

# Report to Pension Fund Committee

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<b>Title:</b>	<b>Terms of Reference &amp; Governance Policy Statement</b>
<b>Date:</b>	30 November 2017
<b>Author:</b>	Finance Director, Resources
<b>Contact officer:</b>	Claire Lewis-Smith, 01296 383424 Julie Edwards, 01296 383910
<b>Electoral divisions affected:</b>	n/a

## Summary

To reflect the evolving nature of the Committee, the terms of reference for this Committee have been updated and are submitted for approval.

## Recommendation

**The Committee are asked to AGREE the revised terms of reference as set out in Appendix 1 prior to Full Council approval.**

**The Committee are asked to AGREE the Governance Policy Statement as set out in Appendix 2 and the Governance Compliance Statement, Appendix 3.**

### A. Narrative setting out the reasons for the decision

The Pension Fund Committee's terms of reference, Appendix 1, outlines the governance structures and the functions undertaken by the Committee. It also covers the delegations made to the Finance Director, Resources. The terms of reference remain valid for the operations of the Committee.

Attached at Appendix 2 is the revised Governance Policy Statement. Appendix 3 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 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 document 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.

The Terms of Reference, Governance Policy Statement and Governance Compliance Statement were updated in 2016. They have been updated to reflect the changing role of the Pension Fund Committee following the implementation of LGPS pooling arrangements and the creation of the Brunel Pension Partnership.

**B. Other options available, and their pros and cons**

Every Committee must be supported by terms of reference which outline the powers delegated to that Committee. Although the terms of reference have been updated, a change to the role of the Committee is not proposed.

**C. Resource implications**

There are no future resource implications.

**D. Value For Money (VFM) Self Assessment**

Not Applicable

**E. Legal implications**

None

**F. Property implications**

None

**G. Other implications/issues**

None

**H. Feedback from consultation, Local Area Forums and Local Member views**

Not applicable.

**I. Communication issues**

The terms of reference will be published on the Council's website.

**J. Progress Monitoring**

The terms of reference will be continuously monitored.

**K. Review**

The terms of reference will be reviewed triennially.

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**Background Papers**

None

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