

**PENSION BOARD OF NORTH YORKSHIRE POLICE, FIRE & CRIME
COMMISSIONER, FIRE AND RESCUE AUTHORITY**

TERMS OF REFERENCE

Name

1. The name of the Board is “Local Pension Board” (“the Board”) and is established by North Yorkshire Police, Fire & Crime Commissioner, Fire and Rescue Authority (hereafter referred to as ‘the Authority’) as the Scheme Manager under the provisions of the Public Sector Pensions Act 2013 and The Firefighters’ Pension Scheme (Amendment)(Governance) Regulations 2015.
2. The Board shall be in place from 1 April 2015.

Statement of purpose

3. The purpose of the Board is to assist the Authority in its role as the scheme manager of the Fire Fighters Pension Scheme. Such assistance is to:
 - (a) 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) ensure the effective and efficient governance and administration of the Scheme.

Duties of the Board

4. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members:
 - (a) should act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
 - (b) should be subject to and abide by the Code of Conduct for Pension Board Members.

Membership

5. The Board will comprise an equal number of employer and member representatives, with the total number of members required to be present for a meeting to be quorate being four (comprising an equal number of member and employer representatives).
6. Each Board member shall endeavour to attend all Board meetings during the year.

Member representatives

7. Three member representatives shall be appointed to the Board. Member representation will be taken from the following bodies:
 - the Fire Brigades Union
 - the Fire and Rescue Services Association
 - the Fire Officers Association
8. Member representatives shall either be members of the scheme administered by the Authority or have experience of representing pension scheme members in a similar capacity.
9. Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

Employer representatives

Three employer representatives shall be appointed to the Board

10. Employer representatives shall be office holders or senior employees of the Authority or have experience of representing scheme employers in a similar capacity. Office holders or employees of the Authority with delegated responsibility for discharging the scheme manager function of the Authority may not serve as employer representatives.
11. Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.
12. Employer representatives shall be appointed by the Authority in a manner which it considers best promotes the purpose of the Board.

Substitute Members

14. Named Substitute Members may be appointed by the Authority to attend and/or vote at meetings of the Pension Board in the absence of a Board Representative but must be either an employer or member representative. Training will be provided for named Substitute Members.

Other members

15. No other members shall be appointed to the Board by the Authority or the Board.

Appointment process

16. The Chief Fire Officer, or his nominee, will contact all office holders and senior employees of the Authority who meet the eligibility criteria in paragraphs 11 -

13, or the relevant representative body listed at paragraph 8, to inform them of the Pension Board arrangements and to canvass interest whenever appointments to the Pension Board are required. Following the receipt of applications from office holders and senior employees of the Authority, the Authority will arrange an independent as possible appointment process. This process will include assessing information supplied by candidates in support of their application and may be supplemented by interviews as appropriate. Successful applications, and nominations from the representative bodies, will be submitted to the Authority for formal appointment.

Appointment of Chair

17. The Chair of the Pension Board can be either a member or an employer representative. The first Chair will be appointed by the Board from amongst its own membership. Thereafter, the Authority shall appoint the Pension Board's Chair every 3 years (or earlier by prior agreement).
18. The Board shall have a named Vice-Chair, whose tenure will also be for 3 years (or earlier by prior agreement).
19. The Chair shall be responsible for ensuring that the Board meets its purpose, that meetings are properly conducted, decision making is clear, and professional advice is followed. The Chair shall agree the agenda and approve the minutes for each meeting. The Chair will also be responsible for ensuring that Board members have the knowledge and understanding specified in paragraphs 24 – 27 of these terms of reference.

Conflicts of interest

20. The Pension Board shall always act within its terms of reference.
21. The Pension Board shall have a Conflicts Policy for its members for identifying, monitoring and managing conflicts of interest. Members of the Pension Board shall abide by the Conflicts Policy and provide information specified in paragraphs 22 and 23 of this terms of reference.
22. All members of the Board must declare to the Authority 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.
23. 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.

Knowledge and understanding (including training)

24. Knowledge and understanding must be considered in light of the role of the Board to assist the Authority in line with the requirements outlined in paragraph

3 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.

25. 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.
26. 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. This includes revisiting online training modules every 2 years.
27. The Board is entitled to one free training session per annum to be delivered in house by the LGA.

