

## **PENSION BOARD OF TYNE AND WEAR FIRE AUTHORITY**

### **TERMS OF REFERENCE**

#### **Statement of purpose**

1. The purpose of the Pension Board (the Board) is to assist Tyne and Wear Fire Authority (the Authority) in its role as a scheme manager of the Fire Fighters Pension Scheme. The assistance is to:
  - Secure 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 and';
  - Ensure the effective and efficient governance and administration of the Scheme.
2. The Board is providing an oversight of these matters and, accordingly, the Board is not a decision making body in relation to the management of the Scheme but merely makes recommendations to assist in such management.
3. The Board is not a subcommittee of the Authority.

#### **Duties of the Board**

4. The Board should at all times act in a reasonable manner in the conduct of its purpose. The Board members should:
  - Always act in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
  - Be subject to and abide by the Authority's code of conduct for members.

#### **Local Pension Board membership**

5. Membership of the Authority's Local Pension Board will be:
  - Three employee representatives (referred to 'member' representatives)
  - Three employer representatives (referred to 'employer' representatives)

#### **Member representatives**

6. Three member representatives shall be appointed to the Board.
7. The member representatives shall be members, or retired members, of the Firefighters Pension Scheme administered by the Authority.
8. Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

9. Member representatives shall be appointed by the Authority in a manner which it considers best promotes the purpose of the Board. Member representatives will be nominated by the relevant representative body or organised employee group.

Employer representatives

10. Three employer representatives shall be appointed to the Board, these will be made up of:

- Two Principal Officer or appropriate Grey Book Manager
- One Elected Member of the Authority

11. The following may not act as Employer representatives. Individuals with the responsibility or delegated responsibility for:

- Discharging the Authority's pensions function, or
- Advising the Authority in issues relating to pension scheme manager functions, or;
- Playing an active role in assisting the Authority in relation to pension scheme manager functions.

12. Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

13. Employer representatives shall be appointed by the Authority in a manner which it considers best promotes the purpose of the Board.

Other members

14. The Board will not exceed six members.

15. The Board may invite individuals on a one off basis, for knowledge or expertise.

16. The Board may only invite individuals once express approval of the Authority has been gained.

17. On requesting permission for individuals to be invited to the board on a one off basis, the Board must state reasons why.

18. Individuals invited on a one off basis do not have any voting rights.

**Appointment of Chair**

19. On commencement of the Board, the Authority shall appoint a Chair.

20. The Chair will rotate each calendar year and alternate between an employer and employee representative on each rotation.

21. The Board will appoint the Chair each calendar year by majority vote.
22. Where the Board are unable to come to a majority, the Authority shall appoint the Chair.
23. The Board should also decide on method of election of the Chair that is in the best interest of the Board.

### **Voting**

24. Each member carries equal voting rights.
25. The Chair shall determine when consensus has been reached.
26. Where consensus is not achieved this should be recorded by the Chair.

### **Reporting**

27. The Board must provide minutes of each meeting to the HR Committee to the Authority.
28. The Board must provide reports and recommendations to the HR Committee to the Authority insofar as they relate to the role of the Board.
29. The Board will produce an annual report highlighting areas of concern and identifying good practice to the HR Committee to the Authority
30. Minutes and reports or recommendations must be provided within the agreed submission dates.
31. In support of its core functions, the Board may make a request for information to the Authority with regard to any aspect of the scheme manager function. Any such a request should be reasonably complied with in both scope and timing.

### **Recommendations**

32. In support of its core functions the Board may make recommendations to the Authority which should be considered and a response made to the Board on the outcome within a reasonable period of time.
33. In the exceptional circumstances that the Board considers that a matter brought to the attention of the Authority has not been acted upon or resolved to their satisfaction, the Board will provide a report to the Monitoring Officer and Head of Audit who will provide a separate view on the matter, taking expert advice as considered appropriate.

### **Notification of appointments**

34. On appointment to the Board, the Authority shall publish on the Authority's internet site the name of the appointees, the process followed in the appointment, together with the way in which the appointments support the effective delivery of the purpose of the Board.

