

CONSTITUTION OF THE TfL PENSION CONSULTATIVE COUNCIL

1. Introduction

- 1.1 This document forms the Constitution of the TfL Pension Consultative Council ('the PCC'), previously known as the LRT Pensions Consultative Council. The PCC Constitution was originally adopted on behalf of London Regional Transport (LRT) as Principal Employer under the Rules of the LRT Pension Fund on 3 July 1997. It was initially prepared after consultations with the LT Pensions Joint Working Party ('the JWP') which became the TfL Pensions Working Group (PWG) with effect from January 2006, the TfL (previously LT) Pensioners' Forum ('the Forum') and the PCC's immediate predecessor, the LRT Pension Fund Council ('the Fund Council'). The LRT Pension Fund was also re-named the TfL Pension Fund ('the Fund') from 1 April 2005.
- 1.2 The Constitution may be amended by agreement between the Principal Employer, Transport for London, and the PCC. The Principal Employer shall, as it sees fit, also consult with the PWG and the Forum concerning any proposed amendment. This edition incorporates amendments approved on behalf of the Principal Employer on 18 June 1998, 6 January 1999, 21 June 2000, 7 March 2002, 1 April 2005, 1 March 2007, 1 June 2008 and 14 December 2010.
- 1.3 For the purpose of this Constitution, references to Head of Pensions shall include such other person or persons as may from time to time be authorised by the Principal Employer to act on its behalf in undertaking the duties and responsibilities defined in this Constitution.

2. Objectives

- 2.1 The purpose of the PCC shall be to consider and discuss (subject to 2.2 below) any issues relating to the operation of the TfL Pension Fund, including reports from Councillors who are Directors of the TfL Trustee Company Limited ('the Trustees') and to make representations on such issues, as it sees appropriate, to the Trustees, the PWG, and the Forum. It may also make representations direct to the Principal Employer, but only in respect of matters which fall outside the remit of the PWG and/or the Forum.
- 2.2 The PCC shall not be concerned with issues relating to individual entitlements to benefits under the Fund.

2.3 The PCC shall also nominate Directors of the Trustees, in accordance with Rule 4 of the Fund, on the terms set out in 5. below.

3. **Composition of the PCC**

3.1 The representatives of the membership of the Fund who are elected to the PCC according to the terms of this Constitution shall be known as Councillors.

3.2 The PCC shall consist of 20 Councillors, divided into Sections as follows, each representing the Members (including the widows and widowers of deceased Members) and Dependants, as defined in the Rules of the Fund, by and from whom they are elected:-

- i) Section One consisting of 8 persons elected by and from Members (including widows and widowers of deceased Members) and Dependants in receipt of pensions and Members with deferred pension benefits, but excluding any who qualify to be represented under Section Two or Section Three;
- ii) Section Two consisting of 4 persons elected by and from Members who are employees of Transport for London (TfL), or its subsidiaries or contractors but excluding any Member who qualifies to be represented under Section Three;
- iii) Section Three consisting of 8 persons elected by and from Members who are employees of London Underground Limited (LUL) or its subsidiaries or contractors, or of Tube Lines Limited.

3.3 On 30 November 2002, and in each subsequent year, the longest serving one fourth of the Councillors in each Section shall retire from office (length of office being determined from the date of their last election).

3.4 A Councillor will also cease to hold office:

- i) if he or she resigns in writing to the Secretary of the PCC ('the PCC Secretary'), such resignation to take effect from the date that it is received by the PCC Secretary (or such later date as the Councillor may specify in that resignation), or
- ii) from the date when he or she ceases to be eligible to represent the Members by and from whom he or she was elected, provided that where such cessation of eligibility results from a change to this Constitution adopted on or after the date when a Councillor's term of office commenced, that Councillor's retirement from office shall continue to be regulated by 3.3 above.

3.5 If a Councillor fails to attend 3 in any 4 consecutive PCC meetings arranged as under 9.1 after 1 December 2001, the PCC Secretary shall formally report this at the next following meeting of the PCC, together with any explanations tendered by the Councillor. The PCC may then decide that that Councillor shall cease to hold office with immediate effect and, if so, proceed to fill the resulting casual vacancy in accordance with 4.7.

