

**Report To:** **GMPF MANAGEMENT/ADVISORY PANEL**

**Date:** 16 July 2021

**Reporting Officer:** Sandra Stewart - Director of Pensions

**Subject :** **WORKING GROUP APPOINTMENTS, SCHEME GOVERNANCE AND TERMS OF REFERENCE**

**Report Summary:** To note the appointments to the Working Groups, Scheme Governance and Terms of Reference, as detailed in the attached report.

**Recommendation(s):** That the appointments to the Working Groups, scheme governance and Terms of Reference be noted.

**Financial Implications:**  
(Authorised by the Section 151 Officer) There are no direct financial implications arising from this report.

**Legal Implications:**  
(Authorised by the Solicitor to the Fund) There are no direct legal issues arising from this report.

**Risk Management:** Allows for transparent and democratic decision making.

**ACCESS TO INFORMATION:**


**NON-CONFIDENTIAL**

**This report does not contain information that warrants its consideration in the absence of the Press or members of the public.**

**Background Papers:**

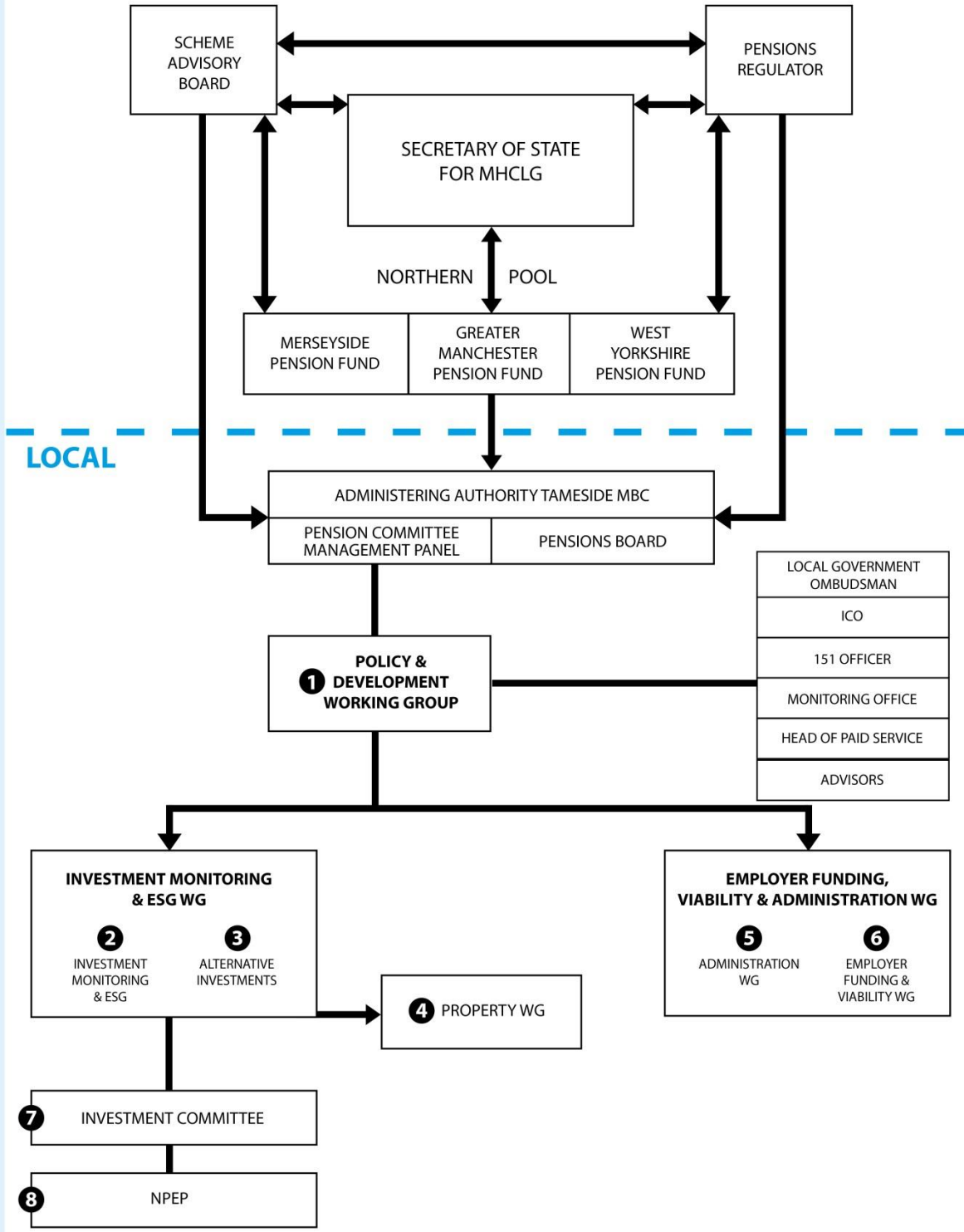
<b>Appendix A:</b>	<b>Scheme Governance Roles</b>
<b>Appendix B:</b>	<b>TORs for working groups</b>
<b>Appendix C:</b>	<b>Working Group Membership</b>

