



**SOUTH YORKSHIRE  
PENSIONS AUTHORITY**

Martin McCarthy  
*Deputy Clerk*

Gateway Plaza  
Barnsley  
South Yorkshire  
S70 2RD

[www.southyorks.gov.uk](http://www.southyorks.gov.uk)

**NOTICE OF AUTHORITY MEETING**

You are hereby summoned to the Annual meeting of the South Yorkshire Pensions Authority to be held in Meeting Room 14, Town Hall, Barnsley, S70 2TA on Thursday 13 June 2019 at 10.00 am for the purpose of transacting the business set out in the agenda.

**Martin McCarthy**  
Deputy Clerk

This matter is being dealt with by: Gill Richards  
Email: [grichards@syjs.gov.uk](mailto:grichards@syjs.gov.uk)

Tel: 01226 772806

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Therefore by entering the meeting room, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.

## **Distribution**

Councillors A Atkin, S Cox, D Hurst, A Law, J Mounsey, A Murphy  
A Sangar, M Stowe, A Teal, P Wray, N Wright and T Yasseen.

## **Contact Details**

For further information please contact:

<p>Gill Richards Joint Authorities Governance Unit Town Hall, Barnsley, South Yorkshire S70 2TA</p> <p>Tel: 01226 772806 <a href="mailto:g-richards@syjs.gov.uk">g-richards@syjs.gov.uk</a></p>	<p>Andrew Shirt Joint Authorities Governance Unit Town Hall, Barnsley, South Yorkshire S70 2TA</p> <p>Tel: 01226 772207 <a href="mailto:a-shirt@syjs.gov.uk">a-shirt@syjs.gov.uk</a></p>
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## **SOUTH YORKSHIRE PENSIONS AUTHORITY ANNUAL MEETING**

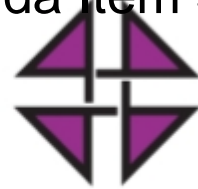
**13 JUNE 2019 AT 10.00 AM IN MEETING ROOM 14, TOWN HALL, BARNSELY, S70 2TA**

### **Agenda: Reports attached unless stated otherwise**

	<b>Item</b>	<b>Page</b>
1	Appointment of Chair for the Ensuing Year	Verbal Report
2	Appointment of the Vice-Chair for the Ensuing Year	Verbal Report
3	Membership of the Authority	1 - 2
4	Questions in Meetings of District Councils	3 - 4
5	Appointment of Committees	5 - 8
6	Appointment of the Clerk	9 - 12
7	Approval of the Constitution	13 - 62

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# Agenda Item 3



SOUTH YORKSHIRE  
PENSIONS AUTHORITY

<b>Subject</b>	<b>Membership of the Authority</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	13 June 2019
<b>Report of</b>	Deputy Clerk		
<b>Equality Impact Assessment</b>	Not Required	<b>Attached</b>	No
<b>Contact Officer</b>	Gill Richards	<b>Phone</b>	01226 772806
<b>E Mail</b>	grichards@syjs.gov.uk		

## 1. Purpose of the Report

- 1.1 To report on membership of the Authority.

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## 2 Recommendation(s)

### 2.1 Members are recommended to:

- a) Note the report.

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## 3. Link to Corporate Objectives

### 3.1 Effective and Transparent Governance

It is important that the Authority makes appointments of this sort in an open and transparent way.

## 4. Implications for the Corporate Risk Register

- 4.1 None.

## 5. Background and Options

- 5.1 There have been several changes in the membership of the Authority this year. The current membership is set out below.

<b>Barnsley</b> Councillors	<b>Doncaster</b> Councillors	<b>Rotherham</b> Councillors	<b>Sheffield</b> Councillors
M Stowe N Wright	S Cox J Mounsey P Wray	S Ellis(to 22.06.19) K Wyatt to 22.06.19) A Atkin (from 23.06.19 T Yasseen (from 23.06.19)	D Hurst A Law A Murphy A Sangar

			A Teal
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**6. Implications**

6.1 The proposals outlined in this report have the following implications

Financial	None apparent
Human Resources	None apparent
ICT	None apparent
Legal	None apparent
Procurement	None apparent

**Martin McCarthy**  
Deputy Clerk

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>



<b>Subject</b>	<b>Questions in Meeting of the District Councils</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	13 <sup>th</sup> June 2019
<b>Report of</b>	Deputy Clerk		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Gill Richards Senior Democratic Services Officer	<b>Phone</b>	01226 772806
<b>E Mail</b>	grichards@syjs.gov.uk		

## **1. Purpose of the Report**

- 1.1 To consider the appointment of representatives of the Authority to answer questions raised in meetings of the District Councils and to feedback District Council pensions issues at each meeting of the Pensions Authority.

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## **2 Recommendation(s)**

### **2.1 Members are recommended to:**

- a) Consider the Section 41 appointments.

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## **3. Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

### **Effective and Transparent Governance**

It is important that the Authority makes appointments of this sort in an open and transparent way.

## **4. Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report have no implications for the Corporate Risk Register.

## 5. **Background and Options**

- 5.1 Section 41 of the Local Government Act 1985, requires arrangements to be made for questions to be raised at District Council meetings and for the Authority to nominate Members to answer them.

In addition the Authority has agreed that the Section 41 Members should be responsible for reporting back District Council pensions issues to Pensions Authority meetings.

The 2018/19 appointments and substitutes are shown below.

<b>Council</b>	<b>Spokesperson</b>	<b>Substitute</b>	<b>2019/20</b>
Barnsley MBC	Cllr M Stowe	Cllr R Wraith	<b>Spokesperson and substitutes to be appointed.</b>
Doncaster MBC	Cllr J Mounsey	Cllr S Durant	
Rotherham MBC	Cllr S Ellis	Cllr K Wyatt	
Sheffield CC	Cllr I Saunders	Cllr A Sangar	

## 6. **Implications**

- 6.1 The proposals outlined in this report have the following implications

Financial	None
Human Resources	None
ICT	None
Legal	None
Procurement	None

**Martin McCarthy**  
Deputy Clerk

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>



# Agenda Item 5



SOUTH YORKSHIRE  
PENSIONS AUTHORITY

<b>Subject</b>	<b>Appointment of Committees</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	13 <sup>th</sup> June 2019
<b>Report of</b>	Deputy Clerk		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Gill Richards	<b>Phone</b>	01226 772806
<b>E Mail</b>			

## 1. Purpose of the Report

- 1.1 To consider the appointment of the Authority's committees for 2019/20

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## 2 Recommendation(s)

### 2.1 Members are recommended to:

- a. Consider the Terms of Reference and membership of the Audit Committee and the Staffing, Appointments and Appeals Committee.

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## 3. Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

### **Effective and Transparent Governance**

It is important that the Authority makes appointments of this sort in an open and transparent way.

### **Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report have no implications for the Corporate Risk Register.

**5. Background and Options**

5.1 The Membership of the Committees is shown below.

<b>Audit Committee</b>	<b>Staffing, Appointments &amp; Appeals Committee</b>
Section 41 members	Section 41 members
+ 1 'opposition' member	+ 1 'opposition' member
+ three trades union representatives	
The Vice-Chair of the Authority will chair this committee	The Chair of the Authority will chair this committee

**6. Implications**

6.1 The proposals outlined in this report have the following implications

Financial	None apparent
Human Resources	None apparent
ICT	None apparent
Legal	None apparent
Procurement	None apparent

**Martin McCarthy**  
**Deputy Clerk**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>

## TERMS OF REFERENCE

### **Audit Committee**

1. To fulfil the following core Audit Committee functions:
  - a) Consider the effectiveness of the Authority's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.
  - b) Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.
  - c) Be satisfied that the Authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it.
  - d) Approve (but not direct) Internal Audit's Charter and Annual Plan.
  - e) Monitor performance against the Internal Auditor's Charter and Annual Plan.
  - f) Review summary Internal Audit Reports and the main issues arising, and seek assurance that action had been taken where necessary.
  - g) Receive the Annual Report of the Head of Internal Audit.
  - h) Consider the annual reports of External Audit and inspection agencies.
  - i) Ensure that there are effective relationships between Internal Audit and External Audit, inspection agencies and other relevant bodies, and that the value of the process is actively promoted.
  - j) Review financial statements, External Auditor's opinion and reports to Members and monitor management action in response to the issues raised by External Audit.
  - k) To oversee the production of and approve the Authority's Annual Governance Statement.
  - l) To review and approve the annual Statement of Accounts and the Authority's Annual Report focusing on:
    - the suitability of, and any changes in accounting policies;
    - major judgemental issues e.g. provisions
  - m) To receive and agree the response to the External Auditor's report to those charged with governance on issues arising from the audit of the accounts, focusing on significant adjustments and material weaknesses in internal control reported by the External Auditor.
2. Monitor the Authority's Risk Register and Annual Governance Action Plan, reporting issues of concern to the full Authority.

## **Staffing, Appointments and Appeals Committee**

1. To exercise all the authority's functions in respect of:
  - a) Appeals by staff (where a right to appeal exists).
  - b) Complaints against senior officers
2. To exercise the Authority's functions in relation to the appointment of Statutory Officers and Chief Officers, subject to legislative requirements regarding the approval of Statutory Officer appointments by the Authority.
3. To approve proposals for changes to the organisation of the Authority's staffing where more than 5 posts are affected.
4. Determining appeals and requests under the Local Government Pension Scheme Regulations not otherwise delegated to officers
5. To make appointments of Independent Advisor(s) on behalf of the Authority.
6. To approve arrangements for the procurement of external fund managers and the Fund Actuary.
7. To deal with all matters regarding complaints concerning member conduct under the Standards regime.



<b>Subject</b>	<b>Appointment of the Clerk</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	13 June 2019
<b>Report of</b>	Fund Director and Monitoring Officer		
<b>Equality Impact Assessment</b>	Not Required	<b>Attached</b>	No
<b>Contact Officer</b>	Martin McCarthy Deputy Clerk	<b>Phone</b>	01226 772808
<b>E Mail</b>	martinmccarthy@barnsley.gov.uk		

## 1. Purpose of the Report

- 1.1 To approve the appointment of the Clerk following the retirement of Diana Terris the former Clerk at the end of May 2019.

## 2 Recommendation(s)

### 2.1 Members are recommended to:

- a. Approve the appointment of Sarah Norman, Chief Executive of Barnsley MBC as Clerk to the Authority under the terms of s 34(8) of the Local Government Act 1985.

## 3. Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

### **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

Through ensuring that the Authority fulfils its statutory obligation to appoint an individual to the statutory role of clerk.

## 4. Implications for the Corporate Risk Register

- 4.1 The actions outlined in this report mitigate the identified risk of the Authority failing to meet its statutory obligations.

