

Appendix 3

CONSTITUTION OF THE LONDON BOROUGH OF CROYDON

PART 4.N – Pension Committee Terms of Reference

1. Introduction

1.1 Without prejudice to the Non-Executive Committee Procedure Rules, Part 4.F of the Constitution, the purpose of this document is to set out the terms of reference for the Pension Committee (“the Committee”), to discharge the responsibilities for Croydon Council in its role as ~~lead authority for the~~ administrative authority of the Croydon Pension Fund (“the Fund”) /Local Government Pension Scheme (“the Scheme”).

2. Role of the Committee

2.1 To exercise the Council’s pensions functions including but not limited to the functions set out in 2.2 to 2.4 below.

2.2.2 To ensure that the Fund is properly operated in accordance with the Local Government Pensions Scheme Regulations (“the Regulations”) and all other relevant legislation, codes, guidance and best practice as advised by the Pensions Regulator, including financial, governance and administrative matters.

2.2.3 To adopt Fund specific policies concerning the administration of the Fund, investing of Fund monies and the management of the Fund’s solvency level. In addition, the Committee is responsible for compliance with all financial and regulatory requirements of the Fund.

2.3.4 To discharge its fiduciary responsibility in the best interest of the Fund, in particular:

- a) To set the investment policy and review the performance of the Fund’s investment managers, pooling arrangements, Scheme administration, and external advisors;
- b) To make arrangements for the triennial actuarial valuation;
- c) To determine the Pension Administration Strategy;
- d) To approve and monitor compliance of statutory statements and policies required under the Regulations;
- e) To approve the Fund’s Statements of Accounts and annual report;
- f) To ensure that the Council discharges its obligation, as administrating authority for the ~~local government pension s~~ Scheme, to other scheme employers;
- g) To make representations to government as appropriate concerning any proposed changes to the ~~Local Government Pension~~ Scheme; and
- h) To keep these terms of reference under review.

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3. Delegations

3.1 Unless otherwise reserved for this Committee or Full Council by law or the Constitution, this Committee hereby delegates all Fund matters to the Corporate Director of Resources and Section 151 Officer. As appropriate the Corporate Director of Resources and Section 151 Officer ~~may will~~ delegate aspects of the role to other officers of the Council including the Head of Pensions and Treasury, and ~~may appoint to~~ professional advisors within the scope of the Regulations.

4. Structure

4.1 In accordance with those recommendations made by Chartered Institute of Public Finance and Accountancy (CIPFA) and the Myners Principles and notwithstanding resignations etc. the Committee will comprise the following members:

- a) 8 elected voting Members (plus ~~86~~ substitutes) ~~at a ratio of 5 majority Members to three minority Members;~~
- b) Two representatives of Pensioners of the Fund elected by ballot of Pensioners of the Fund, one of whom shall be a voting ~~co-opted~~ member and one of whom shall be a non-voting ~~co-opted~~ member. The representative with the most votes following the ballot of Pensioners of the Fund shall be the voting member. The other representative of the Pensioners of the Fund shall be non-voting ~~howeverbut~~ is permitted to exercise a vote ~~only~~ in the absence of, and on behalf of, the voting representative;
- ~~b)c)~~ One non-Council Employer representative nominated by the other Fund employers who shall be a voting ~~co-opted~~ member; and
- ~~c)d)~~ One ~~non-voting Trade Union Staff r~~ Representative nominated by the ~~three~~ Trade Unions who shall be a voting ~~co-opted~~ member.

4.2 There will be a minimum of three meetings ~~in public~~ a year of the Committee. ~~Informal meetings will be arranged as required. The outcomes of informal meetings will be reported at formal Committee meetings.~~

5. Quorum

5.1 Three ~~elected~~ voting ~~M~~members (i.e. excluding ~~co-opted~~ members).

6. Local Pensions Board

6.1 As part of good governance of the ~~S~~scheme, the Committee will work with, receive and consider reports from the Local Pensions Board. The Board is not a decision making body and it will be for the Committee to ensure that the appropriate actions are undertaken as required.

7. Knowledge and Understanding

7.1 Members ~~and co-opted members~~ of the Committee are expected to continually demonstrate their own personal commitment to training and to ensure that governance objectives are met. To assist in achieving these objectives training sessions will be organised to ensure Committee ~~Members and co-opted~~ members are familiar with the rules of the Fund ~~and~~ with relevant legislation.

8. Review of Terms of Reference Policy

8.1 The Terms of Reference will be reviewed annually and updated as required.