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## LOCAL GOVERNMENT PENSION SCHEME GOVERNANCE ROLES



## APPENDIX B

### TERMS OF REFERENCE FOR REVISED WORKING GROUPS

<b>A.</b>	<b>TERMS OF REFERENCE FOR THE LOCAL BOARD</b>
<b>A1</b>	The purpose of the Board is to assist Tameside MBC in its role as the administering authority of the Fund. Such assistance is to:
<b>A2</b>	(a) secure compliance with the LGPS 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>A3</b>	(b) to ensure the effective and efficient governance and administration of the Fund.

<b>B.</b>	<b>TERMS OF REFERENCE FOR POLICY AND DEVELOPMENT WORKING GROUP</b>
<b>B1.</b>	To consider and make recommendations to the Management Panel on major strategic issues, including; a) Proposed structural or governance changes in LGPS b) Proposals for joint working with other funds/institutions
<b>B2.</b>	To consider in detail the ongoing appropriateness of the Fund's investment strategy and investment management arrangements and make recommendations to Panel.
<b>B3.</b>	To consider any types of investment, which do not fall under the remit of any other working group and whether to broaden the scope of other working groups as required.
<b>B4.</b>	To monitor and evaluate the progress of new investment programmes and determine whether and when responsibility for monitoring and evaluation should pass to Alternative Investment or Property Working Groups.
<b>B5.</b>	To consider the resource implications of investment programmes and make recommendations to Panel.
<b>B6.</b>	To consider in detail opportunities for local investment that may satisfy the twin aims of commercial returns and supporting the area, and make recommendations on the allocations to these categories of investment to the Management Panel
<b>B7.</b>	To consider in detail the recommendations of the Funds' advisors and plan for their implementation.
<b>B8.</b>	To provide guidance to the Director of Pensions in exercising her delegated powers.

<b>C.</b>	<b>TERMS OF REFERENCE FOR INVESTMENT MONITORING &amp; ESG</b>
<b>C1.</b>	Review and develop the strategy together with monitoring the implementation and performance of the strategy for the Fund's investments in: a) Private Equity b) Infrastructure, c) Property d) Special Opportunities, and e) other Alternative Investments
<b>C2.</b>	Receive reports from 'managers' of underlying investment vehicles or investments, as appropriate
<b>C3.</b>	Receive and consider reports from Fund officers and external advisers on other matters relating to the Fund's Private Equity, Infrastructure and Special Opportunities portfolios and other Alternative Investments
<b>C4.</b>	Consider any other matters relating to the wider investment opportunities commonly referred to as Alternative Investments.
<b>C5.</b>	Make recommendations to the Fund's Advisory and Management Panel in relation to matters falling within the scope of the Working Group.
<b>C6.</b>	Oversee and periodically review the Fund's approach to Environmental, Social and Governance issues including proxy voting.
<b>C7.</b>	Consider reports from the Fund's active and passive Fund Managers regarding their approach to corporate governance, including their proxy voting records
<b>C8.</b>	Consider reports from the Fund's active Fund Managers regarding their Investment Management Association (IMA) disclosures of transaction costs.
<b>C9.</b>	Consider reports from the Fund's third party, specialist corporate governance advisor (PIRC) on the 'Local Authority Pension Fund Forum' (LAPFF) and other matters.
<b>C10.</b>	Receive and consider reports on Property Investment related matters, e.g. debt collection