4. **Election to the PCC**

4.1 The Members shall elect Councillors to the PCC from amongst those nominated under 4.2 below by postal vote, following the procedure set out in this section of the constitution. The successful nominees shall take office as Councillors with effect from 1 December in each year.

4.2 A Member may nominate, by written notification to the PCC Secretary, another Member (who may be a retiring Councillor) for election or re-election to the Section of the PCC which represents both the nominator and the nominee. Such nomination must be signed by another Member represented by the same Section acting as seconder and be accompanied by the nominee's written undertaking of his or her willingness to serve.

4.3 Nominations must be received by the PCC Secretary by no later than 31 July in the year when the election is to take place, or by such later date, on or before 31 August that year, as the PCC shall have determined on the advice of the Head of Pensions. The PCC shall have made such determination by no later than 31 May in that year and the Head of Pensions shall ensure that it is appropriately communicated to Members as soon as practicable thereafter.

4.4 If the number of nominees for any Section does not exceed that of the vacancies, then the persons nominated shall be deemed to be duly elected as Councillors, but if otherwise then an election shall be conducted as follows:-

i) The Head of Pensions shall, from among the Members other than the nominees, or their nominators or seconders, appoint at least twelve scrutineers of whom not more than one third shall be Councillors.

ii) The PCC Secretary shall, with all convenient speed, arrange through the Fund Secretary to forward a voting paper, in such form as the PCC shall direct, to every Member eligible to vote on the relevant Section, at either his or her last known home address or his or her place of work. A voting paper need not be forwarded to any Member whose present address is unknown to the Trustees and who is neither in the employment of a Participating Employer in the Fund nor currently entitled to receive a pension or other periodic payment under the Fund.

The accidental failure to forward a voting paper to a Member or the non-receipt of any such voting paper shall not invalidate the election.

- iii) A Member shall be eligible to vote only in respect of vacancies in the Section of the PCC representing him or her. A Member shall have as many votes as there are such vacancies for that Section, but shall not be entitled to give more than one vote to any nominee.
- iv) Completed voting papers must be returned by post prepaid to the Head of Pensions by the date stated on the voting paper, which shall be no later than 15 November, or the preceding Friday when that date falls on a Saturday or Sunday. The Head of Pensions shall ensure that they are placed unopened in a locked box, and so deliver them to the scrutineers by whom alone they shall be opened and examined.
- vi) Any voting paper not completed or received in accordance with this constitution shall be declared invalid by the scrutineers.
- vii) As soon as the voting papers have been examined and the result of the election ascertained by the scrutineers, the voting papers shall be closed up and sealed by the scrutineers and shall be retained by them for one month after the election, when they shall be destroyed by the scrutineers.
- viii) The scrutineers shall make and sign a report in which they shall state for each Section the total number of voting papers received, the number declared invalid (and the grounds), the votes in favour of each candidate and the names of those who are duly elected as determined by a majority vote. They shall hand such report to the Head of Pensions by not later than 22 November, or the preceding Friday when that date falls on a Saturday or Sunday.
- ix) The scrutineers' report shall be final save that if there be an equality of votes for any vacancy then the candidates concerned shall agree between themselves which of them shall be elected, or failing such agreement, the candidate elected shall be he or she who has the longer aggregate membership of the Fund.

4.5 At the discretion of the Head of Pensions, after consulting with the PCC, the election process described in 4.4. above may instead be conducted using the services of the Electoral Reform Society (or similar body), but still subject to the terms and conditions as stated, so far as they are applicable.

4.6 If the number of nominees for any Section is less than the number of vacancies, any such resulting vacancy may be treated as if it were a

casual vacancy, which may be filled by the PCC according to 4.7 below at the first or any subsequent meeting of the PCC which takes place after nominations have closed in the year in question, except that the term of office of the appointee shall be as if he or she had been appointed under the process described in 4.4 above. In respect of any such appointee any reference in this document to a person elected shall be read as a reference to the person so appointed.

