Part 2 - The Articles

Chapter 11 - Pensions Panel

1. Status and Membership

1.1 The London Borough of Barking and Dagenham Pension Fund (“the Fund”) is part of the Local Government Pension Scheme (LGPS). It is a statutory scheme operated under the following regulations:

- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended);
- The Local Government Pension Scheme (Administration) Regulations 2008;
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (as amended); and
- The Local Government (Management and Investment of Funds) Regulations 1998 and subsequent amendments.

1.2 The Assembly shall appoint the membership, including the Chair and Deputy Chair, at its Annual Meeting. The Cabinet Member for Finance shall be the Chair. Political balance requirements of Section 15 of the Local Government and Housing Act 1989 apply when determining membership.

1.3 The membership of the Panel shall be as follows:

- Voting Members – The Cabinet Member for Finance plus six other Councillors.
- Non-Voting – The Panel may appoint representatives of interested parties (Trade Unions, Admitted Bodies, pensioners etc.).

1.4 The Panel may also appoint an Independent Adviser to provide appropriate advice to the Panel in a non-voting capacity.

1.5 The quorum shall be two voting Members.

2. Responsibility for Functions

2.1 The Pensions Panel is responsible for the following Pension Fund related matters, with the exception of those reserved to the Chief Finance Officer and/or the Pension Fund Investment Managers as appropriate:

(i) Pension Fund Investment Managers as follows:-

- Appointment, addition, replacement and termination of the Managers.
- Changes to the terms of existing Managers.
- Annual review of the Managers’ mandate and their adherence to their expected investment process and style in line with the Fund’s overall
objective which will be appropriately defined in terms of performance target, risk parameters and timescale.

(ii) Determining the allocation of funding/investments to Managers. Similarly, in the event that assets need to be realised in order to meet the Fund’s liabilities, to determine the source of this funding.

(iii) Appointment and termination of providers of Custodian services, investment and actuarial advice.

(iv) Selection, appointment and termination of External Additional Voluntary Contribution (AVC) providers and reviewing performance.

(v) Monitoring all aspects relating to the investment of the assets of the Fund as follows:-

- Formally reviewing the Fund’s asset allocation at least annually, taking account of any changes in the profile of Fund liabilities and any guidance from the investment adviser regarding tolerance of risk.

- Rebalancing strategy between different portfolios when asset allocations change due to different assets with the Investment Managers and implementing any changes to the asset allocation.

- Ensuring that the Fund investments are sufficiently diversified and that the Fund is investing in suitable investments.

- Considering and monitoring the Quarterly Reports produced by the Investment Managers, including risk analysis, transaction costs, and details of corporate governance (including Statement of Reporting Investment, voting activity and engagement with management).

(vi) Monitoring the investment advice from the investment consultant and investment services obtained from other providers (e.g. custodian) at least annually.

(vii) Promoting the Fund within the Authority.

(viii) Ensuring that the administration of the Fund is appropriately resourced, effective and meets performance standards.

3. Frequency of Meetings

3.1 The Panel shall meet on a quarterly basis.

4. Rights and Responsibilities of Non-Voting Members and Advisers

4.1 The non-voting Members shall be entitled to receive confidential or exempt papers and be present at meetings when these are discussed, unless determined in advance by the Chief Finance Officer, in consultation with the Chair. This arrangement will also apply to the Independent Adviser although a separate determination will be made.
4.2 Non-Voting Members and Advisers are expected to declare any interests and to respect confidentiality when necessary. They are expected to observe the Council's Procedures, Codes and Protocols while serving on the Panel.