

**LOCAL PENSION BOARD OF TORFAEN COUNTY BOROUGH COUNCIL
TERMS OF REFERENCE**

1. Introduction

- 1.1. This document sets out the terms of reference of the Local Pension Board of Torfaen County Borough Council (the 'Administering Authority'), a Scheme Manager as defined under Section 4 of the Public Service Pensions Act 2013. The Local Pension Board (hereafter referred to as 'the Board') is established in accordance with Section 5 of that Act and under regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).
- 1.2. The Board is established by the Administering Authority and operates independently of the Pension Committee. Relevant information about its creation and operation are contained in these Terms of Reference.
- 1.3. The Board is not a committee constituted under Section 101 of the Local Government Act 1972 and therefore no general duties, responsibilities or powers assigned to such committees or to any sub-committees or officers under the constitution, standing orders or scheme of delegation of the Administering Authority apply to the Board unless expressly included in this document.
- 1.4. The Board shall be constituted separately from the Pension Committee which is constituted under Section 101 of the Local Government Act 1972 with delegated authority to execute the function of the Administering Authority.
- 1.5. The Pension Board is thus providing oversight of these matters and, accordingly, the Pension Board is not a decision making body in relation to the management of the Pension Fund but merely makes suggestions and recommendations to assist in such management. The Pension Fund's management powers and responsibilities which have been delegated by the Council to the Pensions Committee and in some aspects delegated to Officers of the Council, remain solely the powers and responsibilities of the committee and officers including but not limited to the setting and delivery of the Fund's strategies, the allocation of the Fund's assets and the appointment of contractors, advisors and fund managers.
- 1.6. The Pension Board will ensure that in performing their role it is:
 - done effectively and efficiently and
 - complies with relevant legislation and
 - done by having due regard and in the spirit of the Code of Practice on the governance and administration of public service pension schemes issued by the Pensions Regulator and any other relevant statutory or non-statutory guidance.
- 1.7. The Pension Board must provide minutes of each meeting to the following Pension Committee meeting and may make reports and recommendations to

the Pension Committee insofar as they relate to the remit of the Pension Board. Any such reports or recommendations must be provided 10 working days in advance of the next Pension Committee to the Assistant Chief Executive (Resources) or his representative. In addition, an annual report of the Pension Board (as prepared by the Chair of the Pension Board), must be provided to the Assistant Chief Executive (Resources) or his representative, the Chief Legal and Monitoring Officer, the Pension Committee, and the Audit Committee and be reflected in the Fund's Annual Report and Accounts.

2. Interpretation

The following terms have the meanings as outlined below:

'the Act'	The Public Service Pensions Act 2013.
'Chair'	The appointed Chairperson of the Pension Board
'the Code'	means the Pension Regulator's Code of Practice No 14 governance and administration of public service pension schemes.
'the Pension Committee' / 'Committee'	means the committee who has delegated decision making powers for the Fund in accordance with Section 101 of the Local Government Act 1972.
'the Fund'	means the Greater Gwent (Torfaen) Pension Fund managed and administered by the Administering Authority.
'the Guidance'	means the guidance on the creation and operation of local pension boards issued by the Scheme Advisory Board.
"LGPS"	The Local Government Pension Scheme (England and Wales)
'the Regulations'	means the Local Government Pension Scheme Regulations 2013 (as amended from time to time), the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended from time to time) including any earlier regulations as defined in these regulations to the extent they remain applicable and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (as amended from time to time)
'the Governance Regulations 2015'	means the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015

'Relevant legislation'	means relevant overriding legislation as well as the Pension Regulator's Codes of Practice as they apply to the Administering Authority and the Board notwithstanding that the Codes of Practice are not legislation.
'the Scheme'	means the Local Government Pension Scheme in England and Wales.
'the Scheme Manager'	Torfaen County Borough Council as Administering Authority for the Greater Gwent (Torfaen) Pension Fund

3. Statement of purpose

- 3.1. The purpose of the Board is defined by Regulation 106(1) of the Governance Regulations, and is to assist the Administering Authority in its role as a scheme manager of the Scheme. Such assistance is to:
- (a) 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;
 - (b) to ensure the effective and efficient governance and administration of the Scheme. The role of the Local Pension Board should be interpreted as covering all aspects of governance and administration of the LGPS, including funding and investments.

