

REPORT OF THE
Cabinet
PART I

141. PENSION FUND GOVERNANCE

1. The Cabinet considered proposals for a future Pension Fund governance structure at their meeting on 30 March 2015. This was subsequent to the decision on 6 February 2015 to seek Secretary of State approval for a joint Pension Fund Panel and Board as the best option to comply with new regulations and ensure the most efficient and effective governance of the Hampshire Pension Fund.

2. At the time of the Cabinet meeting on 30 March 2015, an outcome to the application to the Secretary of State for approval for a joint Pension Fund Panel and Board had not been received. As a result, Cabinet made two alternative recommendations to the County Council, depending on the decision of the Secretary of State. The preferred option was for the establishment of a Joint Pension Fund Panel and Board; but in the event that approval for this was not received a further option of a separate Pension Board was recommended.

3. Cabinet delegated authority to the Director of Corporate Resources to recommend appropriate employer and scheme member representatives to the County Council. Full details can be found in the Cabinet report at Annex A to this report.

4. Formal approval for the establishment of a Joint Pension Fund Panel and Board in Hampshire was received from the Secretary of State on 3 June 2015. It is therefore recommended to the County Council that a Joint Pension Fund Panel and Board is established with the Terms of Reference set out in Appendix 1 of the Cabinet Report

RECOMMENDATIONS

That the County Council:

- a) Approves the establishment of a joint Pension Fund Panel and Board, with the Terms of Reference set out in Appendix 1 of the Cabinet Report.
- b) Authorises the Monitoring Officer to amend the Constitution to incorporate the Terms of Reference for the Pension Fund Panel and Board and to make any consequential amendments.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	30 March 2015
Title:	Pension Fund Governance
Reference:	6609
Report From:	Director of Corporate Resources - Corporate Services

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1 Purpose

- 1.1 New regulations for Pension Fund Governance were published on 28 January 2015. As the Administering Authority for the Hampshire Pension Fund, Hampshire County Council is responsible for implementing the new regulations. At its meeting on 6 February 2015 Cabinet agreed that the County Council should seek Secretary of State approval for a joint Pension Fund Panel and Board in order to comply with the new regulations.
- 1.2 This report outlines the progress that has been made with the Department for Communities and Local Government (DCLG) and the actions required to comply with the new regulations.

2 Obtaining Secretary of State Approval for a joint Pension Fund Panel and Board

- 2.1 The creation of Pension Boards are a new requirement to bring the Local Government Pension Scheme (LGPS) into line with the Public Service Pension Scheme Act 2013. Each LGPS Fund is required to set up a local Pension Board to assist with the administration of the scheme. It is a requirement of the LGPS governance regulations, published on 28 January 2015, that the new governance structure must be established by 1 April 2015. The regulations contain the option to combine the requirements for a Pension Board with an existing pension committee, subject to Secretary of State approval. The regulations require a joint committee to designate a certain number of its members to be employer and scheme member representatives, of which there must be at least two of each.
- 2.2 At its last meeting Cabinet agreed that combining the role of

Hampshire's existing Pension Fund Panel with the requirements for a Pension Board offered an attractive opportunity for the efficient and effective governance of the Hampshire Pension Fund. Cabinet agreed that officers should work with DCLG to establish the exact requirements for a joint Panel and Board which would gain Secretary of State approval.

