

Surrey Local Pension Board

11

TERMS OF REFERENCE



Providing our customers with
a better tomorrow

Surrey Pension Fund

Surrey Local Pension Board

Membership: Total Ten

Four employee representatives
Four employer representatives
Two independent members.

Terms of Reference

1. Introduction

- 1.1. This document sets out the terms of reference of the Surrey Local Pension Board of Surrey County Council (the 'Administering Authority') as Scheme Manager, as defined under Section 4 of the Public Service Act 2013.
- 1.2. The Local Pension Board is established in accordance with Section 5 of that Act and under Regulation 106 of the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended).

2. Role of the Surrey Local Pension Board

- 2.1. The role of the Surrey Local Pension Board, as defined by Regulation 106 of the Local Government Pension Scheme Regulations 2013 is to assist the County Council as Administering Authority:
 - a) to secure compliance with:
 - (i) the scheme regulations;
 - (ii) any other legislation relating to the governance and administration of the LGPS Scheme and any connected scheme;
 - (iii) any requirements imposed by the Pensions Regulator in relation to the LGPS Scheme
 - b) to ensure the effective and efficient governance and administration of the LGPS Scheme.
- 2.2. The Surrey Local Pension Board will ensure it effectively and efficiently complies with the General Code of Practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

2.3. The Surrey Local Pension Board will also help ensure that the Surrey Pension Fund is managed and administered effectively and efficiently and complies with the General Code of Practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

2.4. The Surrey Local Pension Board has power to do anything that is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.

2.5. The Surrey Local Pension Board should always act within its terms of reference. **Establishment of the Surrey Local Pension Board**

3.1. The Surrey Local Pension Board is established on 1 April 2015, subsequent to approval by Surrey County Council on 17 March 2015.

4. Appointment of members of the Surrey Local Pension Board and voting rights of Surrey Local Pension Board member

4.1. The composition of the members of the Surrey Local Pension Board is as follows:

The Surrey Local Pension Board shall consist of at least eight members and may contain up to 10 members. It shall be constituted as follows:

- (i) Four employer representatives.
- (ii) Four scheme member (employee) representatives.
- (iii) The Surrey Local Pension Board may also contain two independent members.

4.2. The Surrey Local Pension Board shall be constituted as follows.

- Employer representatives
 - 2 x Surrey County Councillors
 - 2 x other employer representatives to come from nominations from other employers in the fund (e.g. District, Borough and Parish Councils, Academies, Police and other scheduled or admitted body employers in the Surrey Pension Fund).
- Member representatives
 - 2 x Union nominated representatives.
 - 2 x other member representatives
- The Surrey Local Pension Board may also contain other members.
 - 2 x members from an external source (to be recommended by the appointment panel).

- 4.3. Scheme member and employer representatives shall be appointed in equal number and shall together form the majority of the Surrey Local Pension Board membership.
- 4.4. 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 Surrey Local Pension Board.
- 4.5. Each Surrey Local Pension Board member so appointed shall serve for the life of the current Surrey County Council, a defined, fixed period which can be extended for further periods subject to re-nomination.
- 4.6. Each Surrey Local Pension Board member should endeavour to attend all Board meetings during the year. Substitutes will be permitted to attend on behalf of absent Surrey Local Pension Board members.
- 4.7. Each employer representative on the Surrey Local Pension Board should be able to demonstrate their capacity to represent scheme employers of the Surrey Pension Fund.
- 4.8. Each member representative on the Surrey Local Pension Board should be able to demonstrate their capacity to represent scheme members of the Surrey Pension Fund.
- 4.9. Each Surrey Local Pension Board member should participate in training when required.
- 4.10. Members of the Surrey Local Pension Board shall be approved by the appointment panel in consultation with Chair of People, Performance and Development Committee and in accordance with the Appointment and Termination Process.
- 4.11. The Appointment Panel shall be made up of the following:
- the Chair of the Surrey Local Pension Board
 - the Director of Finance, Corporate and Commercial (or nominee)
 - the Assistant Director-LGPS Senior Officer
 - the Director of Legal and Democratic Services (or nominee)
- 4.12. Each employer representative and member representative of the Surrey Local Pension Board will have an individual vote on any matter needing a decision. Independent Members of the Surrey Local Pension Board do not have voting rights. It is expected that the Surrey Local Pension Board will, as far as possible, reach a consensus.