4. Duties of the Board

- 4.1. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members should be subject to and abide by the code of conduct for Board members.

5. Establishment

- 5.1. The Board was established on 1st April 2015 following approval by the Council Meeting held on 3rd March 2015. Subsequent to its establishment, the Board may establish sub-committees.

6. Membership

- 6.1. The Board shall consist of ten voting members, as follows:
- Five Member Representatives; and
 - Five Employer Representatives.

- 6.2. There shall be an equal number of Member and Employer Representatives. In circumstance where it has not been possible to initially fill all the positions for Employer and Member Representatives on the Local Pension Board the number of representatives will be limited to ensure that there are equal numbers of Member and Employer representatives appointed to the Board.
- 6.3. There shall also be one other member of the Board, the Independent Chair who is not entitled to vote.

7. Acting in the interests of the entire pension fund

- 7.1. Though members of the Pension Board include representatives of specific categories of stakeholder (i.e. scheme members and employers), each member is required to have due regard to the Role of the Pension Board as outlined in these Terms of Reference. Accordingly **all members are expected to work jointly in the best interests of the entire Pension Fund, rather than representing the interest of any individual stakeholder group.** This should not prevent Members from sharing their knowledge on how matters might impact specific stakeholders of the Fund.

8. Member representatives

- 8.1. Member representatives shall be drawn from scheme members who have been nominated as member representatives by the Trades Unions who have the capacity to represent scheme members of the Fund.
- 8.2. Member representatives must be able to demonstrate their capacity and competence to attend and complete the necessary preparation for meetings and participate in training as required.
- 8.3. Substitutes shall not be appointed.
- 8.4. A total of up to five member representatives (subject to equal numbers of employer representatives) shall be appointed following a transparent recruitment process which will be open nominations by the Trades Unions. Trades Unions will be approached to make one or more nomination(s) of person(s) to represent scheme members. Each nomination will be supported by an individual statement using a pro-forma to ensure consistency that will demonstrate the capacity of the individual nominee, as well as demonstrating core competences against the requirement of the role set out in the Role Summary, Job description and Person Specification.

The Appointment Panel will be made up of the following officers or their representatives

- The Assistant Chief Executive (Resources)
- The Chief Legal and Monitoring Officer
- The Head of HR and Pensions,

who can accept or reject any nomination made where it is considered the individual does not appropriately meet the eligibility and/or selection criteria.

9. Employer representatives

- 9.1. Employer representatives shall be office holders or senior employees of employers of the Fund or a person who is nominated by a Fund Employer as being capable of representing employers of the Fund. No officer or elected member of the Administering Authority who is responsible for the discharge of any function of the Administering Authority under the Regulations may serve as a member of the Board.
- 9.2. Employer representatives should be able to demonstrate their capacity and competence to attend and complete the necessary preparation for meetings and participate in training as required.
- 9.3. Substitutes shall not be appointed.
- 9.4. A total of up to five employer representatives (subject to equal numbers of member representatives) shall be appointed following a transparent recruitment process which will be open to all Fund Employers.
- 9.5. Each employer within the Greater Gwent (Torfaen) Pension Fund will be invited to nominate one or more representative(s) to represent employers on the Pension Board. Each nomination will be supported by an individual statement using a pro-forma to ensure consistency that will demonstrate the capacity of the individual nominee, as well as demonstrating core competences against the requirement of the role set out in the Role Summary, Job description and Person Specification. .

The Appointment Panel will be made up of the following officers or their representatives:

- The Assistant Chief Executive (Resources)
- The Chief Legal and Monitoring Officer
- The Head of HR and Pensions,

Who can accept or reject any nomination made where it is considered the individual does not appropriately meet the eligibility and/or selection criteria.