- 2.3 Joint discussions between officers from Finance, the Deputy Monitoring Officer and DCLG have progressed to a point where it is now hoped that the Secretary of State will approve a joint Pension Fund Panel and Board for Hampshire. The Terms of Reference that it is hoped will be approved by the Secretary of State are contained in Appendix 1.
- 2.4 In addition to 9 County Councilors, the Pension Fund Panel already has representation from a variety of employers and scheme members:
 - 1 pensioner representative
 - 1 employee representative
 - 2 Unitary Authority representatives (one each nominated by Southampton City Council and Portsmouth City Council)
 - 2 District Council representatives nominated by the Hampshire and Isle of Wight Local Government Association.
- 2.5 The proposed Terms of Reference for the joint Panel and Board would change the composition of the committee to be made up as follows:
 - 9 County Councilors
 - 3 scheme member representatives
 - 3 employer representatives.
- 2.6 There are a number of benefits that a joint Panel and Board will deliver for the governance of the Pension Fund:
 - Maintaining the Panel and Board's status as a formal Section 101 committee of the County Council gives greater weight to the combined committee with responsibility for the management and governance of the Pension Fund.
 - Providing the most engaging roles for those charged with the management and oversight of the Pension Fund, which will enable the Fund to attract the best possible scheme and employer representatives to fill the roles on the joint Panel and Board.
 - Ensuring the deepest understanding of all Pension Fund matters and the most effective decision making that complies with the Regulations and requirements of the Regulator, by exposing the members of the joint Panel and Board to the full operation of the Pension Fund.
 - Avoiding any duplication and confusion in roles between a

separate Panel and Board, ensuring that the Fund's stakeholders have clarity over who is responsible for the management and governance of the Pension Fund.

- Providing an efficient solution by removing the additional administrative burden of supporting a separate Board and enabling resources to be concentrated on supporting the training and development of a single committee dealing with Pension Fund matters.
- 2.7 It is recommended that Cabinet approve the Terms of Reference for a joint Pension Fund Panel and Board and recommend it to the County Council, subject to obtaining Secretary of State approval. If the ongoing dialogue with DCLG requires further changes to these Terms of Reference they will be reported to Cabinet for their approval and recommendation to Council at the Cabinet meeting on 18 May 2015 prior to the County Council meeting on 22 May 2015.

3 Contingency arrangements – a separate Pension Board

- 3.1 If the County Council is unsuccessful in obtaining Secretary of State approval for a joint Pension Fund Panel and Board it will need to establish a separate Pension Board. The most significant requirements in the regulations for standalone Pension Boards are:
- There must be an equal number of employer and scheme member representatives on the Pension Board, although there can be other members of the Board as long as they do not outnumber the employer and scheme member representatives.
 - Any elected member of the Administering Authority appointed to the Pension Board must be either an employer or scheme member representative, which would mean that a County Council member could not be an independent chair of the Pension Board.
- 3.2 If the County Council is required to form a separate Pension Board, the new Board's role in scrutinising the effective governance of the Pension Fund would appear to duplicate the current role that the Audit Committee fulfils in reviewing the minutes of the Pension Fund Panel. It is recommended that if a separate Pension Board is formed that the minutes of the Pension Fund Panel are no longer reported to the Audit Committee.

4 Proposed format of a separate Pension Board

- 4.1 If Secretary of State approval is not given, the following proposals have been drafted for a separate Pension Board. The full proposed terms of reference for a separate Pension Board are shown in Appendix 2. The terms of reference for the separate Board are more detailed than for the Panel and Board, as a separate Board would not be a formal committee of the County Council. The terms of reference for the separate Board therefore contain a number of additional provisions which are not

required for the joint Panel and Board, which will be subject to the County Council's Constitution and Standing Orders.