## **5. Background and Options**

- 5.1 The Local Government Act 1985 at s 34(8) requires Joint Authorities created under the terms of the Act to appoint a Clerk. Originally the role of the Clerk incorporated the functions of Head of Paid Service. However, with the passage of time and the evolution of both the Pensions Authority and local government more widely this role has passed to the Fund Director. The role of the Clerk is now concerned with oversight of the Authority's democratic arrangements, including a number of specific proper officer functions and ensuring the maintenance of effective relations with the four district councils at Chief Executive and Leader level. In addition the Clerk provides an additional senior officer resource available to members of the Authority in the event of sensitive issues arising.
- 5.2 The office of Clerk has, since the winding up of the South Yorkshire Joint Secretariat been held by Diana Terris the Chief Executive of Barnsley MBC. Ms Terris retired at the end of May 2019. It is therefore necessary for the Authority to appoint a successor.
- 5.3 Given the nature of the role, in particular in facilitating relationships with the Leaders and Chief Executives of the District Councils it is appropriate for the role to continue to be held by a serving Chief Executive, and given the fact that the various governance services provided to the Authority are hosted by Barnsley MBC it is appropriate that Ms Terris' successor be appointed as Clerk.
- 5.4 The Authority are therefore recommended to appoint Ms Sarah Norman, the newly appointed Chief Executive of Barnsley MBC as Clerk. Ms Norman was previously Chief Executive at Dudley MBC in the West Midlands. Ms Norman will be invited to attend a meeting of the Authority as soon as possible following commencing her role with Barnsley MBC in July and a short induction in relation to the work of the Authority will be provided.

**6. Implications**

6.1 The proposals outlined in this report have the following implications:

Financial	No additional implications, the resources to pay for the role of Clerk are included within the budget for the Service Level Agreement charge from Barnsley MBC.
Human Resources	None, this is a contractual rather than an employment arrangement, although as indicated an appropriate induction will be provided.
ICT	None
Legal	It is a requirement of the Local Government Act 1985 that an appointment is made to the role of Clerk.
Procurement	None

**George Graham**

**Andrew Frosdick**

**Fund Director**

**Monitoring Officer**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
Local Government Act 1985	<a href="http://www.legislation.gov.uk/ukpga/1985/51/contents">http://www.legislation.gov.uk/ukpga/1985/51/contents</a>

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# Agenda Item 7



SOUTH YORKSHIRE  
PENSIONS AUTHORITY

<b>Subject</b>	<b>Approval of the Constitution</b>	<b>Status</b>	For Publication
<b>Report to</b>	Authority	<b>Date</b>	13 June 2019
<b>Report of</b>	Fund Director, Treasurer and Monitoring Officer		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Andrew Frosdick	<b>Phone</b>	01226 773001
<b>E Mail</b>	AndrewFrosdick@barnsley.gov.uk		

## 1. Purpose of the Report

- 1.1 To gain approval for the Authority's revised Constitution, Scheme of Delegation and Financial Regulations which have been amended to reflect agreed changes in the governance arrangements and the day to day operation of the Authority.

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## 2 Recommendation(s)

### 2.1 Members are recommended to:

- a. Approve the Authority's Constitution at Appendix A
- b. Approve the Scheme of Delegation at Appendix B
- c. Approve the Financial Regulations at Appendix C
- d. Approve the Arrangements for Dealing with Standards Complaints at Appendix D

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## 3. Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

### **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

It is good practice to regularly review constitutional documents. The documents presented for approval here have not been reviewed for some time and a review is necessary to reflect previously agreed changes in the Authority's governance arrangements.

#### **4. Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report address the risk of the Authority acting outside of the law and regulations which govern its operation, which is included in the Corporate Risk Register.

#### **5. Background and Options**

- 5.1 At its meeting in October 2018 the Authority approved various longer term changes in its governance arrangements, specifically:

- The disestablishment of the Corporate Planning and Governance and Investment Boards.
- The establishment of an Audit Committee and a Staffing Appointments and Appeals Committee
- The establishment of processes for dealing with urgent decisions between meetings and for exercising the Authority's vote on shareholder resolutions relating to Border to Coast.

- 5.2 All of these changes require changes to the Authority's constitution. In addition the Scheme of Delegation, Financial Regulations and Arrangements for Dealing with Standards Complaints are overdue for review and the opportunity has been taken to review these at the same time to ensure consistency with the Constitution and actual day to day operational arrangements. The new documents reflecting these changes are set out for approval in the Appendices to this report.

#### **6. Implications**

- 6.1 The proposals outlined in this report have the following implications

Financial	There are no direct financial implications arising from this report. However, the various documents presented for approval provide the foundation for the system of internal financial control
Human Resources	None
ICT	None
Legal	The Authority is required by law to maintain and continually review a constitution of which these documents form the core part. It is important that such documents are kept up to date to ensure that all decision makers are clearly acting within the bounds of their authority.
Procurement	None

**George Graham**

**Neil Copley**

**Andrew Frosdick**

**Fund Director**

**Treasurer**

**Monitoring Officer**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
Governance Arrangements – Report to Pensions Authority 4 October 2018	<a href="http://meetings.southyorks.gov.uk/ieListDocuments.aspx?CId=174&amp;MId=3819&amp;Ver=4&amp;zTS=C">http://meetings.southyorks.gov.uk/ieListDocuments.aspx?CId=174&amp;MId=3819&amp;Ver=4&amp;zTS=C</a>

## PART 2 – ARTICLES OF THE CONSTITUTION

Date Approved: June 2007

Date Revised: October 2007;

October 2008, June 2013,

April 2014

Date of Next Review: Currently under review

Responsible Officer: A Frosdick

**CONTENTS**

Articles of the Constitution

Page Number

## **Article 1 – Purpose of the Constitution**

### 1.1 Discharge of Functions

This constitution and all its appendices comprises the constitution of the South Yorkshire Pensions Authority. The Authority will exercise its functions, powers, duties and responsibilities in accordance with this constitution, within the law, fairly, equitably, openly and transparently.

### 1.2 Purpose of the Constitution

The purpose of this constitution is to set out in a single place and in clear language, how the Authority works and how it makes decisions, thereby:

(1) Assisting Members to discharge their role as decision makers efficiently and effectively;

and

(2) Ensuring that the decision making processes are clearly identifiable to citizens.

### 1.3 Monitoring

The Authority will monitor and review the operation and content of this constitution at least once a year and, consequential upon any review, make any changes deemed appropriate.

## Article 2 – Members of the Authority

### 2.1 Composition and Eligibility

(a) Composition – The Authority comprises 12 members, each of whom must be an elected councillor, elected to one of the four constituent district councils in the former Metropolitan County of South Yorkshire. The constituent councils appoint members to the Authority in accordance with the provisions of the Local Government Act 1985. These appointments are made (subject to compliance with the political balance requirements of the Local Government and Housing Act 1989) in the following proportions:

Sheffield 5

Doncaster 3

Rotherham 2

Barnsley 2

Members may be removed by their appointing council, subject to their Council complying with the statutory requirements of the Local Government Act 1985 as to periods of notification etc.

Each District Council will in accord with the provisions of the Local Government Act 1985 designate one of their appointed members to answer questions concerning the work of the Authority at meetings of the Full Council. These members are referred to as Section 41 Members.

### 2.2 Roles and Functions of Members

All Members are expected:

(i) to act corporately for the good governance of the Authority

(ii) on a regular basis, to attend meetings of the Authority and any committees, subcommittees, working parties or external bodies to which the Member has been appointed and to fully participate in policy formulation and decision making in accordance with principles of good public governance, including a requirement to act at all times in accordance with:

statutory and other legal requirements

the Code of Conduct for Members applying to them

Standing Orders of the Authority

the member/officer relations protocol.

(iii) If appointed by the Authority to an external body, to represent the interests of the Authority on that body.

(iv) To undertake learning and development activity, including an annual needs assessment and mandatory elements in line with the requirements set out in the Members Learning and Development Strategy.

#### 2.2.1 Roles and Responsibilities of Designated Office Holders

Chair of the Authority

(i) To chair meetings of the Authority and to ensure their overall effectiveness.

(ii) To provide effective leadership in the development of the Authority's policy, strategy and budget proposals.

(iii) To lead on the implementation of effective service delivery and the Authority's approved policies and strategies.

(iv) To act as the Authority's principal spokesperson at local, regional and national level.

(v) To seek to ensure that good working relationships are established with external public and private sector bodies and networks relevant to the efficient discharge of the Authority's functions.

#### Vice-Chair of the Authority

(i) To support the Chair of the Authority in discharging the roles associated with the office of the Chair.

(ii) To deputise for the Chair in his/her absence.

#### Chairs of Committees

##### All Committee Chairs:

(i) To chair the Committee and ensure its overall effectiveness.

(ii) To have a working knowledge of the Authority's relevant policies and strategies and to ensure he/she is sufficiently and effectively briefed by officers on matters coming before the Committee.

(iii) To co-ordinate and manage the work of the Committee.

(iv) To support the role of the Chair of the Authority in the development of policy, strategy and budget proposals.

##### All Committee Vice-Chairs

(i) To support the Committee Chair in discharging the roles of the Chair.

(ii) To deputise for the Committee Chair during any absence of the Chair.

## 2.3 Rights and Duties of Members

2.3.1 Members will have such rights of access to such documents, information, land and buildings of the Authority as are necessary for the proper discharge of their functions and in accordance with the law.

2.3.2 A Member of the Authority may, for the purposes of his/her duty as such Member but not otherwise, on application to the Clerk inspect any document which has been considered by a Committee or a Sub-Committee or by the Authority, and shall on request be supplied for the like purposes with a copy of such a document if practicable. Provided that a Member shall not knowingly inspect and shall not call for a copy of any document relating to a matter in which he/she is professionally interested in or in which he/she has directly or indirectly any prejudicial interest within the meaning of the Local Government Act 2000 and/or regulations made thereunder or the Code of Conduct. This provision shall not preclude the Clerk from declining to allow inspection of any document which is, or in the event of legal proceedings would be, protected by privilege arising from the relationship of solicitor and client.

2.3.3 All reports made or minutes kept by any Committee or Sub-Committee shall be open for the inspection of any Member of the Authority during office hours.

2.3.4 Subject to any statutory provision in that behalf, no Member of the Authority shall without the consent of the Authority, be entitled to inspect any document in the custody of any officer of the Authority if, in the opinion of that officer and of the Clerk, the document is of a confidential nature.

#### 2.3.5 Inspection of Lands, Premises etc.

A Member of the Authority shall not issue any order respecting any works which are being carried out by or on behalf of the Authority or unless authorised by the Authority claim by virtue of his/her membership of the Authority any right or inspect or enter upon any lands or premises of the Authority or which the Authority has the power or duty to inspect or enter.

#### 2.3.6 Appointment of Relatives of Members

A candidate for any appointment under the Authority who knows that he/she is related to any Member of the Authority shall, when making application, disclose that relationship in his or her application. A candidate who fails to disclose such relationship shall be liable to be disqualified for the appointment and, if appointed shall be liable to dismissal without notice. Every Member and senior officer of the Authority shall disclose to the Clerk any relationship known to him/her to exist between himself/herself and any person whom he/she knows is a candidate for any appointment under the Authority.