10. Appointment of chair

- 10.1. The appointment of the Independent Chair will be made by Torfaen County Borough Council acting in its capacity as the Administering Authority to the Greater Gwent (Torfaen) Pension Fund
- 10.2. Subject to the meeting arrangements in paragraph 17 below a chair shall be appointed for the Board using the process detailed below

- 10.3. An independent chair will be appointed by the Administering Authority. In this respect the term independent means having no pre-existing employment, financial or other material interest in either the Administering Authority or any scheme employer in the Fund or not being a member of the Fund.

11. Eligibility and selection criteria

- 11.1. The Assistant Chief Executive (Resources), the Chief Legal and Monitoring Officer and Head of HR and Pensions will define and keep under review any eligibility and/or selection criteria that will apply to Pension Board members having due regard to the LGPS Regulations and any other relevant Code of Practice and guidance (statutory or otherwise).

12. Duties of chair

- 12.1. The Chair of the Pension Board will be the Independent Member. The role of the Chair is to
- ensure the Board delivers its purpose as set out in these Terms of Reference,
 - ensure that meetings are productive and effective and that opportunity is provided for the views of all members to be expressed and considered,
 - seek to reach consensus and ensure that decisions are properly put to a vote when it cannot be reached. Instances of a failure to reach a consensus position will be recorded and published.
 - Ensure that all members of the Board show due respect for process,
 - uphold and promote the purpose of the Board and to interpret its Terms of Reference when necessary
 - Ensure that the Pension Board members have the knowledge and skills as required by guidance or legislation and maintain a training record.
 - Act as professional adviser for the Board or arrange such advice as required subject to agreement by Assistant Chief Executive (Resources) and/or Head of HR and Pensions as the responsible budget holders for the Pension Fund
 - Agree the agenda for each Pension Board meeting.
 - Approve minutes for Pension Board meetings.
 - Ensure an attendance record is maintained along with advising Torfaen County Borough Council on expenses to be paid.
 - Advise Torfaen County Borough Council on an appropriate budget for the Board.
 - Write or arrange the production and/or co-ordination of reports required by Torfaen County Borough Council on the work of the Board.
 - Liaise with the Head of HR and Pensions or Pension Fund Manager on the requirements of the Board, including advanced notice for Torfaen County Borough Council officers to attend and arranging dates and times of Board meetings.
 - Other tasks which may be deemed appropriate by Torfaen County Borough Council for the Chair of the Pension Board.

- Other tasks that may be requested by the members of the Pension Board, within the remit of these Terms of Reference and subject to agreement with the Assistant Chief Executive (Resources) and/or Head of HR and Pensions
- To annually review and report on the performance of the Board

12.2. The decision of the Chair on all points of procedure and order and the Chair's interpretation of the Terms of Reference shall be final.

13. Notification of appointments

13.1. When appointments to the Board have been made the Administering Authority shall publish the name of Board members, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

14. Terms of Office

14.1. The term of office for Board members is three years.

14.2. Extensions to terms of office of up to five years may be made by the Administering Authority with the agreement of the Board.

14.3. A Board member may be appointed for further terms of office using the methods set out in paragraphs 8 and 9.

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

- A member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Fund.
- A member representative no longer being a scheme member or a representative of the body on which their appointment relied.
- An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied.
- An employer representative no longer being representative of the body on which their appointment relied
- A Board member no longer being able to demonstrate to Torfaen County Borough Council their capacity to attend and prepare for meetings or to participate in required training.
- The representative being withdrawn by the nominating body and a replacement identified.

