

Bath & North East Somerset Council

MEETING:	Council	
MEETING DATE:	20 July 2023	
TITLE:	Avon Pension Fund (APF) Terms of Reference for approval	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – APF Draft Terms of reference		

1 THE ISSUE

- 1.1 The Avon Pension Fund Committee discharges the responsibilities of the Council in its role as the administering authority of the Avon Pension Fund in accordance with the Local Government Pension Scheme Regulations 2013 (as amended).
- 1.2 The APF Committee recommended a change in the quorum of the committee set out in its Terms of Reference (ToR) at its last meeting on 23 June 2023 and seek Council approval for the change.

2 RECOMMENDATION

The Council is asked;

- 2.1 To approve the Terms of Reference of the APF Committee and Investment Panel including the change to the quorum in Appendix 1.

3 THE REPORT

- 3.1 The Terms of Reference (ToR) for the Committee, including the Investment Panel, can be found in Appendix 1.
- 3.2 A change has been proposed to the ToR in regard to the quorum of the Committee. The quorum currently reads '*The quorum of the Committee shall be 5 voting members who shall include at least **one member from Bath & North East Somerset Council***'.

- 3.3 Pre 2019 the quorum was one member **not** from Banes. However in 2019 a proposal was put forward to reduce the number of Banes Councillors on the Committee and so the quorum was changed to state at least **one member from Banes**, to ensure there would always be a Banes councillor involved in any decisions.
- 3.4 However this proposal was rejected by Council in May 2019 but the change to the quorum in the TOR was not reversed.
- 3.5 The APF committee has now agreed that the quorum should be changed back to read '*The quorum of the Committee shall be 5 voting members who shall include at least one member **not** from Bath & North East Somerset Council*'.
- 3.6 This is to ensure that any decision taken by APF committee is not by Banes members alone and there is clarity on managing any conflicts of interest.

4 STATUTORY CONSIDERATIONS

- 4.1 The Council is required to put in place arrangements for the effective discharge of its business

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The costs of administering the Avon Pension Fund are recharged to the employing bodies through the employer contribution rates which are set by the actuary every three years as part of the valuation.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance and no significant risks have been identified.

7 EQUALITIES

- 7.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

8 CLIMATE CHANGE

- 8.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and is addressing this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

9 OTHER OPTIONS CONSIDERED

- 9.1 Due to the scale and size of the Committee there are few, if any alternative options which are deliverable.

10 CONSULTATION

- 10.1 The Avon Pension Fund Committee had a full discussion of this item at its meeting on the 23rd of June. In addition, the Council's Director of One West (with responsibility for the Avon Pension Fund) has had the opportunity to input to this report and has cleared it for publication. Finally the Council's S151 Officer and

Monitoring Officer have also been consulted and cleared the report for publication.

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Background papers	<i>Pension Fund Committee papers</i>
Please contact the report author if you need to access this report in an alternative format	