

UNIVERSITY OF READING EMPLOYEES' PENSION FUND

Member Nominated Trustees (MNTs) July 2020

Approved by Board of Trustees 22 July 2020

The Trustees of UREPF periodically review the manner in which Member Nominated Trustees are appointed to the Board of Trustees in order to ensure that the process remains appropriate and relevant.

The Trustees have carried out such a review this month and have decided to amend several aspects of the current process.

In coming to this decision, the Board of Trustees took the following into account:

1. The requirements of the Pensions Regulator regarding:
 - a. a diverse Board make up with the appropriate skills, behaviours and experience
 - b. fitness and propriety of Trustees
 - c. acting in good faith, with honesty and integrity
2. The changing make-up of the UREPF membership. The number of active members has declined such that pensioner members now make up over 50% of the total membership
3. in order to remove barriers to members serving as MNTs, the two member constituencies be removed and that the three MNTs be drawn from across the membership as a whole

The table below highlights the changes from the previous process to the new one:

	2016 PROCESS	2020 PROCESS	REASONING
Term of Office	<ul style="list-style-type: none"> • 5 years • if someone ceased to be an MNT before the end of the term, their replacement was appointed for the balance of the outstanding term 	<ul style="list-style-type: none"> • 5 years • when someone ceases to be an MNT before the end of their term of office, the new MNT will be appointed for a full 5 years 	<ul style="list-style-type: none"> • the replacement MNT could potentially have been appointed for a very short term if the vacancy occurred toward the end of the original MNT's term of office. • this does not give the new MNT enough time to settle into the role and become an effective Trustee within the appointment term.

Constituencies	<ul style="list-style-type: none"> • there were 2 constituencies: one covered in-service and deferred members, the other covered pensioner members 	<ul style="list-style-type: none"> • constituency boundaries have been removed • all members are in a sole constituency irrespective of membership status 	<ul style="list-style-type: none"> • as the Fund is closed to new entrants, there has been a decrease in in-service member numbers • pensioner members make up over half the membership so the MNT need to reflect this where possible
Selection Process	<ul style="list-style-type: none"> • constituency members nominated themselves • if the number of nominations was greater than the number of vacancies, all constituency members voted 	<ul style="list-style-type: none"> • members apply to become an MNT • a selection panel made up of the Chair of Trustees, an Employer Nominated Trustee, an MNT and the Secretary to the Trustees reviews the applications, measuring against the role description and person specification • the selection panel interviews the candidates to ensure they meet the requirements to be a Trustee • members then vote to choose their favourite from the candidates deemed suitable by the selection panel 	<ul style="list-style-type: none"> • introduction of a selection process allows the Pension Regulator's requirements to be taken into account • use of a role description and person specification makes the requirements clear to candidates • fitness and propriety can be assessed to ensure new MNTs are appropriate appointments • Trusteeship is an important role so it is appropriate to ensure appointees meet the role requirements

Current Member Nominated Trustees

The Board of Trustees comprises a Chair, 3 Employer Nominated Trustees and 3 Member Nominated Trustees. The 3 MNTs were originally elected to represent the two different constituencies as follows:

- Mrs Val Davis – representing pensioner members
- Mrs Sue Mott – representing in-service and deferred members
- Mr Mark Taylor – representing in service and deferred members

Now that the two constituencies have been merged into one overall constituency, all three MNTs remain in place and now represent all members of the Fund

Appointment Procedure - Detail

Details of the appointment procedure for an MNT are given below:

- Appointment of an MNT is subject to the candidate meeting the requirements as outlined in the Role Description.
- Constituency members who wish to nominate themselves will be invited to submit an application to the Secretary to the Trustees by a stated closing date. The period during which applications may be submitted will be not less than fourteen days.
- The candidate should complete the application form as fully as possible and sign the Declaration.
- The form must be received by the Secretary to the Trustees by the date specified.
- Once the closing date has passed, all applications shall be reviewed by the Selection Panel to ensure that candidates are suitable and will bring the required skills, knowledge and experience to the role. The Trustees are committed to having a diverse Board made up of individuals with a range of skills, experience, behaviours and societal demographics (eg race, age, gender).
- The Selection Panel shall comprise the Chair of Trustees, one Employer Nominated Trustee, one Member Nominated Trustee and the Secretary to the Trustees.
- Those candidates who are adjudged to meet the selection criteria shall then be interviewed by the Selection Panel which will be able to veto candidates they do not believe to be suitable without giving reasons for the veto. All Trustees will be invited to attend the interviews should they so wish.
- Once the Selection Panel has completed the interviews and determined if the candidate(s) will bring the appropriate skills and experience to the Board of Trustees, details of those candidates will be shared with all Fund members in order for the ballot to take place.
- If there is only one appropriate candidate for the vacancy then that candidate will be automatically elected without requiring a ballot of members.
- If there are two or more appropriate candidates, then a ballot amongst constituent members will take place to determine the successful candidate.
- In the event of a ballot, submitted application forms will be circulated with the voting papers. All personal details (apart from the candidate's name and membership status) will be removed from the copy to be circulated to constituent members. The Trustees reserve the right to amend or remove any information which they consider to be incorrect or misleading.
- Any ballot shall take place over a period of not less than seven days to be determined by the Secretary to the Trustees.
- The Secretary to the Trustees shall issue the appropriate ballot paper to the constituent members which may be via an electronic voting system or may be in hard copy as appropriate.
- The votes shall be counted by the Secretary to the Trustees.
- A return stating the results of the voting and signed by the Secretary to the Trustees shall be forwarded to the Chair of the Trustees.
- The Secretary to the Trustees shall communicate the name of the successful candidate to the constituent members of the Fund and to the Trustees.

Stephanie A May
Secretary to the Trustees