

**Teesside Pension Fund Officers'  
Scheme of Delegations**

## Delegation of Functions to Officers by Pension Fund Committee September 2017

### Key:

PFC – Pension Fund Committee

CFO – Chief Finance Officer

HITM – Head of Investments and Treasury Management

FA – Fund Actuary

IA – Investment Advisors

Function delegated to PFC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
Investment strategy - approving the Fund's Investment Strategy Statement and Compliance Statement including setting investment targets and ensuring these are aligned with the Fund's specific liability profile and risk appetite.	Authority to vary asset allocation beyond the short term asset allocation as currently in place (generally agreed at the each PFC).	CFO or HITM, in consultation with IAs.	Detailed monitoring at PFC
	Implementing investment deals within specified limits (in accordance with the Fund's Investment Strategy Statement and the agreed short term asset allocation range).	See appendix 1	Detailed monitoring at PFC
In relation to Borders to Coast Pooling Collaboration arrangements: <ul style="list-style-type: none"> <li>Appointing Middlesbrough Council's officers to the Officer Operations Group.</li> </ul>	The appointed members of the Officer Working Group	HITM	Detailed monitoring at PFC

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<p>In relation to Borders to Coast Pooling Collaboration arrangements:</p> <ul style="list-style-type: none"> <li>Undertake the role of Authority in relation to the Inter Authority Agreement.</li> </ul>	<p>All matters included in the Inter Authority Agreement as being responsibilities of officers</p>	<p>HITM</p>	<p>Detailed monitoring at PFC</p>
<p>Selection, appointment and dismissal of the Fund's advisers, including actuary, benefits consultants, investment consultants, global custodian, fund managers, lawyers, pension funds administrator, independent professional advisers and AVC provider.</p>	<p>Ongoing monitoring and suspension of Fund Managers (note formal termination remains a PFC responsibility)</p>	<p>CFO or HITM, in consultation with IAs.</p>	<p>Detailed monitoring at PFC</p>
<p>Agreeing the terms and payment of bulk transfers into and out of the Fund.</p>	<p>Agreeing the terms and payment of bulk transfers into and out of the Fund where there is a bulk transfer of staff from the Fund. Exceptions to this would be where:</p> <ul style="list-style-type: none"> <li>there is a dispute over the transfer amount or</li> <li>it relates to a significant transfer relating to: <ul style="list-style-type: none"> <li>one employer (equivalent to over 15% of its liabilities) or</li> <li>the Fund as a whole up (equivalent to over 2% of the Fund's liabilities).</li> </ul> </li> </ul>	<p>CFO or HITM</p>	<p>Ongoing reporting to PFC for noting</p>

Function delegated to PFC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
<p>Making decisions relating to employers joining and leaving the Fund. This includes which employers are entitled to join the Fund, any requirements relating to their entry, ongoing monitoring and the basis for leaving the Fund.</p>	<p>Making decisions relating to employers joining and leaving the Fund and compliance with the Regulations and policies relating to employers with liabilities up to a level of 2% of the total Fund's liabilities. This includes which employers are entitled to join the Fund, any requirements relating to their entry, ongoing monitoring and the basis for leaving the Fund.</p>	<p>CFO or HITM.</p>	<p>Ongoing reporting to PFC for noting</p>
<p>Agreeing the Administering Authority responses to consultations on LGPS matters and other matters where they may impact on the Fund or its stakeholders.</p>	<p>Agreeing the Administering Authority responses to significant matters where the consultation timescale does not provide sufficient time for a draft response to be approved by PFC.</p>	<p>HITM or CFO, subject to agreement with Chairman and Deputy Chairman (or either, if only one available in timescale)</p>	<p>PFC advised of consultation via e-mail (if not already raised previously at PFC) to provide opportunity for other views to be fed in. Copy of consultation response provided at following PFC for noting.</p>
	<p>Agreeing the Administering Authority responses where the consultation is not significant e.g. a small number of operational matters.</p>	<p>HITM or CFO</p>	<p>Ongoing reporting to PFC for noting</p>

Function delegated to PFC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
Agreeing the Fund's Knowledge and Skills Policy for all Pension Fund Committee members and for all officers of the Fund, including determining the Fund's knowledge and skills framework, identifying training requirements, developing training plans and monitoring compliance with the policy.	Implementation of the requirements of the CIPFA Code of Practice <sup>1</sup>	CFO	Regular reports provided to PFC and included in Annual Report and Accounts.
Determining the Pension Fund's aims and objectives, strategies, statutory compliance statements, policies and procedures for the overall management of the Fund	Making minor changes to existing strategies, statutory compliance statements, policies and procedures. These will still be required to be considered by the PFC in line with the period stated in that document.	HITM or CFO	Ongoing reporting to PFC for noting
The Committee may delegate a limited range of its functions to one or more officers of the Authority. The Pension Fund Committee will be responsible for outlining expectations in relation to reporting progress of delegated functions back to the Pension Fund Committee.	Other urgent matters as they arise	HITM or CFO, subject to agreement with Chairman and Deputy Chairman (or either, if only one is available in timescale)	PFC advised of need for delegation via e-mail as soon as the delegation is necessary. Result of delegation to be reported for noting to following PFC.
	Other non-urgent matters as they arise	Decided on a case by case basis	As agreed at PFC and subject to monitoring agreed at that time.

<sup>1</sup> CIPFA Code of Practice recommends each administering authority delegates responsibility for implementation to a senior officer.

## Appendix 1

### Limitations on Implementing Investment Deals

- i) Investment managers typically have responsibility for individual sectors (Banks, Food Retailers etc.) and/or responsibility for Regions or Countries (Europe, Japan etc.). These are determined, from time to time, by the Fund Manager.
- ii) Dealing limits take two forms. A stock limit is the total value of purchases or sales (or commitments) in a stock on any one day. A floor limit is the total value of all transactions (or commitments) in any one day. These limits are (£ millions):

Delegated officer (minimum level):	Stock Limit				Floor Limit
	Equities	Bonds	Property	Pooled Funds	Total
<b>Level 1</b>					
Head of Investments	10	10	25	25	50
Fund Manager	7	10	25	25	40
<b>Level 2</b>					
Investment Managers	5	N/A	N/A	10	20
Treasury Manager	5	10	N/A	10	30
Trainee Investment Manager	2	N/A	N/A	5	10