- A Board member has a conflict of interest which cannot be managed in accordance with the Board's conflict policy.
 - A Board member who is an elected member becomes a member of the Pension Committee.
- 14.5. The Independent Chair's term of office will be determined by the terms of the contract between the Chair and the Administering Authority
- 14.6. Term of office dates may not be exact due to the period of the appointment process. The term of office may therefore be extended for this purpose or other exceptional circumstances with the agreement of the Assistant Chief Executive (Resources) and/or Head of HR and Pensions, in consultation with the Chief Legal and Monitoring Officer.
- 14.7. Other than ceasing to be eligible (as set out above) a Pension Board member may only be removed from office during the term of appointment by the unanimous agreement of the Assistant Chief Executive (Resources), Head of HR and Pensions, the Chief Legal and Monitoring Officer and the Chair of the Pension Board. Such reasons may include non-compliance with these Terms of Reference including inappropriate conduct, conflicts of interest, avoidance of training or low meeting attendance (less than 50% on a rolling one year basis).
- 14.8. The removal of the Independent Member requires unanimous agreement from the Assistant Chief Executive (Resources), Head of HR and Pensions and the Chief Legal and Monitoring Officer.

15. Conflicts of interest

- 15.1. All members of the Board must declare to the Administering Authority 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.
- 15.2. All members of the Board (as well as other attendees participating in the meeting) must declare at the beginning of each meeting of the Pension Board any potential conflict of interest in a subject area or specific agenda item of that Pension Board meeting.
- 15.3. A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the Scheme.
- 15.4. On appointment to the Board and following any subsequent declaration of potential conflict by a Board member, the Administering Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Board's conflicts policy and the requirements of the model

Code of Conduct adopted by the Administering Authority in respect of the conduct of its members and co-opted members.

- 15.5. The Chair of the Pension Board must be satisfied that the Board is acting within:
- the conflicts of interest requirements of the Public Service Pensions Act and the LGPS Regulations, and
 - in the spirit of any national guidance or code of practice in relation to conflicts of interest at the Pension Board, and
 - in accordance with the model Code of Conduct adopted by Torfaen County Borough Council in respect of the conduct of its members and co-opted members.
- 15.6. Each member of the Pension Board, or a person proposed to be appointed to the Board, (as well as attendees participating in the meeting) must provide the Chair of the Pension Board with such information as he or she reasonably requires for the purposes of demonstrating that there is no conflict of interest.
- 15.7. The Assistant Chief Executive (Resources) or Head of HR and Pensions and the Chief Legal and Monitoring Officer will jointly adopt the role of ensuring that the Chair of the Pension Board does not have a conflict of interest in the same way as the Chair does in relation to all other Pension Board members.

16. Knowledge and understanding (including Training)

- 16.1. Under the requirements of the Public Service Pensions Act, a member of the Pension Board must be conversant with:
- the legislation and associated guidance of the Local Government Pension Scheme (LGPS), and
 - any document recording policy about the administration of the LGPS which is adopted by the Greater Gwent (Torfaen) Pension Fund.
- 16.2. In addition, a member of the Local Pension Board must have knowledge and understanding of –
- The law relating to pensions, and
 - Any other matters which are prescribed in regulations.
- 16.3 It is for individual Pension 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 Pension Board.**
- 16.4 Knowledge and understanding must be considered in light of the role of the Board to assist the Administering Authority in line with the requirements outlined in paragraph 3 above. Members of the Pension Board should have sufficient knowledge and understanding to challenge any failure by the Administering Authority to comply with the Regulations and other legislation relating to the governance and administration of the LGPS (which should be

interpreted as including the Regulations and other legislation relating to investment and funding matters). The Board shall establish and maintain a Knowledge and Understanding Policy and Framework to address the knowledge and understanding requirements that apply to Board members under the Act. 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.

16.5 In line with this requirement Pension Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Pension Board members are therefore required to:

- 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.
- 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.
- Maintain a written record of relevant training and development
- Comply with the Pension Fund's Training Policy insofar as it relates to Pension Board members.

17. Meetings

17.1. The Board will meet four times in each calendar year, mid cycle between Pension Committee meeting to enable co-ordinated flows of information and engagement as required.

17.2. The Pension Board will normally meet at the offices of Torfaen County Borough Council, although the offices of any Employer Representative could be used with prior agreement of the Chair and at no additional accommodation cost to the Greater Gwent (Torfaen) Pension Fund.

