

## **Appendix 3**

### **OPERATIONAL PRINCIPLES FOR THE LEICESTERSHIRE LOCAL PENSION BOARD**

#### **Role of the Board**

The Leicestershire Local Pension Board is a statutory committee of the County Council appointed to:-

- a. assist the County Council, as administering authority, in securing compliance with:-
  - i. Legislation in force for the time being; and
  - ii. Requirements imposed by the Pensions Regulator in relation to the Scheme.
- b. assist the County Council, as administering authority, in ensuring the effective and efficient governance and administration of the Scheme.

#### **Standing Orders**

The Meeting Procedure Rules (Standing Orders) laid down by the County Council and set out in Part 4A of its Constitution will apply with any necessary modifications including the following:-

The Chairman of the Leicestershire Local Pension Board will be one of the employer representatives from Leicestershire County Council, and will be elected on an annual basis by members of the Board. The Vice Chairman will be the other employer representative of Leicestershire County Council. In the event of the non-attendance of both the chair and Vice Chair the employer member representing Leicester City Council will substitute as Chair.

The Board shall have a formal quorum of three, which must include at least one of the employer representatives or their substitute.

#### **Membership**

The Leicestershire Local Pension Board will consist of three employer representatives and three scheme member representatives, as follows:-

- a. The employer representatives will comprise two elected members from Leicestershire County Council (the administering authority) and one from Leicester City Council and the selection of members by each authority will reflect the principles of maintaining the relevant political balance.
- b. The scheme member representatives must be members of the Fund in either and active, deferred or pensioner member capacity.

Scheme member representatives shall be appointed by a vote at the Fund's Annual General Meeting and will normally serve a term of three years, provided that they remain members of the Scheme, but shall be free to stand for re-election at the end of that period providing they are still members of the Fund.

At the setting up of the Leicestershire Local Pension Board the appointments will be for periods of one, two and three years in order to ensure that at least one scheme member representative position will become available at the Fund's Annual General Meeting.

There is a duty on the County Council as administering authority to ensure that employer and member representatives appointed to the Leicestershire Local Pension Board have the relevant experience and capacity to perform their respective roles.

It is not expected that individual members of the Local Pension Board will have all the required skills when they are appointed. The Scheme Manager will attempt, as far as is practical, to ensure that the training which is required to bring their skills up to an acceptable level is provided within a reasonable period of time. Local Pension Board members are expected to undertake training, as decided by the Scheme Manager, that it is considered will be useful to them from time to time.

### **Substitutes**

Substitutes are only permitted for the employer representatives.

### **Code of Conduct**

The Scheme Manager shall ensure that there are no potential or actual conflicts of interest between the work of the Leicestershire Local Pension Board and the personal interests of the Board members. Local Pension Board members have a responsibility to ensure that they declare any conflicts of interest.

The employer representatives on the Board will be bound by their relevant Codes of Conduct. Consideration will be given to the adoption of a Code of Conduct for scheme representatives in order to comply with the key principles of public life recommended by the Committee on Standards in Public Life.

### **Publication of Information**

The Access to Information Procedure Rules, set out in Part 4B of the County Council's constitution, shall apply to the operation of the Board. The County Council, as administering authority, will also publish appropriate information relating to the Leicestershire Local Pension Board on its website.

### **Advisers to the Board**

The Board may be supported in its role and responsibilities 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 including:

- A Governance Adviser

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

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

### **Remuneration and Allowances**

The rules in relation to remuneration and allowances shall be the same as those applied to the Pension Fund Management Board.