

# Audit Committee

## 1. Membership

<b>Councillors (10)</b>						
	<b>Councillor name</b>				<b>Political group</b>	
1	BAKER, Alyson				Conservatives and Independents	
2	CHANCE, David				Conservatives and Independents	
3	JABBOUR, George		Vice Chair		Conservatives and Independents	
4	LUNN, Cliff		Chair		Conservatives and Independents	
5	WILKINSON, Peter				Conservatives and Independents	
6	SWANNICK, Neil				Labour	
7	BROADBANK, Philip				Liberal Democrats and Liberal	
8	CUNLIFFE_LISTER, Felicity				Liberal Democrats and Liberal	
9	BROWN, Andy				Greens and Independents	
10	DONOHUE-MONCRIEFF				NY Independents	
Members other than Councillors (Non-voting) (3)						
1	BUCKLEY, Vicky					
2	MARSH, David					
3	PORTLOCK, David					
Total Membership – (13)			Quorum – (3) Councillors			
Con and Ind	Lib Dem and Lib	NY Ind	Labour	Ind	Greens & Ind	Total
5	2	1	1	0	1	10

## 2. Substitute Members

<b>Conservatives and Independents</b>		<b>North Yorkshire Independents</b>	
	<i>Councillors Names</i>		<i>Councillors Names</i>
1		1	
2		2	
3		3	
4		4	
5		5	
<b>Labour</b>		<b>Liberal Democrats and Liberal</b>	
	<i>Councillors Names</i>		<i>Councillor Names</i>
1		1	BRODIGAN, Barbara
2		2	GOSTLOW, Hannah
3		3	
4		4	
5		5	

The current term of appointment of David Marsh and David Portlock as Independent Members to the Audit Committee ends 31 July 2027. Thereafter, the term of appointment shall be four years from 31 July during the year which follows a Council election in order to provide consistency during the period for production, and subsequent approval of, the Statement of Final Accounts.

## Terms of Reference

### 1. In respect of **Internal Audit**

- to ensure that the Council's arrangements for Internal Audit comply with the CIPFA Code of Practice for the Governance of Internal Audit
- to approve the Internal Audit Charter, Annual Audit Plan and performance criteria for the Internal Audit Service.
- to review summary findings and the main issues arising from internal audit reports and seek assurance that management action has been taken where necessary.
- to review the effectiveness of the anti-fraud and corruption arrangements throughout the Council.
- to meet in private with the Head of Internal Audit at least annually and to enquire about any restrictions on internal audit's scope, access, authority or resources that may limit its ability to carry out its responsibilities effectively
- consider the annual report from the Head of Internal Audit.
- to obtain assurance that the work of internal audit conforms to the Global Internal Audit Standards (UK Public Sector)~~Public Sector Internal Audit Standards.~~

### 2. In respect of **External Audit**

- to ensure the independence of External Audit is maintained.
- to review the annual audit plan and monitor its delivery.

### 3. To review, and recommend to the Executive, changes to Procurement and Contract, Finance and Property Procedure Rules.

### 4. In respect of **financial statements**

For both the Council and the North Yorkshire Pension Fund

- to approve the respective annual Statements of Final Accounts.
- to receive and review the Annual Audit Letters and associated documents issued by the External Auditor.
- to review changes in accounting policy.

### 5. In respect of **Corporate Governance**

- to assess the effectiveness of the Council's Corporate Governance arrangements.
- to review progress on the implementation of Corporate Governance arrangements throughout the Council.
- to approve Annual Governance Statements for both the Council and the North Yorkshire Pension Fund.
- to liaise, as necessary, with the Standards and Governance Committee on any matter(s) relating to the Codes of Conduct for both Members and Officers.
- to work with the Standards and Governance Committee to promote good ethical standards within the Council.
- to review the arrangements in place for ensuring good governance in the Council's key partnerships and owned companies.