#### 2.3.7 Failure to Attend Meetings

(a) Subject to the provisions of Section 85 Local Government Act 1972, any Member failing to attend any meeting of the Authority or its Committees for a period of six months ceases to be a Member of the Authority unless within that period the Member's absence is approved by the Authority.

(b) The Clerk will monitor absences from meetings and unless approval for any absence is given by the Authority will report the failure to attend to the Authority in order that it may declare a vacancy and notify the relevant constituent council.

#### 2.4 Conduct

Members will, at all times, observe the Members Code of Conduct approved by their District Council and the Member/Officer relations protocol set out in Part 5 of this constitution.



## **Article 3 – Citizens and the Authority**

### **3.1 Citizens Rights**

Citizens have the following rights:

(a) Information – Citizens have the right to:

(1) Attend meetings of the Authority, its committees and sub-committees, except during items of business where confidential or exempt information is likely to be discussed or disclosed, in which case the meeting or that part of any meeting will be held in private to the exclusion of citizens.

(2) See reports and background papers (except for confidential or exempt reports and papers) and any record of decisions by the Authority and its committees or sub-committees.

(3) Inspect the Authority's accounts and make representations to the external auditor about the contents of those accounts.

(b) Complaints – Citizens have the right to complain to:

(1) The Authority, under its complaints scheme.

(2) The Local Government Ombudsman.

## **Article 4 – The Role of the Authority**

### **4.1 Roles and Responsibilities**

South Yorkshire Pensions Authority is responsible for the functions, property, rights and liabilities of the South Yorkshire Pension Fund, including the management of the Pensions Fund's investments, the payment of pensions to former local authority employees in South Yorkshire and the administration of the scheme rules for its contributors. In order to fulfil these duties the full Authority has responsibility for:-

- (1) Determining the Authority's priorities through the Corporate Planning Framework which comprises:
  - a. The Corporate Strategy
  - b. The Annual Budget and Medium Term Financial Strategy
  - c. The Treasury Management Strategy and Policy Statement
  - d. The Human Resources Strategy
  - e. The Information and Communications Technology Strategy
  - f. The Equality and Diversity Scheme
- (2) Issuing a levy on the District Councils in respect of the residual liabilities for pension payments of the former South Yorkshire County Council.
- (3) Reviewing the effectiveness of strategies and plans to deliver the priorities and targets set by the Authority; and maintaining a performance framework covering all aspects of the Authority's work, including provision for the holding of external suppliers to account for their performance.
- (4) Ensuring the Authority is adequately resourced to carry out its duties.
- (5) Appointing Committees and Boards with appropriate terms of reference and necessary delegated powers.
- (6) Reviewing the Work Programmes of the Committees and Boards to ensure they are up to date and moving the Authority towards delivering its Corporate Plan.
- (7) Ensuring Section 41 Members provide feedback in relation to District Council activity regarding their responsibilities as an employer in relation to LGPS.
- (8) Approving and maintaining the Pensions Policy Framework, comprising:
  - a. The Funding Strategy Statement
  - b. The Investment Strategy Statement
  - c. The Responsible Investment Policy and Voting Guidelines
  - d. The Stewardship Code and Myners Principles Compliance Statements
  - e. The Governance Compliance Statement
  - f. The Pensions Administration Strategy Statement
  - g. The Communications Policy Statement
  - h. The Policy on Exercise of Discretions under the Local Government Pension Scheme Regulations

i. The Admissions and Terminations Policy

(9) Exercising the Authority's responsibilities under the Health and Safety at Work Acts.

(10) To authorise participation by the Authority in membership organisations and collaborations (for example the Local Authority Pension Fund Forum and the Pensions and Lifetime Savings Association).

(11) To approve and monitor compliance with the Members' Learning and Development Strategy.

**Article 5 – Chairing the Authority**

5.1 Electing the Chair and Vice-Chair of the Authority

The Chair and the Vice-Chair of the Authority will be elected by the Members at the Annual Meeting.

5.2 Roles and Responsibilities of the Chair and in his absence the Vice-Chair of the Authority.

The Chair will preside over Authority meetings and ensure that they are conducted in accordance with the Standing Orders and procedural rules of the Authority as set out in Part 4 of this constitution. In addition, the Chair will discharge the roles and responsibilities set out in Article 2.2 of this constitution.

## **Article 6 – The Audit Committee**

### **6.1 Membership**

The Authority has appointed an Audit Committee comprising five members.

### **6.2 Terms of Reference**

To fulfil the following core audit committee functions:

a) Consider the effectiveness of the Authority's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements.

b) Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.

c) Be satisfied that the Authority's assurance statements, including the Annual Governance Statement, properly reflect the risk environment and any actions required to improve it.

d) Approve (but not direct) internal audit's Charter and annual plan.

e) Monitor performance against internal audit's Charter and annual plan.

f) Review summary internal audit reports and the main issues arising, and seek assurance that action had been taken where necessary.

g) Receive the annual report of the Head of Internal Audit.

h) Consider the annual reports of external audit and inspection agencies.

i) Ensure that there are effective relationships between internal audit and external audit, inspection agencies and other relevant bodies, and that the value of the process is actively promoted.

j) Review financial statements, external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.

k) To oversee the production of and approve the Authority's Annual Governance Statement.

l) To review and approve the annual Statement of Accounts and the Authority's Annual Report, focusing on:

- the suitability of, and any changes in accounting policies;

- major judgemental issues e.g. provisions.

m) To receive and agree the response to the external auditor's report to those charged with governance on issues arising from the audit of the accounts, focusing on significant adjustments and material weaknesses in internal control reported by the external auditor.

(7) Monitor the Authority's risk register and annual governance action plan, reporting issues of concern to the full Authority.

## **Article 7 – The Staffing Appointments and Appeals Committee**

### 7.1 Membership

The Authority has appointed a Staffing Appointments and Appeals Committee comprising 5 members.

### 7.2 Terms of Reference

(1) To exercise all the Authority's functions in respect of:

a) Appeals by staff (where a right of appeal exists).

b) Complaints against senior officers.

(2) To exercise the Authority's functions in relation to the appointment of Statutory Officers and Chief Officers, subject to legislative requirements regarding the approval of statutory officer appointments by the Authority.

(3) To approve proposals for changes to the organisation of the Authority's staffing where more than 5 posts are affected.

(4) Determining appeals and requests under the Local Government Pension Scheme Regulations not otherwise delegated to officers.

(5) To make appointments of Independent Investment Adviser(s) on behalf of the Authority.

(6) To approve arrangements for the procurement of external fund managers, the Fund Actuary and Custodian

(7) To deal with all matters concerning complaints concerning member conduct under the Standards regime.

### **Article 8 – Joint Arrangements**

- 8.1 The Authority has determined to participate in the Border to Coast Pensions Partnership in order to fulfil the regulatory requirement to pool its investment assets.
- 8.2 The Authority’s representative on the Joint Committee convened to oversee the work of the Border to Coast Operating Company will be the Chair.
- 8.3 Exercise of the Authority’s rights as a shareholder in the Border to Coast Operating Company will be undertaken by the Chair in consultation where practical with the s 41 members.

### **Article 9 – Urgent Decisions between Meetings of the Authority and its Committees**

- 9.1 In the event that an urgent decision that cannot be taken by officers under delegated powers is required between meetings of the Authority and its committees it will be taken by the Chair in consultation with the s 41 members.

## **Article 10 – Statutory Officers**

### 10.1 Management Structure

(a) General – The Authority may appoint such staff (officers) as it considers necessary to carry out its functions.

(b) Statutory Officers – The Authority has appointed the following Statutory Officers:

Clerk (officer appointed under s 34(8) of the Local Government Act 1985).

Treasurer (officer responsible for the proper administration of the Authority’s financial Affairs under s 73 of the Local Government Act 1985).

Monitoring Officer (officer appointed under s5 of the Local Government and Housing Act 1989).

Head of Paid Service (officer appointed under s4(1) of the Local Government and Housing Act 1989)

(c) Subject to meeting the necessary qualification requirements the roles of Clerk and Head of Paid Service may be combined with that of Treasurer.

### 10.2 Functions of the Clerk

The role of the Clerk is to oversee and ensure the effective functioning of the Authority’s democratic processes and to ensure effective liaison and collaboration between the Authority and the constituent councils.

### 10.3 Functions of the Treasurer

(a) Ensuring lawfulness and financial prudence of financial decision making – after consulting with the Monitoring Officer, the Treasurer will report to the Authority and to the Authority’s external auditor, if he/she considers that any proposal, decision or course of action will involve incurring unlawful expenditure or is unlawful and likely to cause a loss or deficiency, or if the Authority is about to enter an item of account unlawfully. He/she will also make a report to the Authority if it appears that the expenditure of the Authority (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to meet that expenditure.

(b) Administration of financial affairs – the Treasurer has responsibility for the administration of the financial affairs of the Authority.

(c) Contributing to corporate management – the Treasurer is required to contribute to the corporate management of the Authority, in particular through the provision of professional financial advice.

(d) Providing advice – the Treasurer will provide advice on the scope and powers of the Authority to take decisions about financial impropriety, probity and budget and policy framework issues to the Authority, its Committees and Sub-Committees, Members and officers and will support and advise Members and officers in their respective roles.

### 10.4 Functions of the Monitoring Officer

(a) Maintaining the constitution – the Monitoring Officer will maintain an up to date version of the constitution and will ensure that it is available for inspection by Members, staff and the public.

(b) Ensuring lawfulness and fairness of decision making – after consulting with the Clerk [Head of Paid Service] and the Treasurer, the Monitoring Officer will report to the Authority in relation to any proposal, decision or omission which, in his/her view would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

(c) Providing advice –the Monitoring Officer will provide advice on the scope of the powers of the Authority, its Committees and Sub-Committees and officers to take decisions and in connection with matters involving maladministration and probity.

(d) Restriction on appointment – the Monitoring Officer cannot be the Chief Finance Officer.

#### 10.5 Functions of the Head of Paid Service

The Head of Paid Service has overall responsibility for the management and coordination of the employees appointed by the Authority. They are required to report to the Authority as appropriate with regard to the way in which the overall discharge by the Authority of its functions is coordinated, the number and grades of staff required for the discharge of these functions, the way in which these people are organised and managed, and the way in which they are appointed.

As such the Fund Director is responsible for the production of the Authority's Corporate Strategy and any supporting strategies, and acts as the Authority's principal policy adviser.

#### 10.6 Duty to Provide Sufficient Resources to the Monitoring Officer and the Chief Finance Officer

The Authority will provide the Monitoring Officer, and the Treasurer with such offices, accommodation and other resources as are in the opinion of those officers sufficient to allow their duties to be performed.



## **Article 11 – Decision Making**

### 11.1 Responsibility for Decision Making

Responsibility for decision making by the Authority, its committees, sub-committees and officers is in accordance with Articles 4 to 12 of this constitution and the Officer Delegation Scheme set out in Part 3 of this constitution which together comprise the record of responsibility for decision making.

