

Terms of Reference for the Local Pension Board of North Wales Fire and Rescue Service

1. This document sets out the terms of reference for the Local Pension Board (the Board) of North Wales Fire and Rescue Service, Firefighters' Pension Scheme as required by the Public Service Pensions Act 2013 and the Local Government (Amendment) (Governance) Regulations 2015.

Scheme Management

2. North Wales Fire and Rescue Authority (the Authority), as administering authority, is the Scheme Manager. Its functions are discharged in accordance with the Authority's scheme of delegation by the Treasurer and Chief Fire Officer.

The Local Pension Board

3. The role of the Board is to assist the Authority, as the administering authority:
 - to secure compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme;
 - to secure compliance with requirements imposed in relation to the scheme by the Pensions Regulator;
 - ensure the effective and efficient governance and administration of the Firefighters' Pension Schemes for Dyfed Pension Fund;
 - the role of the Board will be oversight of these matters and not decision making;
 - in undertaking any relevant work as requested; and
 - in such other matters as the scheme regulations may specify.
4. The Board will ensure that the Code of Practice on governance and administration issued by the Pensions Regulator is complied with. The Board will also ensure that it complies with the knowledge and understanding requirements in the Pensions Regulator's Code of Practice.
5. The Board is accountable to the Pensions Regulator, the National Scheme Advisory Board and the Administering Authority in their role as Scheme Manager.
6. The principal functions of the Board shall include, but not be limited to:
 - reviewing decision making processes, policies and procedures to ensure they are compliant with relevant Regulations;
 - seeking assurance that these are followed and adhered to with regard to Pensions decisions;

- seeking assurance that administration performance is in compliance with the Authority's performance framework and that monitoring arrangements are adequate and robust;
 - considering the effectiveness of communication with employers and scheme members including a review of the Communication Strategy; and
 - considering and commenting on internal audit recommendations and external auditor reports.
7. Any complaint or allegation of a breach of the Regulations brought to the attention of the Board shall be dealt with in accordance with the Code of Practice as published by the Pensions Regulator.

Frequency and Notice of Meetings

8. The Board shall meet sufficiently regularly to discharge its duties and responsibilities effectively; four meetings will be scheduled during each financial year.
9. The Members' Services Officer shall give notice to all Board members of each meeting of the Board, including the date, location and time of the meeting and shall ensure that a formal record of Board proceedings is maintained.
10. Papers will be provided three working days before each of the formal Board meetings.
11. All agendas and non-confidential Board papers and minutes of meetings will be published on the Authority's website, together with the Board Terms of Reference and details of the Board membership.

Membership

12. The Local Pension Board shall consist of no fewer than 10 members (in total), and must include an equal balance of employer and scheme member (employee) representatives. These shall be constituted as follows:

Constituency	Definition/Constraints
Employer	To represent the Authority
Scheme Member (employee)	To represent all members of the scheme (active, deferred and pensioner)

13. The term of office for all members of the Board will fall in line with council elections and therefore it is anticipated that the membership will remain until 2027. Members may at the end of their term, express a wish to be considered for re-election.

14. Board members must meet key attendance and training requirements to retain their membership during this period. All members must:
 - endeavour to attend all meetings of the Board;
 - comply with the training plan produced by the Pensions Manager; and
 - ensure compliance with the Pension Regulator's Code of Practice.
15. Each Employer Representative and Scheme Member Representative will have an individual voting right.
16. All members within the Firefighters' Pension Schemes must have an equal opportunity to be nominated for the role of member representative.
17. For the purpose of appointing employer representatives to the Board, nominations will be sought from all Authority members. The Treasurer and Monitoring Officer (or deputy) will also provide employer representation.
18. For the purpose of appointing scheme member (employee) representatives to the Board, nominations will be requested through the Departmental Representatives and Trade Union Forum with further nominations being sought via an advert placed on the Authority's website. Where more than three nominations are received candidates will be considered, shortlisted and interviewed by a representative of the Scheme Manager who will then make recommendations to the Chief Fire Officer to formally appoint.
19. If a Board member acting as an employer representative leaves the employment of the employer they are representing they will no longer be eligible to sit on the Board.
20. In the event of consistent non-attendance of a Board member, or for failure to meet key attendance and training requirements as set out in (13) above, the tenure of that membership will be reviewed. In the case of a member representative, this will be done by a representative of the Scheme Manager who may make recommendation for the membership to be revoked if considered necessary. In such event, there will be a right of appeal to the Chief Fire Officer prior to any recommendation. In the case of an employer representative, any such decision will be considered by the chair of the Authority.
21. If an employer or scheme member representative wishes to resign they must write to the Assistant Chief Fire Officer, Finance and Resources, giving at least one month's notice.
22. The Chairperson of the Board will be rotated on a bi-annual basis between a member representing employers and those representing scheme members.

