

# Gloucestershire Pension Fund

## Governance Policy and Compliance Statement

v2.0

### Version Control

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## Introduction and legal requirements

Gloucestershire County Council is the Administering Authority responsible for managing the Gloucestershire Pension Fund and the administration of the Local Government Pension Scheme (LGPS) on behalf of participating employers and members.

Regulation 55 of the LGPS Regulations 2013 requires Administering Authorities to publish a Governance Policy and Compliance Statement setting out whether the Administering Authority delegates its functions, or part of its functions to a committee, a sub-committee or an officer of the authority, and if so:

- a) the terms, structure and operational procedures of the delegation,
- b) the frequency of any committee or sub-committee meetings,
- c) whether such a committee or sub-committee includes representatives of Scheme employers or members, and if so, whether those representatives have voting rights
- d) 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
- e) details of the terms, structure and operational procedures relating to the local pension board

It also requires the Administering Authority to keep the statement under review, to make revisions as appropriate and, where such revisions are made, to publish a revised statement.

This document is the Governance Policy and Compliance Statement for the Gloucestershire Pension Fund that has been prepared by the Administering Authority to meet the requirement of the LGPS Regulations.

## Aims and Objectives

Gloucestershire County Council recognises the significance of its role as Administering Authority to the Gloucestershire Pension Fund on behalf of its stakeholders, which include:

- around 60,000 current and former members of the Fund, and their dependants
- over 200 employers within the Fund which includes scheduled bodies, academies and admitted bodies
- local taxpayers within Gloucestershire County Council.

In relation to the governance of the Fund, our objectives are as follows:

- Act in the best interests of the Fund's members and employers
- Strive to ensure compliance with the appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance
- Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based
- Have robust governance arrangements in place to facilitate informed decision making, supported by appropriate advice, policies and strategies

## Governance Arrangements and Structure

As per the County Council's Constitution, the Pension Committee provides advice on the proper management of the Fund and carries out some of the functions of the Council in respect of its duties as an Administering Authority. The overall operational responsibility for the running of the Fund has been delegated to the Executive Director of Corporate Resources and the Head of Pensions. The Executive Director of Corporate Resources and / or the Head of Pensions will consult with the Chair of the Pension Committee for all decisions with financial implications over £250,000. The Executive Director of Corporate Resources and the Head of Pensions are supported in their roles by:

- The Director of Finance (Deputy Section 151 officer)
- The Pensions Investment and Accounting Manager
- The Pensions Administration Manager
- The wider pensions team within the Council

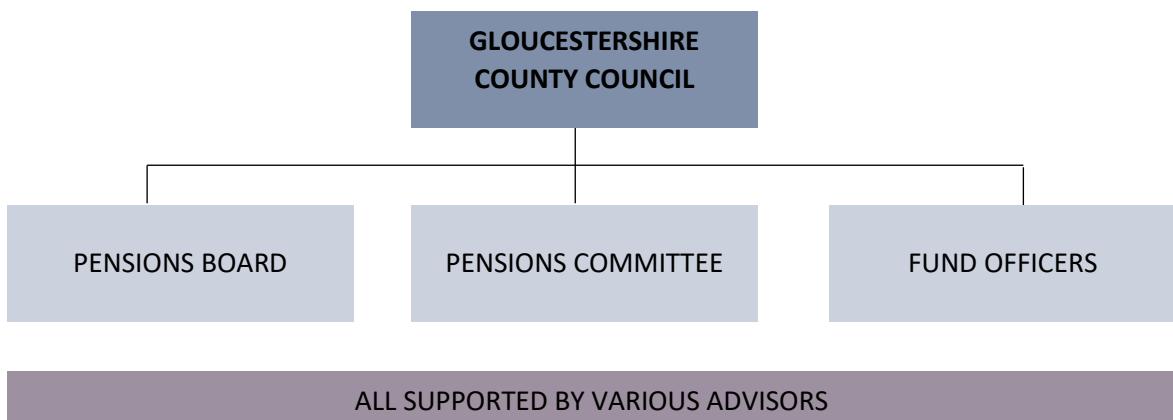
The Pensions Team carries out the day to day running of the Fund including administration, investments and accounting. The Fund participates in the Brunel Pension Partnership (Brunel) who manage some of the Fund's assets on its behalf.

A range of consultants also provide guidance and advice in relation to the management of the Fund.

In line with the Local Government Pension Regulations 2013, a Pensions Board has been established which assists the Administering Authority in ensuring:

- compliance with the regulations and The Pensions Regulator's requirements and
- the effective and efficient governance and administration of the Fund.

The Constitution of the Council sets out the framework under which the Pension Fund is to be administered. This framework is depicted in the diagram below.



## **Pension Committee**

The Council's Constitution outlines that the purpose of the Pension Committee is to give advice on the proper management of the Gloucestershire Pension Fund and carry out the function of the Council as the Scheme Manager and Administering Authority, in accordance with LGPS regulations.