### 11.2 Principles of Decision Making

All decisions by the Authority will be made in accordance with the following principles:

- (a) be within the lawful powers of the Authority
- (b) due consultation (including the taking of relevant professional advice from officers)
- (c) respect for human rights
- (d) presumption in favour of openness
- (e) clarity of aims and desired outcomes
- (f) within the letter and spirit of the constitution

### 11.3 Decision Making by the Authority and its Committees and Sub-Committees

The Authority, Committee and Sub-Committee meetings will comply with the Authority's procedural rules and Standing Orders set out in Part 4 of this constitution when considering any matter.

### 11.4 Decisions Made by Authority Bodies Acting as Tribunals

The Authority and its Committees and Sub-Committees, members or officers when acting as a tribunal or in a quasi-judicial manner or determining/considering (other than for the purposes of giving advice) the civil rights and obligations or the criminal responsibility of any person, will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

### 11.5 Decision Making by Officers

Officers have full authority for operational and managerial decision making and for any necessary action within their authorised remit in accordance with the terms of the officer delegation scheme set out in Part 3 of this constitution. Officers in making decisions should follow the principles set out in Article 10.2 of this Constitution and ensure that decisions are recorded in writing and that details of decisions are published in line with guidance issued from time to time by the Clerk.

## **Article 12 – Finance, Contracts and Legal Matters**

### **12.1 Financial Management**

The management of the Authority's financial affairs will be conducted in accordance with the Financial Regulations and Procedure Rules set out in Part 4 of this constitution.

### **12.2 Contracts**

Contracts made by the Authority will comply with the contracts procedural rules and Standing Orders set out in Part 4 of this constitution.

### **12.3 Legal Proceedings**

The Clerk is authorised to institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the Authority (or any Committee, Sub-Committee or officer) or in any case where the Clerk considers that such action is necessary to protect the Authority's interests.

### **12.4 Authentication of Documents**

Where any document is necessary to any legal procedure or proceedings on behalf of the Authority, it will be signed by the Clerk or by some person duly authorised by the Authority. The procedural rules/Standing Orders of the Authority in relation to contracts, set out in Part 4 of this constitution, make further provision in relation to formal processes involving the award of contracts.

### **12.5 Common Seal of the Authority**

The common seal of the Authority will be kept in a safe place in the custody of the Clerk. A decision of the Authority, a Committee or a Sub-Committee or any authorised officer, will be sufficient authority for sealing any document necessary to give effect to such a decision. The common seal will be affixed to such documents as are, in the opinion of the Clerk, appropriate for sealing. The Clerk, or some other person authorised by the Authority shall witness the affixing of the common seal.

## **Article 13 – Review and Revision of the Constitution**

### 13.1 Duty to Monitor and Review the Constitution

(a) The Monitoring Officer will monitor and review the operation of the constitution to ensure that the aims and principles of the constitution are given full effect.

(b) A key role for the Monitoring Officer is to be aware of the strengths and weaknesses of the constitution adopted by the Authority and to make recommendations for ways in which it could be amended in order better to achieve the purposes set out in Article 1. In performing this duty the Monitoring Officer may, in his/her discretion:

(i) attend and observe meetings of different parts of the Member and officer structure

(ii) examine the audit trail relating to decision making

(iii) record and analyse issues raised with him/her by Members, officers, the public and other relevant stakeholders and,

(iv) compare practices in the Authority with those in other comparable Authorities or national examples of best practice.

### 13.2 Changes to the Constitution

#### (a) Approval

Changes to the constitution will only be approved by the Authority after consideration of proposals submitted by the Monitoring Officer.

## **Article 14 – Publication of the Constitution**

### 14.1 Publication

(a) The Clerk will arrange to provide access to a copy of this constitution to each Member of the Authority as soon as practicable after that Member has signed the Code of Conduct declaration, following appointment to the Authority.

(b) The Clerk will arrange for copies to be made available for inspection at the Authority's offices and by publication on the Authority's official website.

## Scheme of Delegation to Officers

### Section A - General

#### 1 ADOPTION

- 1.1 This Scheme of Delegation (“the Scheme”) was approved by the Authority on the 13 June 2019. It is a key element of the Authority’s internal control arrangements. The Scheme is reviewed annually.

#### 2 DEFINITIONS AND INTERPRETATION

- 2.1 The following definitions apply in relation to the officer roles described in this scheme:

Officer appointed under s34 (8) of the Local Government Act 1985 – The Clerk

Officer appointed under s 73 of the Local Government Act 1985 – The Treasurer

Officer appointed under s 5 of the Local Government and Housing Act 1989 – The Monitoring Officer

Officer appointed as Head of Paid Service under s 4 (1) of the Local Government and Housing Act 1989 – The Fund Director

Non Statutory Chief Officers under s 2 (7) of the Local Government and Housing Act 1989 -

The Head of Finance and Corporate Services

The Head of Investment Strategy

The Head of Pension Administration

- 2.2 A reference to any enactment shall be deemed to include a reference to any amendment or re-enactment of the same.
- 2.3 Any officer can decline to exercise the powers delegated under this Scheme in particular circumstances and refer any such matter to the Authority (or Committee as appropriate) for decisions or approval.
- 2.4 In the event of any question arising concerning the interpretation and application of this Scheme, the Clerk, in consultation with the Monitoring Officer, shall determine the issue.
- 2.5 For the avoidance of doubt, where a power or duty or authority is exercisable by an officer within these Delegations, that officer is hereby given authority to further delegate such power, duty or authority to any other officer he may nominate, in the interests of the Authority or for the better performance of any such power, duty or authority.

#### 3 COMPLIANCE

- 3.1 The exercise of any delegated power under this Scheme is subject to:-

- (i) Expenditure being within the approved revenue estimates or having received the prior approval of the Authority; and
- (ii) Compliance with any relevant statutory enactment; Code of Practice; the Authority’s Standing Orders, Financial Regulations and Financial Instructions; and any relevant Authority Plans and Policies.

#### 4 RECORDS

- 4.1 An officer who has made a decision in accordance with powers delegated under this Scheme shall record the decision in writing and make the record available for inspection as required.

5 PUBLIC INSPECTION

- 5.1 Copies of this Scheme, the Authority's Standing Orders and Financial Regulations can be viewed on the Authority's website at [www.southyorks.gov.uk](http://www.southyorks.gov.uk) Copies of these documents can also be inspected during the office hours of 11.00 am to 4.00 pm, Monday to Friday at the Authority's offices.

## Section B - The Clerk

The Clerk is appointed under s 34(8) of the Local Government Act 1985 which requires a Joint Authority to appoint an individual as Clerk and in doing so have regard to the desirability of that person being a Chief Officer of one of the constituent councils.

The Clerk is the Proper Officer of the Authority for all purposes in relation to:

- a. The following provisions of the Local Government Act 1972 –
  - i. Schedule 12 (Meetings and proceedings of local authorities)
    - Signature of summons to meetings of the Authority;
    - Receipt of notices regarding the address to which a summons to a meeting is to be sent.
  - ii. Section 100 (B) (2) and 100 (B) (6) (circulation of reports and agendas)
  - iii. Section 100 (B) (7) (supply of papers to the press)
  - iv. Section 100 ( C ) (summaries of minutes)
  - v. Section 100 (D) (1) (a) and 100 (D) (5) (compilation of lists and identification of background papers)
  - vi. Section 100 (F) (2) (papers not open to members)
  - vii. Section 223 (1) (authorisation of officers in proceedings)
  - viii. Section 225 (deposit of documents with the proper officer of the Authority etc.)
  - ix. Section 229 (photographic copies of documents)
    - Certification of photographic copies of documents
  - x. Section 234 (authentication of documents)
  
- b. The Clerk is the Authority's Proper Officer for the purposes of Section 2(4) of the Local Government and Housing Act 1989 (deposit of list of politically restricted posts).

The Clerk is responsible for exercising the staffing provisions of this scheme of delegation in so far as they relate to the Fund Director with the exception of matters reserved to the Authority (appointment, grievance appeals, termination of employment, and terms of any compromise agreement).

The Clerk is authorised by the Authority to give a direction in special circumstances that any officer shall not exercise a delegated function in any particular case.

To facilitate the smooth running of the Authority's business in the absence of any of the other statutory officers the Clerk is authorised to discharge any of the functions listed in this scheme of delegation in addition to the officer's specified in this scheme.

## Deputies

In the event of the Clerk's office being vacant, or if she/he is absent or otherwise unable to act the following officers are authorised to act as the Proper Officer for the purposes set out in a. and b. above.

- i. The Monitoring Officer
- ii. The Treasurer
- iii. The Deputy Clerk

## Legal Proceedings

- i. To authorise the initiation of legal proceedings on behalf of the Authority, in the case of proceedings concerned with the investment of monies on behalf of the Fund in consultation with the Fund Director, except as otherwise specifically delegated to individual officers.
- ii. To settle claims not exceeding £20,000 and in urgent circumstances claims exceeding £20,000. Details of claims exceeding £20,000 are to be reported retrospectively to the Authority at the first opportunity.
- iii. To instruct Counsel and external solicitors as appropriate.
- iv. To sign documents in connection with legal proceedings/procedures on behalf of the Authority.

## Liaison with Constituent Authorities

- i. The Clerk is responsible for ensuring effective liaison between the Authority and the constituent authorities.

## Press and Publicity

The Clerk is responsible for making arrangements concerning:

- i. Press and publicity and public relations on matters concerning the Authority.
- ii. The handling of issues relating to the Commission for Local Administration.

## Freedom of Information Act – Internal Review Procedures

- i. The Clerk is authorised to determine appeals under the Freedom of Information Act 2000 in accordance with the Authority's agreed internal review procedure.

## Member Development and Knowledge and Skills

- i. To be responsible for the implementation of the requirements of the CIPFA Code of Practice relating to pensions finance, knowledge and skills.
- ii. To be responsible for the preparation and delivery of Member and Officer learning and development strategies which address the requirements of the Code and for the production of an annual report on the delivery of these strategies.

## Conferences

The Clerk is authorised to approve member's attendance at conferences in consultation with the Chair of the Authority, if required in advance of Authority meetings and to report to the next available meeting in accordance with the criteria set out below.

- The conference is relevant to the functions of the Authority;



- The number of members to attend would normally be no more than 3 depending upon the importance of the conference;
- Members would be selected from those who express an interest, normally on a first come first served basis, unless the conference is of special interest to particular members because of identified development needs, or specific responsibilities.

## **Section C - The Treasurer**

The Treasurer is appointed under Section 73 of the Local Government Act 1985 which requires Joint Authorities to make arrangements for an officer to be responsible for effective financial administration. The Treasurer has defined statutory responsibilities in respect of the proper administration of the financial affairs of the authority, specifically:

(i) Ensuring lawfulness and financial prudence of decision making.

After consulting with the Head of Paid Service and the Monitoring Officer, the Treasurer will report to the Authority and the Authority's external auditor if they consider that any proposal or decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency, or if the Authority is about to enter an item of account unlawfully.

(ii) Administration of Financial Affairs

The Treasurer will have responsibility for the administration of the financial affairs of the Authority.