17.3. If the Board does not believe that this is sufficient to discharge its duties and responsibilities effectively the Chair, in consultation with the Assistant Chief Executive or Head of HR and Pensions can agree to hold additional meetings

17.4. Urgent business of the Pension Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Pension Board including telephone conferencing and e-mails. This must however be clearly documented together with any views formulated.

18. Quorum

18.1. All Members of the Pension Board are expected to regularly attend meetings. Records of attendance of all Members will be maintained and reported to the Chief Legal and Monitoring Officer on at least an annual basis.

18.2. A meeting of the Pension Board will only be quorate provided there are at least five in attendance including:

- two Employer Representatives and
- two Scheme Member Representatives and
- the Independent Chair

18.3. Subject to agreement by the Independent Chair this could include remote attendance. A meeting that is (or becomes at any point) not quorate will be able to continue but will not be able to conduct any formal business of the meeting such as reaching decisions or formulating documentation for reporting to Council or the Pensions Committee. Any decisions made will be non-binding.

19. Voting

19.1. Each Employer and Scheme Member Representative on the Pension Board will have an individual voting right but it is expected the Pension Board will as far as possible reach a consensus.

19.2. The Chair of the Pension Board will not have voting rights

19.3 The results of any voting outcomes will be reported in the Board minutes.

20. Board administration

20.1. The Chair shall agree with the Head of Democracy or his representative an agenda prior to each Board meeting.

20.2. The agenda and supporting papers will be issued at least five working days (where practicable) in advance of the meeting except in the case of matters of urgency.

20.3. Draft minutes of each meeting including all actions and agreements will be recorded and circulated to all Board members within five working days after the meeting, or as soon as possible thereafter. These draft minutes will be subject to formal agreement by the Chair after taking into consideration any comments by Board members (which may be done electronically between meetings) and will be formally adopted by the Board at their next meeting. Any decisions made by the Board should be noted in the minutes and in addition where the Board was unable to reach a decision such occasions should also be noted in the minutes.

20.4. The minutes may at the discretion of the Chair, be edited to exclude items on the grounds that they would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data covered by the Data Protection Act 1998.

- 20.5. The Independent Chair shall ensure that Board members meet and maintain the knowledge and understanding as determined in the Board's Knowledge and Understanding Policy and Framework and other guidance or legislation.
- 20.6. The Chair shall act as professional Advisor for the Board and arrange such advice as is required by the Board subject to such conditions as are listed in these Terms of Reference for the use of the budget set for the Board.
- 20.7. The Chair shall ensure an attendance record is maintained along with advising the Administering Authority on expenses to be paid under these Terms of Reference. .
- 20.8. The Chair shall liaise with the Administering Authority on the requirements of the Board, including advanced notice for officers to attend and arranging dates and times of Board meetings.

21. Receipt of advice and information

- 21.1. The Board will be supported in its role and responsibilities by the Independent Chair. In addition Pension Board members will receive the final reports, minutes and agendas relating to all Pension Committees and may attend Pension Committee meetings (including during exempt items).
- 21.2. Insofar as it relates to the role of the Pension Board, it may also;
 - request and receive information and reports from the Pension Committee or any other body or officer responsible for the management of the Fund
 - examine decisions made or actions taken by the Pension Committee or any other body or officer responsible for the management of the Fund.
- 21.3. Any further requests for information and advice are subject to the approval of the Assistant Chief Executive (Resources) or Head of HR and Pensions who will be required to consider positively all reasonable requests in relation to the role of the Pension Board whilst being mindful of value for money.

22. Advisers to the Board

- 22.1. The Board will have access to, and the support of, all officers of the Pension Fund and those officers of the Council who support the Pension Fund. The Board may in addition, be supported in its role and responsibilities through access to the Fund Advisors and through the appointment of advisers and shall, subject to any applicable regulation and legislation from time to time in force, consult with such advisers to the Board and on such terms as it shall see fit to help better perform its duties. In using such third party advice, the Board will consult with the Assistant Chief Executive or Head of HR and Pensions to enable an appropriate balance of the need for the Board to have access to the right information to carry out their role with the need to ensure that conflicts do not arise. Such third party advice may include, but not be restricted to:

- A Governance Adviser
- The Fund's Actuary;
- The Fund's Legal Adviser;
- The Fund's Investment Manager(s);
- The Fund's Investment Adviser(s);
- Other advisers, so approved by the Scheme Manager.