### 6. In respect of **Risk Management**

- to assess the effectiveness of the Council's Risk Management arrangements.
  - to review progress on the implementation of Risk Management throughout the Council.
7. In respect of **Information Governance**
- to review all corporate policies and procedures in relation to Information Governance.
  - to oversee the implementation of Information Governance policies and procedures throughout the Council.
8. In respect of **Treasury Management**
- to be responsible for ensuring effective scrutiny of the Council's Treasury Management strategy and policies as required by the CIPFA Treasury Management Code of Practice.
  - to review these Treasury Management strategies, policies and arrangements and make appropriate recommendations to the Executive.
9. In respect of **Value for Money**
- to have oversight of the arrangements across the Council in securing Value for Money.
10. To consider any other relevant matter referred to it by the Council, Executive or any other Committee. In addition any matter of concern can be raised by this Committee to the full Council, Executive or any other Member body.
11. To exercise all functions in relation to the making and changing of policy relating to such audit and counter-fraud matters which fall within the remit of the Committee (save as may be delegated otherwise).
12. To periodically review the effectiveness of the Audit Committee itself.
13. To meet not less than four times a year on normal business and review its Terms of Reference on an annual basis.
14. To report to Full Council at least annually on the work of the Audit Committee and how it has discharged its responsibilities.

# Pension Fund Committee

- Membership

<b>Councillors (10)</b>							
	<i>Councillors Names</i>				<i>Political Group</i>		
1	GIBBS, Sam				Conservatives and Independents		
2	LUNN, Cliff				Conservatives and Independents		
3	THOMPSON, Angus		Chair		Conservatives and Independents		
4	WILKINSON, Peter				Conservatives and Independents		
5	BAKER, Alyson				Conservatives and Independents		
6	NOLAND, David				Green and Independents		
7	SWANNICK, Neil				Labour		
8	SLADDEN, Dan				Liberal Democrats and Liberal		
9	JORDAN, Mike				Reform UK		
10	DONOHUE-MONCRIEFF, Michelle				Unaffiliated Independents		
<b>Members other than Councillors</b>							
1	KILBANE, Peter				City of York (Voting)		
2	PORTLOCK, David				Chair of the Pension Board (Non-voting)		
3	FLETCHER, John				UNISON (Voting)		
<b>Total Membership – (13)</b>				<b>Quorum – (3) Councillors</b>			
Con and Ind	Lib Dem and Lib	NY Ind	Labour	Ind	Green & Ind	Other Voting Members	Total
5	1	1	1	1	1	2	12

- Substitute Members

<b>Conservatives and Independents</b>		<b>North Yorkshire Independents</b>	
	<i>Councillors Names</i>		<i>Councillors Names</i>
1		1	
2		2	
3		3	
<b>Labour</b>		<b>Liberal Democrats and Liberal</b>	
	<i>Councillors Names</i>		<i>Councillor Names</i>
1		1	BROADBANK, Philip
2		2	
3		3	
<b>Green Party</b>			
1	FOSTER, Kevin		
2			
3			

- Substitute Members

1		City of York
2	DALE, Angie	North Yorkshire District Councils
3		

## **Delegated Powers**

1. To exercise the powers of the Council to invest monies forming part of the North Yorkshire Pension Fund, including:
  - to determine and periodically review the Investment Strategy, the Funding Strategy and other governance documents of the Pension Fund
  - to appoint investment managers to manage and invest Pension Fund monies on the Council's behalf
  - to determine what the Pension Fund requires its investment pooling provider Border to Coast Pensions Partnership to provide, in order to implement its investment strategy
  - to receive reports from the appointed investment managers setting out the action they have taken under their appointment
  - to receive reports from the Investment Adviser and the Investment Consultant regarding the investment performance of the appointed investment managers and the Pension Fund overall
  - from time to time to consider the desirability of continuing or terminating the appointments of any organisations involved in the investment of the monies of the Pension Fund
  - to receive regular reports on the budget and cash flow of the Pension Fund
  - to receive regular reports on the administration of benefits of the Pension Fund covering member and employer issues
  - to approve a Statement of Final Accounts and associated governance statements for submission to the Audit Committee
  - to approve the Annual Report of the Pension Fund; and
  - from time to time reporting to the Executive.
  