(iii) Providing Advice

The Treasurer will provide professional financial advice as appropriate. They will also provide advice on scope of powers and authority to take decisions, issues relating to maladministration, financial impropriety, probity, and the budget and policy framework, to all Elected Members, and will support and advise Authority members and officers in their respective roles.

(iv) Give Financial Information

The Treasurer will provide financial information as appropriate to the media and members of the public. (NB: The release of certain information may be restricted by law).

(v) Local Government Act 1972 Section 115 (accountability of officers)

Responsibility for the receipt of money due from officers.

## **Section D - The Monitoring Officer**

The Monitoring Officer is appointed under Section 5 of the Local Government and Housing Act 1989 and has defined statutory responsibilities in respect of matters of legality, conduct, and probity. The Monitoring Officer may not also be the Head of Paid Service. However, the Monitoring Officer will liaise as appropriate with the Head of Paid Service in the discharge of their functions.

### **(i) Maintaining the Constitution**

The Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure this is widely available for consultation by Elected Members, employees, and members of the public.

### **(ii) Ensuring Lawfulness and Fairness of Decision Making**

After consulting with the Head of Paid Service and Treasurer, the Monitoring Officer will report to the Authority if they consider that any proposal, decision, or omission would give rise to unlawfulness, or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

### **(iii) Access to Information**

The Monitoring Officer will ensure that decisions of the Authority together with the reasons for those decisions, as well as relevant officer reports and background papers, are made publicly available as soon as possible to persons requesting them. (NB: The release of certain information may be restricted by law).

### **(iv) Advising whether Decisions are within the Budget and Policy Framework**

The Monitoring Officer will advise whether decisions of the Authority are in accordance with the budget and policy framework approved by the Authority. (Decisions outside that framework will require approval of the full Authority).

### **(v) Providing Advice**

The Monitoring Officer will provide advice on the scope of statutory powers and authority of the Authority to take decisions, issues relating to maladministration, conduct and probity the budget and policy framework to all Elected Members.

### **(vi) Register of Members Interests**

The Monitoring Officer will establish and maintain a Register of Interests of Members and Co-opted Members of the Authority.

### **(vii) Statutory Reports**

In accordance with the provisions of s5 of the Local Government and Housing Act 1989 the Monitoring Officer is required to prepare a report to the Authority if at any time it appears to him/her that any proposal, decision or omission by the Authority, by any Committee of the Authority, or by any person holding office or employment under the Authority has given rise to or is likely to or would give rise to:-

- (a) a contravention by the Authority; by any Board; by an person holding any office or employment under the Authority of any enactment or rule of law; or
- (b) any such maladministration as is mentioned in Part III of the Local Government Act 1974.

In performing the duty conferred by s5 the Monitoring Officer will take account of reports made as a particular matter by any other officer and whether a matter is being resolved by other means including other reporting procedures.

The Monitoring Officer, in performing the duties as arising under s5, is authorised to incur expenditure where this is necessary in seeking advice from outwith the Authority. Where the expenditure is likely to exceed £20,000, Authority approval must be obtained.

In the event of the Monitoring Officer being absent, or otherwise unable to act the Deputy Monitoring Officer is authorised to act as the proper officer for all purposes for which the Monitoring Officer is authorised to act.

## Section E - The Fund Director

The Fund Director is the Authority's Head of Paid Service for the purposes of s4 (1) (a) of the Local Government and Housing Act 1989.

The Head of Paid Service has overall responsibility for the management and coordination of the employees appointed by the Authority. They are required to report to the Authority as appropriate with regard to the way in which the overall discharge by the Authority of its functions is coordinated, the number and grades of staff required for the discharge of these functions, the way in which these people are organised and managed, and the way in which they are appointed.

As such the Fund Director is responsible for the production of the Authority's Corporate Strategy and any supporting strategies, and acts as the Authority's principal policy adviser.

The specific authority delegated to the Fund Director is as follows:

### Staffing Matters

For all categories of staff to determine all matters relating to:

- i. The recruitment selection and appointment of staff;
- ii. Implementation of national and local agreements in relation to pay and terms and conditions;
- iii. All payments to employees;
- iv. The granting of appropriate increments in career grade and examination success schemes;
- v. The filling of all vacant posts;
- vi. The operation of arrangements relating to hours of work, annual and other leave and time off for employees;
- vii. The training and development of employees;
- viii. The health, safety and welfare of employees;
- ix. The operation of procedures relating to consultation with staff and trades unions;
- x. Payments in respect of damage to, or loss of employees personal property;
- xi. The determination of grievances in accordance with agreed procedures;
- xii. In relation to disciplinary processes
  - a. Suspension and/or disciplinary action, including dismissal of employees in line with agreed procedures;
  - b. Suspension and/or disciplinary action, shall only be taken following consultation with the Clerk (or her/his nominated representative).
- xiii. Determine appeals from employees against the imposition of disciplinary sanctions short of dismissal.

In consultation with the Clerk:

- i. To approve regrading applications following a formal job evaluation process.

In consultation with the Chair of the Authority:

- i. To approve applications for early retirement under the Authority's Selective Early Retirement Scheme

## Miscellaneous

- i. To approve the provision of reasonable and appropriate hospitality for official visitors.

## Requirements of the Local Government Pension Scheme Regulations

- i. To produce an Annual Report on the activities of the Authority and the Pension Fund in line with the requirements of the relevant codes of practice.
- ii. To maintain the Authority's policy framework, including but not limited to the Funding Strategy Statement, the Investment Strategy Statement and the Pensions Administration Strategy Statement.

## Financial

- i. To approve the issue of purchasing cards to individual employees in accordance with the procedures approved by the Treasurer.
- ii. To approve the virement of sums up to £10,000 between budget heads subject to quarterly reporting to the Treasurer.
- iii. To maintain the Authority's contract register.
- iv. To approve the write off of debts as follows, subject to submission of a quarterly report to the Authority:
  - a. In relation to rents within the directly managed property portfolio any amount that does not exceed £10,000.
  - b. In relation to pensions administration any amount above £1,000 but not exceeding £5,000.
  - c. In relation to other miscellaneous debts any amount up to £5,000.
  - d. In relation to inventories any amount that does not exceed £10,000.
- v. The maintenance of a register of key holders for safes and similar receptacles.
- vi. To approve the undertaking of private work by individual officers who are contractually allowed to undertake such work.

## Investment

- i. To Chair Meetings of the Authority's Investment Advisory Panel.
- ii. To award contracts for investment related services in accordance with the Authority's Contract Standing Orders.
- iii. To authorise officers of the Authority to act as the Authority's representative on companies and committees including acceptance of directorships as appropriate.

## Legal Proceedings in Relation to the Authority's Investments

- i. To initiate or defend legal proceedings and instruct counsel or external solicitors in relation to matters:
  - a. Appertaining to securities class actions or class action claims relating to investments held by the Fund; and
  - b. Appertaining to litigation relating to investments held by the Fund;
  - c. Appertaining to litigation concerning taxation matters including Value Added Tax, tax suffered upon dividends and Income Tax suffered by or appertaining to the Fund and its investment holdings.

## Partnerships

### In consultation with the Chair

- i. To exercise the Authority's vote as a shareholder in the Border to Coast Pensions Partnership, in all cases having consulted with those members appointed by each of the District Councils under s41 of the Local Government Act 1985.

### Pension Administration

- i. To charge interest under the relevant pension regulations on late payment of sums due to the Fund from employers or other administering Authorities.
- ii. To determine appeals made under stage 2 of the Internal Dispute Resolution Procedure.
- iii. To exercise any discretion reserved to the Authority within the Funding Strategy Statement.
- iv. The handling of findings by the Pensions Ombudsman.

In the event of the Fund Director being absent or otherwise unable to act then the following officers will be able to exercise the relevant delegated powers:

#### Any Chief Officer –

Staffing Matters, in consultation with the Clerk

Miscellaneous Matters

#### Head of Finance and Corporate Services –

Financial Matters, in consultation with the Treasurer

Requirements of the Local Government Pension Scheme Regulations where necessary in consultation with the other Chief Officers

#### Head of Investment Strategy –

Investment Matters

Legal Proceedings in Relation to the Authority's Investments

Partnership Matters

#### Head of Pension Administration –

Pension Administration Matters, subject to the delegation of their functions in relation to Stage 1 Appeals to another identified officer.

### **Section F - The Head of Finance and Corporate Services**

- i. To act as the Deputy to the Treasurer in respect of s73 of the Local Government Act 1985.
- ii. Subject to the provisions set out in the Treasury Management Strategy, the Authority's financial regulations and the relevant operational procedures and professional codes to manage the day to day cash balances of the Authority.
- iii. To appoint brokers in relation to the renewal of the Authority's insurance programme.
- iv. The powers and duties shall be exercised in accordance with internal control arrangements specified by the Clerk and Treasurer.



## Section G - The Head of Investment Strategy

- i. To invest funds available to the Authority in line with the strategic asset allocation set out in the Authority's Investment Strategy Statement.
- ii. Subject to such consultations as they see fit to carry out rebalancing exercises to align the Authority's actual investment asset allocation with the strategic asset allocation.
- iii. To appoint brokers.
- iv. To execute votes in accordance with the Authority's agreed policy.
- v. To attend as the Authority's representative at the meeting of any company or limited partnership in which the Authority has a beneficial interest in order to represent the Authority's interests and policies.
- vi. Property Investment

The Head of Investment Strategy is responsible for the management of the Pension Fund's Property Portfolio in accordance with the strategy agreed by the Authority and subject to the Contract Standing Orders and Financial Regulations of the Authority and to obtaining legal advice from the Authority's solicitors(s). Specific delegated powers are:-

- a. The negotiation and acceptance of terms for the acquisition and disposal of land and buildings.
  - b. The negotiation and acceptance of terms for the granting, renewing varying or assignment of leases, underleases, tenancies, licenses and any other interest in the Fund's property.
  - c. The preparation and implementation of schemes for works of modernisation, improvements, maintenance and repair of the Fund's property together with the invitation and acceptance of tenders and the authorisation of expenditure on such works.
  - d. The appointment and supervision of managing agents and professional advisers (including solicitors) necessary for the effective management of the Pension Fund Property Portfolio.
  - e. The collection of all rents, service charges, insurance premia, and any other monies arising out of the Pension Fund Property Portfolio.
  - f. The signature of agreements and making of arrangements for the execution of documents under seal (documents under seal are to be executed by one of the officers authorised under Procedural Standing Order No. 31).
  - g. Dealing with health and safety matters in association with investment properties.
- vii. The authorisation and execution of documents relating to the exercise of the powers and duties delegated to her/him.

## Section H - The Head of Pension Administration

To deal with the following benefits and contributions matters in relation to the funds managed by the Authority in line with the relevant regulations in force at the time.

