

Article 12 – Pensions and Investments Committee

11.1 Composition

The Committee comprises 8 Members of Derbyshire County Council and 2 Members of Derby City Council. Two trade union representatives are also entitled to attend meetings of the Committee as non-voting members. The Chairman and Vice-Chairman of the Committee will be appointed by the Council. The Committee is supported by advice from officers of the Council and an independent investment adviser; it meets eight times a year.

11.2 Terms of Reference

Derbyshire County Council (the Council) has established a Pensions and Investments Committee (the Committee) to be responsible for the management and administration of Derbyshire Pension Fund (the Fund) on behalf of the Council as the administering authority of the Pension Fund.

Role and Function

The Committee is responsible for discharging the Council's statutory functions as the administering authority for the Pension Fund under the Local Government Pension Scheme Regulations and associated pension legislation.

Approving and monitoring performance targets

The Committee will approve and monitor performance targets for the Fund.

Reviewing and approving statements, strategies and policies

The Committee will review and approve the Fund's:

- Governance Policy and Compliance Statement setting out effective governance arrangements for the Pension Fund
- Investment Strategy Statement following any material change in the factors affecting the investment strategy and at least every three years
- Quarterly tactical asset allocation following due consideration of the recommendations from the Director of Finance & ICT and the independent investment adviser

- Funding Strategy Statement on any material change in the policy set out in the Statement and at least every three years as part of the triennial valuation process
- Treasury Management Strategy with due consideration given to the security of capital and liquidity as well as to the investment return
- Other statutory policies required by the Local Government Pension Scheme Regulations and strategy/policy statements in line with best practice

Receiving and considering reports

The Committee will receive and consider the Fund's:

- Triennial actuarial valuation report and annual funding reports
- Annual Report
- Administration and investment performance reports
- Risk Register

Ensuring arrangements are in place

The Committee will ensure arrangements are in place for:

- Communicating with the Fund's stakeholders
- Considering admission body applications
- The adjudication of applications under the Application for Adjudication of Disagreements Procedure (AADP) (including the appointment of adjudicators)

Making Appointments

The Committee will be responsible for appointing the Fund's:

- Actuary
- Independent investment adviser
- External fund managers for segregated mandates in advance of the management of the investment assets transitioning to the investment pool
- AVC providers

Investment Pooling

To oversee the Pension Fund's involvement in investment pooling, the Committee will:

- Ensure that the Fund is effectively represented in the Pool's governance structure
- Determine what is required from the Pool to enable the Fund to deliver its Investment Strategy
- Be responsible for the selection, appointment and dismissal of an investment pooling operator (the Operator) to manage the Fund's assets
- Monitor the performance and effectiveness of the Operator both as a shareholder in the Operator and as an investor in the Operator's products
- Ensure that appropriate measures are in place to monitor and report on the ongoing costs and cost savings of investment pooling
- Ensure that the responsible investment, corporate governance and voting policies of the Fund are delivered effectively
- Receive and consider reports and recommendations from the Pool's Joint Committee, Shareholders' Forum and Practitioners' Advisory Forum

Training

Members of the Committee are required to undertake training in line with the Fund's Training Policy.

Derbyshire Pension Board

In accordance with legislation, the Committee is supported by Derbyshire Pension Board which was established to assist the administering authority with the governance and administration of the Fund.