

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



## Delegation of Functions to Officers by Pension Fund Committee December 2021

### Key:

PFC – Pension Fund Committee

CFO – Chief Finance Officer (Section 151 Officer and Deputy Section 151 Officer)

HPGI – Head of Pensions Governance and Investments

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 HPGI, 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	HPGI	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>HPGI</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 HPGI, in consultation with IAs as appropriate</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 HPGI</p>	<p>Ongoing reporting to PFC for noting</p>

<b>Function delegated to PFC</b>	<b>Further Delegation to Officer(s)</b>	<b>Delegated Officer(s)</b>	<b>Communication and Monitoring of Use of Delegation</b>
<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 HPGL.</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>HPGL 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>HPGL or CFO</p>	<p>Ongoing reporting to PFC for noting</p>

<b>Function delegated to PFC</b>	<b>Further Delegation to Officer(s)</b>	<b>Delegated Officer(s)</b>	<b>Communication and Monitoring of Use of Delegation</b>
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	HPGI or 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.	HPGI 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	HPGI 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.

## Appendix 1

### Limitations on Implementing Investment Deals

- i) The Pensions Investment team typically have responsibility for allocated investment asset classes. These are determined, from time to time, by the Deputy Head of Pensions – Investments.
- 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):

	Stock Limit				Floor Limit
	Equities	Bonds	Property	Pooled Funds	Total
<b>Level 1</b>					
Head of Pensions Governance and Investments	40	40	30	50	50
Deputy Head of Investments - Pensions	20	20	30	25	50
<b>Level 2</b>					
Pensions Officer – Investments	10	15	20	20	30
Trainee Investment Manager	2	N/A	N/A	5	10

Individual managers cannot exceed their limits without the prior approval of the Head of Pensions Governance and Investments or the Deputy Head of Pensions – Investments, who can approve transactions up to their own limits. Any transactions above those limits can only be approved by the Section 151 Officer or the Deputy Section 151 Officer.

All limits both stock limits and floor limits, can only be varied, in writing, by the Section 151 Officer or Deputy Section 151 Officer with any such variation reported to the Pension Fund Committee.