- 4.7 The PCC shall have power to fill a casual vacancy. Such appointee shall be a member represented by the Section for which he or she is nominated, and his or her term of office shall be deemed to be the residue of the term of office of the person whom he or she replaced.
- 4.8 The Head of Pensions shall ensure that the results of such elections and appointments to the PCC are appropriately communicated to Members.

5. Nominations of Directors of the Trustee

- 5.1 In accordance with the Fund Rules, each Section of the PCC shall nominate persons to serve as Directors of the Trustee as follows:-
- i) two persons from and by the Councillors on Section One;
 - ii) one person from and by the Councillors on Section Two;
 - iii) one person from and by the Councillors on Section Three.

For any such nomination to be valid, it must be made at a meeting of the Section of which at least 21 days notice, or such shorter time period as is agreed by every member of the Section, has been given, and by a majority of those present from the Section, who must constitute a majority of the Councillors on that Section.

- 5.2 Each Section of the PCC shall have the power to revoke their nomination of a Director of the Trustee. For any such revocation to be valid, it must be made at a meeting of the Section of which at least 21 days notice, or such shorter time period as is agreed by every member of the Section, has been given, and by a majority of those present from the Section, who must constitute a majority of the Councillors on that Section. The effect of any such revocation shall be subject to the Rules of the Fund.
- 5.3 The Section of the PCC nominating a Councillor for appointment as a Director of the Trustee shall determine the beginning and end of the period for which the Councillor is to serve as a Director. It shall normally end when his or her current period of office as a Councillor is due to end. Such a nomination shall be treated as revoked if the nominee ceases to be a Councillor, unless he or she has meanwhile been re-elected as a Councillor.

- 5.4 Any nomination or revocation of nomination made in accordance with the foregoing sub-clauses shall normally be reported to the next meeting of the PCC, before being communicated by the PCC Secretary to the Fund Secretary.

In the event of an emergency arising, where the next meeting of the PCC is after the next Trustee Board meeting, the Section may advise the PCC Chair of the circumstances, meet and make a nomination or revocation as set out above, and ask the PCC Secretary to communicate the outcome directly to the Fund Secretary. The decision, and the circumstances surrounding the emergency, will be reported to the next meeting of the PCC.

6. **Chairmanship of the PCC**

The Councillors shall annually elect a Chairman and may elect a Vice-Chairman from amongst their number at the first meeting of the PCC which takes place after 1 December.

7. **Secretary of the PCC**

The PCC Secretary shall be appointed by the Principal Employer. That person shall hold this office until his or her appointment is revoked by the Principal Employer or, if earlier, such revocation is requested by a majority of the Councillors on the PCC.

8. **Pensions Adviser to the PCC**

The Pensions Adviser to the PCC shall be the Head of Pensions or such deputy as the Head of Pensions may from time to time nominate.

9. **Meetings of the PCC**

- 9.1 The PCC shall normally meet on four occasions in each calendar year, on dates to be set at the last meeting of the PCC which takes place on or before 30 November in the preceding year.
- 9.2 The Chairman may on any other occasion convene a meeting of the PCC. The PCC Secretary shall do so on the requisition of not fewer than seven Councillors. At least twenty one clear days' written notice of such meeting shall be given by the PCC Secretary to every Councillor.
- 9.3 At any meeting the decision of the PCC shall be that of the majority of those present and entitled to vote (except where that decision is to nominate or revoke the nomination of a Councillor as a Director of the Trustee which shall be made in accordance with 5.1 and 5.2 above). The Chairman of the meeting shall in case of an equal division have a casting vote.

- 9.4 If neither the Chairman nor any Vice Chairman of the PCC is present, such meeting shall elect some other Councillor who is present to chair such meeting.
- 9.5 The quorum for a meeting of the PCC shall be ten Councillors personally present.
- 9.6 Save as provided above, the PCC shall determine its own rules and working arrangements.