

From: John Betts, Corporate Director of Finance
To: Selection and Member Services Committee, 29 June 2022
Subject: Pension Fund Board and Committee terms of reference
Status: Unrestricted

1. Introduction

- a) Following on from the Pension Fund Investment Governance Lessons Learnt Review undertaken by Internal Audit, Barnett Waddingham were commissioned to undertake a review of the Governance of the Pension Fund. They completed their review in 2021 and since then officers have been implementing the report's recommendations.
- b) The report recommended changes to the Pension Board terms of reference and board membership, and the collation of the Committee's terms of reference, as contained in the constitution, into one document together with changes to the non-voting membership of the Committee.
- c) The Barnett Waddingham recommendations were considered by an informal meeting of the Board on 7 June and members were supportive of the proposed changes.
- d) At its meeting on 22 June the Pension Fund Committee will be asked to consider the terms of reference and membership changes. As papers for this meeting have been published ahead of the Pension Fund Committee meeting a verbal update will be provided on the 29th.

2. Kent Pension Board revised terms of reference

- a) County Council agreed the current version of the Pension Board's terms of reference on 26 March 2015 prior to the establishment of the Board on 1 April 2015 in accordance with Section 5 of the Public Service Act 2013 and under Regulation 106 of the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended).
- b) The terms of reference have been amended and enhanced based on the recommendations of the governance review in order to fully describe the role of the Board as laid out in the regulations. They have also been updated to reflect best practice and to take account of guidance from the LGPS Scheme Advisory Board (SAB) as well as the Pensions Regulator (TPR).
- c) A copy of the revised terms of reference is at appendix 1.
- d) The terms of reference will be reviewed every three years and when significant changes to the LGPS regulations occur.

3. Pension Fund Committee terms of reference

- a) The Pension Fund Committee terms of reference are contained within the constitution and as recommended by the review a document has been produced collating the key details including Committee members' responsibilities and duties and information such as the term of office, how the chair is chosen, what constitutes a quorum and other operational procedures.
- b) A copy of the report that was presented to the Committee on 22 June is at appendix 2.
- c) The terms of reference are at appendix 2 annex 1.
- d) The document will be regularly reviewed to ensure it is consistent with the constitution and the non-voting membership of the committee will be reviewed annually at the beginning of each committee year.

4. Recommendation

The Selection and Member Services Committee is asked to recommend to County Council:

- i. That the revised Pension Board terms of reference be approved
- ii. That the Committee terms of reference document be noted

5. Background Documents

None.

6. Report Author and Relevant Director

Alison Mings, Treasury and Pensions Strategic Advisor
03000 416488
Alison.mings@kent.gov.uk

John Betts, Corporate Director of Finance
03000 410066
John.betts@kent.gov.uk