22.2. The Board shall ensure that the performances of the advisers so appointed are reviewed on a regular basis.

23. Public access to Board meetings and information

23.1. The Pension Board will be a meeting of the Council open to the general public (unless there is an exemption under relevant legislation)

23.2. The following will be entitled to attend Board meetings in an observer capacity:

- Members of the Greater Gwent (Torfaen) Pension Committee
- the Assistant Chief Executive (Resources), Head of HR and Pensions , the Section 151 Officer, the Pension Fund Manager, the Fund Investment Manager and the Chief Legal and Monitoring Officer
- other officers or advisers of Torfaen County Borough Council or other employers involved with the management of the Pension Fund subject to approval in advance by the Chair, or on request by the Chair
- any other person requested to attend by the Chair
- any other person subject to approval in advance by the Chair.

Any such attendees will be permitted to speak at the discretion of the Chair.

23.3. In accordance with the Act the Administering Authority shall publish information about the Board to include:

- The names of Board members and their contact details.
- The representation of employers and members on the Board.
- The role of the Board.
- These Terms of Reference.

23.4. In accordance with good practice the Administering Authority may also publish other information relating to the Pension Board as considered appropriate from time to time including but not limited to:

- Agendas and minutes
- Training and attendance logs
- An annual report on the work of the Board to be included in the Fund's own annual report.

23.5. All or some of this information may be published using the following means or other means as considered appropriate from time to time:

- on the Greater Gwent (Torfaen) Pension Fund website,
- on the Torfaen County Borough Council website,
- within the Greater Gwent (Torfaen) Pension Fund Annual Report and Accounts,
- within the Pension Fund's Governance Policy and Compliance Statement.

23.6. Information may be excluded on the grounds that it would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data covered by the Data Protection Act 1998.

24. Expenses and allowances

24.1 All Pension Board members will be entitled to claim travel allowances which have been reasonably incurred in the exercise of their Board duties at the rates consistent with those agreed, from time to time, for elected members of the Administering Authority.

24.2. Employers of Representatives on the Pension Board will be required to provide appropriate capacity (time) to allow the Representative to perform this role within their normal working day without any reduction in pay.

25. Budget

25.1. The Board is to be provided with adequate resources to fulfil its role. In doing so the budget for the Board will be met from the Fund and determined as follows::

- The Board will draw up a draft budget and will to seek approval from the Administering Authority (via the Pensions Committee) for its budget on an annual basis. The budget will be managed by and at the discretion of the Board.
- The Board will seek approval from the Assistant Chief Executive (section 151 officer) for any additional expenditure it wishes to make.

26. Core functions

26.1. The first core function of the Board is to assist the Administering Authority in securing 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. Within the extent of this core function the Board may determine the areas it wishes to consider which may include but not restricted to:

- Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations by the Committee.

- Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code.
- Review the compliance of scheme employers with their duties under the Regulations and relevant legislation.
- Assist with the development of and continually review such documentation as is required by the Regulations including Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.
- Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.
- Monitor complaints and performance on the administration and governance of the scheme.
- Review the complete and proper exercise of Pensions Ombudsman cases.
- Review the implementation of revised policies and procedures following changes to the Scheme.
- Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.
- Review the complete and proper exercise of employer and administering authority discretions.
- Review the outcome of internal and external audit reports.
- Review draft accounts and Fund annual report.
- Review the compliance of particular cases, projects or process on request of the Committee.
- Any other area within the statement of purpose (i.e. assisting the Administering Authority) the Board deems appropriate.

26.2. The second core function of the Board is to ensure the effective and efficient governance and administration of the Scheme. Within the extent of this core function the Board may determine the areas it wishes to consider which may include but not be restricted to:

- Assist with the development of improved customer services.