5. Appointment and duties of the Chair and Vice Chair of the Surrey Local Pension Board

- 5.1. A Chair and Vice Chair of the Surrey Local Pension Board to be appointed by the appointment panel in consultation with the Chair of the People, Performance and Development Committee and in accordance with the Appointment Process.
- 5.2. It will be the role of the Chair of the Surrey Local Pension Board to ensure that all members of the Surrey Local Pension Board show due respect for process, that all views are fully heard and considered, and to determine when consensus has been met.
- 5.3. The full responsibilities of the Chair of the Surrey Local Pension Board are contained in the **Chair of the Surrey Local Pension Board role description**.
- 5.4. The Vice Chair shall undertake the duties of the Chair in the event of the Chair's absence.

6. Notifications of appointments to the Surrey Local Pension Board

- 6.1. When appointments to the Surrey Local Pension Board have been made, the Scheme Manager shall publish the name of the Surrey Local Pension Board members, the process followed in the appointment together with the way in which the appointment supports the effective delivery of the purpose of the Local Pension Board.

7. Termination of membership of the Surrey Local Pension Board

- 7.1. Any termination of membership of the Surrey Local Pension Board will be in accordance with the **Appointment and Termination Process**.
- 7.2. Membership of the Surrey Local Pension Board may be terminated due to:
 - (i) a member representative appointed on the basis of their membership of the scheme no longer being a scheme member of the Fund;
 - (ii) an employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;
 - (iii) a Surrey Local Pension Board member no longer being able to demonstrate to the Scheme Manager their capacity to attend and prepare for meetings or to participate in required training or otherwise to carry out the requirements of the role appropriately;
 - (iv) a Surrey Local Pension Board member having a conflict of interest which cannot be managed in accordance with the Surrey Local Pension Boards Code of Conduct and Conflict of Interest Policy;

- (v) a Surrey Local Pension Board member becomes responsible for the discharge of any function of the Administering Authority under the Regulations;
- (vi) the Scheme Manager may at its discretion terminate the membership of a Surrey Local Pension Board member if it believes that it appropriate and is consistent with the role of the Surrey Local Pension Board to do so.

8. Conflict of Interests

8.1. The Scheme Manager will approve a **Code of Conduct and Conflict of Interest Policy** which will be adopted by the Surrey Local Pension Board and by which members of the Surrey Local Pension Board will need to abide. Members of the Surrey Local Pension Board will provide any information the Scheme Manager reasonably requires from time to time to ensure that members do not have a conflict of interest.

9. Knowledge and Skills

9.1. In accordance with section 248A of the Pensions Act 2004 (“the 2004 Act”), every individual who is a member of the Surrey Local Pension Board must be conversant with:

- (i) the regulations governing the LGPS; and
- (ii) any document or policy about the administration of the Fund.

9.2. Surrey Local Pension Board members should also have a knowledge and understanding of:

- (i) the law relating to pensions; and
- (ii) such other matters as may be prescribed.

9.3. The Surrey Local Pension Board shall adhere to the Scheme Manager’s Training Policy Attendance and Knowledge and Understanding Policy to address the knowledge and skills requirements that apply to Surrey Local Pension Board members under the 2004 Act.

9.4. It is for individual Surrey Local Pension Board members to ensure they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Surrey Local Pension Board.

9.5. In line with this requirement, Surrey Local Pension Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Surrey Local Pension Board members are therefore required to maintain a written record of relevant training and development.

9.6. Surrey Local Pension Board members will undertake a personal training needs analysis and regularly review their skills, competencies, and knowledge to identify gaps or weaknesses. Surrey Local Pension Board members will comply with the Scheme Manager's training policy.

10. Local Pension Board Meetings: Notice and Public Access to Surrey Local Pension Board Meetings and Information

- 10.1. There will be a sufficient number of meetings to enable the Surrey Local Pension Board to discharge its functions effectively, as decided by the Chair of the Surrey Local Pension Board with the consent of the Surrey Local Pension Board members, and no fewer than two Surrey Local Pension Board meetings a year.
- 10.2. The Scheme Manager shall give notice to all Surrey Local Pension Board members of every meeting of the Surrey Local Pension Board, which will be held in public (apart from confidential matters). All members will normally be sent an agenda and papers at least five working days before the meeting unless an urgent meeting is required.
- 10.3. Any meeting of the Surrey Local Pension Board will include provision for confidential matters or matters that would involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 to be dealt with privately in Part 2 and any documents in connection with such matters will be dealt with confidentially.
- 10.4. The Scheme Manager shall ensure that a formal record of Surrey Local Pension Board proceedings is maintained. Following the approval of the minutes by the Chair of the Surrey Local Pension Board, they shall be circulated to all members.
- 10.5. All agendas, reports and minutes will be available on the website except for any confidential or exempt matters.
- 10.6. In accordance with the Public Service Pensions Act 2013, the Administering Authority shall publish information about the Surrey Local Pension Board to include:
- (i) the names of the Surrey Local Pension Board members and their contact details;
 - (ii) the representatives of employers and members of the Surrey Local Pension Board;
 - (iii) the role of the Surrey Local Pension Board;
 - (iv) the Terms of Reference.