- 4.2 **Membership** – 3 employer representatives and 3 scheme member representatives. The Pension Board gives the opportunity to include groups that have not traditionally been involved in the governance of the Pension Fund. To enable the widest possible representation, Board members will ideally be selected from each of the following groups:
- Employers – admission bodies (largely voluntary organisations), scheduled bodies representing educational establishments and the County Council (as the Administering Authority of the Pension Fund).
 - Scheme members – active, deferred and pensioners members.
- 4.3 The opportunity to be a member of the Pension Board will be advertised to all of the Pension Fund's employers and scheme members. Those interested in being a member of the Pension Board will be asked to complete a short application form with applicants then shortlisted for interview.
- 4.4 It is recommended that authority is delegated to the Director of Corporate Resources to establish an appointments policy and to undertake a recruitment process to identify appropriate employer and scheme member representatives for approval by the County Council.
- 4.5 **Chairman** – In order to facilitate the effective operation of the Pension Board, it is proposed that a Chairman is appointed by the County Council. It is recommended that the Chairman of the Audit Committee is appointed as Chairman of the Pension Board. The Chairman would be one of the 3 employer representatives on the Pension Board. In addition it is recommended that this arrangement is reviewed after 2 years, to ensure it is operating effectively as envisaged.
- 4.6 **Conduct** - Members of the Pension Board will not normally be bound by the County Council's Code of Conduct and the guidance therefore recommends that the Board should have its own Code of Conduct. A draft Code, based on the County Council's Code is included as an appendix to the draft terms of reference.
- 4.7 The adoption of a Code of Conduct necessitates a process for dealing with alleged breaches of the Code of Conduct. It is therefore proposed that this is undertaken by the County Council's Conduct Advisory Panel.
- 4.8 **Allowances** - Some members of the Board may benefit from Members' Allowance Schemes but these schemes will not be available to Board Members who are not Members of local authorities. While it is not proposed to pay an allowance for being a member of the Board it is proposed to allow Board members to claim for travelling expenses on the same terms as Members can claim for travel under the Members' Allowances Scheme.

- 4.9 **Meeting frequency** - The draft Terms of Reference envisage the Board meeting 4 times each year. This will be reviewed once the Board has been operating for a year to ensure that the meeting cycle is appropriate to transact the business of the Board.

5 Recommendations

- 5.1 That Cabinet note the progress that has been made with DCLG in forming a joint Pension Fund Panel and Board for Hampshire and approve the Terms of Reference for a joint Panel and Board contained in Appendix 1.
- 5.2 That Cabinet delegate authority to the Director of Corporate Resources to form an appropriate appointments policy for Scheme Member and Employer representatives on either the joint Panel and Board, or the separate Board, and undertake a recruitment process and decide on appropriate employer and scheme member representatives.
- 5.3 If Secretary of State approval is obtained for a joint Panel and Board:
- a) Cabinet recommend to the County Council the formation of a joint Pension Fund Panel and Board as outlined in this report.
- 5.4 If Secretary of State approval is not obtained for a joint Panel and Board:
- a) that Cabinet approve the Terms of Reference for a separate Pension Board contained in Appendix 2, and
 - b) that Cabinet recommend to the County Council the formation of a separate Pension Board as outlined in this report, and
 - c) that following the establishment of Hampshire's Pension Board the minutes of the Pension Fund Panel are no longer reported to the Audit Committee for scrutiny.

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

1. Hampshire safer and more secure for all:	no
Corporate Business plan link number (if appropriate):	
2. Maximising well-being:	no
Corporate Business plan link number (if appropriate):	
3. Enhancing our quality of place:	no
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>
Public Service Pension Act 2013		25/04/2013
Local Government Pension Scheme Regulations 2014: better governance and improved accountability		10/10/2014
LGPS Advisory Board: Draft Guidance on the creation and operation of Local Pension Boards in England and Wales		17/10/2014

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:
 - Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a. The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b. Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c. Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

- a. Equality impacts will be taken into account in ensuring that the appointment process for selecting scheme member and employer representatives is fair and open.

3. Impact on Crime and Disorder:

- a. The proposals in this report are not considered to have any direct impact on the prevention of crime.

4. Climate Change:

- a. How does what is being proposed impact on our carbon footprint / energy consumption?
No specific impact.
- b. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?
No specific impact.

Hampshire Pension Fund Panel and Board Terms of Reference

1. Introduction

- 1.1. Hampshire County Council has appointed a combined Pension Fund Panel and Board for Hampshire and delegated to it responsibility for its statutory functions as the administering authority for the Hampshire Pension Fund and its responsibilities in respect of operating a Pension Fund Board for Hampshire.

