to	Proposed Delegation to
Delegation			Delegation wording	
	Government Pension		Local Government Pension	
	Scheme on the following		Scheme on the following	
	matters in individual cases: -		matters in individual cases: -	
	allocation of death grants -		allocation of death grants -	
	determining co-habitation -		determining co-habitation -	
	determining whether a child		determining whether a child	
	meets criteria for a child's		meets criteria for a child's	
	pension - allocation of		pension - allocation	
	pension for persons		of pension for persons	
	incapable of managing their		incapable of managing their	
	own affairs - commutation,		own affairs - commutation,	
	transfer in and forfeiture		transfer in and	
	decisions - extension of time		forfeiture decisions -	
	limits for decisions to be		extension of time limits for	
	made by scheme members -		decisions to be made by	
	minimum contribution levels		scheme members -	
	for additional payments -		minimum contribution levels	
	determining reviews and		for additional payments -	
	effective dates of ill-health		determining reviews and	
	benefits -write offs up to		effective dates of ill-health	
	£250. This delegation is		benefits - write offs up to	
	subject to any limitations		£250.	
	imposed and confirmed in			
	writing from time to time by			
	the Executive Director of			
	Resources.			

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