- i. The making, or terminating, of admission agreements with bodies falling within the scope of the relevant regulations.
- ii. The exercise of discretion regarding the payment of death grants in respect of deceased scheme members.
- iii. The exercise of discretion regarding the payment of AVC funds in respect of deceased scheme members.
- iv. The exercise of discretion in determining eligibility of a dependent child who commences full time education or training after the date of the member's death.
- v. The exercise of discretion in respect of breaks in education or training for the purposes of deciding if a person can be regarded as a child.
- vi. The commutation of certain small pension benefits to single lump sum payments so as to discharge future liability for payments.
- vii. The commutation of pensions in exceptional circumstance of ill-health as provided in the relevant regulations.
- viii. Obtaining revisions to a rates and adjustments certificates where exceptional circumstances as defined in the regulations exist.
- ix. The determination of intervals for the payment (inclusive of accompanying information) of employee and employer contributions to the Fund, and costs arising from certain retirements types.
- x. The determination of the amount of any benefit that may be payable to a person out of the pension fund, in addition to various matters in relation to new contributors concerning previous service and additional pension.
- xi. The approval of medical practitioners to be used by Fund employers in making decisions on entitlement to ill-health retirement.
- xii. The transfer to an employing authority from the Fund, of sums to compensate for loss caused by a former member's misconduct.
- xiii. The payment of transfer values.
- xiv. The acceptance of transfer values.
- xv. To determine how to discharge Pension Credit liability.
- xvi. To decide, in the absence of an election from a scheme member, which benefit is to be paid where that member would be entitled to a benefit under more than one regulation in respect of the same period of membership.
- xvii. The approval of applications for the reinstatement of spouse's pensions under the following circumstances:-
  - a. If a spouse has remarried and that marriage has ended; or
  - b. If a spouse has been cohabiting outside marriage and that cohabitation has ended.
- xviii. The exercise of discretion on the extension of statutory time limits in respect of various applications made by employees and beneficiaries as provided in the Regulations.
- xix. To specify the information to be supplied by employers to enable the Authority to discharge its functions.
- xx. The exercise, on behalf of a deceased member, of an election to use pensionable pay determined from an earlier period for calculating scheme benefits.
- xxi. The exercise of discretion as to whether a child's pension should be paid to a person other than the child subject to direction that it is to be used solely for the child's benefit.
- xxii. To exercise the discretion to require a medical, to turn down on medical grounds, or determine where a lump sum payment instead of regular payments is required, in respect of a members election under the regulations.

- xxiii. Where the scheme employer is defunct, to exercise the discretion over early release of benefits and to the release of deferred benefits on medical grounds where there is no cost to the Authority.
- xxiv. To decide upon the evidence required to determine eligibility to benefits of a cohabiting partner.
- xxv. To decide whether to recover additional costs incurred as a result of the level of employer performance in meeting their obligations under the Pensions Administration Strategy.
- xxvi. To determine whether to charge interest on overdue payments from employers.

#### Internal Dispute Resolution Procedure - Stage 1

To deal with Stage 1 appeal decisions under the Internal Dispute Resolution Procedure (appeals against decisions of the Authority as an Employing or Administering Authority).

#### Pensions Regulator

To deal with all matters requiring direct contact with the Pensions Regulator acting in the latter's capacity as the regulatory authority under the Public Service Pensions Act 2013 and especially regarding the provision of statutory data and information, notification of breaches and compliance with the law reporting retrospectively to the Authority at the first opportunity.

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## 1. INTRODUCTION

- 1.1 These Financial Regulations are the responsibility of the Treasurer as the officer responsible for the proper administration of the Authority's financial affairs under s73 of the Local Government Act 1985.
- 1.2 References in these Regulations to "the Authority" shall include any Committee, Sub-Committee or officer if the power to act is so delegated and references to him or her will be construed as appropriate.
- 1.3 The Regulations form the major part of the Authority's financial control framework which comprises:
  - Standing Orders - Approved by the Authority;
  - Financial Regulations - Approved by the Authority;
  - Scheme of Delegation to Officers – Approved by the Authority
  - Financial Instructions - Issued by the Treasurer in conjunction with the Fund Director to specify the detailed control arrangements required under specific Regulations;
  - Procedure Manuals - Issued by Senior Management to specify how systems should operate.
- 1.4 The main aims of the Regulations are to:
  - provide sufficient safeguards for the Treasurer to discharge his/her statutory duties;
  - ensure that the financial dealings of the Authority are conducted properly and in accordance with best practice;
  - provide adequate safeguards to officers of the Authority who are individually responsible for ensuring that their actions comply with the Regulations.
- 1.5 The responsibility for monitoring the financial control arrangements rests with the Treasurer's internal audit staff (see Regulation 6.7). In order to ensure consistency in the application of these Regulations, advice on their interpretation should be directed through the Head of Internal Audit.
- 1.6 The Regulations, and in particular those imposing financial limits, will be kept under review by the Treasurer to ensure that they remain consistent with best practice.
- 1.7 Any changes to the Regulations can only be made with the approval of the Authority, unless otherwise specified in the Regulations.

## **2. ROLES AND RESPONSIBILITIES**

### **GENERAL**

- 2.1 In applying these Regulations, the Treasurer and the Fund Director will in certain instances, delegate their individual responsibilities to nominated officers who will undertake the duties on their behalf.
- 2.2 The Treasurer and the Fund Director shall ensure that all staff and third parties where appropriate, comply with the requirements contained in these Regulations.

### **THE AUTHORITY**

- 2.3 The Authority is ultimately responsible for ensuring that the financial management arrangements are adequate and effective and that the internal control system is effective and will, amongst other things:
- appoint a responsible financial officer (the Treasurer);
  - approve the financial control framework, including Financial Regulations;
  - set a budget and agree a levy;
  - monitor actual expenditure against budget;
  - determine an affordable borrowing limit having had regard to the Prudential Code for Capital Finance in Local Authorities;
  - approve the annual report and statement of accounts and publish with it an annual governance statement;
  - maintain an adequate and effective system of internal audit of its accounting records and its system of internal control.
- 2.4 The Authority will delegate to the Treasurer aspects of the financial control arrangements to act on its behalf.

### **THE TREASURER**

- 2.5 The Treasurer is responsible for the proper administration of the Authority's financial affairs in accordance with the provisions of Section 73 of the Local Government Act 1985 and the Accounts and Audit (England) Regulations 2011.
- 2.6 In fulfilling both his/her statutory and professional duties the Treasurer will:
- provide financial advice to the Authority on all aspects of its activity, including the budget, strategic planning and policy making process to ensure efficient, effective and economic use of resources;
  - produce the Statement of Accounts in accordance with the appropriate Codes of Accounting Practice and reporting standards issued from time to time;
  - report to the Authority on the robustness of the estimates for the purposes of the budget calculations and the adequacy of reserves;
  - report to the Authority where reserves are likely to be inadequate, outlining the reasons for the actions taken;
  - ensure that all matters required to be taken into account in respect of the Prudential Code for Capital Finance in Local Authorities are reported to the Authority for consideration;
  - establish procedures to monitor and report performance against all prudential indicators if required;
  - satisfy himself/herself that adequate arrangements are in place for all aspects of tax management;
  - report to the Authority and/or the external auditor if it appears that the Authority's expenditure is likely to exceed the resources available to meet that expenditure;
  - report to the Authority and/or the external auditor any decisions or actions taken (or about to be made or taken) which involve unlawful expenditure;

- ensure that adequate systems and procedures exist to account for all income due and expenditure disbursements made on behalf of the Authority and that controls operate to protect the Authority's assets from loss, waste, fraud or other impropriety;
  - advise on the security of assets, including risk management and insurance;
  - secure the Authority's banking arrangements;
  - provide a treasury management function, including loans and investments, in accordance with the Authority's policy;
  - nominate a properly qualified member of the Authority's staff to deputise should he or she be unable to perform his/her duties.
- 2.7 In addition, in accordance with the delegated arrangements agreed by the Authority under the provisions of the Accounts and Audit (England) Regulations 2011("the Accounts and Audit Regulations"), the Treasurer will maintain an adequate and effective internal audit of the Authority's accounting, financial and other processes, including the approval of the strategic and annual audit plans.

### **THE FUND DIRECTOR**

- 2.8 The Fund Director is responsible for:
- preparation of draft revenue estimates each year for submission to the Treasurer for approval by the Authority;
  - ensuring that the financial administration procedures comply with these Regulations and any Financial Instructions;
  - ensuring that no expenditure is incurred unless it is included in the annual revenue estimates or estimates of capital expenditure approved by the Authority;
  - the accountability and control of staff;
  - the security, custody and management of assets including cash and stores;
  - the issue and maintenance of Procedure Manuals (as instructions to staff) to supplement as necessary, both these Regulations and any Financial Instructions.

### **THE MONITORING OFFICER**

- 2.9 The Monitoring Officer is responsible for reporting any actual or potential breaches of the law or maladministration to the Authority and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- 2.10 The Monitoring Officer in performing his or her duties is authorised to incur expenditure where this is necessary in seeking advice outside the Authority.

### **3. ACCOUNTING ARRANGEMENTS**

- 3.1 The Treasurer is responsible for keeping the principal accounting and costing records of the Authority.
- 3.2 The following principles must be observed in the allocation of accounting duties in order to maintain division of duties:
- the duties of providing information regarding sums due to or from the Authority and of calculating, checking and recording of these sums, must be separated as completely as possible from the duty of collecting or disbursing them;
  - officers charged with the duty of examining and checking the accounts of cash transactions must not themselves be engaged in any of these transactions.
- 3.3 The Treasurer is responsible for producing the Statement of Accounts and shall submit these to the Authority in accordance with the deadlines required by the Accounts and Audit Regulations.
- 3.4 The Treasurer is responsible for ensuring compliance with the Codes of Practice which the Authority may adopt from time to time. The details of such codes will be issued in the form of Financial Instructions to supplement these Regulations.

## **4 FINANCIAL PLANS AND BUDGETS**

### **GENERAL**

- 4.1 The detailed format of and timetable for financial plans, the maintenance and creation of reserves, the capital programme and revenue estimates will be determined by the Treasurer in accordance with the general directions of the Authority and professional Codes of Practice which are adopted from time to time.

### **REVENUE EXPENDITURE AND INCOME**

- 4.2 The revenue estimates for the next financial year will be prepared by the Fund Director in conjunction with the Treasurer in accordance with the general directions of the Authority. They will be presented to the Authority for approval accompanied by a report from the Treasurer which will specify any variations to the existing budget and policies together with implications for future years.
- 4.3 The Treasurer, the Fund Director and any Head of Service may incur expenditure for the supply of goods or materials or the execution of any work or services (excluding grants to voluntary bodies/outside organisations) without reference to the Authority or appropriate Committee provided that it is within the framework of the Authority's policy, included in approved revenue estimates as set out in these Regulations, and subject to compliance with the Authority's Contract Standing Orders.
- 4.4 Expenditure not covered by Regulation 4.3 must be submitted by the Treasurer to the Authority for approval. The report will include details of the financial implications for both the current financial year and 2 subsequent years.
- 4.5 The Treasurer (or officers nominated by him/her) shall ensure that the approved estimates are not overspent.
- 4.6 The Treasurer shall report on the outturn of income and expenditure to the Authority as soon as possible after the end of each financial year. The report will include details of any diversion of funds. (See virement - Regulation 4.7).

