

# Appendix 1

## **Pensions Committee Terms of Reference:**

1. The Pensions Committee will meet at least quarterly or otherwise as necessary to take decisions on:
  - Changes to the Investment Strategy Statement, including the strategic benchmark for asset allocation, Investment manager benchmarks and Investment manager targets.
  - Transition of investments to LGPS Central or other pooling arrangements
  - The termination and appointment of investment managers and associated professional service providers.
  - The termination and appointment of the Fund's independent investment adviser, performance measurement consultant, global custodian, and actuary.
  - The Pension Administration Strategy, Policy Statement on Communications, Policy Statement on Governance Strategy, Funding Strategy Statement and Governance Compliance Statement.
  - The triennial and interim actuarial valuations.
  - The approval of the Fund's Annual Report and Accounts.
  - The approval of the Fund's annual and triennial budgets.
  - **The review of the Funds Risk Register and Key outstanding risks identified.**
  - The Pension Administration Advisory Forum arrangement and regular Forum reports, which consider and address outstanding member and employer issues and concerns.
  - The Pension Investment Sub Committee arrangement and regular Sub Committee reports, which monitor performance of the Fund's assets.
  - Requests for admission of qualifying Community and Transferee Bodies wishing to join the Fund.
  - Key pension policy discretions that are the responsibility of the administering authority.
  - **The Fund's Business Plan.**
  - **Ensuring the responsible investment, corporate governance and voting policies of the Fund are delivered effectively.**
  - **Reviewing the Funds governance arrangements and the effective use of its advisors to ensure good decision-making**
2. All elected members and voting co-optees of the Pensions Committee are subject to the Worcestershire County Council Code of Conduct for Members, and must therefore register and keep updated their Disclosable Pecuniary Interests as required by the law and Code and disclose potential conflicts of interest as required by that Code.
3. Members of the Pensions Committee are expected to hold the appropriate knowledge and skills to discharge their responsibility effectively.

4. The responsibility for advising the Pensions Committee is delegated to the Chief Financial Officer.
5. Members of the Pensions Committee have equal access to Pensions Committee agenda papers and associated appendices in accordance with the legislation and constitutional Rules relating to access to information for committees. Formal meetings of the Committee will take place in public unless it has resolved to move into exempt session in accordance with the applicable access to information provisions.
6. The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 formally introduced the concept of asset pooling. As assets move into pooled structures the Pensions Committee is also responsible for:
  - The selection, appointment and dismissal of an investment pooling operator to manage the assets of the Fund;
  - Determining what the administering authority requires the pool to provide to enable it to execute its local investment strategy effectively;
  - Receiving and considering reports and recommendations from the Joint Committee and Practitioners Advisory Forum, established to oversee the pool, to ensure that the Fund's investor rights and views are represented effectively;
  - Identifying and managing the risk associated with investment pooling;
  - Ensuring that appropriate measures are in place to monitor and report on the ongoing costs of investment pooling; and
  - Ensuring the responsible investment, corporate governance and voting policies of the Fund are delivered effectively.