

**LONDON BOROUGH OF MERTON
PENSIONS BOARD
TERMS OF REFERENCE**

The Local Pension Board (hereafter referred to as 'the Board') is established in accordance with Section 5 of the Public Service Pensions Act 2013 and under regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended). The Board is not a committee constituted under Section 101 of the Local Government Act 1972.

Membership

The Board shall consist of 4 voting members made of:

- 2 Member Representatives,
- 2 Employer Representatives; and
- 1 Further representative without voting rights to be appointed at the discretion of the Council

A chair to be appointed by the employer and member representatives of the Board on a rotating basis with the term of office shared between an employer and a member representative on an equal basis. In the event of a tied vote, the Chair will have the casting vote.

The Director of Corporate Services will determine an appropriate selection and appointment process for Board Members

Functions of the Local Pension Board

The purpose of the Board is to assist the Council in its role as a scheme manager of the Scheme. Such assistance is to:

1. (a) To secure compliance with:
 - Regulations made under the Public Service Pensions Act 2013 that
 - apply to the matters referred to in sections 5 and 6 of that Act.
 - Any other legislation relating to the governance and administration
 - of the Scheme and any connected scheme
 - Any requirements imposed by the Pensions Regulator in relation to
 - the Scheme. These areas include but are not restricted to:
2. Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations.
3. Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code

4. Assist with the development of and continually review such documentation as is required by the Regulations including Governance Compliance Statement, Funding Strategy Investment strategy statement.
5. Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.
6. Review the implementation of revised policies and procedures following changes to the Scheme.
 - Review the compliance of particular cases, projects or process on request of the Committee.
 - Any other area within the statement of purpose (i.e. assisting the Administering Authority) the Board deems appropriate.
 - To ensure the effective and efficient and effective governance and administration of the Scheme. Including but not restricted to:
 - Assist with the development of improved customer services.
 - Assist with the development of improved management, administration and governance structures and policies.
 - Assist in the development and monitoring of process improvements on request of Committee.
 - Assist in the development of asset voting and engagement processes and compliance with the UK Stewardship Code.
 - Any other area within the statement of purpose (i.e. ensuring effective and efficient governance of the scheme) the Board deems appropriate.

Termination of Membership

Non-attendance at 2 consecutive meetings would result in a replacement representative being sought. The ability of members to seek re-appointment for further term will be considered to ensure continuity.

Conflicts of interest

The Administering Authority must be satisfied that any person appointed to the Board and from time to time that any member of the Board does not have a conflict of interest, as defined under Section 5(5) of the Public Service Pensions Act 2013. All members of the Board must declare to the Administering 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.

Knowledge and understanding (including Training)

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 of Merton pension and the LGPS.

Meetings

The Board shall meet four times a year (at a minimum meet twice each year) and will be set in conjunction with Democratic Services.

Substitutes will not be allowed where members are unable to attend meetings.

Attendance requirements

Non-attendance at 2 consecutive meetings would result in a replacement representative being sought

Quorum

The quorum for any meeting shall be 2 members comprising at least one employer and one-member representative. A meeting that becomes inquorate may continue but any decisions will be non-binding.

Reporting

1. The Board in the first instance report its requests, recommendations or concerns to Pension Committee .
2. On receipt of a report Pension Committee should, within a reasonable period, consider and respond to the Board.
3. The appropriate internal route for escalation is to the Section 151 Officer.
4. The Board may report concerns to the LGPS Scheme Advisory Board for
5. Consideration subsequent to, but not instead of, using the appropriate internal route for escalation.
6. Board members are also subject to the requirements to report breaches of law under the Act and the Code [and the whistleblowing provisions set out in the Council's whistle blowing policy].
7. The Board will produce an annual report of its work, findings and recommendations.

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