2. To exercise all the Council's powers as administering authority for the North Yorkshire Pension Fund, subject to any specific instructions that might be given from time to time by the Council.
  1. To carry out the Council's functions relating to local government pensions scheme (LGPS) under
  2. The Local Government Pension Scheme Regulations 2013
  3. The Local Government Pension Scheme (Transitional Provisions, Savings and Amendments) Regulations 2014
  4. The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 and any other Regulations that relate specifically to the Council's responsibility to administer the Local Government Pension Scheme.

# Pension Board

## Membership

<b>(9)</b>		
	<i>Names</i>	
<b>1</b>	PORTLOCK, David	Chair – Independent Member (Non-voting)
<b>2</b>	WATSON, Steve	Employer Representative
<b>3</b>	ROWLEY BEM, Martin	Employer Representative
<b>4</b>	BARBERY, Emma	Employer Representative
<b>5</b>	FLETCHER, John	Employer Representative
<b>6</b>	PURCELL, Simon	Scheme Member Representative
<b>7</b>	HOULGATE, David	Scheme Member Representative
<b>8</b>	THOMPSON, Sam	Scheme Member Representative
<b>9</b>	BRASS, Eddie	Scheme Member Representative
<p><b>Quorum</b> – The Board shall be quorate if the Chair, one scheme representative and one employer representative are present.</p>		

## Terms of Reference and Delegated Authorities

### 1) Role of the Local Pension Board

The role of the local Pension Board as defined by sections 5 (1) and (2) of the Public Service Pensions Act 2013, is

- to assist North Yorkshire Council (NYC) as Administering Authority in its role as Scheme Manager
- to secure compliance with the Local Government Pension Scheme (LGPS) regulations and any other legislation relating to the governance and administration of the LGPS
- to secure compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator
- to secure the effective and efficient governance and administration of the LGPS for the North Yorkshire Pension Fund (NYPF, or the Fund)
- in such other matters as the LGPS regulations may specify
- to provide the Scheme Manager with such information as it requires to ensure that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest

the terms “Administering Authority” and “Scheme Manager” are used interchangeably in the Regulations but are separately defined in this document (see section 18). NYC as the

Administering Authority has ultimate responsibility for the Fund and has delegated powers to manage the Fund to the Pension Fund Committee (PFC).

These Regulations provide that the Pension Board has the general power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Pension Board will ensure it effectively and efficiently complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

The Pension Board will also help ensure that the NYPF is managed and administered effectively and efficiently and complies with the code of practice on the governance and administration of public service pension schemes issued by the Pension Regulator, with due regard to guidance issued by Government, the Pensions Regulator and the National Scheme Advisory Board.

The Pension Board shall meet sufficiently regularly to discharge its duties and responsibilities effectively, but not less than four times in any year.

The Pension Board will determine the precise timing of its own meetings, which will take place at suitable intervals between PFC meetings so that PFC activity relevant to the Board can be considered and responses to recommendations reviewed prior to the next meeting of the PFC.

The Pension Board will undertake formal meetings remotely, through an appropriate media platform, and subject to the relevant live broadcast requirements, when circumstances arise that prevent physical meetings from taking place. The Meetings should be wholly remote or physical and should not be undertaken in a hybrid manner.