2. Composition

- 2.1. The Pension Fund Panel and Board for Hampshire includes within its membership:
 - Nine elected members from the Administering Authority.
 - Three employer representatives appointed in accordance with the Hampshire Pension Panel and Board Appointment Policy approved by the Pension Fund Panel and Board from time to time.
 - Three scheme Member representatives appointed in accordance with the Hampshire Pension Panel and Board Appointment Policy approved by the Pension Fund Panel and Board from time to time.
- 2.2. The Administering Authority members will be appointed by Hampshire County Council. The nomination process for the employer and scheme member representatives is contained in the Appointments Policy and they will be appointed by the County Council in accordance with that Policy.
- 2.3. Employer representatives and scheme member representatives should remain as members of the Pension Fund Panel and Board during their appointed term of office unless in the opinion of the County Council they are not adequately performing their role, they become incapable of acting, they cease to represent their constituency, they resign by giving written notice to the Proper Officer of the County Council, a replacement member is nominated by their relevant nominating body or they are removed from the Panel and Board pursuant to Paragraph 6.8.
- 2.4. Each employer and scheme member representative should endeavour to attend all Panel and Board meetings during the year and are required to attend at least 4 meetings each year.

3. Appointment of Substitute Members

- 3.1. **Allocation** - As well as allocating seats on the Pension Fund Panel and Board, the County Council will at the Annual General Meeting of the County Council in each year appoint a designated Substitute Member for each Scheme and Employer member of the Pension Fund Panel and Board.
- 3.2. **Powers and duties** - Substitute Members will have all the powers and duties of the designated Scheme and employer Members of the Board.

- 3.3. **Substitution** - Substitute members may attend meetings in that capacity only:
- a. to take place of the designated Scheme and Employer Member for whom they are the designated substitute;
 - b. where the member for whom they are the designated substitute will be absent for the whole of the meeting; and
 - c. after notifying the Chief Executive 5 working days before the meeting of the extended substitution.

4. Voting rights

- 4.1. All members of the Panel and Board, including all the Employer and Scheme Member representatives shall have full voting rights.
- 4.2. Any independent advisers appointed by the Panel and Board are invited to attend all meetings of the Pension Fund Panel and Board but independent advisers will not be a member of the Pension Fund Panel and Board and have no voting rights.

5. Role of the Pension Fund Panel and Board

- 5.1. In its role as the Pension Fund Panel for the Hampshire Pension Fund the Pension Fund Panel and Board is responsible for the County Council's statutory functions as administering authority of the Hampshire Pension Fund under the Local Government Pension Scheme Regulations and associated legislation under sections 7, 12 and 24 of the Superannuation Act 1972. This includes dealing with all matters arising that relate to the Hampshire Pension Fund, including the management and investment of the Fund.
- 5.2. In its role as the Pension Board for the Hampshire Pension Fund the Pension Fund Panel and Board is responsible for assisting Hampshire County Council as the administering authority of the Hampshire Pension fund to secure compliance with the Local Government Pension Scheme Regulations 2013 and any other legislation relating to the governance and administration of the Local Government Pension Scheme ('LGPS), for securing compliance with requirements imposed in relation to the LGPS by the Pensions Regulator and for ensuring the effective and efficient governance and administration of the Hampshire Pension Fund.
- 5.3. When acting in its capacity as the Pension Fund Board the Pension Fund Panel and Board shall have the power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.

6. Conflicts of Interest

- 6.1. In addition to the obligations on Members of the Pension Fund Panel and Board under the County Council's Member's Code of Conduct arising out of their position as either members or co-opted members of the County Council the following provisions apply.
- 6.2. No member of the Panel and Board may participate in any business of the Panel and Board if they have a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Panel and Board

(this does not include a financial or other interest arising merely by virtue of membership of the Scheme or any connected Scheme) ('Conflict of Interest').

