

Croydon Council

REPORT TO:	Pension Committee 14 June 2022
SUBJECT:	Governance Best Practice Compliance Statement
LEAD OFFICER:	Matthew Hallett – Acting Head of Pensions and Treasury
CORPORATE PRIORITY/POLICY CONTEXT: Sound Financial Management: Ensuring that the management of the Pension Fund ('the Fund') is given appropriate guidance and direction through the governance of the Pension Committee.	
FINANCIAL SUMMARY: There are no direct financial implications associated with this report.	

1. **RECOMMENDATION**

- 1.1 The Committee are asked to review and agree the draft Governance Best Practice Compliance Statement attached as Appendix A.

2. **EXECUTIVE SUMMARY**

- 2.1 This report updates the Governance Best Practice Compliance Statement for consideration by the Committee.

3 **DETAIL**

- 3.1. Regulation 55 of the Local Government Pension Scheme Regulations 2013 and A3 of the Scheme Advisory Board Good Governance Review requires Local Government Pension Scheme Administering Authorities to measure their governance arrangements against the standards set out in the Statutory Guidance issued by the, then, Secretary of State for Communities and Local Government. The Committee is expected to review the Governance Best Practice Compliance Statement annually.
- 3.2 The draft compliance statement included as Appendix A sets out where the Pension fund is fully compliant with the guidance and, where it is not fully compliant, provides an explanation.
- 3.3 The Committee is asked to review and agree the attached Governance Best Practice Compliance Statement

4. CONSULTATION

4.1 Officers have prepared the Compliance Statement with regard to the recommendations of the governance review carried out by AON, the Fund's Governance Advisor.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 There are no financial or risk assessment considerations arising from this report.

Approved by: Matt Davis, Interim Director of Finance on behalf of Jane West, Corporate Director of Resources (Section 151 Officer)

6. LEGAL CONSIDERATIONS

6.1. Burges Salmon LLP (a legal advisor appointed to the Pension Fund) comments that the Committee's role is to ensure the Pension Fund is properly operated in accordance with the Local Government Pensions Scheme Regulations 2013 ("the Regulations") (as amended) and all other relevant legislation and best practice as advised by the Pensions Regulator, including financial, governance and administrative matters.

6.2 Regulation 55 of the Regulations provides that 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 [note relating to the establishment of Local Pension Boards].

6.3 In addition, an administering authority must keep a statement prepared under paragraph (1) of regulation 55 under review, and make such revisions as are appropriate, following a material change to any of the matters mentioned in that paragraph and detailed in 6.2 above.

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

An administering authority must publish its statement under regulation 55, and any revised statement.

7. HUMAN RESOURCES IMPACT

7.1 There are no direct workforce implications arising from the recommendations within this report

Approved by: Gillian Bevan, Head of Human Resources on behalf of Dean Shoesmith, Chief People Officer

8. EQUALITIES IMPACT

8.1 There are no equalities impacts arising from this report.

9. ENVIRONMENTAL IMPACT

9.1 There are no environmental impacts arising from this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no crime and disorder impacts arising from this report.

11. DATA PROTECTION IMPLICATIONS

11.1 Will the subject of the report involve the processing of 'personal data'?

No.

Has a data protection impact assessment (DPIA) been completed?

No. This report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

CONTACT OFFICER:

Matthew Hallett – Acting Head of Pensions and Treasury.

BACKGROUND DOCUMENTS:

None.

APPENDIX:

Appendix A: Governance Best Practice Compliance Statement

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