



London Borough of Hammersmith & Fulham

PENSIONS BOARD

30 July 2015

ROLE OF PENSIONS SUB-COMMITTEE

Report of the Director for Finance

Open Report

Classification: For Information

Key Decision: No

Wards Affected: All

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1. EXECUTIVE SUMMARY

- 1.1 This report advises the Pensions Board of the role of the Council's Pensions Sub-committee.

2. RECOMMENDATIONS

- 2.1. That the Board note the contents of this paper.

3. REASONS FOR DECISION

- 3.1. To enable the Board to have an understanding of the role of the Pensions Sub-committee.

4. INTRODUCTION AND BACKGROUND

- 4.1. The Pensions Sub-committee was set up in December 2014 by the Audit, Pensions and Standards Committee to make decisions on all Pension Fund related matters.

5. PROPOSAL AND ISSUES

- 5.1. The terms of reference for the sub-committee are attached at Appendix 1.
- 5.2. The current members of the Pension Sub-Committee are:
 - Cllr Ian Cassidy (Chair)
 - Cllr Mike Adam (Vice-Chair)
 - Cllr Nicholas Botterill
 - Cllr PJ Murphy
 - Cllr Guy Vincent
- 5.3. The Pension Fund Committee meetings for the remainder of this municipal year are scheduled to take place on the following dates:
 - 9 September 2015
 - 25 November 2015
 - 16 March 2016

Members of the Pension Board are invited to attend these meetings as observers, which will take place at 7pm on the above dates at Hammersmith Town Hall.

- 5.4. The Pensions Sub-committee have suggested that a joint meeting of the Sub-Committee and Board takes place in September 2015 to discuss the relative roles of the two bodies.
- 5.5. Further information about the Pensions Sub-Committee including agendas and minutes is available at the following link:
www.lbhf.gov.uk/Directory/Council_and_Democracy/Committee_reports_minutes_and_agendas/Committee_Archive/homepage.asp?mgpage=ieListMeetings.aspx%26amp%3BCId%3D512%26amp%3BYear%3D0

LOCAL GOVERNMENT ACT 2000

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.

LIST OF APPENDICES:

Appendix 1: Pensions Sub-Committee Terms of Reference

PENSION FUND SUB COMMITTEE - TERMS OF REFERENCE

1. Membership

- 1.1 The Membership will consist of 5 members drawn from the parent Committee.
- 1.2 The Sub Committee will have the following membership:
3 Administration Councillors and 2 Opposition Councillors
- 1.3 The Chair will be the Chair of the Audit, Pensions and Standards Committee. The Vice-Chairman will be an Opposition Councillor.
- 1.4 The Sub Committee may co-opt non-voting independent members, including Trade Unions and representatives from the admitted and scheduled bodies in the Pensions Fund, as appropriate.

2. Quorum

- 2.1 The quorum of the Sub Committee shall be 3 members.

3. Voting

- 3.1 All Councillors on the Sub Committee shall have voting rights. In the event of an equality of votes, the Chair of the Sub Committee shall have a second casting vote. Where the Chair is not in attendance, the Vice-Chair will have the casting vote.

4. Procedures

- 4.1 Except as provided herein, Council Procedure Rules (as applicable to all Committees) shall apply in all other respects to the conduct of the Committee.
- 4.2 Meetings of the Sub Committee shall be held in public, subject to the provisions for considering exempt items in accordance with sections 100A-D of the Local Government Act 1972 (as amended).

5. Meetings

- 5.1 The Pensions Fund Sub Committee will meet at least four times a year.
- 5.2 The Chair of the Sub Committee may convene additional meetings as necessary.
- 5.3 The Chief Executive may ask the Sub Committee to convene further meetings to discuss particular issues on which the Sub Committee's advice is sought.

6. Reporting

- 6.1 The Pension Fund Sub Committee will formally report back in writing to the full Council at least annually.

7. Responsibilities

To have responsibility for all aspects of the investment and other management activity of the Council's Pension Fund, including, but not limited to, the following matters:

1. To agree the investment strategy and strategic asset allocation having regard to the advice of the fund managers and the Investment Consultant.
2. To monitor performance of the Pension Fund, individual fund managers, custodians, actuary and other external advisors to ensure that they remain suitable;
3. To determine the Fund management arrangements, including the appointment and termination of the appointment of the Fund Managers, Actuary, Custodians and Fund Advisers.
4. To agree the Statement of Investment Principles, the Funding Strategy Statement, the Business Plan for the Fund, the Governance Policy Statement, the Communications Policy Statement and the Governance Compliance Statement and to ensure compliance with these.
5. To approve the final statement of accounts of the Pension Fund and to approve the Annual Report.
6. To receive actuarial valuations of the Pension Fund regarding the level of employers' contributions necessary to balance the Pension Fund.
7. To oversee and approve any changes to the administrative arrangements, material contracts and policies and procedures of the Council for the payment of pensions, and allowances to beneficiaries.
8. To make and review an admission policy relating to admission agreements generally with any admission body.
9. To ensure compliance with all relevant statutes, regulations and best practice with both the public and private sectors.
10. To review the arrangements and managers for the provision of Additional Voluntary Contributions for fund members.
11. To receive and consider the Auditor's report on the governance of the Pension Fund.
12. To determine any other investment or pension fund policies that may be required from time to time so as to comply with Government regulations and to make any decisions in accordance with those policies.

In cases where the Sub Committee decides, it may refer matters to the Audit, Pensions and Standards Committee for decision.