

WEST MIDLANDS PENSION FUND

PENSIONS COMMITTEE

TERMS OF REFERENCE

The Council's financial procedure rules, contract procedure rules and internal financial limits concerning procurement do not relate to the Pensions Committee who, by delegation from Council and Cabinet, have authority to enter into contracts, procure services, purchase goods and manage financial investment through the internal controls of the West Midlands Pension Fund and in compliance with all applicable legislation.

Any reference within the Council's constitution that refers to Council or Cabinet and includes powers relevant to the work of the Pensions Committee should be read to include Pensions Committee.

The Pensions Committee shall adhere to the Standing Orders of Wolverhampton City Council and all matters of due process so far as they do not conflict with the preceding delegation.

1.0 Pensions Committee as Scheme Manager

Under Section 4 of the Public Service Pensions Act 2013 the Scheme Manager for the Administering Authority shall be the Pensions Committee.

The Administering Authority shall at Full Council every year approve the delegation of the function of Scheme Manager under Section 101 of the Local Government Act 1972 to the Pensions Committee and appoint representatives to sit on the Committee for that year.

1.2 Membership

The membership of the Pensions Committee shall consist of 8 Wolverhampton City Council members, 1 Elected Member from each of the 6 District Councils and 4 trade union representatives.

The quorum is 9

A substitution for any persons appointed to the Pensions Committee shall follow the Council's procedure.

The term of office for a person appointed to the Committee shall be for a period no shorter than one year and no longer than eight years or their term of office (where the person is an elected Councillor, whichever is the shortest). Nomination to the committee shall take a 4 year rotation with one third nominations received in year 1 and one third nominations received in year 3, and so on. This is to ensure a consistency of knowledge within the committee and to assist with the development of knowledge and experience.

Should an elected Councillor no longer be a member of their authority, their appointment on the Committee shall cease and a further nomination will be sought from that authority.

The Committee shall meet a minimum of twice yearly

All persons appointed to the Committee will adhere to the Committee's Code of Conduct.

In compliance with the legislative requirements of knowledge and understanding, person's appointed to the Committee are expected to make themselves available to attend committee meetings. Person's appointed who fail to attend 3 or more events (to include committees and training) will be asked to leave the committee and a replacement sought from their nominating body unless there are exceptional reasons for their failure to attend. Such reasons to be considered by the committee.

At least once a year the Committee will report to Full Council on the business it has conducted.

1.3 Chairing the Committee

It will be the first business of the Committee at its annual review to nominate a Chair who will sit for the term of one year.

In the event of a tie of votes of any business to be conducted, the Chair will have the casting vote. In circumstances where the vote is to appoint a new Chairman, the outgoing Chair will have the casting vote in the event of a tie.

1.4 Functions

The Pensions Committee shall perform those functions of Wolverhampton City Council which are required to be performed by it in its role as Administering Authority for the Local Government Pension Scheme under the Public Service Pensions Act 2013 (and any associated legislation) adhering to the principles required by the Code of Practice issued by the Pensions Regulator.

The Pensions Committee may call upon the pension board to seek advice on matters to be discussed at the committee meeting. Where such advice is sought it must be considered as part of the decision making process.

1.5 Terms of Reference

To act as the Scheme Manager for the Administering Authority in the management and administration of the local government pension scheme for the West Midlands.

To adhere to the principles set out in the Codes of Practice issued by the Pensions Regulator and undertake its duties in compliance with the obligations imposed on it.

To provide independent assurance to members of the fund of the adequacy of the risk management framework and the associated control environment, responsible for the fund's financial and non-financial performance to the extent that it affects the fund's exposure to risk.

To administer all aspects of the West Midlands Pension Fund on behalf of Wolverhampton City Council.

To exercise all the general powers and duties of the Council granted to the Cabinet and Cabinet Panels and Regulatory or other Committees provided that those parts of the Council's Financial Procedure Rules and Contracts Procedure Rules which relate to the acquisition and disposal of land. Fund Investment transactions, custody of assets, appointment of advisors, approval of expenditure and their related activities, shall not apply in relation to such acquisitions and disposals and expenditure in connection with the Pension Fund.

To ensure that equality issues are addressed in the development of policies and the provision of services and are appropriately monitored.

To communicate with members of the fund keeping accurate records and publishing information as required about the fund and its work.

1.6 Training

In compliance with the requirements of the Public Service Pensions Act 2013 persons appointed to the Committee shall undertake at least 3 training sessions per year. The first training session will be organised within 28 days of their appointment to the Committee with subsequent training scheduled after 3 months of appointment and after 9 months of appointment.

2.0 Sub-Committee

Under Section 101 the Pensions Committee has delegated responsibility for Investments to the Investment Advisory Sub-Committee.

All persons appointed to the Sub-Committee will adhere to the Committee's Code of Conduct.

2.1 Membership

The membership of the Sub-Committee shall be drawn from the Pensions Committee in proportionate numbers

The quorum shall be 5

A substitute for any persons appointed to the Sub Committee shall follow the Administering Authority's procedure.

The Sub Committee shall meet a minimum of twice yearly

In compliance with the legislative requirements of knowledge and understanding, person's appointed to the Committee are expected to make themselves available to attend committee meetings. Person's appointed who fail to attend 3 or more events (to include committees and training) will be asked to leave the committee and a replacement sought from their nominating body unless there are exceptional reasons for their failure to attend. Such reasons to be considered by the committee.

2.2 Chair

The Chair of the Sub-Committee shall be appointed at the annual review meeting of the Pensions Committee from nominations received and shall sit as Chair for the period of one year.

In the event of a tie of votes of any business to be conducted, the Chair will have the casting vote. In circumstances where the vote is to appoint a new Chairman, the outgoing Chair will have the casting vote in the event of a tie.

2.3 Function

The function of the Sub Committee shall be to

- Advise on the establishing of policies in relation to investment management including the appointment and approval of terms of reference of independent advisers to the Fund.
- To monitor investment activity and the performance of the Fund.
- To oversee the administrative and investment management functions of the Pension Fund.