

**LOCAL PENSION BOARD OF MIDDLESBROUGH COUNCIL (THE TEESSIDE  
PENSION BOARD)  
CONSTITUTIONAL PROCEDURES**

**Introduction**

This paper covers the constitutional procedures in place for the Teesside Pension Board (hereafter known as 'the Board').

**Data Protection and Information Security**

The Board will adhere to the Data Protection and Information Security policies of the Administering Authority. Relevant copies of this policy, and notification of any updates, will be made available to all Board members.

**Reporting Procedure**

The Board has a duty to report breaches of law to the Pensions Regulator if they have reasonable cause to believe that:

- a legal duty relevant to the administration of the scheme hasn't been or isn't being complied with: this could relate for instance to keeping records, internal controls, calculating benefits, and includes investment governance and administration matters
- this failure to comply is likely to be of 'material significance' to the Pensions Regulator

The following people need to report breaches of the law:

- managers of the scheme
- pension board members
- any other person involved in the administration of the scheme
- employers
- professional advisers including auditors, actuaries, legal advisers and fund managers
- any other person involved in advising the scheme manager in relation to the scheme

Where the Board suspects a breach of the law, they should carry out checks to establish the facts around a suspected breach and inform the Scheme Manager of their concerns. If the breach of law involves the Scheme Manager the Board should take their concerns to the Chair of the Teesside Pension Fund & Investment Panel.

When deciding whether a breach is likely to be of material significance to the Pensions Regulator, the Board should consider the cause, effect, reaction to and wider implications of the breach. The Board should consider these points together and, if they believe a breach has occurred, the Board should report it to the Pensions Regulator.

Any suspected breach should be recorded in the Board's minutes even if it is decided that it does not need to be reported to the Pensions Regulator.

### **Financial Policy**

The Board will, on an annual basis, assess the potential costs required to undertake their duties in the coming year and this will be submitted to the Scheme Manager for approval.

Any costs above this agreed budget will need to be approved by the Scheme Manager on a case by case basis prior to any undertakings that may lead to the cost being payable.

### **Expenses and Fees**

Board members will receive any fees deemed suitable. Initially, Board Members will be paid an allowance of £100 per meeting, with attendance at training courses counting as a meeting, up to a maximum annual allowance of £1,200. This allowance will be reviewed from time to time with approval required from the Scheme Manager. The Scheme Manager will have the option not to pay fees for certain duties and this may be reviewed from time to time.

With regards to Travelling and Subsistence Allowance, Board members will follow the Middlesbrough Borough Council Expenses Policy which is in place for the Council business for a co-opted member.