

Devon and Somerset Fire and Rescue Authority
LOCAL PENSION BOARD - TERMS OF REFERENCE

Statement of Purpose

1. The purpose of the Board is to assist Devon and Somerset Fire and Rescue Authority (the Authority) in its role as a scheme manager of the Fire Fighters Pension 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) ensure the effective and efficient governance and administration of the Scheme.

Duties of the Board

2. 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:
 - (a) act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
 - (b) demonstrate standards of conduct based on the seven “Nolan” Principles of Public Life, modified accordingly and as appended to this document.
 - (c) be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.

Membership

3. The Board will comprise an equal number of employer and member representatives with a minimum requirement of no less than four in total.
 - (a) **Member representatives**
 - i) Three member representatives shall be appointed to the Board.
 - ii) Member representatives shall either be members of the scheme administered by the Authority or have experience of representing pension scheme members in a similar capacity.
 - (b) **Employer representatives**
 - i) Three employer representatives shall be appointed to the Board
 - ii) Employer representatives shall be Members of the Devon & Somerset Fire & Rescue Authority or senior officers of the Authority, or have experience of representing scheme employers in a similar capacity. Officers of the Authority with delegated responsibility for discharging

the scheme manager function of the Authority may not serve as employer representatives.

- iii) Employer representatives shall be appointed by the Authority in a manner which it considers best promotes the purpose of the Board.

(c) Other invitees

- i) The Board reserves the right to appoint advisers at its discretion, in the first instance this will be a representative of West Yorkshire Pension Fund, to attend meetings as requested by the Board;
- ii) Any other appointments shall have regard to the best interests of the purpose of the Board.

(d) Appointment of Chairman

- i) The Board will appoint a Chairman from its members annually at the first meeting of the Board following the Authority's Annual Meeting.
- ii) The duties of the Chairman should be in accordance with the duties of a Chairman within the Authority.

- 4. Substitute representatives are not permitted because of the nature of the Board, the need for appropriate knowledge and skills and the management of conflicts of interests.

Notification of appointments

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

Conflicts of interest

- 6. All members of the Board must declare to the 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.
- 7. On appointment to the Board and following any subsequent declaration of potential conflict the Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Authority and the requirements of the Pensions Regulator's Codes of practice 14: Governance and administration of public service pension schemes.

Knowledge and understanding (including Training)

- 8. Knowledge and understanding must be considered in light of the role of the Board to assist the Authority in line with the requirements outlined in section 2 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.

9. 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.
10. 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

11. The term of office for Board Members will be four years, with two positions on the Board (ideally one employer and one member representative) being subject to appointment every year so as to maintain continuity of knowledge and experience.
12. To maintain continuity of knowledge and experience built up by the inaugural members of the Board, after the first four years only two positions will be considered for appointment, i.e. year 5 is first new appointment process, year 6 is second new appointment process etc. This will have the potential effect that two Board members could serve for five years and a further two for 6 years before their initial term ends.
13. There will be no restriction on existing Board Members being re-appointed to the Board following the end of their initial (or subsequent) term of office.
14. Board membership may be terminated prior to the end of the term of office in the event of:
 - (a) A member representative appointed on the basis of their membership of the scheme no longer being a member of the scheme;
 - (b) A member representative no longer being a member of the body on which their appointment relied;
 - (c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied;
 - (d) The representative no longer being able to demonstrate their capacity to attend and prepare for meetings or to participate in required training.

Notice Periods

15. Except at the end of their term of office, Board members are to give three months notice of their resignation from the Board.

Meetings

16. The Board shall meet quarterly.

17. The Chairman of the Board may call additional meetings subject to giving appropriate notice in light of the matter(s) to be considered. 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.

Quorum

18. The total number of members required to be present for a meeting to be quorate is four (to comprise two Scheme Manager and two Scheme Member representatives).

Voting

19. The Chairman shall determine when consensus has been reached.

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

Support for Core Functions

21. In support of its core functions the Board may:

- (a) make a request for information to a relevant officer of the Authority with regard to any aspect of the scheme manager function. Any such a request should be reasonably complied with in both scope and timing; and
- (b) make recommendations to the Authority, which should be considered and a response made to the Board on the outcome within a reasonable period of time.

Reporting

22. The Board will produce an annual report for the Authority. The report will: highlight any areas of concern; provide details of any statutory breaches; identify any improvements required and highlight good practice.

23. The annual report will also include information on the number of retirements (natural and ill health), new starters, membership numbers and 'opt out' numbers.

Interpretation

24. In these terms 'the Scheme' means the Firefighters' Pension Scheme.

25. In these terms Regulations means the Firefighters' Pension Scheme 1992, as amended, the Firefighters' Pension Scheme 2006, as amended and the Firefighters' Pension Scheme Regulations 2014 as amended.

26. In these terms 'regulations' include the Firefighters' Pension Scheme 1992, as amended, the Firefighters' Pension Scheme 2006, as amended, the Firefighters' Pension Scheme Regulations 2014 as amended, the Pension Regulators Codes

of Practice as they apply to the scheme manager and pension board and any other relevant legislation applying to the Scheme.

APPENDIX A TO LOCAL PENSIONS BOARD TERMS OF REFERENCE

STANDARDS OF CONDUCT

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

- (a) Should act always in the interests of the scheme and not seek to promote the interests of any stakeholder group above another.
- (b) Should demonstrate standards of conduct based on the seven “Nolan” Principles of Public Life (modified accordingly below) and consistent with the Core Values of the Devon & Somerset Fire & Rescue Service (as set out at Appendix B).

1. Selflessness

The Board should act solely in terms of assisting the Scheme Manager to discharge its obligations under the various pension legislation or regulations as may be in force. They should not act in order to gain financial or other material benefits for themselves, their family, or their friends.

2. Integrity

The Board members must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work.

3. Objectivity

The Board must act and make recommendations impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

The Board members are accountable to the Devon & Somerset Fire & Rescue Authority (as Scheme Manager) for their actions and must submit themselves to any scrutiny requirements as may from time to time be required by the Authority.

5. Openness

The Board members should act in an open and transparent manner.

6. Honesty

The Board members should be truthful.

7. Leadership

The Board members should demonstrate and promote the above principles by leadership and example.

APPENDIX B - DEVON & SOMERSET FIRE & RESCUE SERVICE CORE VALUES

WE ARE PROUD TO HELP

We show this by...

- Doing what we say we will do and seeing things through to the end
- Demonstrating high standards
- Working hard and doing our best to get the right outcomes
- Being motivated, keen and willing to give things a go

WE ARE HONEST

We show this by...

- Being open, clear, and realistic
- Admitting and learning from mistakes
- Showing trust and being trustworthy
- Being responsible and accountable

WE ARE RESPECTFUL

We show this by...

- Being consistent and giving credit where it's due
- Always being polite, considerate and treating people fairly
- Genuinely listening, involving and engaging others
- Being inclusive to all

WE ARE WORKING TOGETHER

We show this by...

- Understanding others needs and appreciating their demands
- Positively challenging, sharing ideas and giving feedback
- Supporting others and giving practical help and advice
- Being willing to adapt and change to get the best results