

Pension Fund Committee

Title:	Governance Policy Statement & Governance Compliance Statement
Date:	28 May 2015
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Electoral divisions affected:	None

Summary

Local Government Pension Scheme (LGPS) Administering Authorities have been required to increasingly develop and publish governance frameworks since April 2006. From November 2008, each LGPS Administering Authority has been required to publish a Governance Policy Statement which incorporates a Governance Compliance Statement. Administering Authorities are required to keep the statement under review. The Governance Policy Statement and Governance Compliance Statement were last reviewed by Committee in September 2013.

Recommendation

Pension Fund Committee Members are asked to APPROVE the Governance Compliance Statement and Governance Policy Statement for publication on the Council's Pensions Website.

A. Supporting information

Attached at Appendix 1 is the revised Governance Policy Statement, originally approved by Committee in November 2007 and reviewed annually. There have been no material changes to the content of The Governance Policy Statement since it was reviewed in September 2013.

Attached at Appendix 2 is the revised Governance Compliance Statement for the Fund which complements the Governance Policy Statement. The Statement requires LGPS Funds to demonstrate their compliance (or not) with best practice principles. A compliance-based approach reinforces the need for pension funds to have well-defined and transparent governance structures. The Statement has been updated (points 2.3, 4.2 and the Good Practice Requirement Structure) to include the newly established Local Pension Board.



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The Statement should then be used in conjunction with other statutory documents, such as the pension fund annual report and audit report, as evidence that the Fund has strong governance procedures in place.

Guidance for development of the Policy Statement outlines that the Statement must include the following information:

- The delegation arrangements (from the administering authority to a Committee and/or Officers).
- Whether the Committee or Sub-Committee includes representatives of employing authorities (including non-LGPS employers) or members, and if so whether those representatives have voting rights.
- The frequency of any meetings, terms of reference, structure and operational procedures of the delegation.
- The extent to which a delegation complies with CLG guidance and where the Statement does not comply with the guidance, the reason for non-compliance.

Other than the inclusion of the Local Pension Board, no material issues are reported in the Statement which is updated from the Statement approved by Committee in September 2013.

B. Resource implications

N/A

C. Legal implications

These requirements are contained in statutory guidance which is not mandatory but imposes an obligation to comply unless there is a good reason not to do so.

D. Other implications/issues

N/A

E. Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

- Appendix 1: Draft revised Governance Policy Statement
 - Appendix 2: Draft revised Governance Compliance Statement
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