23. It will be the role of a representative acting as Chairperson to:
- agree and set the agenda for a meeting of the Board;
 - manage the meetings to ensure that the business of the meeting is completed in the agreed time;
 - ensure that all members of the Board show due respect for process and that all views are fully heard and considered;
 - strive as far as possible to achieve a consensus as an outcome; and
 - ensure that the actions and rationale for decisions taken are clear and properly recorded.
24. Due to the specialist nature of the work of the Board, personal attendance at all meetings is expected of all Board members with no provision for a substitute. However, deputies would be allowed, but they would be responsible for maintaining their own training to ensure they were *au fait* with pensions issues.
25. The Board may, with the approval of the Chief Fire Officer, co-opt persons who are not members to aid the Board for a period of time or for a specific task where this would provide additional skills, knowledge or experience. The co-opted members would not be permitted to vote.

Quorum

26. Three members of the Board must be present for a meeting to be quorate, to include one employer and one employee representative. If the Chairperson is absent at a meeting and there is a quorum then the attending members must choose a Chairperson to preside over that meeting.

Knowledge and Skills

27. A member of the Board must be conversant with:
- the legislation and associated guidance of the four Firefighter Pension Schemes;
 - any policies, procedures or decision-making processes about the administration of the Schemes adopted by the Authority and Dyfed Pension Fund.
28. A member of the Board must have knowledge and understanding of the law relating to pensions and any other matters which are prescribed in Regulations.
29. It is for individual Board members to be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Board.

30. Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Board members are therefore required to maintain a written record of relevant training and development.
31. Board members must confirm to the Pensions Manager within six months of joining the Board that they have completed the Pension Regulator training.
32. During the first meeting of the financial year, Board members must consider and agree an annual training programme.

Standards of Conduct and Conflicts of Interest

33. The role of Board members requires the highest standards of conduct and therefore the 'seven principles of public life' will be applied to all Board members. Board members will be required to observe the members' code of conduct and data protection policies of the Authority. The Board is required to always act within these terms of reference. In accordance with the Public Service Pension Act 2013 a Board member must not have a financial or other interest that could prejudice them in carrying out their Board duties. This does not include a financial or other interest arising merely by virtue of membership of the Firefighter Pension Scheme (FPS).
34. As such all members of the Board will be required to declare any interests and any potential conflicts of interest in line with the requirements of the Public Service Pensions Act 2013 and the Pension Regulator's Code. These declarations are required as part of the appointment process, as well as at regular intervals throughout a member's tenure.

Reporting

35. The Board is expected to produce an annual report to the Authority which should include:
 - a summary of the work of the Board and a work plan for the coming year;
 - details of areas of concern reported to or raised by the Board and recommendations made;
 - details of any conflicts of interest that have arisen in respect of individual Local Pension Board members and how these have been managed;
 - any areas of risk or concern the Board wish to raise with the Scheme Manager;
 - details of training received and identified training needs; and
 - details of any expenses and costs incurred by the Board and any anticipated expenses for the forthcoming year.

- 36 Although the Board is only required to produce a single annual report, minutes for each meeting of the Board will be published on the Authority's website.
- 37 Should the Board have concerns believed to be sufficiently serious that they should be reported at a higher level than is standard (to the Pensions Manager) they should report to the Chief Fire Officer. This may include, but not be limited to, occasions where the Board feel that previous recommendations have not been acted upon. In extreme cases such as a fundamental breach of Regulations or a fundamental failure by the Administering Authority to ensure effective governance of the fund, the Board may consider reporting to the National Scheme Advisory Board and/or the Pensions Regulator.

Remuneration

- 38 Remuneration for members of the Board will be limited to a refund of actual expenses incurred in attending Board meetings and training. It is expected that employers of Board members will provide appropriate capacity to allow the member to perform this role within their normal working day without any reduction to pay.
- 39 Expense claims should be submitted no later than one month following the incursion.

Publication of Local Pension Board Information

- 40 Up to date information will be posted on the Authority website showing:
- Names and information of Board members;
 - how the scheme members and employers are represented on the Board;
 - responsibilities of the Board as a whole;
 - full terms of reference and policies of the Board and how they operate; and
 - Local Pension Board appointment process.

Review

- 41 These Terms of Reference were formally adopted by the Board at its first meeting on 20 April 2015 and are reviewed annually, or upon statutory or regulatory changes.
- 42 The Chief Fire Officer is authorised to make minor amendments, consequential upon statutory or regulatory change, or to update arrangements consequential on other external factors.