11. Quorum

11.1. The Surrey Local Pension Board shall have a quorum of a quarter of the membership, or no fewer than three members which should always include the Chair or the Vice Chair, at least one employer representative and at least one member representative.

12. Surrey Local Pension Board Costs and Budget

12.1. The Surrey Local Pension Board is to be provided with adequate resources to fulfil its role. In doing so, the budget for the Surrey Local Pension Board will be met from the Surrey Pension Fund.

12.2. The Surrey Local Pension Board will seek approval from the section 151 officer or their delegate for any expenditure it wishes to make.

13. Core Functions of the Surrey Local Pension Board

13.1. The first core function of the Surrey Local Pension Board is to assist the Scheme Manager in securing compliance with the Regulations, any other legislation relating to the Scheme and requirements imposed by the Pensions Regulator in relation to the Scheme.

13.2. The second core function of the Surrey Local Pension Board is to ensure the effective and efficient governance and administration of the Scheme.

13.3. In support of its core functions the Surrey Local Pension Board may request information from the Surrey Pension Fund Committee with regard to any aspect of the Scheme Manager function. Any such request should be reasonably complied with.

13.4. The Surrey Local Pension Board may make recommendations to the Surrey Pension Fund Committee. These recommendations should be given due consideration and a response made to the Surrey Local Pension Board within a reasonable period of time.

14. Reporting Arrangements

14.1. The Surrey Local Pension Board should report to the Surrey Pension Fund Committee in the first instance.

14.2. On receipt of a report from the Surrey Local Pension Board, the Surrey Pension Fund Committee should consider and respond to the Surrey Local Pension Board within a reasonable period of time.

14.3. Where the Surrey Local Pension Board is satisfied that there has been a breach of regulation which is reported to the Surrey Pension Fund Committee and is not been rectified within a reasonable period of time the Surrey Local Pension Board has a duty to escalate this perceived breach

14.4. The appropriate internal route for escalation is the Senior LGPS Officer.

15. The Surrey Local Pension Board may report concerns to the LGPS Scheme Advisory Board subsequent to the internal route for escalation.

15.1. Surrey Local Pension Board members are subject to the requirement to report breaches of law to the Pension Regulator under the Act and the Code,

16. Surrey Local Pension Board Review Process

16.1. The Surrey Local Pension Board will undertake each year a formal review process to assess how well it and the members are performing with a view to seeking continuous improvement in the Surrey Local Pension Board's performance.

17. Advisors to the Board

17.1. The Surrey Local Pension Board may be supported in its role and responsibilities through the appointment of advisors and shall, subject to any applicable regulation and legislation from time to time in force, consult with such advisors to the Surrey Local Pension Board and on such terms as it shall see fit to help better perform its duties including:

- (i) any Governance Advisor
- (ii) the Fund's Actuary;
- (iii) the Fund's Administrator;
- (iv) the Fund's Legal Advisor;
- (v) the Fund's Investment Manager(s);
- (vi) the Fund's Investment Advisor(s);
- (vii) the Fund's Employer Covenant Advisor;
- (viii) the Scheme Manager;
- (ix) other advisors as approved by the Scheme Manager.

18. Code of Conduct

18.1. The Scheme Manager will approve a Code of Conduct and Conflict of Interests Policy which will be adopted by the Surrey Local Pension Board and which members of the Local Pension Board will need to abide by.

19. Data Protection and Freedom of Information

19.1. The Surrey Local Pension Board and its members will need to comply with the Scheme Manager's Data Protection and Freedom of Information Policy.

20. Accountability

20.1. The Surrey Local Pension Board will be collectively and individually accountable to the Scheme Manager and to the Pensions Regulator.

21. Acceptance and Review of Terms of Reference

21.1. These Terms of Reference will be reviewed on each amendment to those parts of the Regulations covering Local Pension Boards.

21.2. The Terms of Reference was adopted on 17 March 2015

21.3. Version 4 of the Terms of reference was reviewed and adopted on 22 March 2024

Effective	17 March 2015
Reviewed	22 March 2024
Next review	31 March 2025

Version	Nature of Change	Implemented
V4	Initial Creation	25 March 2024