

**North Yorkshire County Council****Pension Board****11 April 2019****Membership of the Board****1.0 Purpose of the Report**

To provide a temporary continuation of the current Membership of the Board until a full review of the Terms of Reference has been undertaken and implemented.

**2.0 Background**

Section 2 of the Terms of Reference for the Board, implemented in July 2015 (**Appendix 1**), outlines the terms of office for the independent Chair of the Board, and Members appointed at that time, as being for four years, with them then seeking to be reappointed or new appointments being made. Those terms of office will come to an end in July 2019, however, this coincides with a substantial review of the Board's Terms of Reference, to take account of the changes that have taken place in respect of the Local Government Pension Scheme since the creation of the Board.

**3.0 Membership**

To enable an effective and consistent approach to the review of the Terms of Reference for the Board it is proposed that the Independent Chair, and those appointed in July 2015, be provided with an extension to their terms of office, until January 2020. This would allow the revised Terms of Reference to be implemented effectively and consistently before commencing a recruitment programme for the reappointment or replacement of the Independent Chair and those Members affected.

**4.0 Recommendation**

That it be recommended to the County Council that the Independent Chair, and Members appointed to the Board in July 2015, be given a temporary continuation to their terms of office, until January 2020, allowing a comprehensive review of the Board's Terms of Reference to be undertaken in a consistent and effective manner.

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Background Documents: None

## 2) Membership and Appointment Process

The Pension Board shall consist of 9 members and be constituted as follows:

- i) 4 scheme member representatives, of whom
  - a. 2 shall represent and be drawn from active members of the Fund
  - b. 1 shall represent and be drawn from pensioner and deferred pensioner members of the Fund
  - c. 1 shall represent and be drawn from either the active or deferred/pensioner members of the Fund
- ii) 4 employer representatives, of whom
  - a. 1 shall be nominated by NYCC who shall meet the requirements of the relevant regulations in relation to avoidance of conflict with the County Council's role as Administering Authority
  - b. 1 shall be nominated by the City, Borough and District Councils, the Police and Fire bodies and the National Parks which are employers within the Fund
  - c. 1 shall be nominated by all other employers within the Fund
  - d. 1 shall be nominated by any employer other than NYCC
- iii) 1 independent member, who shall be appointed as Chair of the Pension Board

Elected Members and officers involved in the management and administration of the Fund are not permitted to become Pension Board members.

The Administering Authority will contact employers and members of the Fund to inform them of the Pension Board arrangements and to canvass interest whenever appointments to the Pension Board are required. Active, pensioner and deferred pensioner members will be eligible to nominate themselves as "scheme member representatives". Individuals put forward by the Fund's employers, whether or not those individuals are members of the Fund, will be eligible to stand as "employer representatives".

The position of independent member will be advertised publically. The Administering Authority will seek an independently minded individual with a track record of dealing with governance issues. Following receipt of nominations/applications the Administering Authority will arrange an independent as possible appointment process. This process will include assessing information supplied by candidates in support of their nomination/application and may be supplemented by interviews as appropriate.

Members in all categories will only be appointed to the Pension Board by the Administering Authority if they either meet the knowledge and skills requirements set out in the relevant regulations and guidance (see Section 7) or commit to do so within 3 months of the appointment date.

Members of the Pension Board will serve for a term of 4 years following which they may either retire from the Board or seek nomination for an additional term. The term of office may otherwise come to an end

- i. for scheme member representatives if they cease to be a member of the relevant group
- ii. for employer representatives who are councillors if they cease to hold office as a councillor
- iii. for employer representatives who are not councillors when they cease to be employed by their nominating employer
- iv. for a councillor member who is appointed to the PFC

v. for a scheme member or employer representative who is appointed to a role with responsibility for the management or administration of the Fund

vi. where there is a conflict of interest which cannot be managed in accordance with the Pension Board's Conflicts of Interest Policy

vii. where a member fails to attend meetings, undertake training or otherwise comply with the requirements of being a Pension Board member

Each Pension Board member should endeavour to attend all Board meetings during the year and is expected to attend at least 3 meetings each year. The chair of the Board is also expected to attend the quarterly meetings of the PFC.

Given the nature of the Pension Board as a supervisory body and the need for appropriate knowledge and skills and the clear avoidance of conflicts of interest, substitute members are not permitted. In the event of consistent non-attendance by any Board member, then the tenure of that membership should be reviewed by the other Board members in liaison with the Administering Authority.

Other than by ceasing to be eligible as set out above, a Board member may also be removed from office during a term of appointment by the unanimous agreement of all of the other members. The removal of the independent member requires the consent of the Administering Authority.