



Scottish Public
Pensions Agency
Buidheann Peinnseanan
Poblach na h-Alba

Corporate Governance

Pension Board Member: Terms of Appointment

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1. Background

- 1.1 The Pensions Regulator is the public body responsible for the regulating of workplace pensions in the UK. This document is constructed from their [Code of practice no. 14](#) which outlines expectations for the governance and administration of public service pensions schemes.
- 1.2 The Pension Board is defined as a collection of suitably knowledgeable people with equal numbers of employer and member representatives. Their role in a public service scheme is to assist the scheme manager; this includes responsibilities such as helping to comply with regulations, holding required understanding of scheme rules and reporting breaches where required.

2. Tenure of Appointment

- 2.1 The appointment commences on < > and ends on < >, subject to section 19 below.

3. Role

- 3.1 The role of a Board Member includes but is not limited to:
- Contributing to and supporting the Board purpose
 - Ensuring every effort is taken to attend meetings and other mandatory requirements such as training courses
 - Representing the best interests of all scheme members/employers
 - Actively participating in meetings in a respectful and constructive manner
 - Adequately preparing for meetings by ensuring that:
 - All circulated papers are read in a timely manner
 - Expert advice and clarification are requested promptly
 - Own training needs are identified, documented and addressed
 - Ensuring own understanding of roles and responsibilities
 - Acting in accordance with relevant laws, regulations and the SPPA Code of Conduct
 - Actively participating in annual one to one discussion with the Board Chair
 - Reviewing and submitting documentation promptly in time with deadlines

4. Remuneration

4.1 The appointment is not remunerated.

5. Pension

5.1 The appointment is not pensionable.

6. Attendance

6.1 The Board will meet at least four times annually with the possibility of further meetings as required.

6.2 Meeting dates are allocated according to a corporate governance schedule. This schedule is formed around statutory requirements and the needs of the SPPA whilst taking into consideration occupation specific needs of the Board. Members are expected to attend meetings on allocated dates as far as practicable.

7. Time Commitment

7.1 The anticipated time commitment for Board Members is between 10 and 15 days per year.

7.2 A member's time commitment includes

- attending scheduled Board meetings
- attending special/strategy/emergency meetings
- meeting preparation
- completing Board membership documentation required for the governance of the Board
- training

7.3 Any circumstances which might affect a member's ability to devote sufficient time to the role should be discussed with the SPPA Corporate Governance team via SPPAGovernance@gov.scot.

8. Board Membership Documentation

8.1 Documents are reviewed annually in areas such as board effectiveness, personal knowledge and declarations of interest.

8.2 Members are expected to review and submit documentation promptly in accordance with the deadlines set.

9. Knowledge and Understanding

- 9.1 Members will receive access to relevant SPPA policies on appointment including those outlined as required by The Pension Regulator (where applicable).
- 9.2 Members are expected to have, or be able to acquire, the appropriate levels of knowledge and understanding and to keep these up to date.
- 9.3 Members are expected to familiarise themselves and comply with the [SPPA Board Training Policy](#).
- 9.4 Members are expected to notify the SPPA Corporate Governance team of any self-learning or training they undertake via SPPAGovernance@gov.scot. This is required at least annually.

10. Expenses and Subsistence

- 10.1 Examples of appropriate expenses are detailed below:
- fares to and from the meeting venue
 - fares and expenses for necessary visits away from the normal venue when performing Board role
 - any allowance for child or adult care if you are responsible for an adult or child and require someone to care for them when you are attending to your Board duties.

11. Travel Arrangements

- 11.1 The cost of first-class travel by rail or sea, including reservations, and tourists class for travel by air will **not be** reimbursed unless agreed in advance with the SPPA.
- 11.2 If a private car is used for journeys which cannot be readily made by public transport, reimbursement will be at the Civil Service standard mileage rate. To qualify for this reimbursement, a Board Member must have unlimited motor insurance against claims in respect of:
- Bodily injury to or death of third parties;
 - Bodily injury to or death of any passenger;
 - Damage to property of third parties.
- 11.3 In addition, the policy must contain a clause permitting the use of the vehicle by the policyholder in person for business.