### **4.7 Virement and use of Reserves**

- (a) Revenue overspending or additional expenditure on specific budget heads (employees, premises, supplies and services, transport and support services but not debt charges) may be financed by diversions within the approved budget subject to the following directions. All such diversions of funds will be reported to the Authority as part of regular budget monitoring reports:
- Up to £10,000\* - In writing by the Fund Director
  - Above £10,000 up to £50,000 \* - In writing by the Treasurer
  - Over £50,000 - By the Authority following a report from the Treasurer
- \*This amount applies to individual transactions and the sum of transfers for any one purpose.
- (b) Diversions must not be used to finance expenditure which will recur in future years without the Authority's prior approval.
- (c) If diversion of funds is not possible to meet an unavoidable overspending, the Treasurer shall submit a report to the Authority seeking approval to a supplementary estimate. The Treasurer is responsible for advising the Authority on the financial implications of this course of action in the next quarterly budget monitoring report or using the Urgent Business Procedure as set out in the Authority's constitution.
- (d) The Treasurer can approve any additional expenditure where the costs are fully reimbursable from other authorities or bodies.
- (e) Income received in excess of the overall total income budgeted amount may be used to finance additional expenditure subject to the above limits in (a).



- (f) Transfers to and from Reserves will be the responsibility of the Treasurer and subject to the approval limitations shown in 4.7(a) and will be governed by policies approved by the Authority.

## **5. FINANCIAL SYSTEMS AND PROCEDURES**

### **5.1 Banking Arrangements**

#### **General**

- (a) The Treasurer is responsible for making the Authority's banking arrangements and is authorised to operate such bank accounts as are considered appropriate.
- (b) The arrangements shall be reviewed on a regular basis and the Treasurer or an authorised officer will undertake all negotiations with the Authority's banker(s) regarding banking terms and overdraft facilities.

#### **Cheques and Payment Documents**

- (c) All cheques, corporate purchasing cards and similar payment media, instruments or mechanisms, including electronic money, are to be ordered and managed only in accordance with arrangements approved by the Treasurer, who is to ensure their safe custody, issue and control.
- (d) Cheques drawn on the Authority's main bank accounts must either bear the facsimile signature of the Treasurer or be signed in manuscript by him/her or other authorised officers approved by the Treasurer. All alterations and amendments are to be signed in manuscript by the Treasurer or other authorised officer.
- (e) All cheques and other payment documents must be despatched by the Treasurer unless he/she has specifically given consent to other arrangements.
- (f) Arrangements for the authorisation of payments to be made by automatic transfer of funds from the Authority's bank accounts must be in a form agreed by the Treasurer.

#### **Imprest Accounts**

- (g) The Treasurer may make such imprest advances (either in cash or separate bank account) as he/she considers appropriate to nominated officers for the payment of expenses of the Authority.
- (h) The imprest will be operated in accordance with the arrangements specified by the Treasurer and issued in the form of a Financial Instruction under the authority of this Regulation.

### **5.2 Income**

- (a) The Treasurer must ensure that adequate arrangements are made for:
- the financial organisation and accounting to ensure the proper recording of all sums due to the Authority; and
  - the prompt and proper accounting of all cash including its collection, custody and deposit.
- (b) Save where the charges are fixed by statute, the Authority shall be responsible for determining whether a charge is to be made for any service provided by the Authority. The Treasurer shall be responsible for determining the level of charge to be fixed for any service, in accordance with the Authority's policies.
- (c) Employees of the Authority must not give receipts for monies received on behalf of the Authority on any form other than an official receipt form.
- (d) The procedures for dealing with the raising and despatch of accounts, receipt of payments and cash discrepancies will be specified by the Treasurer and issued in the form of a Financial Instruction under the authority of this Regulation.
- (e) Personal cheques must not be cashed out of moneys held on behalf of the Authority.
- (f) "Sales Ledger" - The writing-off of cash discrepancies and bad debts (save as otherwise provided by the Authority) by the following officers:
- not exceeding £5,000 Fund Director
  - above £5,000 up to £10,000 Treasurer
  - writing-off of sums in excess of this limit shall be referred to the Authority for approval.

- (g) The Authorisations granted under this Financial Regulation shall not apply to the approval of the writing-off of rent/interest, insurance premiums expenditure due in respect of any investment property or to investment losses or payroll over-payments which are subject to Financial Regulations 5.4(d) (e) and 5.8(d) respectively.

### **5.3 Insurance**

- (a) The general policy for insurance will be agreed by the Authority having received appropriate advice from the Treasurer.
- (b) The Treasurer is responsible for arranging all insurances and the administration and negotiation of claims.

### **5.4 Investments, Loans and Cash Flow**

- (a) The Treasurer is responsible for securing the arrangements for the Authority's cash flow, borrowing activities and lending activities, in accordance with the Local Government Act 2003 and the CIPFA Code of Practice on Treasury Management as applicable and the policies agreed by the Authority as amended from time to time.
- (b) All investments will be held in the name of the Authority or the Authority's authorised custodian bank nominee or equivalent or its agents. All securities in respect of loans raised will be issued in the name of the Authority.
- (c) The Treasurer shall prepare a policy document outlining the procedures to be adopted each year for cash flow (treasury management) for approval by the Authority. The Head of Finance and Corporate Services has day to day responsibility for administering the treasury management function in accordance with the Authority's strategy.
- (d) Any losses incurred as a consequence of the investment activity in accordance with the Local Government Pension Scheme Investment Regulations in force at the time are reported to the Authority and save as specified in Regulation 5.2 (f) above are not subject to the normal debt write off procedure.
- (e) Any losses incurred arising out of rent or interest, insurance premiums and other expenditure due in respect of any investment property not exceeding £10,000 by the Fund Director but the writing-off of sums in excess of this limit shall be referred to the Authority for approval.

### **5.5 Negotiated Settlements**

- (a) The Treasurer is authorised to negotiate the settlement of claims which require urgent decisions. Where this sum exceeds £20,000 a report will be submitted to the Authority using the urgent business procedure set out in the Authority's Constitution.

### **5.6 Orders for Work, Goods and Services**

- (a) Orders must be in a form approved by the Treasurer and before any order is issued, the authorising officer must ensure:
- that the cost is within an approved estimate or other financial provision;
  - compliance with EU and UK legislation;
  - compliance with the Authority's Standing Orders relating to Contracts i.e. quotations and formal tenders.
- (b) Orders must not be split or issued for a value less than known requirements as a means of avoiding compliance with the Authority's Standing Orders and these Regulations.
- (c) The control arrangements and administration of the ordering system will be in accordance with the Financial Instruction issued by the Treasurer under the authority of this regulation.

### **5.7 Payment of Accounts**

- (a) The Fund Director is responsible for the examination, verification and certification of invoices and any other payment vouchers.
- (b) The control arrangements and administration of the payment process will be in accordance with the Financial Instruction issued by the Treasurer under the authority of this Regulation.
- (c) Officers must not authorise any payment or benefit to themselves.

## **5.8 Salaries, Wages, Pensions, Gratuities and Allowances**

- (a) The payment of salaries, wages, pensions, gratuities and allowances to all current and former employees of the Authority, and pensioners of the Fund shall be made by the Treasurer under arrangements approved and controlled by him/her.
- (b) Appointments of all employees must be made in accordance with the regulations of the Authority and the approved establishments, grades and rates of pay and within the budgetary provision.
- (c) Time sheets and other records in a form and containing information required by the Treasurer for the recording and payment of salaries and wages must be signed in manuscript, or electronically authorised by officers authorised by the Treasurer. Officers must not authorise their own payment documents.
- (d) The writing-off of an overpayment of salary to an employee where there is a death in service and the overpayment of pension on the death of a pensioner may be approved by the following officers:
  - not exceeding £1,000 Head of Finance and Corporate Services
  - above £1,000 but not exceeding £5,000 Fund Director
  - above £5,000 but not exceeding £10,000 Treasurer
  - writing-off sums in excess of this limit shall be referred to the Authority for approval.
- (e) The control arrangements and administration of the payment process will be in accordance with the Financial Instruction issued by the Treasurer under the authority of this Regulation.

## **5.9 Travelling, Subsistence and Other Allowances**

- (a) All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be prepared by the claimant personally in a form approved by the Treasurer and in accordance with any Schemes of Conditions of Service adopted.
- (b) Officers must sign or electronically endorse their claims as correct and confirm that they comply with the approved Schemes. Officers must not authorise their own claims for payment.
- (c) The control arrangements and administration of the payment process will be in accordance with the Financial Instruction issued by the Treasurer under the authority of this Regulation.

## **6. RISK MANAGEMENT AND CONTROL OF RESOURCES**

### **6.1 General**

- (a) It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all significant risks to the Authority.

### **6.2 Risk Management**

- (a) The Authority is responsible for approving the risk management policy statement and strategy and for reviewing the effectiveness of risk management.
- (b) The Treasurer is responsible for preparing the Authority's risk management policy statement and strategy and promoting it throughout the Authority. The Treasurer and the Fund Director are responsible for advising the Authority on corporate risks facing the Authority.
- (c) The Treasurer and the Fund Director must ensure that they regularly review risks, develop appropriate risk management controls and ensure that risk registers are maintained.

### **6.3 Internal Control**

- (a) The Treasurer is responsible for advising the Authority on effective systems of internal control. Internal control refers to the systems of control devised by management to help ensure the Authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Authority's assets are safeguarded. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.

- (b) It is the responsibility of senior officers to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their performance targets. Senior officers should also ensure that such internal control arrangements are regularly reviewed for adequacy and effectiveness.
- (c) The Treasurer must ensure that the system on internal control is reviewed at least annually and that an Annual Governance Statement is submitted to the Authority for approval and inclusion in the Statement of Accounts.

#### **6.4 Asset Security**

- (a) The Fund Director is responsible for the accountability and control of staff and for maintaining proper security at all times for all stocks, stores, furniture, equipment, cash etc. under his/her control.
- (b) The Treasurer shall specify maximum limits for cash holdings which shall not be exceeded without his/her express permission.
- (c) Keys to safes and similar receptacles containing cash and valuable property must be securely held at all times. A register of keys and their holders shall be maintained by the Fund Director. The loss of any such keys must be reported to the Fund Director immediately.

#### **6.5 Data Security**

- (a) In accordance with the provisions of the various legislation relating to Data Protection, the Clerk shall maintain up to date registrations on behalf of the Authority, and in consultation with the Fund Director shall nominate an officer to act as Data Protection Officer for the Authority.

#### **6.6 Gifts, Hospitality, Secondary Employment**

- (a) Further information about gifts, hospitality and relationships with clients and contractors is contained in the code of conduct.

