

Royal County of Berkshire Pension Fund
Employer Covenant Assessment Working Group

Terms of Reference

The Royal County of Berkshire Pension Fund Employer Covenant Assessment Working Group will be a Working Group of the Berkshire Pension Fund Panel.

Membership of the Working Group will consist of a minimum of 3 members of the Berkshire Pension Fund and Berkshire Pension Fund Advisory Panels, at least one of whom will be drawn from the Berkshire Pension Fund Panel, together with the Pension Fund Manager and Deputy Pension Fund Manager.. The Working Group will be chaired by a member of the Berkshire Pension Fund Panel.

The Working Group will meet on an ad-hoc basis as required. At least 10 days notice of a meeting will be given for each meeting. The Working Group may meet “electronically” if required. In such a circumstance it will be made clear by what date members are required to respond.

Neither the Pension Fund Manager nor the Deputy Pension Fund Manager shall have any voting rights. All decisions will be on a simple majority with the Chairman of the Working Group having a casting vote. All decisions or recommendations made by the Working Group will be reported as soon as possible to the Chairman and Vice Chairman of the Pension Fund Panel and to the next meeting of the Pensions Fund Panel.

The role of the Working Group is to review and recommend appropriate policies/actions to the Pension Fund Panel and Advisory Panel in respect of the following:

1. Reviewing the strength of individual employer’s covenant.
2. Recommending action to be taken in an attempt to strengthen individual employer’s covenant.
3. Authorise Officers to negotiate with individual employers as necessary.
4. Review the covenant of employers seeking admission to the Fund and approve any action needed to strengthen the covenant.
5. Review any mitigating strategies that may be appropriate (for instance credit insurance).
6. Such other matters as may be relevant to managing employer covenant risk that the Pension Fund Panel Chairman may approve.