Term of office

28. Pension Board Members will serve for a term of four years, ceasing on the date of the local government elections during that fourth year. Pension Board Members may either retire from the Board or seek appointment/nomination for an additional term if they continue to fulfil the eligibility criteria set out in paragraphs 9 and 10 for Member Representatives or paragraphs 12 and 13 for Employer Representatives.
29. Any casual vacancies which arise on the Pension Board shall be filled for the remainder of the term set out in paragraph 28.
30. 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. where there is a conflict of interest which cannot be managed in accordance with the Pension Board's Conflicts of Interest Policy
 - e. The representative fails to attend meetings, undertake training or otherwise comply with the requirements of being a Pension Board Member.

Meetings

31. The Board shall, as a minimum, meet 4 times a year, considering that quarterly meetings are recommended good practice.

32. The Scheme Manager, or the Chair of the Board with the consent of three other Board Members, may call a special meeting. 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.
33. All agendas and papers for Board meetings will be made publicly available on the Authority's website unless, in the opinion of the Scheme Manager, they are covered by exempt/confidential information procedures under Schedule 12A of the Local Government Act 1972 (as amended) or represent data covered by the Data Protection Act 1998.

Quorum

34. The total number of members required to be present for a meeting to be quorate is four (which includes an equal number of member and employer representatives). In exceptional circumstances (at the Chair's discretion and not exceeding one meeting per year), members will be permitted to dial into the meeting and be regarded as present for quoracy purposes. No decisions can be made by the remote board member on items / information tabled during the meeting that has not been circulated beforehand.

Voting

35. Each Pension Board Member who is a Member Representative or an Employer Representative will have an individual voting right but it is expected that the Pension Board will, as far as possible, reach a consensus.
36. The Chair shall determine when consensus has been reached.
37. Where consensus is not achieved this should be recorded by the Chair.
38. 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.
39. 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.

Accountability

40. The Board will be collectively and individually accountable to the Scheme Manager, which is ultimately North Yorkshire Police, Fire & Crime Commissioner, Fire and Rescue Authority as the responsible authority for the Firefighters' Pension Schemes.
41. The Authority continue to be responsible for the contractual arrangements, including delivery against the contract and agreed key performance indicators for the pension scheme administration.

Role of Advisors

42. The Board will be supported in its role and responsibilities by the Authority through advice and support as appropriate. Any requests made by the Board shall be considered in accordance with paragraph 39 of these terms of reference.

Role of Officers

43. Officers will support the Pension Board.

Board Meetings – Notice, Minutes and Reporting

44. The Secretary to the Authority shall give notice to all Pension Board Members of every meeting of the Pension Board and shall ensure that a formal record of Pension Board proceedings is maintained. Following the approval of the minutes by the Chair of the Board, the minutes shall be circulated to all Pension Board Members.
45. The Pension Board is a committee of the Authority which is a FOIA public authority, minutes should be carefully dealt with and separated as appropriate into open and closed business, so that open minutes can be published promptly.
46. The minutes of each meeting of the Pension Board will be approved by the Chair and submitted for consideration at the next available meeting of the Fire and Rescue Service's Strategic Leadership Team, where there is representation from the Authority. In addition, if the Pension Board has concerns which are sufficiently serious, those concerns will be reported immediately to the Chief Fire Officer and Authority's Monitoring Officer. Such concerns may include a fundamental breach of the Regulations or a fundamental failure by the Scheme Manager to ensure the effective governance of the Scheme. The Pension Board may escalate concerns via the Scheme Advisory Board or the Responsible Authority where internal channels are not appropriate. It may be appropriate for the Pension Board to report serious concerns to the Regulator.
47. The Pension Board has no power to set up working groups or sub-boards.

Resources and Funding

48. The Pension Board shall be provided with adequate resources to fulfil its task.
49. Pension Board Members' expenses shall be met from other budgets.
50. The Authority shall meet the cost of secretarial support to the Pension Board and any necessary advisory support.

51. The Pension Board may access any budget it requires for professional advice, training, or for other relevant purpose, by making application, submitted by the Chair on behalf of the Board, to the Chief Fire Officer.

Data Protection

52. The Authority is a 'data controller' under data protection legislation. The Pension Board is not a separate legal entity and shall comply with the Authority's data protection policies. The Pension Board shall also ensure personal data processing by the Pension Board is within the Authority's notification registered with the Information Commissioner. Information records created or obtained by the Pension Board are accessible under the Freedom of Information Act 2000.

Updating the Pension Board Terms of Reference

53. These terms of reference will be reviewed regularly by the Pension Board. Significant amendments must be agreed by the Authority. General updating and housekeeping can be approved by the Chief Fire Officer without the need to seek the Authority's approval.

Interpretation

54. In these terms 'the Scheme' means the Firefighters' Pension Scheme.
55. 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.
56. 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.