

PENSIONS COMMITTEE – 15 DECEMBER 2023

Report of the Director of Finance

REVIEW OF GOVERNANCE COMPLIANCE STATEMENT

Recommendation of the Chair

1. That the Pensions Committee approves the revised and updated Governance Compliance Statement attached as Appendix 1.

Background

2. Regulation states, and best practice dictates, that a Pension Fund should have a range of written policies and procedures in place. Having such, and keeping them updated, not only proves regulatory compliance, but more importantly demonstrates good governance and provides a range of current information to stakeholders.

Governance Policy Statement

3. **Regulation 55** of the Local Government Pensions Scheme Regulations 2013 states:
 55. -(1) An administering authority must prepare a written statement setting out-
 - (a) whether the authority delegates its functions, or part of its functions under these Regulations to a committee, a sub-committee or an officer of the authority;
 - (b) if the authority does so-
 - (i) the terms, structure and operational procedures of the delegation,
 - (ii) the frequency of any committee or sub-committee meetings,
 - (iii) whether such a committee or sub-committee includes representatives of Scheme employers or members, and if so, whether those representatives have voting rights;
 - (c) the extent to which a delegation, or the absence of a delegation, complies with guidance given by the Secretary of State and, to the extent that it does not so comply, the reasons for not complying; and
 - (d) details of the terms, structure and operational procedures relating to the local pension board established under regulation 106 (local pension boards: establishment).
 - (2) An administering authority must keep a statement prepared under paragraph (1) under review, and make such revisions as are appropriate, following a material change to any of the matters mentioned in that paragraph.

(3) Before preparing or revising a statement under this regulation, an administering authority must consult such persons as it considers appropriate.

(4) An administering authority must publish its statement under this regulation, and any revised statement.

4. The Governance Policy Statement, now renamed the Governance Compliance Statement, was last updated, and approved by the Pensions Committee at their meeting in September 2018. The major changes at that time reflected the introduction of LGPS Central Limited, the Fund's asset pooling company, together with several minor changes and some reformatting.
5. A full review of the document has been delayed pending Government's formal adoption of the recommendations of the Good Governance Project and the introduction of any requirements for the LGPS arising from the Pensions Regulator's Single Code of Practice. However, as both, and any guidance on such, appears to have been delayed indefinitely, best practice dictates a minor review of the Governance Compliance Statement is in order, to ensure the Fund still has a document which reflects current guidance and is as up to date as possible.
6. As the Statement reflects the actual Governance arrangements in place, no wider consultation is considered necessary.

Rob Salmon
Director of Finance

Contact: Melanie Stokes, Assistant Director for Treasury & Pensions
Telephone: (01785) 276330

Background Documents:
Local Government Pensions Scheme Regulations 2013

Equalities implications: There are no direct equality implications arising from this report.

Legal implications: The legal implications are covered in the body of the report.

Resource and Value for money implications: There are no direct resource and value for money implications arising from this report.

Risk implications: The legal implications are covered in the body of the

report.

Climate Change implications: There are no direct climate change implications arising from this report.

Health Impact Assessment screening: There are no health impact assessment implications arising from this report.