

UNIVERSITY OF READING EMPLOYEES' PENSION FUND

Member Nominated Trustees (MNTs) July 2020

Approved by Board of Trustees 22 July 2020

Member Nominated Trustees (MNTs) were first introduced to the Pension Fund in August 2005 and certain terms were set out then. These were amended in 2007 to comply with changes in the regulations and the last iteration was as at June 2016. The Trustees should review these MNT rules at least every five years or if they believe that changes in circumstances warrant a review.

A review of the MNT rules was been carried out in 2020 resulting in these updated MNT rules. This review was undertaken by the Trustees due to the changing distribution of members between active, deferred and pensioner status.

Prior to the 2020 review, there were two MNTs who were "in service and deferred" members and who were elected by the "in service and deferred member" constituency and one "pensioner" MNT who was elected by the "pensioner" constituency.

As the Fund is closed to new joiners and the scheme is becoming mature, the number of active members has declined such that pensioner members now make up over 50% of the total membership.

In order to remove barriers to members serving as MNTs, the Trustees have agreed that the two member constituencies be removed and that the three MNTs be drawn from across the membership as a whole.

Constituency: In service, Deferred and Pensioner Members

MEMBER CONSTITUENCY

The sole constituency covers those members who are entitled to be appointed as MNTs and who are entitled to elect such an MNT. This constituency comprises the following **eligible** members:

- members currently paying contributions into the Fund, or who would be paying contributions but for their participation in the salary exchange arrangements,
- any member who would be contributing to the Fund (or participating in the salary exchange arrangements) but for the fact that they are on unpaid leave (including family leave),
- former contributing members of the Fund holding deferred benefits.
- anyone in receipt of a pension from the Fund. There is no upper age limit for the pensioner to be appointed or act as an MNT.

A deferred member under the third point above ceases to be eligible to stand as an MNT or to vote in an MNT election if they transfer their deferred UREPF benefits into another scheme and thus no longer have an entitlement to benefit under the Fund.

APPOINTMENT

The appointment will normally last five years but would be curtailed early if

- the MNT resigns; or
- the MNT ceases to meet the eligibility criteria outlined above whether due to death, transfer of benefits out of the Fund or for any other reason, or
- the MNT becomes ineligible under pensions legislation to act as a trustee, or
- all the other Trustees agree unanimously to remove the MNT.

In these circumstances a vacancy will arise and a new MNT will be elected. The new MNT will be appointed for the full five-year term of office rather than for the remainder of the ex-Trustees' term.

Note: for the avoidance of doubt, members switching status from one eligible status to another (for example an in service or deferred member becoming a pensioner in the Fund) will continue to meet the eligibility criteria.

ELIGIBILITY FOR NOMINATION AS AN MNT

Anyone may nominate themselves as an MNT as long as they

- satisfy one of the above eligibility criteria;
- are aged 18 or over; and
- are not an undischarged bankrupt, have not been disqualified from being a director and have not been convicted of an offence involving dishonesty or deception.

Appointment Procedure

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