- 6.3. All Panel and Board members must before becoming a member of the Panel and Board declare any potential Conflict of Interest to the Monitoring Officer of the County Council.
- 6.4. After appointment all Panel and Board members must within 14 days of becoming aware of any new potential Conflict of Interest declare that potential Conflict of Interest to the Monitoring Officer of the County Council.
- 6.5. A member of the Panel and Board must at any time provide the Monitoring Officer of the County Council with such information as he or she requires for the purpose of establishing whether or not the Panel or Board member has a Conflict of Interest.
- 6.6. A Panel and Board member should disclose any Conflict of Interest in any business of the Panel and Board either at the commencement of the meeting, the commencement of the consideration of the item or when the Conflict of Interest becomes apparent.
- 6.7. If a Panel and Board member has a Conflict of Interest in any business of the Board then that Member may not participate in any discussion of, vote on or discharge any function in relation to the matter. In addition the Panel and Board member should withdraw from the room where the meeting is being held.
- 6.8. Any alleged non-compliance with this paragraph 5 shall be referred to the County Council's Conduct Advisory Panel for consideration and in the event that the Conduct Advisory Panel find that a member of the Panel and Board has failed to comply with the provisions of this paragraph then the Conduct Advisory Panel may recommend to the County Council that the Member is to immediately cease to be a member of the Panel and Board or take such other action as the Conduct Advisory Panel regard as appropriate which can include but is not limited to requiring the member to apologise or requiring the member to undertake such training as the Panel believe is appropriate.

7. Knowledge and Skills

- 7.1. A member of the Panel and Board must have knowledge and understanding of:
 - the law relating to pensions, and
 - any other matters which are prescribed in Regulations.
- 7.2. The County Council has therefore adopted the requirements of the CIPFA Pensions Finance Knowledge and Skills Framework recognising the importance of ensuring that all staff and members charged with the financial management and decision making with regard to the Hampshire Pension Fund are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them.
- 7.3. Members of the Pension Fund Panel and Board are required to acquire and maintain the appropriate level of expertise, knowledge and skills as set out in the CIPFA Pensions Finance Knowledge and Skills Framework in order to remain members of the Panel and Board.

7.4. A formal training plan for the Pension Fund Panel and Board is prepared every year to identify and meet the training needs for the Panel and Board as a whole and for individual members. The plan reflects the recommended knowledge and skills level requirements set out in the CIPFA Pensions Finance Knowledge and Skills Framework.

8. Publication of Pension Fund Panel and Board information

8.1. Details of the Pension Fund Panel and Board are published on the County Council's website, including:

- The names and details of the members of the Pension Fund Panel and Board
- How the Scheme members are represented on the Panel and Board
- The responsibilities of the Panel and Board as a whole
- The Terms of Reference and policies of the Panel and Board and how they operate
- The appointment process for the Employer and Scheme members of the Panel and Board
- Who each Employer and Scheme member represents
- Any specific roles and responsibilities of individual Board Members

8.2. The procedure for the publication of Pension Fund Panel and Board meeting information and reports is contained in Part 3 Chapter 4 of the County Council's Constitution.

9. Reporting Breaches

9.1. Any potential or actual non compliance with a duty relevant to the administration of the LGPS which is likely to be of material significance to the Pensions Regulator in the exercise of any of its functions that comes to the attention of the Panel and Board shall be dealt with in accordance with the Protocol for Reporting Breaches agreed from time to time by the Panel and Board.

Terms of Reference for the Pension Board of the Hampshire Pension Fund

1. Introduction

1.1. The County Council has established a Pension Board in accordance with the requirements of the Public Service Pension Act 2013.

2. Role and Powers of the Hampshire Pension Board

2.1. The role of the Board is to:

- Assist Hampshire County Council as the administering authority of the Hampshire Pension fund:
 - to secure compliance with the Local Government Pension Scheme Regulations 2013 and any other legislation relating to the governance and administration of the LGPS.
 - to secure compliance with requirements imposed in relation to the LGPS by the Pensions Regulator.
- To ensure the effective and efficient governance and administration of the LGPS by the Hampshire Pension Fund.
- To present an annual report to the Pension Fund Panel on the exercise of its functions.

2.2. The Board shall have the power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.

3. Members of the Hampshire Pension Board

3.1. The Board shall consist of 6 members and be constituted as follows:

- 3 employer representatives;
- 3 scheme member representatives.

3.2. The County Council will appoint one of the employer representatives, who will act as the Chair of the Board. The County Council's employer representative and Chair of the Board will be the elected Member that is appointed Chair of the County Council's Audit Committee and will be appointed by the County Council at the Annual General Meeting of the County Council in each year.