## **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

1. 2 shall represent and be drawn from active members of the Fund
2. 1 shall represent and be drawn from pensioner and deferred pensioner members of the Fund
3. 1 shall represent and be drawn from either the active or deferred/pensioner members of the Fund

ii) 4 employer representatives, of whom

1. 1 shall be nominated by NYC who shall meet the requirements of the relevant regulations in relation to avoidance of conflict with the Council's role as Administering Authority
2. 1 shall be nominated by the City, the Police and Fire bodies and the National Parks which are employers within the Fund
3. 1 shall be nominated by all other employers within the Fund

4. 1 shall be nominated by any employer other than NYC

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 publicly. 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

1. for scheme member representatives if they cease to be a member of the relevant group
2. for employer representatives who are councillors if they cease to hold office as a councillor
3. for employer representatives who are not councillors when they cease to be employed by their nominating employer
4. for a councillor member who is appointed to the PFC
5. for a scheme member or employer representative who is appointed to a role with responsibility for the management or administration of the Fund
6. where there is a conflict of interest which cannot be managed in accordance with the Pension Board’s Conflicts of Interest Policy
7. 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.

Board Members are allowed to resign from the Board at any stage during their appointment period. This should be undertaken in writing or via email to the Clerk and Chair of the Board.

### **3) Conflicts of Interest**

The policy for identifying, monitoring and managing conflicts of interest is set out in a separate policy document, which should be regularly reviewed by the Pension Board.

### **4) Standards of Conduct**

The role of Pension Board members requires the highest standards of conduct and therefore the “seven principles of public life” will be applied to all Pension Board members and embodied in their code of conduct.

These are:

1. selflessness
2. integrity
3. objectivity
4. accountability
5. openness
6. honesty
7. leadership

### **5) Knowledge and Skills**

A member of the Pension Board must be conversant with:

- The legislation and associated guidance of the LGPS
- Any document recording policy about the administration of the LGPS which is for the time being adopted by the NYPF

A member of the Pension Board must have knowledge and understanding of:

5. the law relating to pensions, and

6. any other matters which are prescribed in the regulations

Individual Pension Board members must satisfy themselves that they have the appropriate degree of local knowledge and understanding to enable them to properly exercise their functions as a member of the Pension Board. This includes being fully aware of all requirements detailed in these terms of reference for example on standards of conduct and conflicts of interest, and being conversant with the investment strategy of the Fund.

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 maintain a written record of relevant training and development.

Pension Board members will undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses.

#### **6) Board Review Process**

The Board will undertake each year a formal review process to assess how well it and its members are performing with a view to seeking continuous improvement in the Board's performance.

#### **7) Accountability**

The Pension Board will be collectively and individually accountable to the Administering Authority.

#### **8) Remit of the Board**

The Pension Board must assist the Administering Authority with such matters as the scheme regulations may specify. It is for scheme regulations and the Administering Authority to determine precisely what the Pension Board's role entails. Examples of activity include, inter alia:

1. reviewing the Fund's governance and policy documents, such as the Governance Compliance Statement and the Communications Policy Statement
2. reviewing the Fund's Annual Report
3. reviewing the administrative performance of the Fund
4. reviewing shareholder voting and engagement arrangements
5. reviewing the Fund's Risk Register
6. reviewing the NYPF website
7. supporting and challenging PFC actions as a critical friend
8. reviewing the governance of the new pooling arrangements, to assist in ensuring compliance, effective and efficient reporting, and the monitoring of investment management.

## **9) Decision making**

Each Pension Board member who is a scheme member or employer representative will have an individual voting right but it is expected that the Pension Board will as far as possible reach a consensus. The Chair of the Pension Board will not be entitled to vote.

## **10) Quorum**

The Board shall be quorate if the Chair, 1 scheme member representative and 1 employer representative are present.

## **11) Board Meetings – Notice, Minutes and Reporting**

The Administering Authority shall give notice to all Pension Board members of every meeting of the Pension Board and shall ensure that a formal record of Pension Board proceedings is maintained. Following the approval of the minutes by the Chair of the Board, they shall be circulated to all Pension Board members.

