

Report for: Pension Board

Date of Meeting:	6 October 2021
Subject:	Good Governance Review Update and Implementation
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	Not applicable
Enclosures:	None

Section 1 – Summary and Recommendations

Further to the training session held before its previous meeting in June, on 13 September 2021 the Pension Fund Committee approved an approach to ensure that the Fund is ready for the implementation of the Good Governance Review in 2022. This report sets out the Board’s role in helping to facilitate that process.

Recommendations:

The Board is recommended to note the report and to approve the suggested approach of reviewing up to two policies at each meeting.

Section 2 – Report

1. The LGPS “Good Governance Review” began in 2019. Its implementation has been delayed by the Covid-19 pandemic, but earlier in 2021 the LGPS Scheme Advisory Board (SAB) published a Phase 3 Report – this is now with the Government (MHCLG) for implementation. Before the Pension Fund Committee’s meeting on 24th June 2021, Ian Colvin of Hymans Robertson (who as well as being the Harrow Fund’s actuaries, also advised the SAB

during the Review). In that session the Committee was advised of the key issues arising from the Review.

2. At its meeting on 13th September 2021, the Committee considered and approved the proposed approach to ensuring that Harrow is ready for the Review's implementation in 2022.
3. A key aspect of the Review is the requirement to ensure that the Fund has in place up to date policies and other key documents, including (the list here is not exhaustive)
 - Conflicts Management policy
 - Representation Policy
 - Administration strategy
 - Communications Policy (updated in March 2021)
 - Training Strategy

As indicated in the training, it is important that the approach adopted is proportionate and appropriate – recognising that a “smaller” fund (Harrow, like most London Boroughs’ funds will fall into this category) has differing requirements from a large County or former metropolitan authority fund.

4. Hymans Robertson have developed a suite of template LGPS policies which can be used / tailored to fit the Harrow Fund's specific requirements. Given the limited officer resource available to work on these aspects of Fund governance, and to ensure that best use is made of that time, it is intended to purchase the relevant policy templates and customise those as required.
5. The Board's remit includes supporting the administering authority in ensuring compliance with the relevant regulations and codes of practice. The Committee therefore suggested that the Board could provide some practical assistance by reviewing the draft policies (one or two at each meeting), suggesting appropriate changes which would then be incorporated before the policies are brought to the Committee for approval and adoption.
6. To manage this task in a practical way, it is proposed that the Board reviews one or two policies in detail at each meeting, beginning with the most important.

Legal Implications

7. There are no direct legal implications arising from this report.

Financial Implications

8. Whilst the financial health of the Pension Fund directly affects the level of employer contribution which, in turn, affects the resources available for the Council's priorities there are no impacts arising directly from this report.

Risk Management Implications

9. The Pension Fund's Risk Register is reviewed regularly by both this Pension Fund Committee and by the Board. The next review will be at the Board's meeting on 1st December 2021.
10. There are no specific risk management implications arising from this report. The level of risk to which its investments are exposed is a key component in developing the Fund's investment strategy.

Equalities implications / Public Sector Equality Duty

11. Was an Equality Impact Assessment carried out? No
There are no direct equalities implications arising from this report.

Council Priorities

12. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 16/09/2021

Statutory Officer: Sharon Clarke

Signed on behalf of the Monitoring Officer

Date: 16/09/2021

Chief Officer: Dawn Calvert

Signed on behalf of the Corporate Director

Date: 16/09/2021

Mandatory Checks

Ward Councillors notified: Not applicable

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager
Email: Jeremy.randall@harrow.gov.uk, Telephone 020 8736 6552

Background Papers: None