3.3. The Vice Chair of the Board will be elected by the Board at the first meeting of the Board following the Annual General Meeting of the Council in each year.

3.4. The employer and scheme member representatives will be appointed in accordance with the Hampshire Pension Board Appointment Policy approved by the County Council from time to time.

3.5. Each of the remaining two employer representatives and all scheme member representatives so appointed shall serve for a fixed 4 year period which can be extended for a further period of 4 years.

3.6. Employer representatives and scheme member representatives will remain as members of the Board during their appointed term of office unless they become incapable of acting, cease to represent their constituency, resign by giving

written notice to the Proper Officer of the County Council or are removed from the Board pursuant to Paragraph 4 of the Board's Code of Conduct.

- 3.7. Employer representatives and scheme member representatives may also be removed from office during their term of appointment by the unanimous agreement of all of the other members of the Board if they do not comply with the requirements of paragraph 3.9. The removal of any member also requires the agreement of the County Council.
- 3.8. The County Council Board member will be appointed by the County Council each year at the annual general meeting of the County Council and may be replaced at any time during the year by the County Council.
- 3.9. Each Board member should endeavour to attend all Board meetings during the year and is required to attend at least three quarters of the meetings held in each year.

4. Quorum

- 4.1. Two-thirds of the members of the Board will represent a quorum for Board Meetings.
- 4.2. In the absence of both the Chair and the Vice-Chair the members of the Board shall appoint a Chair for that meeting who shall while presiding have any power or duty of the Chair in relation to the conduct of the meeting.

5. Advisers to the Board

- 5.1. The Board will be supported in its role and responsibilities by officers of the County Council and it will consult with such officers to help better perform its duties. In the event that specialist professional advice is not available from the officers of the County Council then the Board may ask the Director of Corporate Resources to seek independent professional advice through the appointment of advisers on their behalf.

6. Knowledge and Skills

- 6.1. A member of the 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 Hampshire Pension Fund.
- 6.2. A member of the Board must have knowledge and understanding of:
 - The law relating to pensions, and
 - Any other matters which are prescribed in regulations.
- 6.3. A member of the Board representing employers or scheme members must have the relevant experience and capacity to represent employer and scheme members respectively on the Board.

7. Board Meetings

- 7.1. Meetings of the Board will be conducted in accordance with the Standing Orders of the County Council and for all purpose including but not limited to notice of meetings, publication of agendas and reports, recording and publication of minutes of meetings and consideration of urgent items meetings

of the Board shall be treated as if they were a meeting of a County Council Committee.

7.2. There will be four Board meetings a year to be held quarterly.

8. Standards of Conduct

8.1. The role of Board members requires the highest standards of conduct and therefore the 'seven principles of public life' apply to all Board members, these are:

Selflessness
Integrity
Objectivity
Accountability
Openness
Honesty
Leadership

8.2. The Code of Conduct for Board Members set out in Appendix 1 shall apply to all members of the Board. The County Council member of the Board is also bound by Hampshire County Council's Code of Conduct for Members and members of the Board who are also member of other authorities remain bound by the Member's Code of Conduct of their own authority.

9. Decision Making

9.1. Each member of the Board will have an individual vote and items will be decided by a simple majority of members attending the meeting but it is expected the Board will as far as possible reach a consensus. The Chair of the Board will in addition to his or her own vote have a casting vote.

10. Publication of Pension Board Information

10.1. Up to date information will be posted on the County Council's website showing:

- The names and information of the Board members.
- How the scheme members are represented on the Board.
- The responsibilities of the Board as a whole.
- The full terms of reference and policies of the Board and how they operate.
- The Board appointment process.
- Who each individual Board member represents.
- Any specific roles and responsibilities of individual Board members.

11. Accountability

11.1. The Board will be collectively and individually accountable to the County Council.

12. Reporting Breaches

12.1. Any potential or actual Breach that comes to the attention of the Board shall be dealt with in accordance with the Protocol for Reporting Breaches agreed from time to time between the Board and the Pension Fund Panel.