### **Expenses and Allowances**

35. Any expenses incurred for travel and/or subsistence will be paid in accordance with the Authority guidelines.

36. Employer representatives shall not be paid an allowance.

37. Employee representatives, whose employed role is not of full time Trades Union Representative, who attends the Board outside of working time, shall receive time off in lieu.

38. Gifts and hospitality should only be accepted with the permission of the Authority - any gifts accepted should be reported on in the Board's annual report and recorded in the Authority's register of gifts and hospitality.

### **Confidentiality and Conflicts of interest**

39. All members of the Board must declare to the Authority on appointment and at any time their circumstances change of any potential conflict of interest that has arisen as a result of their position on the Board.

40. All members of the Board must declare to the Authority at the first meeting of each calendar year of any potential conflict of interests that has arisen as a result of their position on the Board.

41. On appointments to the Board and following any subsequent declaration of potential conflict, the Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Authority and the requirements of the Pensions Regulators codes of practice on conflict of interest for Board members.

42. Members of the Board should maintain confidentiality in relation to their role on the Board

### **Knowledge and understanding (including Training)**

43. Under the requirements of the Public Service Pensions Act, a member of the Pension Board must be conversant with:

- the legislation and associated guidance of the Firefighter Pension Scheme 2015 (FPS 2015), and
- any document recording policy about the administration of the FPS 2015 which is adopted by the Authority.

44. In addition, a member of the Board must have knowledge and understanding of:

- The law relating to pensions, and

- Any other matters which are prescribed in the regulations.
45. In line with this requirement Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date.
46. In line with the Board's policy and framework LPB members are therefore required to:
- Participate in training events
  - Undertake a personal training needs analysis or other method to identify gaps in skills, competencies and knowledge.
47. A written record of relevant training and development will be maintained
48. The Board should establish and maintain a policy and framework to address the knowledge and understanding requirements that apply to Board members. 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.
49. It is for individual Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Board.

### **Term of office**

50. The term of office should normally be three years subject to the conditions set out in section 52 below. Representatives will need to be re-elected to serve on the Board beyond the agreed term. Election and re-election are matters for the Authority. Member representatives will be nominated by the relevant representative body.
51. 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 member of the scheme
  - b) A member representative no longer being a member of the body on which their appointment relied
  - c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied
  - d) The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training.
  - e) The representative acting in a manner which is not in line with the Authority's Codes of Conduct which shall apply as if representatives were co-opted members of the Authority
  - f) An employer representative is promoted to a position in which fails to satisfy point 11 of these terms.

## **Meetings**

52. The Board will normally meet at the Authority's Service Headquarters.
53. The Board should notify the Authority in instances where the Board has not met at Service Headquarters providing reasons why.
54. Meetings will be within the times 9am and 5pm Monday to Friday on a normal working day.
55. The Board will meet a minimum of twice in each calendar year at dates times set and agreed by the Board annually.
56. Summons to meetings will be at least five clear days before the date of a relevant meeting, specifying the business expected to be transacted at that meeting. Any papers and documents will be circulated with that summons.
57. The chair of the Board with the consent of the Board membership may call additional meetings.
58. The Board should notify the Authority in instances where the Board has met, or plans to meet, for additional meetings and provide reasons why.
59. 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**

60. A meeting is only quorate when at least 75% of both member and employer representatives are present plus the chair or nominated deputy chair.
61. In the above instance, the voting right of the absent member(s) shall pass to the attending relevant member. For example, if a employer representative is absent the attending employer representatives shall carry 1.5 votes.

## **Terms**

62. In these terms 'the Scheme' means the Firefighters' Pension Scheme 2015.
63. In these terms Regulations means the Firefighters' Pension Scheme 1992, as amended, the Firefighters' Pension Scheme 2006, as amended and the Firefighters' Pension Scheme Regulations 2014 as amended.
64. In these terms 'regulations' include the Firefighters' Pension Scheme 1992, as amended, the Firefighters' Pension Scheme 2006, as amended, the Firefighters' Pension Scheme Regulations 2014 as amended, , the Pension Regulators Codes of Practice as they apply to the scheme manager and pension board and any other relevant legislation applying to the Scheme.