

PENSION BOARD COMPOSITION 2017/18 AND TERMS OF REFERENCE

SUMMARY

- 1. This report confirms the composition of the Pension Board Committee for the current year as approved by the Fire Authority (AGM) on 5 June 2017.
- 2. In terms of reporting to the Fire Authority, minutes of meetings of the Pension Board will be submitted to the next meeting of the Fire Authority.

RECOMMENDATIONS

- 3. Members are asked to consider and note this report.

PENSION BOARD COMPOSITION 2016/17

- 4. The Fire Authority at its meeting on 26 June 2015 approved the following composition of the Board for an initial term of 3 years until the AGM of the Authority in 2018/19:

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|--------------------------------------|---|
| <u>Employer representatives</u> (2): | 1 Elected Member (Nominated by the Authority) |
| | 1 Officer (Director of Public Safety) |

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| <u>Scheme Member representatives</u> (2): | 1 representative nominated by the representative bodies via discussion and agreement at the Joint Consultative Committee |
| | 1 representative selected from expressions of interest by individual HFRS FPS members or those eligible to be HFRS FPS members |

The persons nominated to each of those positions are as follows –

Employer representatives - Councillor Shepherd
- P Shillito, Director of Public Safety

Scheme Member representatives - Mr G Marshall
(1 Vacancy)(Mr D Riggall resigned May 2017). Nominations have been invited and an update will be given at the Board meeting.

TERMS OF REFERENCE

- 5. For ease of reference, attached at Appendix 1 are the terms of reference of the Pension Board and at Appendix 2 there is a copy of the Conflicts of Interest Policy that relates to Members of the Authority’s Pension Board.

REPORTING TO FIRE AUTHORITY

6. The minutes of meetings of the Board will be submitted to the next following meeting of the Fire Authority.

STRATEGIC PLAN COMPATIBILITY

7. Not directly relevant.

FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

8. None arising directly.

LEGAL IMPLICATIONS

9. None arising directly.

EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

10. No direct actions required.

CORPORATE RISK MANAGEMENT IMPLICATIONS

11. An effective committee structure supports leadership and good governance.

HEALTH AND SAFETY IMPLICATIONS

12. None arising directly.

COMMUNICATION ACTIONS ARISING

13. The structure will be published.

DETAILS OF CONSULTATION AND/OR COLLABORATION

14. None.

BACKGROUND PAPERS AVAILABLE FOR ACCESS

15. None.

RECOMMENDATIONS RESTATED

16. Members are asked to consider and note this report.

M BUCKLEY

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Article 10A – Pension Board

10A.1 FUNCTIONS AND RESPONSIBILITIES OF THE BOARD

The purpose of the Board is to assist the HFA in its role as a Scheme Manager of the Firefighters' Pension Scheme. Such assistance is:

- (a) 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
- (b) to ensure the effective and efficient governance and administration of the Scheme.
- (c) The Pension Board shall have no delegated powers but may make recommendations to the HFA

10A.2 SUPPORT TO THE BOARD

- (a) In support of its core functions the Board may make a request for information to the Executive Director Service Support/S.151 Officer with regard to any aspect of the scheme manager function. Any such a request should be reasonably complied with in both scope and timing.
- (b) In support of its core functions the Board may make recommendations to the Executive Director Service Support/S.151 Officer which should be considered and a response made to the Board on the outcome within a reasonable period of time.

10A.3 DUTIES OF THE BOARD

The Board should at all times act in a reasonable manner in the conduct of its business. In support of this duty Board members should:

- (a) always act in the interests of the scheme and not seek to promote the interests of any stakeholder group above another, and

Either -

- (b) in the case of Elected Member and Other members be subject to and abide by the HFA Code of Conduct for Members

or

- (c) in the case of officers of the HFA be subject to and abide by the HFA principles of good conduct for employees

10A.4 COMPOSITION

The Board will comprise an equal number of employer and member representatives as shall be determined by the HFA with a minimum requirement of not less than four in total. Initially the Board shall comprise

Member representatives

- (a) TWO member representatives:
 - 1 representative nominated by the representative bodies via the agreement at the Joint Consultative Committee
 - 1 representative selected from applications by individual HFRS FPS members or eligible HFRS FPS members
- (b) Member representatives shall either be members of the scheme administered by the HFA
- (c) Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.
- (d) The HFA will approve a selection process and criteria for the appointment of Member representatives to the Board.