<b>E.</b>	<b>TERMS OF REFERENCE FOR ADMINISTRATION, EMPLOYER FUNDING &amp; VIABILITY WORKING GROUP</b>
<b>E1.</b>	<p>To monitor, and advise the Panel and Advisory Panel as necessary regarding:</p> <ul style="list-style-type: none"> <li>(a) Ensuring the solvency of each of the notional sub-funds allocated to individual employers, whilst at the same time; aiming to maintain the stability and affordability of employer contributions</li> <li>(b) Using reasonable measures to reduce the risk to other employers and ultimately to the Council Tax payer from an employer ceasing participation or defaulting on its pension obligations.</li> <li>(c) To address the different characteristics of employers or groups of employers to the extent that this is practical and cost effective.</li> </ul>
<b>E2.</b>	<p>This will be achieved by considering the interaction, at the individual employer level of:</p> <ul style="list-style-type: none"> <li>(a) Funding strategy – i.e. assumptions and contribution rates</li> <li>(b) Investment strategy – ensuring appropriate given liability profile and risk tolerance</li> <li>(c) Employer covenant strength – making allowance for any risk reduction measures such as guarantees, bonds and pooling arrangements</li> </ul>
<b>E3.</b>	<p>In connection with the above, the working group will:</p> <ul style="list-style-type: none"> <li>(a) Consider policy for admitting new employers to the Fund and any conditions of joining which should be applied</li> <li>(b) Oversee the triennial actuarial valuation process</li> <li>(c) Receive and consider reports from Fund officers on developments in the LGPS and wider defined benefit pensions environment which may have an impact on funding</li> </ul>
<b>E4.</b>	<p>To monitor, and advise the Panel and Advisory Panel as necessary regarding:</p>
	<ul style="list-style-type: none"> <li>(a) The effective administration of the LGPS, including: <ul style="list-style-type: none"> <li>• the performance of the Pensions Office and employing authorities regarding the standards set out in the pensions administration strategy;</li> <li>• Pensions Office policies and procedures;</li> <li>• pension administration benchmarking;</li> <li>• proposed responses to national consultations relating to or affecting the LGPS</li> <li>• the Pensions Office’s response to wider pension issues and national developments affecting pension administration</li> <li>• the implementation of changes affecting the LGPS and / or the administration of pensions</li> </ul> </li> <li>(b) training and support of: <ul style="list-style-type: none"> <li>• members of the Pension Fund, Advisory Panel</li> <li>• employing authority colleagues including approved doctors</li> </ul> </li> <li>(c) effective communication with Fund members and employing authorities, including: <ul style="list-style-type: none"> <li>• The Pensions Office Helpline</li> <li>• written communications, and also e-comms including the website, e-mail alerts and GMPF on-line</li> </ul> </li> <li>(d) the effective use and maintenance of Pensions Office systems and other physical resources</li> <li>(e) the provision of Scheme additional voluntary contributions</li> <li>(f) business continuity plans and procedures</li> <li>(g) any other matter that materially relates to pension administration</li> </ul>
<b>E5.</b>	<p>Consider reports from TMBC’s “Internal Audit and Risk Management” service regarding approving the Annual Internal Audit Plan and considering quarterly progress updates</p>
<b>E6.</b>	<p>Consider reports from external auditors regarding the Fund’s external audit arrangements and the Annual External Audit Plan.</p>
<b>E7.</b>	<p>Consider reports setting the Fund’s administration expenses budget and thereafter monitoring:</p> <ul style="list-style-type: none"> <li>a) the Fund’s administration expenditure against budget;</li> <li>b) the value of the Fund’s aged debt</li> </ul>

# APPENDIX C

## WORKING GROUP MEMBERSHIP – 2021/2022

POLICY & DEVELOPMENT			ADMINISTRATION, EMPLOYER FUNDING & VIABILITY WORKING GROUP		
1.	Cllr Warrington (Chair)	Tameside			
2.	Cllr M Smith	Tameside			
3.	Cllr Cooney	Tameside			
4.	Mr Thompson	UNITE			
5.	Ms Herbert	MoJ			
8.	Mr Pantall	Observer			
9.	Cllr Ryan	Observer			
INVESTMENTS & ESG			ADMINISTRATION, EMPLOYER FUNDING & VIABILITY WORKING GROUP		
1.	Cllr Cooney (Chair)	Tameside		Cllr M Smith (Chair)	Tameside
2.	Cllr Ward	Tameside		Cllr Ricci	Tameside
3.	Cllr Ricci	Tameside		Cllr Patrick	Tameside
4.	Cllr Naylor	Tameside		Cllr Naylor	Tameside
5.	Cllr Newton	Tameside		Cllr Wills	Tameside
6.	Cllr J Homer	Tameside		Cllr Sharif	Tameside
7.	Cllr M Smith	Tameside		Cllr Cooney	Tameside
8.	Cllr Connor	Bolton		Cllr Connor	Bolton
9.	Cllr Andrews	Manchester		Cllr Andrews	Manchester
10.	Cllr Jabbar	Oldham		Cllr Jabbar	Oldham
11.	Cllr Joinson	Rochdale		Cllr Joinson	Rochdale
12.	Cllr Mitchell	Trafford		Cllr Mitchell	Trafford
13.	Cllr Taylor	Stockport		Cllr Joan Grimshaw	Bury
14.	Cllr Barnes	Salford		Cllr Cunliffe	Wigan
15.	Mr Drury	UNITE		Mr Drury	UNITE
16.	Ms Fulham	UNISON			UNISON
17.	Mr Llewellyn	UNITE		Mr Llewellyn	UNITE
18.	Mr Flatley	GMB		Mr Flatley	GMB
19.	John Pantall	Observer		John Pantall	Observer
20.	Cllr Ryan	Observer		Cllr Ryan	Observer