

**COST MANAGEMENT, BENEFIT DESIGN  
AND ADMINISTRATION COMMITTEE  
– 1 NOVEMBER 2016**

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**TERMS OF REFERENCE**

1.0 Background

1.1 At its meeting held on 1 August 2016, the Local Government Pension Scheme Advisory Board constituted the Cost Management, Benefit Design and Administration Committee comprising:

Chair	1	Fiona Farmer
Technical Group	1	Mike Hopwood (sub: Kevin Gerard)
Treasurers	1	Sean Collins (sub: Paul Finbow)
Practitioners	2	Geoff Reader; Emma Mayall (subs: Alan South; David Anthony)
CIPFA	1	Geoff Dobson
Members	3	UNISON: Glyn Jenkins UNITE: Bryan Freake (sub: Steve Paines) GMB: Keir Greenaway
Actuaries	4	Barnett Waddingham: Alison Hamilton Hymans: John Wright Mercer: John Livesey (sub: Clive Lewis) Alison Murray (AON)
GAD	1	Colin Wilson

1.2 For information, the Committee's terms of reference can be found at **ESSENTIAL REFERENCE PAPER A** to this report.

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**AGENDA ITEM 2**  
**ESSENTIAL REFERENCE PAPER A**

**Terms of Reference for the Cost Management, Benefit Design and Administration Committee**

**Constitution**

1. The Local Government Pension Scheme Board (the Board) is constituted under Section 7 of the Public Service Pensions Act 2013 and regulations 110 to 113 of the Local Government Pension Scheme Regulations 2013.
2. Regulation 110 (4) provides that the Board may establish sub-committees and working groups as and when required, whether short-term or otherwise.

**Remit and Scope**

3. The committee shall consider items passed to it by the Board within the scope of Cost Management, Benefit Design and Administration related to the Local Government Pension Scheme. Such items may include a request for options to be brought back to the Board for further consideration and possible recommendation to the Secretary of State.
4. The committee may request that Board approve its consideration of other items, within the scope, as the committee judge to be significant to the effective running of the Scheme from time to time.
5. The committee should limit their considerations to the remit and provide, as requested, information and options to the Board which shall reserve to itself the ability to make recommendations and/or release such information or options to any third party.

**Membership**

6. The Chair of the committee shall be nominated from and agreed by the members of the Board.
7. Nominations for membership of the committee may come from the Chair of the Board, the Chair of the committee, members of the Board or the secretariat. In accordance with Regulation 111 (6) appointments to committees shall be made by the Chair of the Board with the agreement of the Board members.
8. The Chair of the Board together with the Chair of the committee shall seek to achieve a balance in the membership of the sub-committee between the various scheme stakeholders.

9. Subject to the needs of the committee, membership shall be limited to 20 members in total.
10. Appointed substitutes may attend if a committee member is unable to attend.
11. Substitutes shall be determined by the same method of appointment as members of the sub-committee.
12. Substitutes to be kept informed with agendas, papers and minutes to be circulated to them.
13. Members of the committee should make arrangements to ensure substitute members (and vice-versa where the substitute attends) are briefed on discussions taking place at each sub-committee.
14. Substitute members are not permitted to attend meetings in addition to the member of the committee
15. The Chair and members shall serve for no longer than five years and may be reappointed on no more than one occasion.

### **Work plan**

16. Each committee is required to develop and submit a work plan for approval by the Board on an annual basis within the timescales advised by the Board. Committees shall strive to carry out the key areas of work in line with the agreed work plan but the work plan will be subject to flexibility to respond to other matters as they arise. The Chair of each committee must update the Board on a regular basis on progress against that sub-committee's work plan including any additional areas of work.

### **Transparency and Communication**

17. The membership, appointment processes, meeting dates, agendas, and minutes of the committee shall be published regularly by the secretariat on an appropriate website. The Board may however choose to redact commercially sensitive or confidential information where Freedom of Information legislation so allows.

### **Agreement of reports to the Board**

18. Where the Board have asked for a report on the item or items under consideration the report shall be subject to receiving the approval of the committee by consensus.
19. Consensus of the committee shall be determined by the Chair. However where consensus cannot be reached or where the view of the Chair is challenged, it shall not be put to a vote rather the Chair will notify the Board that a report cannot be produced by the committee.

20. **Attendance**

21. All committee members are expected to regularly attend meetings. Where a member of the committee fails to attend regularly, the Chair may seek for that person to be replaced.

**Quorum**

22. The committee will have formal quorum of 50% of the membership, rounded up where the membership is an odd number. Where the committee has failed to meet its quorum over two consecutive meetings, an agenda item will be placed on the following Board agenda to allow it to reconsider the terms of reference and/or membership of the committee if it is considered appropriate.

**Frequency of Meetings**

23. The Committee will meet a minimum of four times a year. The Chair may call meetings more frequently if deemed necessary or on the joint request of two or more committee members.

**Declaration of interests**

24. Each member of the committee will be expected to declare, on appointment and at each meeting any interests which may lead to conflicts in the subject area or specific agenda of that committee meeting.
25. It shall be the responsibility of the Chair for ensuring that the Board is made aware of and provided with the necessary information in relation to any conflict of interest which the Chair deems to be material to the work of the committee.

**Administration**

26. The Board Secretariat will agree an agenda with the Chair prior to each committee. The agenda and any papers for the committee will be issued at least 5 working days (where practicable) in advance of the meeting except in the case of matters of urgency.
27. The Board Secretariat will record high level minutes of each meeting including all actions and agreements which will be circulated to all committee members within 10 working days after the meeting. These minutes will be subject to formal agreement at the following committee.

**Remuneration of committee members**

28. Members of the committee or other attendees of committee meetings shall not be paid remuneration or expenses for attending

**Personal Liability of committee members**

29. *[This section to be added upon receipt of further advice from lawyers once appointed].*

**Term of committee**

30. The committee will remain in place while the Board so chooses.

1 August 2016