Employer representatives

- (a) TWO employer representatives.
 - 1 Elected Member
 - 1 Officer (Director of Public Safety)
- (b) Employer representatives shall be Elected Members or senior officers of the HFA or have experience of representing scheme employers in a similar capacity. Elected Members or employees of the HFA with delegated responsibility for discharging the scheme manager function of the HFA may not serve as employer representatives.
- (c) Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.
- (d) Employer representatives shall be appointed by the HFA in a manner which it considers best promotes the purpose of the Board.

Other members

- (a) Up to 4* other members may be appointed to the Board in a non-voting capacity by the HFA or the Board.

[* Number to be no greater than the combined number of employer and member representatives]

- (b) Any appointments of other members shall have regard to the best interests of the purpose of the Board.

Substitutes

Substitutes shall not be permitted.

Appointments Process

All appointments to the Board shall be made generally in accordance with the appointments process set out in the Annex to this Terms of Reference.

10A.5 TERM OF APPOINTMENTS

(a) The membership of the Pension Board shall be determined at the Annual General Meeting of the HFA. Board members may be appointed for a maximum of two 3 year terms.

(b) Board membership may be terminated prior to the end of the term of office due to:

(i) a member representative appointed on the basis of their membership of the scheme no longer being a member or eligible member of the HFRS FPS;

(ii) a member representative no longer being a member of the body on which their appointment relied;

(iii) an employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;

(iv) the representative failing to attend meetings of the Board on three consecutive occasions

10A.6 APPOINTMENT OF CHAIRPERSON

(a) The Chairperson of the Board may be appointed annually at the Annual General Meeting of the HFA or elected at the first meeting of the Pension Board following the Annual General Meeting. The position of Chairperson will normally rotate on an annual basis between the Employers' representatives and the Member representatives on the Board. In the absence of the Chairperson at any meeting a Chairperson will be chosen from those members present to preside at that meeting

(b) The role of the Chairperson will be in accordance with the Roles of the Committee Chairpersons Generally set out in Part 2 Schedule 2 of the Constitution

10A.7 QUORUM

The quorum for meetings of the Board shall be 3 or as may be decided by the HFA at its AGM.

10A.8 NOTIFICATION OF APPOINTMENTS

On appointment to the Board, the HFA shall publish 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.

10A.9 CONFLICTS OF INTEREST

(a) All members of the Board must declare to HFA on appointment and at any such time as their circumstances change any potential conflict of interest arising as a result of their position on the Board.

(b) On appointments to the Board and following any subsequent declaration of potential conflict HFA shall ensure that any potential conflict is effectively managed in line with both the internal procedures of HFA and the requirements of the Pensions Regulator's codes of practice on conflict of interest for Board members.

10A.10 KNOWLEDGE AND UNDERSTANDING (INCLUDING TRAINING)

(a) Knowledge and understanding must be considered in light of the role of the Board to assist the HFA in line with the requirements outlined above. 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.

(b) Board Members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.

(c) Board Members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

10A.11 RIGHT TO ATTEND MEETINGS

(a) Members of the public may attend meetings of the Board subject to the exception set out below.

(b) The Board may resolve to exclude the press and public from a meeting of the Board on the grounds that the discussion of an item may include the discussion of confidential or exempt information as set out in Part 4 Section A Rule 9 of the Constitution

10A.12 FREQUENCY OF MEETINGS

There shall normally be two ordinary meetings of the Pension Board in each year. The Schedule of meetings shall be decided at the Annual General Meeting of the HFA. In addition, extraordinary meetings may be called at such other times as the Board or Chairperson of the Board may determine.

