

**Report for: Pension Fund
Committee**

Date of Meeting:	12 October 2022
Subject:	Review of Pension Fund Governance Compliance Statement
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	All
Enclosures:	Appendix 1 – Governance Compliance Statement

Section 1 – Summary and Recommendations

This report reviews the Pension Fund's Governance Compliance Statement. The document was last reviewed by the Committee on 24 March 2021. and the Board's comments are reflected.

Recommendations:

The Committee is requested to

- i. Note the latest position on the LGPS Good Governance Review,
- ii. Consider the updated Governance Compliance Statement and, subject to any comments, to approve it for adoption.

Section 2 – Report

1. The "Good Governance Review" which was reported to the Board in January 2020 was delayed by the Covid-19 pandemic. The final (Phase 3) Report on this subject was published by the Scheme Advisory Board in February 2021, and the Report's Action plan was submitted to the Local Government Minister for consideration. It is expected that Regulations will be published later in 2022 incorporating many of the Review's recommendations.

2. The Local Government Pension Scheme (LGPS) Regulations 2013 (Regulation 55) require the Administering Authority for the Fund to prepare a written statement setting out:
 - whether the authority delegates its function, or part of its functions under the Regulations to a committee, a sub-committee or an officer of the authority;
 - if so, the way in which the delegation operates, including membership of the Committee, voting rights, frequency of meetings etc;
 - details of the arrangements for the local Pension Board.The Governance Compliance Statement fulfils this requirement.
3. The Fund's Governance Compliance statement was last reviewed in March 2021. It is good practice to review it regularly and to update it if required.
4. The revised Governance Compliance Statement is enclosed at Appendix 1. The Committee is asked to consider this, and subject to any suggested modifications, to approve it for adoption. In view of the likelihood of new Regulations, no significant changes are proposed to the current Governance Compliance Statement at this time.
5. The document was considered by the Pension Board on 28th July 2022, and the Board's comments have been incorporated. These are as follows
 - Page 5 – the Pension Board is included in the list of people/bodies to whom functions are delegated
 - Page 7 – the policy development work of the Board is included.
6. The Board also raised (in relation to principle G – Access (page 12) a concern that the Chair and members of the Pension Board are not able to attend part 2 of Pension Fund Committee meetings or to see part 2 papers. This matter has previously been raised with the monitoring officer who has ruled that this approach is correct.
7. A further report will be brought to the Committee once the new LGPS Regulations are published, together with any required changes to the Fund's governance arrangements.

Legal Implications

8. There are no direct legal implications arising from this report.
9. The Pension Fund Committee has the following powers and duties:
 - i. to exercise on behalf of the Council, all the powers and duties of the Council in relation to its functions as Administering Authority of the LB Harrow Pension Fund (the fund), save for those matters delegated to other Committees of the Council or to an Officer;

- ii. the determination of applications under the Local Government Superannuation Regulations and the Teachers' Superannuation Regulations;
- iii. to administer all matters concerning the Council's pension investments in accordance with the law and Council policy;
- iv. to establish a strategy for the disposition of the pension investment portfolio; and
- v. to appoint and determine the investment managers' delegation of powers of management of the fund;
- vi. to determine cases that satisfy the Early Retirement provision under Regulation 26 of the Local Government Pension Scheme Regulations 1997 (as amended), and to exercise discretion under Regulations 8 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended, subject to the conditions now agreed in respect of all staff, excluding Chief Officers);
- vii. to apply the arrangements set out in (vi) above to Chief Officers where the application has been recommended by the Chief Executive, either on the grounds of redundancy, or in the interests of the efficiency of the service, and where the application was instigated by the Chief Executive in consultation with the leaders of the political groups.

Financial Implications

10. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no financial implications arising from this report.

Risk Management Implications

11. There are no specific risk management implications arising from this report. The Pension Fund's Risk Register is reviewed regularly by both the Committee and by the Pension Board.

Equalities implications / Public Sector Equality Duty

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

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 01/09/2022

Statutory Officer: Sharon Clarke

Signed on behalf of the Monitoring Officer

Date: 30/08/2022

Chief Officer: Dawn Calvert

Signed on behalf of the Chief Executive

Date: 01/09/2022

Mandatory Checks

Ward Councillors notified: NO

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:

LGPS Good Governance Review Phase 3 Report

https://www.lgpsboard.org/images/Other/Good_Governance_Final_Report_February_2021.pdf