



## Joint Report of the Presiding Member, Monitoring Officer & Head of Democratic Services

Council – 29 July 2021

### Amendments to the Council Constitution – Pension Fund Committee

<b>Purpose:</b>	To make amendments in order to simplify, improve and / or add to the Council Constitution. A decision of Council is required to change the Council Constitution.
<b>Policy Framework:</b>	Council Constitution.
<b>Consultation:</b>	Access to Services, Finance, Legal & Constitution Working Group.
<b>Recommendation(s):</b>	It is recommended that:  1) The amendments to the Council Constitution as outlined in Paragraphs 3.3 be approved.
<b>Report Author:</b>	Tracey Meredith
<b>Finance Officer:</b>	Ben Smith
<b>Legal Officer:</b>	Stephanie Williams
<b>Access to Services Officer:</b>	Rhian Millar

#### 1. Introduction

- 1.1 In compliance with the Local Government Act 2000, the City and County of Swansea has adopted a Council Constitution. From time to time it is necessary to review the Council Constitution in line with legislative requirements and to ensure good governance arrangements.
- 1.2 A number of issues have arisen since adoption and in order to maintain the aims, principles and procedures set out in Articles 1 and 15 of the Council Constitution, it is proposed that the amendment set out below should be made to the Constitution.

1.3 The terms of reference of the Constitution Working Group includes keeping under review the Council Constitution and to make appropriate recommendations for change.

## **2. Delegated Minor Corrections to the Council Constitution**

2.1 There are no delegated minor corrections to the Council Constitution.

## **3. Amendments to the Council Constitution**

3.1 This report outlines a suggested amendment to the Council Constitution. The amendments are within the following area of the Council Constitution:

a) Part 3.2 “Responsibility for Functions” – Pensions Committee Terms of Reference.

3.2 It currently reads:

### **Pension Fund Committee**

a) To establish and keep under review policies to be applied by the Council in exercising its discretions as an administering Authority under the Local Government Pension Scheme (LGPS) Regulations in force from time to time.

b) Subject to [Council Procedure Rule 46](#) “Co-opted Members” to co-opt members onto the Pension Fund Committee.

c) To monitor factors likely to affect the solvency of the Pension Fund between the triennial valuations of the Fund by its independent actuary including specifically, the impact of early retirements approved by all employing bodies within the fund.

d) To determine the strategic aims for investment of the Fund and the benchmarks by which performance will be measured.

e) To arrange for independent investment advice to be available to the Panel at any time.

f) To determine, keep under review and, where appropriate, secure changes in the management arrangements for investment of the Pension Fund.

g) To monitor on a regular basis against its objectives and benchmarks the Fund’s investment performance.

- h) To approve attendance of the Committee or any of its Members or Officers at Regional or National meetings arranged to assist Members of investment panels to fulfil their trustee responsibilities.
- i) To ensure effective communication and liaison with other employing bodies within the City & County of Swansea Pension Fund.
- j) To respond to consultative documents affecting the Local Government Pension Scheme.
- k) To make decisions and determine discretions of the Administering Authority under the Local Government Pension Scheme Regulations which may from time to time exist.
- l) To approve the Authority's Pension Statement of Accounts.

**Note:**

- i) The Pension Fund Committee shall be Chaired by the Cabinet Member responsible for Finance.
- ii) The Neath Port Talbot County Borough Council Member is appointed to ensure compliance with Statute

3.3 It is proposed that it is amended to read:

**Pension Fund Committee**

- a) To establish and keep under review policies to be applied by the Council in exercising its discretions as an administering Authority under the Local Government Pension Scheme (LGPS) Regulations in force from time to time.
- b) Subject to [Council Procedure Rule 46](#) "Co-opted Members" to co-opt members onto the Pension Fund Committee.
- c) To monitor factors likely to affect the solvency of the Pension Fund between the triennial valuations of the Fund by its independent actuary including specifically, the impact of early retirements approved by all employing bodies within the fund.
- d) To determine the strategic aims for investment of the Fund and the benchmarks by which performance will be measured.
- e) To arrange for independent investment advice to be available to the Panel at any time.
- f) To determine, keep under review and, where appropriate, secure changes in the management arrangements for investment of the Pension Fund.

- g) To monitor on a regular basis against its objectives and benchmarks the Fund's investment performance.
- h) To approve attendance of the Committee or any of its Members or Officers at Regional or National meetings arranged to assist Members of investment panels to fulfil their trustee responsibilities.
- i) To ensure effective communication and liaison with other employing bodies within the City & County of Swansea Pension Fund.
- j) To respond to consultative documents affecting the Local Government Pension Scheme.
- k) To make decisions and determine discretions of the Administering Authority under the Local Government Pension Scheme Regulations which may from time to time exist.
- l) To approve the Authority's Pension Statement of Accounts.

**Note:**

- i) The Neath Port Talbot County Borough Council Member is appointed to ensure compliance with Statute

3.4 Reference to:

- i) The Pension Fund Committee shall be Chaired by the Cabinet Member responsible for Finance is removed.

Under Section 55 of the Local Government Pension Scheme Regulations 2013 the County Council is responsible for administering the Pension Fund.

Under section 102 of the Local Government Act 1972, it is for the administering authority to decide upon the number of members of a committee and their terms of office. Under the cabinet structure in local government, management of the pension fund is a non-executive function

This has historically included the Cabinet Member for Finance, although not formally required in Statute. Going forward to ensure availability of attendees it is proposed this requirement is removed.

**4. Financial Implications**

- 4.1 There are no financial implications associated with this report.

**5. Legal Implications**

- 5.1 There are no legal implications associated with this report.

## **6. Equality and Engagement Implications**

6.1 There are no equality and engagement implications associated with this report.

**Background Papers:** None.

**Appendices:** None.