10A.13 VOTING

(a) Every proposition shall be determined by a show of hands

10A.14 CONFLICT RESOLUTION

In the event that a conflict should arise between the views of the Board in respect of decisions/actions of the Scheme Manager which is not resolved following representations from the Board to the Scheme Manager the matter may be referred to the Scheme Advisory Board or the Pension Regulator for guidance/clarification.

10A.15 ADDITIONAL POWERS

(a) The Board is authorised to investigate any activity within its terms of reference and to seek any information it requires from any employee. All employees are directed to co-operate with any request made by the Board.

(b) The Board is authorised to obtain outside legal or other independent advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the Monitoring Officer/Secretary, Chief Fire Officer & Chief Executive and Chairperson of the HFA. However, it may not incur direct expenditure in this respect without the prior approval of the HFA.

10A.16 POWER TO ESTABLISH SUB-COMMITTEE OR PANELS

(a) The Board shall have the power to establish a sub-committee of the Board and any such sub-committee shall be authorised solely to make recommendations to the Board.

(b) The Board shall be entitled to establish such panels or groups as it considers necessary to assist in the discharge of its functions. No delegated authority shall be granted to such a panel and the composition of a panel shall not be confined to the Members of the Board.

10A.17 ANNUAL REPORT AND MINUTES

(a) The Board shall report annually to the HFA upon the discharge of its functions;

(b) Minutes of the Board will be circulated to all Members of the HFA and shall be included as an agenda item on the HFA. Minutes of the Board will be made available in accordance with Part 4 Section B Rule 9 of the Constitution

(c) The Chairperson of the Board or nominated representative will be invited at the discretion of the Chairperson of the HFA to present the minutes at the meeting of the HFA and to respond to any questions that the HFA may have in respect to any matter concerning the Board.

10A.18 AMENDMENTS TO THE TERMS OF REFERENCE

Changes to the terms of reference may only be approved by the full HFA except that minor modifications reflecting changes in legislation or guidance from the Department for Communities and Local Government or the Pensions Regulator may be made by the Monitoring Officer/Secretary at the request of the Pension Board. Any such changes will be reported to the HFA to enable the Constitution to be amended.

PENSION BOARD – APPOINTMENTS PROCESS

1. The following procedures shall generally apply to the appointment of Members to the Board.

Member representatives

2. TWO member representatives:

(a) 1 representative nominated by the representative bodies via the agreement at the Joint Consultative Committee

(b) 1 representative selected from applications by individual HFRS FPS pension members or eligible HFRS FPS members

3. With regard to part 2 (a) above a single nomination will be invited from the Joint Consultative Committee to be determined by the staff side representatives on that Committee. In the event that no eligible nomination is forthcoming the vacancy shall be filled applying the procedure applicable for the appointment of a representative under part 2 (b) above.

4. With regard to part 2 (b) above:

(i). Every member of the scheme administered by the HFA shall be sent a nomination pack by email or post to include the terms of reference and an invitation to nominate themselves as a member representative.

(ii) Any nomination should include information as to how the nominee meets the requirements of the role as set out in the terms of reference and how their appointment would be in the best interests of the purpose of the Board.

(iii) Details of the appointment process shall be posted on the website of the HFA together with instructions for the completion and submission of nomination forms.

(iv) All nominations will be assessed as to their eligibility by the Corporate Management Team who will recommend to the Authority an appointment, or if no nomination is received from the JCC, a second appointment.

Employer representatives

5. TWO employer representatives.

(a) 1 Elected Member

(b) 1 Officer (Director of Public Safety)

6. With regard to part 5 (a) above the HFA will seek nominations from Elected Members for appointment. In the event of there being more than one nominee the matter will be determined at a meeting of the HFA and the Elected Member receiving the greatest number of votes will be appointed.

7. With regard to part 5 (b) above the HFA shall appoint senior officers of the HFA on the recommendation of the Corporate Management Team.

Other members

8. (a) Up to 4* other members may be appointed to the Board in a non-voting capacity by the HFA or the Board by such process as the Authority shall determine.

[* Number to be no greater than the combined number of employer and member representatives]

(b) Any appointments of other members shall have regard to the best interests of the purpose of the Board