- Monitor performance of administration, governance and investments against key performance targets and indicators.
 - Review the effectiveness of processes for the appointment of advisors and suppliers to the Administering Authority.
 - Monitor investment costs including custodian and transaction costs.
 - Monitor internal and external audit reports.
 - Review the risk register as it relates to the scheme manager function of the authority.
 - Assist with the development of improved management, administration and governance structures and policies.
 - Review the outcome of actuarial reporting and valuations.
 - Assist in the development and monitoring of process improvements on request of Committee.
 - Assist in the development of asset voting and engagement processes and compliance with the UK Stewardship Code.
 - Any other area within the statement of purpose (i.e. ensuring effective and efficient governance of the scheme) the Board deems appropriate.
- 26.3. In support of its core functions the Board may make a request for information to the Committee with regard to any aspect of the Administering Authority's function. Any such request should be reasonably complied with in both scope and timing.
- 26.4. In support of its core functions the Board may make recommendations to the Committee which should be considered and a response made to the Board on the outcome within a reasonable period of time.

27. Reporting

- 27.1 The Board should in the first instance report its requests, recommendations or concerns to the Committee. In support of this any member of the Board may attend a Committee meeting as an observer.
- 27.2. Requests and recommendations should be reported under the provisions of paragraphs 26.3 and 26.4 above.
- 27.3. The Board should report any concerns over a decision made by the Pensions Committee to the Committee subject to the agreement of at least 50% of voting Board members provided that all voting members are present. If not all voting members are present then the agreement should be of all voting members who are present, where the meeting remains quorate.

- 27.4. On receipt of a report under paragraph 27.3 above the Committee should, within a reasonable period, consider and respond to the Board.
- 27.5. Where the Board is not satisfied with the response received it may request that a notice of its concern be reported to full Council acting as the Administering Authority, or placed on the website and in the Fund's annual report.
- 27.6. Where the Board is satisfied that there has been a breach of regulation which has been reported to the Committee under paragraph 27.3 and has not been rectified within a reasonable period of time it is under an obligation to escalate the breach.
- 27.7. The appropriate internal route for escalation is to the Chief Legal and Monitoring Officer and/or the Section 151 Officer (as appropriate).
- 27.8. The Board may report concerns to the LGPS National Scheme Advisory Board for consideration subsequent to, but not instead of, using the appropriate internal route for escalation.
- 27.9. Board members are also subject to the requirements to report breaches of law under the Act and the Code [and the whistleblowing provisions set out in the Administering Authority's whistle blowing policy.

28. Standards of Conduct

- 28.1. Torfaen County Borough Council's Members' Code of Conduct shall apply in relation to the standards of conduct of Pension Board members insofar as they can be reasonably considered to apply to the role of members of the Pension Board, including the non-disclosure of confidential information. Pension Board members should also have regard to the "Seven Principals of Public Life"

29. Accountability

- 29.1. The Pension Board will be collectively and individually accountable to Torfaen County Borough Council.

30. Board Review Process

- 30.1. The Board will undertake an annual review to assess how well it and its respective members are performing with a view to seeking continuous improvement in the Board's performance

31. Review of terms of reference

- 31.1. The Terms of Reference have been agreed by Torfaen County Borough Council. The Council will monitor and evaluate the operation of the Pension Board and may review the Terms of Reference on each material change to those parts of the Regulations covering local pension boards, and as Torfaen

County Borough Council feels to be appropriate. A full review of the Terms of Reference will be carried out at least every three years.

- 31.2. The Terms of Reference, subject to minor procedural amendments were adopted on 3rd March 2015.
- 31.3. The Terms of Reference will be publicly available and may be amended from time to time. It will also form part of the Greater Gwent (Torfaen) Pension Fund's Governance Policy and Compliance Statement which will be made available in accordance with the requirements of the LGPS Regulations.

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Signed on behalf of the Administering Authority

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Signed on behalf of the Board

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