

# Croydon Council

<b>REPORT TO:</b>	<b>Pension Committee</b> <b>20 June 2023</b>
<b>SUBJECT:</b>	<b>Governance Best Practice Compliance Statement</b>
<b>LEAD OFFICER:</b>	<b>Matthew Hallett – Acting Head of Pensions and Treasury</b>

## 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 requires an administering authority to prepare a written statement setting out the extent to which a delegation of its functions to a committee, 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. In addition A3 of the Scheme Advisory Board Good Governance Review recommends Local Government Pension Scheme administering authorities to measure their governance arrangements against any standards set out. Statutory Guidance was issued by the, then, Secretary of State for Communities and Local Government or (now) by the Secretary of State for Levelling Up, Housing and Communities. The Committee is expected to review the Governance Best Practice Compliance Statement annually and must consult such persons as it considers appropriate when preparing or revising the Statement.
- 3.2 During 2022 the Committee first considered the draft Statement on 14 June and, having asked for some amendments, agreed it on 11 October.
- 3.3 The draft Best Practice 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.

3.4 Recommended changes from the version agreed on 11 October 2022 are as follows:

Principle A b – to reflect proposed changes to Constitution;

Principle B a i – to reflect proposed changes to the Constitution;

Principle B a iii – to clarify the position and alter from “fully compliant” to non compliant;”

Principle B b – to reflect the position as regards access to documents;

Principle D - to reflect the position as regards voting rights;

Principle E – to explain training arrangements;

Principle G - to reflect the position as regards access to documents and change from “partially compliant” to “fully compliant.”

3.5 The Committee are 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 Adviser.

#### **5. FINANCIAL IMPLICATIONS**

5.1 There are no significant direct financial implications arising from this report.

**Approved by:** Allister Bannin 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 there are no direct legal implications arising from the content of this report although it is a legal requirement to prepare the written statement noted above.

## **7. HUMAN RESOURCES IMPACT**

- 7.1 There are no immediate workforce impacts arising from the recommendation of this report.

**Approved by:** Gillian Bevan, Head of HR, Resources and Assistant Chief Executives on behalf of the Chief People Officer

## **8. EQUALITIES IMPACT**

- 8.1 The Council has a statutory duty to comply with the provisions set out in the Equality Act 2010. In summary, the Council must in the exercise of all its functions, “have due regard to” the need to comply with the three aims of the general equality duty. These are to:

- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- Foster good relations between people who share a protected characteristic and people who do not share it.

- 8.2 Having due regard means to consider the three aims of the Equality Duty as part of the process of decision-making. This means that decision makers must be able to evidence that they have taken into account any impact of the proposals under consideration on people who share the protected characteristics before decisions are taken.

**Approved by: John Mukungunugwa, Interim Senior Equalities Officer on behalf of Denise McCausland Equality Programme Manager. Date: 09/06/2023**

## **9. OTHER IMPLICATIONS**

- 9.1 None.

**Approved by:** Allister Bannin on behalf of Jane West, Corporate Director of Resources (Section 151 Officer)

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### **CONTACT OFFICER:**

Matthew Hallett – Acting Head of Pensions and Treasury.

### **BACKGROUND DOCUMENTS:**

PEN 20062023

None.

**APPENDIX:**

Appendix A: Governance Best Practice Compliance Statement