13. Expense Reimbursement

13.1. No basic allowance is payable to Board members although employer and scheme member representatives shall be entitled to claim Travelling Allowances on the terms set out in the then current Member's Allowance scheme. The then current Member's Allowance Scheme will apply to the County Council member of the Board.

14. Definitions

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

<i>Breach</i>	Means non-compliance with a duty relevant to the administration of the LGPS which is likely to be of material significance to the Pensions Regulator in the exercise of any of its functions
<i>'Pension Board' or 'Board'</i>	Means the Pension Board of Hampshire County Council for the Hampshire Pension Fund as required under the Public Service Pensions Act 2013.
<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'.

15. Interpretation

15.1. Any uncertainty or ambiguity or interpretation required relating to any matters contained in this document shall be resolved by reference to the County Council's Monitoring Officer.

Appendix 1 - Code of Conduct for Members of the Hampshire Pension Board Members

1. Introduction

This Code of Conduct for the Hampshire Pension Board has been adopted by the County Council pursuant to its statutory duty to appoint a Pension Board for the Hampshire Pension Fund

This Code applies to members of the Hampshire Pension Board when acting in their capacity as members of the Board. For the avoidance of doubt the County Council member of the Board is also bound by Hampshire County Council's Code of Conduct for Members and members of the Board who are also members of other authorities remain bound by the Member's Code of Conduct of their own authority.

This Code is based on and is consistent with the principles of;

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty and
- Leadership

2. Obligations of Members of the Board

As a Member of Hampshire Pension Board, your conduct will address the principles of the Code of Conduct by:

- a. Not allowing other pressures, including the financial interests of yourself or others connected to you, to deter you from pursuing the interests of the Hampshire Pension Fund, or the good governance of the Hampshire Pension Fund in a proper manner.
- b. Exercising independent judgement and not compromising your position by placing yourself under obligations to outside individuals or organisations who might seek to influence the way you perform your duties.
- c. Listening to the interests of all parties, including relevant advice from statutory and other professional officers of the County Council, taking all relevant information into consideration, remaining objective and making decisions on merit.
- d. Being accountable for your decisions and co-operating when scrutinised internally and externally.
- e. Contributing to making the Board's decision-making processes as open and transparent as possible.
- f. Restricting access to information when the wider public interest, the

Board's Terms of Reference or the law requires it.

- g. Valuing your colleagues and Officers of the County Council and engaging with them in an appropriate manner.
- h. Always treating all people and organisations with respect and propriety.

3. Conflicts of Interest

- a. No member of the Board may participate in any business of the Board if they have a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board (this does not include a financial or other interest arising merely by virtue of membership of the Scheme or any connected Scheme) ('Conflict of Interest').
- b. All Board members must before becoming a member of the Board declare any potential Conflict of Interest to the Monitoring Officer of the County Council.
- c. After appointment all Board members must within 14 days of becoming aware of any new potential Conflict of Interest declare that potential Conflict of Interest to the Monitoring Officer of the County Council.
- d. A member of the Board must at any time provide the Monitoring Officer of the County Council with such information as he or she requires for the purpose of establishing whether or not the Board member has a Conflict of Interest.
- e. A Board member should disclose any Conflict of Interest in any business of the Board either at the commencement of the meeting, the commencement of the consideration of the item or when the Conflict of Interest becomes apparent.
- f. If a Board member has a Conflict of Interest in any business of the Board then that Member may not participate in any discussion of, vote on or discharge any function in relation to the matter. In addition the Board member should withdraw from the room where the meeting is being held.

4. Non-Compliance with the Code of Conduct

Any alleged non-compliance with this Code of Conduct shall be referred to the County Council's Conduct Advisory Panel for consideration and in the event that the Conduct Advisory Panel find that a member of the Board has failed to comply with the provisions of this Code then the Conduct Advisory Panel may determine that the Member is to immediately cease to be a member of the Board or take such other action as the Conduct Advisory Panel regard as appropriate which can include but is not limited to requiring the member to apologise or requiring the member to undertake such training as the Panel feel is appropriate.