##### **Gifts**

- (b) The receipt of personal gifts should be discouraged. If an officer, during the course of, or as a result of, official duties, receives any personal gift, other than one of only token value, the matter must be reported to the Fund Director who will:
  - decide if the item is to be returned or forwarded to some charitable cause;
  - notify the donor what has happened to the gift and explain the reason why gifts should not be offered or sent in the future.
- (c) A central record must be maintained by the Fund Director of all gifts (other than those of a token value) received by and offered to staff and the action taken.

##### **Hospitality**

- (d) Hospitality must only be given or accepted where it is on a scale appropriate to the circumstances, not extravagant and justifiable as in the public interest. It must be apparent that no cause could reasonably arise for adverse criticism or suggestion of improper influence about the acceptance of the hospitality.
- (e) The circumstances and the type of hospitality is to be recorded in a central record maintained by the Fund Director.

##### **Secondary Employment**

- (f) Officers who are, in accordance with their conditions of service, permitted to carry out private or other paid work must not do so during the Authority's time, nor must they use the Authority's premises, resources or facilities for the execution of such work without the prior approval of the Fund Director (or the Clerk where the officer is the Fund Director).
- (g) Officers must declare to the Fund Director in writing the nature and duration of such private work (or the Clerk where the officer is the Fund Director).
- (h) No stationery or publicity material is to indicate that the officer is an Authority employee nor should the address or telephone number of the Authority be stated.
- (i) Officers must not work for any current or prospective supplier or contractor to the Authority.

- (j) In cases where an officer's duties involve contractual arrangements with any prospective supplier or contractor who employs a close relative or friend of the officer, the officer must notify the Clerk or the Fund Director of the details and preclude himself/herself from the arrangements.

#### **6.7 Internal Audit**

- (a) Internal Audit is an independent, objective assurance and consulting function designed to add value to and improve the Authority's operations. It helps the Authority accomplish its objectives by bringing a systematic, and disciplined approach to the evaluation and improvement of the effectiveness of risk management, control and governance processes. As such Internal Audit provides a significant source of assurance in relation to the effective operation of both the Authority's governance arrangements and its system of internal control.
- (b) The Treasurer has delegated responsibility for maintaining a continuous, adequate and effective internal audit of the Authority's accounting records and its system of internal control in accordance with the Accounts and Audit Regulations.
- (c) Due to the scope of internal audit work, the Fund Director has a direct interest and will be consulted on planned work and will be able to request specific systems audits and value for money audits.
- (d) The Treasurer will advise the Audit Committee as to the appropriate level of internal audit resource and plan required in any year and will have the authority to approve variations to the plan and level of resource in the light of changed circumstances.
- (e) The key conditions for Internal Audit are that:
- It is independent in its planning, operation and reporting;
  - It supports the Fund Director (as Head of Paid Service) and the Treasurer in fulfilling their statutory responsibilities;
  - The Head of Internal Audit has direct access to the Treasurer, the Fund Director, the Monitoring Officer and Members of the Authority;
  - The service is provided in accordance with the Public Sector Internal Audit Standards (PSIAS).
- (f) The functions of Internal Audit are to:
- Review and appraise the systems of financial and management control and the corporate governance arrangements, including the management of risks and safeguarding of assets;
  - Assess the accuracy of financial and other published information;
  - Ascertain the extent of compliance with procedures, policies, regulations and legislation;
  - Review whether functions are being carried out as planned and that objectives and goals are being met;
  - Undertake value for money reviews to assess the economy, efficiency and effectiveness with which resources are employed;
- (g) In fulfilling these functions Internal Audit will:
- Work in partnership with Senior Officers, particularly in relation to value for money projects and other review functions;
  - Work in partnership with the Authority's appointed external auditors, and any other relevant external review agencies in providing a comprehensive audit function;
  - Develop and maintain a quality assurance improvement programme (QAIP).
- (h) Internal Audit staff as authorised representatives of the Treasurer will, subject to satisfactory proof of identity, have authority
- Enter at all reasonable times any premises or land occupied or controlled by the Authority (excluding investment properties);
  - Have access to all property, records, documents and correspondence relating to any financial and other activities of the Authority;

- Require and receive such explanations as are necessary concerning any matters under examination;
  - Require any employee or agent of the Authority to produce cash, stores or any other Authority property under his/her control.
- (i) The Treasurer shall make arrangements to ensure that he/she is informed, via the Head of Internal Audit, as soon as is practicable whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Authority or any suspected irregularity in the exercise of the functions of the Authority, irrespective of whether the matter is the subject of criminal investigation.
- (j) The Treasurer must ensure that a reply is made to any audit report within a reasonable period of time, but in any case within 6 weeks of the date of its issue by the Head of Internal Audit.

#### **6.8 Inventories**

- (a) The Fund Director shall ensure that an inventory is maintained of furniture, fittings, equipment, plant and machinery and he/she shall be responsible for carrying out at least an annual check of all such items against the inventory and for taking action in relation to surpluses and deficiencies and noting the inventory accordingly.
- (b) The writing-off of items may be approved by the following officers:
- not exceeding £10,000 Fund Director
  - above £10,000 but not exceeding £20,000 Treasurer
  - The writing-off of items in excess of this limit shall be referred to the Authority for approval.
- (c) The Fund Director is responsible for ensuring that the Authority's property is not removed otherwise than in accordance with the ordinary course of the Authority's business or used otherwise than for the Authority's purposes.
- (d) Surplus or obsolete inventory items shall be disposed of as economically advantageously as possible.

#### **6.9 Property**

##### **6.9.1 Operational Property**

- (a) The Head of Finance and Corporate Services is responsible for securing the arrangements for management of properties occupied by the Authority for operational purposes, including maintenance.
- (b) The arrangements will include the maintenance of property registers which will record:
- locations and plan references;
  - the purpose for which held;
  - purchase/lease details;
  - rents payable and particulars of tenancies granted.

##### **6.9.2 Investment Properties**

- (a) The Head of Investment Strategy is responsible for securing the arrangements for management of the Authority's investment properties, including maintenance.
- (b) The arrangements will include the maintenance of property registers by agents on behalf of the Authority which will record:
- locations and plan references;
  - the purpose for which held;
  - purchase/lease details;
  - rents payable and particulars of tenancies granted.

#### **6.10 Theft and Burglary**

- (a) The Treasurer shall arrange for all cases of theft or burglary arising in any part of the Authority's operations to be notified to him/her via the Head of Internal Audit, including those where criminal investigations are being undertaken.

#### **6.11 Preventing Fraud and Corruption**

- (a) The Treasurer is responsible for the development and maintenance of an anti-fraud and corruption strategy.
- (b) The Fund Director is responsible for:
  - Ensuring that staff are aware of the requirements of the Bribery Act 2010; and
  - That sound internal controls are maintained to prevent bribery occurring in connection with the conduct of the Authority's business affairs.

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## SOUTH YORKSHIRE PENSIONS AUTHORITY

### ARRANGEMENTS FOR DEALING WITH STANDARDS COMPLAINTS

#### 1. Introduction

These “arrangements” set out how you may make a complaint that an elected or co-opted Member of this Authority has failed to comply with the Authority’s Code of Conduct and sets out how the Authority will deal with allegations of a failure to comply with the Code.

Under Section 28(6) and (7) of the Localism Act 2011, the Authority must have in place “arrangements” under which allegations that a Member or co-opted member of the Authority, or of a committee or sub-committee of the Authority, has failed to comply with the Authority’s Code of Conduct can be investigated and decisions made on such allegations.

Such arrangements must provide for the Authority to appoint at least one Independent Person.

#### 2. Making a complaint

If you wish to make a complaint, please write to:-

The Monitoring Officer  
c/o Joint Authorities Governance Unit  
Town Hall  
Barnsley  
S70 2TA

Or email [andrewfrosdick@barnsley.gov.uk](mailto:andrewfrosdick@barnsley.gov.uk)

The Monitoring Officer is a senior officer of the Authority who has statutory responsibility for administering the system in respect of complaints of member misconduct.

The Monitoring Officer will acknowledge receipt of your complaint, normally within 5 days of receiving it, and will keep you informed of the progress of your complaint.

#### 3. Will your complaint be investigated?

The Monitoring Officer will review every complaint received and, after consultation with the Independent Person, take a decision as to whether it merits formal investigation. This decision will normally be taken within 14 days of receipt of your complaint. Where the Monitoring Officer has taken a decision, he/she will inform you of his/her decision and the reasons for that decision.

Where he/she requires additional information in order to come to a decision, he/she may come back to you for such information, and may request information from the Member against who the complaint is directed.

The Monitoring Officer may refer a complaint to the Staffing, Appointment and Appeals Committee for a decision on whether it should be investigated where he/she considers it would be inappropriate for him/her to take the decision; for example, where he/she has previously advised the Member on the matter of complaint.

In appropriate cases, the Monitoring Officer may seek to resolve the complaint informally, without the need for a formal investigation. Such informal resolution may involve the Member accepting

his/her conduct was unacceptable and offering an apology, or other remedial action by the Authority. Where the Member of the Authority makes a reasonable offer of local resolution, but you are not willing to accept that offer, the Monitoring Officer will take account of this in deciding whether the complaint merits formal investigation.

In deciding whether a matter should be investigated the Monitoring Officer will take into account:

- the seriousness of the allegation
- the effectiveness of the remedies available
- the date of the incident complained of
- the benefits of an independent consideration of the allegation
- if the allegation relates to a cultural or re-occurring issue relating to standards within the Authority
- if the matter should be dealt with by some other method, e.g. police investigation.

#### **4. How is the investigation conducted?**

If the Monitoring Officer decides that a complaint merits formal investigation, he/she will arrange for an officer or some other person, if appropriate, to carry out a further investigation and to produce a report of their findings.

The Monitoring Officer shall inform the Member that is the subject of the investigation of the nature of the complaint and that it is subject to investigation.

The Staffing, Appointments and Appeals Committee will consider the investigation report and shall decide whether any further action is appropriate.

The views of the Independent Person must be sought by the Authority before it takes a decision on an allegation which it has decided shall be investigated, and whose views can be sought by the Authority at any other stage, or by a Member or co-opted Member against whom an allegation has been made.

#### **5. Hearing**

In the event that it is considered that further action may be appropriate the Staffing, Appointments and Appeals Committee shall arrange to hold a hearing at which the Member who is the subject of the complaint shall be entitled to be present and to be heard. The Staffing, Appointments, and Appeals Committee may appoint a Sub-Committee to hear the complaint. Where a Sub-Committee is appointed it will have the same powers as the Staffing, Appointments and Appeals Committee.

The views of the Independent Person required to be appointed under Section 28 of the Localism Act 2011 shall be sought as appropriate and where sought shall be taken into account before any decision is taken with regard to the allegation.

In the event that the allegation is upheld the Staffing, Appointment and Appeals Committee (or Sub-Committee) shall either:

- Determine that no further action be taken
- Recommend to the Authority any further appropriate action to be taken in accordance with the general powers available to the Authority.

The Monitoring Officer shall inform the Member who is the subject of the complaint and the complainant of the outcome of the complaint in writing within 7 days of the hearing.