

Avon Fire Authority
Local Pension Board
TERMS OF REFERENCE

Function and Responsibilities

The function of the Local Pension Board is to assist the Scheme Manager in administering the various firefighter pension schemes. This will be achieved by providing governance and by scrutiny of policies, pension documentation, decisions and outcomes.

The Local Pension board will also assist the scheme manager to:

- Secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and';
- Ensure the effective and efficient governance and administration of the Scheme.

Duties of the Board

The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of these duties Board members:

- Should act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
- Should be subject to and abide by AFA code of conduct for members.

Frequency of meetings

The AFA Local Pension Board will meet six monthly (July and January in each year), to review / report on previous actions and determine work streams and priorities for the future.

The Chair of the Board, with the consent of the Board membership, may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

Local Pension Board membership

To comply with the regulations the board must have a minimum of four members (Two employee's representatives and two employer representatives).

Membership of the Avon Fire and Rescue Authority Local Pension Board will be:

- 2 X employee representatives
- 2 X employer representatives (elected Members)
- Non-voting Officers Adviser(s) as appropriate

Elected member representation on the Board will be determined by the Fire Authority.

The Officer Advisor will be a specific officer who is to assist the board in gathering/analysing information and writing reports. The Board will also be able to request assistance from any officer who has specific knowledge of a subject matter they are investigating.

A Local Pension Board membership of four is the most straight forward and cost effective way of providing the Local Pension Board and complying with the Regulations.

Employee representatives

AFA employee representatives shall be appointed to the Board.

Employee representatives will be active members of one of the firefighter pension schemes administered by AFA.

Employee representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

Employer representatives

AFA employer representatives shall be appointed to the Board.

Employer representatives with delegated responsibility for discharging the scheme manager function of AFA may not serve as employer representatives.

Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

Employer representatives shall be appointed by AFA in a manner which it considers best promotes the purpose of the Board.

Appointment of Chair and Vice chair

Local Pension Board Members will act as the Chair and Vice chair on a rotational basis, these will change annually.

Notification of appointments

On appointment to the Board, AFA shall publish the name of the appointees, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

Objectives

AFA Local Pension Board should consider the following:

- Are pension statements timely and accurate?
- How long does it take between retirement and receipt of pension?
- The number of errors made by the pension administrator.
- Are relevant policies in place and of a sufficient standard?
- Are pension estimates accurate and timely?
- Is the Avon Pension Fund (APF) website accurate and user friendly?
- Ensure that annual CARE scheme calculations are being carried out.
- Scrutinise data quality.
- Ensuring pension rules and regulations are being complied with, when officers are making decisions on pension matters.
- If complaints/appeals are being dealt with correctly and the correct procedures being followed.
- Review internal audit reports

This list is not exhaustive. The Local Pension Board will have the power to investigate anything it wishes in relation to the firefighters' pension schemes within AFA.

It shall be noted that AFA uses Bath and North East Somerset (B&NES) Council to administer the various Firefighter Pension Schemes. Most of the matters identified in the above list will need to be address by the Administrators of the Scheme.

Conduct and Conflict of interest

Members of the Board are responsible for ensuring that their board membership does not result in any conflict of interest with any other posts they hold.

All members of the Board must declare to AFA 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.

On appointment to the Board and following any subsequent declaration of potential conflict AFA shall ensure that any potential conflict is effectively managed in line with both the internal procedures of AFA and the requirements of the Pensions Regulators codes of practice on conflict of interest for Board members.

Members of the Board must not use their membership for personal gain.

Gifts and hospitality should only be accepted with the permission of the Authority - any gifts accepted should be reported on in the local pension board's annual report.

Members of the AFA Local Pension Board should maintain confidentiality when discharging their duties.

The AFA Local Pension Board has the right to use AFA facilities and resources in the course of discharging its duties.

Knowledge and understanding (including Training)

Knowledge and understanding must be considered in light of the role of the Board to assist AFA as detailed above. The Board should establish and maintain a policy and framework to address the knowledge and understanding requirements that apply to Board members. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.

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 policy and framework.

Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

Term of office

Term of Office will be determined by AFA.

Board membership may be terminated prior to the end of the term of office due to:

- An employee representative is no longer an active member of a firefighter's pension scheme.
- An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied.
- The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training.

Reporting

The Avon Fire and Rescue Service Local Pension Board will produce an annual report which will highlight areas of concern and identify good practice.

The report will also contain information on the number of retirements (natural and ill health), new starters, membership numbers and Opt out.

The Board will report to the Fire Authority.

Resourcing and funding

Members of the AFA Local Pension Board will be entitled to claim any reasonable out of pocket expense incurred through discharging their local pension board responsibilities.

The Board will not have a dedicated budget. Requests for finance to purchase technical assistance, Board member training and anything else the Board may

require to effectively discharge its duties will be made through the Avon Fire and Rescue Service Finance Department.

Quorum

A meeting is only quorate when three Board members are present (including either the chair or vice chair).

Voting

The Chair shall determine when consensus has been reached.

Where consensus is not achieved this should be recorded by the Chair.

In support of its core functions the Board may make a request for information to AFA with regard to any aspect of the scheme manager function. Any such a request should be reasonably complied with in both scope and timing.

In support of its core functions the Board may make recommendations to AFA which should be considered and a response made to the Board on the outcome within a reasonable period of time.

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