12. Conduct

- 12.1 Members are expected to familiarise themselves and comply with the [SPPA Code of Conduct](#).
- 12.2 Members are expected to act in line with the Scottish Government's *nine key principles of public life in Scotland*, observing the highest standards of impartiality, integrity and objectivity in relation to the service provided to the Board.
- 12.3 Members are expected to act professionally and respectfully at all times when using social media, whether formally or informally. Members are expected to familiarise themselves and comply with section 3 of the [Code of Conduct](#) relating to the Scottish Government [Social Media Policy](#).
- 12.4 Failure to comply with the Code of Conduct will be considered a breach of appointment which may lead to termination of role.

13. Gifts and Hospitality

- 13.1 All Board Members are expected to ensure that acceptance of gifts and hospitality can stand up to public scrutiny. Gifts should be declined wherever possible, and any offers in relation to your role as a Board Member should be reported to the SPPA Corporate Governance Team via SPPAGovernance@gov.scot. Care should be taken that no extravagance is involved with working lunches and other social occasions.
- 13.2 Members are expected to familiarise themselves and comply with section 3 of the [Code of Conduct](#) relating to Gifts and Hospitality.

14. Confidentiality

- 14.1 During and after the tenure of your role as a Board Member, you will be subject to the obligation of confidentiality. This is in relation to any information of a confidential nature which has come to your knowledge in the course of your appointment with, and related to, the activities of the Board. You shall not, in consequence of that obligation, and except in the performance of your duties in terms of appointment, or unless ordered to do so by a court or tribunal, divulge any information of a confidential nature concerning the activities of SPPA or any member of the Board and you shall make all reasonable endeavours to prevent the disclosure of such information.
- 14.2 Members are expected to familiarise themselves and comply with section 3 of the [Code of Conduct](#) relating to Confidentiality.

15. The Pensions Regulator

- 15.1 Members are expected to familiarise themselves and comply with the terms of the [Pension Regulator's Code of Practice No. 14 on Governance](#).

16. Liability

- 16.1 Appointment shall not be construed as in any way constituting a contract of service or for services between you and the Scottish Government, Scottish Ministers or as between you and the Crown.
- 16.2 If legal proceedings are brought against any Board Member by a third party, the sponsor department will meet any civil liability which is incurred in the execution of their functions, providing that they have acted honestly, reasonably and in good faith. If, however, the Board Member has acted recklessly or fraudulently the department may refuse to meet any associated civil liability.

17. Conflict of Interest

- 17.1 The [Public Service Pensions Act 2013](#) requires that members of the Board do not have conflicts of interests i.e. a financial or other interest which may prejudice the person's ability to perform the role of Board Member. As such all members of the Board must declare any potential conflicts on appointment and routinely thereafter.
- 17.2 Members are expected to familiarise themselves and comply with the SPPA [Conflict of Interest Policy](#).

18. Notice

- 18.1 Notice in terms of Clause 19.1 shall be given in writing to the other party at least 3 months prior to the intended date of termination.

19. Termination

- 19.1 A Board member may resign by giving notice to the Board Chair. Without limiting Clause 19.2, the Scheme Manager may terminate the appointment by giving written notice to the Board Member.
- 19.2 The Scheme Manager may terminate the appointment of a Board Member immediately by giving written notice if satisfied that he/she/they:

- has been absent from more than 3 consecutive meetings; or
- is otherwise unable or unfit to carry out the duties of a Board Member satisfactorily
- has breached the Code of Conduct

20. Appointment Checklist

| | |
|---|--------------------------|
| I have read, understood and agree to comply with the Terms of Appointment. | <input type="checkbox"/> |
| I have read, understood and agree to comply with the terms of reference for the Board. | <input type="checkbox"/> |
| I have read, understood and agree to comply with the SPPA Code of Conduct . | <input type="checkbox"/> |
| I have read, understood and agree to comply with the SPPA Conflict of Interest Policy | <input type="checkbox"/> |
| I have read, understood and agree to comply with the SPPA Board Training Policy | <input type="checkbox"/> |
| I have read, understood and agree to comply with the Scottish Government social media policy . | <input type="checkbox"/> |
| I have read, understood and agree to comply with Pension Regulator's Code of Practice No. 14 on Governance . | <input type="checkbox"/> |
| I have declared any potential conflicts of interest to the SPPA Corporate Governance team using the declaration of interest form. | <input type="checkbox"/> |
| I have submitted a skills self-assessment to the SPPA Corporate Governance team using the skills self-assessment form. | <input type="checkbox"/> |

| | |
|------------------|--|
| Date | |
| Signature | |

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