The Pension Board is a committee of the Council and as such the Council's rules on notice of meetings, publishing agendas, reports and minutes and that meetings and papers (unless exempt) are open to the public will apply. At the discretion of the Administering Authority items may be edited or excluded 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.

The Pension Board shall annually report to the Administering Authority on its nature and activities. The precise content of this report will be subject to consideration and agreement at a meeting of the Board but as a minimum should include

1. details of members attendance at meetings of the Pension Board
2. details of training and development activities made available to Pension Board members and attendance at such activities
3. details of any recommendations made by the Pension Board to the Scheme Manager and the Scheme Manager's response to those recommendations
4. details of costs incurred in the operation of the Pension Board
5. a review of the effectiveness of the Board (see Section 6)

In consideration of items of business at its ordinary meetings the Pension Board shall determine whether it wishes to make recommendations to the Scheme Manager, to which the Scheme Manager shall respond at the subsequent meeting.

The Pension board shall also report as required by the regulations to the Pensions Regulator and the National Scheme Advisory Board.

## **12) Reporting Breaches**

Any breach brought to the attention of the Pension Board, whether potential or actual, shall be dealt with in accordance with the procedure set out in the [Pensions Regulator's General Code of Practice](#) ~~draft code of practice 14 issued by the Pensions Regulator, Governance~~

### **13) Escalation of matters of serious concern**

Where a matter of serious concern arises regarding compliance or a potential breach of the regulations, the Pension Board must inform the Scheme Manager immediately, and may escalate reporting to the Monitoring Officer, to the National Scheme Advisory Board and the Pensions Regulator if considered necessary and appropriate.

### **14) Publication of Pension Board information**

Scheme members and other interested parties will want to know that the NYPF is being efficiently and effectively managed. They will also want to be confident that the Pension Board is properly constituted, trained and competent in order to comply with scheme regulations, and to carry out its role in relation to the governance and administration of the scheme and requirements of the Pension Regulator.

Up to date information will be posted on the NYPF website showing:

3. the names of the Pension Board members and other relevant information
4. how the scheme members are represented on the Pension Board
5. the responsibilities of the Pension Board as a whole
6. the full terms of reference and policies of the Pension Board and how they operate
7. the Pension Board appointment process
8. any specific roles and responsibilities of individual Pension Board members

The Administering Authority will also consider requests for additional information to be published or made available to individual scheme members to encourage scheme member engagement and promote a culture of openness and transparency.

### **15) Advice to the Board**

The Board will be supported in its role and responsibilities by the Administering Authority through advice and support as appropriate.

### **16) Expense Reimbursement, remuneration and allowances**

The Administering Authority will determine remuneration and allowances to be paid to Pension Board members based on recommendations made by the Independent Panel on Members Remuneration. These arrangements are reviewed annually.

Expenses in connection with fulfilling Pension Board responsibilities will be met by the Fund based on the Council's Members Scheme of Allowances and officers Travel and Expenses Policy as appropriate. The costs of appropriate training will also be met by the Fund.

### **17) Insurance**

The Council's Public Liability Insurance applies to members of the Pension Board.

## **18) Updating the Pension Board Terms of Reference**

Approval for significant amendments must be pursued through the Council's Constitution Working Group. General updating or housekeeping can be carried out without the need to seek formal approval.

## **19) Definitions**

The undernoted terms shall have the following meaning when used in this document:

<i>"Pension Board" or "Board"</i>	Means the Pension Board for the Council as the Administering Authority of the NYPF as required under the Public Service Pensions Act 2013
<i>"Administering Authority"</i>	Means the Council
<i>"Scheme Manager"</i>	Means the PFC of the Council
<i>"Chair"</i>	The individual responsible for chairing meetings of the Pension Board and guiding its debates
<i>"LGPS"</i>	The Local Government Pension Scheme as constituted by the Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009
<i>"Scheme"</i>	Means the Local Government Pension Scheme as defined under "LGPS"