### **Terms of Reference for the Pension Committee**

The following are the terms of reference for the Pension Committee as agreed by the Council and included in the Constitution:

1. To ensure the Fund is managed, and that pension payments are made, in compliance with the Local Government Pension Scheme Regulations.
2. To approve and keep under review the Investment Strategy Statement of the Fund, drawing upon appropriate professional advice.
3. To approve and keep under review the Funding Strategy Statement of the Fund, drawing upon appropriate professional advice.
4. To ensure robust risk management arrangements are in place.
5. To ensure the Council operates with due regard and in the spirit of all relevant statutory and non-statutory best practice guidance in relation to its management of the Fund.
6. To agree the Administering Authority responses to consultations by Central Government, professional and other bodies.
7. To appoint and review the performance of all Fund Managers.
8. To appoint and terminate the appointment of the Fund's advisers, including actuaries, investment advisers, governance advisers and specialist lawyers (where required) and periodically to review those arrangements.
9. To consider any other matter relevant to the proper operation and management of the Fund.
10. To approve the Fund's annual business plan and budget and monitoring progress against it.
11. To approve the Fund's Governance Policy Statement and Governance Compliance Statement within the framework as determined by the Council and make recommendations to the Council about any changes to that framework.
12. To approve the Fund's Administration Strategy determining how the Council will administer the Fund including collecting payments due, calculating, and paying benefits, gathering information from, and providing information to scheme members and employers.
13. To approve the Fund's Communications Policy Statement, determining the methods of communications with the various stakeholders including scheme members and employers.
14. To approve the Fund's Conflicts of Interest policy covering the management of actual and perceived conflicts of interest for the Pension Committee, the Local Pension Board, and

officers.

15. To agree the Fund's Training Strategy for all Pension Committee and Board members and for all officers of the Fund, including determining the Fund's knowledge and skills framework, identifying training requirements, developing training plans and monitoring compliance with the policy.
16. To report annually to the full Council.
17. To review the County Council's performance as Administering Authority.
18. To decide upon arrangements for managing the Administering Authority's relationship with employers in the fund, e.g., agreeing contribution rates, establishing dispute resolution procedures and ensuring employers have established policies as required by Regulations.
19. Determining, reviewing, and monitoring the Fund's policy in regard to employer admission and cessation arrangements.
20. To decide upon key pension policy and discretions that is the responsibility of the Administering Authority.
21. To consider advice and recommendations from the Pension Board on areas that may improve the governance of the Pension Fund (the remit of the Pension Board is detailed in its Terms of Reference).
22. To consider the Pension Board's proposed business plan for the forthcoming financial year and annual budget request.
23. To undertake such tasks deemed necessary in order to promote the interests of the County Council with respect to investment pooling, which without limitation shall include agreeing and authorising any documentation, contracts, terms of reference, financial expenditure or investment that may be required consequential upon the County Council's participation in the Brunel Pension Partnership.

#### **Membership of the Pension Committee**

The County Council decides the composition of, and makes appointments to, the Pension Committee. Currently the membership of the Pension Committee comprises 7 County Councillors, all of whom have voting rights.

One employer representative without voting rights is co-opted by the Pension Committee following nomination by the Gloucestershire branch of the Local Government Association to represent the interests of District Councils.

One employer representative without voting rights who can demonstrate their capacity to represent other scheme employers, and their knowledge and understanding of the Local Government Pension Scheme, with applications invited from all employers (excluding GCC and the district councils). An interview process that would include the Chair and Vice-Chair of the Pension Committee and the Head of Pensions would be used to fill the position.

One employee representative without voting rights is co-opted by the Pension Committee following nomination by the unions.

Elected councillors already have legal responsibilities for the prudent and effective stewardship of the Fund, and in more general terms have a clear fiduciary duty in the performance of their functions. Employer and Employee representation owe a duty of care to the fund beneficiaries and are required to act in their best interests at all times.

Although the Employer and Employee representatives do not have voting rights, they are treated as equal members of the Committee and have access to all Committee meeting papers, advisers, officers, meetings and training as if they were Council Members and have the opportunity to contribute to the decision-making process.

Substitutions are not permitted on the Pension Committee.

Employer and Employee representatives serve for a 4-year term from their appointment date and can be removed on grounds of non-attendance, breach of code of conduct and non-participation in training. An employer or employee representative may only be removed from office during a term of appointment by the unanimous agreement of all voting members in attendance at the Pension Committee meeting where this is being considered.

Other ways of ensuring interests of key stakeholders are represented in the management of the Fund include:

- Bi-lateral discussions and similar forums involving employers and other stakeholders
- An annual meeting for all employers and fund members
- A triennial meeting between all employers and the actuary to discuss the results of the actuarial valuation

### **Pension Committee Meetings**

The Pension Committee meets at least four times a year in the ordinary course of business and more frequently if formal decisions on fund management are required. Work for the year will be agreed with the Committee. As per the Training Strategy, all Committee members must complete a training requirement self-assessment form annually, and these are used to determine the training to be provided to Committee members. A log of training undertaken is maintained by the Administering Authority.

Agendas for the meetings are agreed with the Chair and circulated with supporting papers to all members of the Committee, officers of the County Council as appropriate and the Fund's Consultants.

A meeting of the Pension Committee is only quorate when there are three voting members present for the duration of the meeting.

At least five clear working days' notice of any meetings are given by posting details of the meeting on the County Council's website. Copies of the agenda and reports open to the public are made available for inspection at least five clear working days before the meeting. If an item is added to the agenda later, the revised agenda will be open to inspection from the time the item was added to the agenda.

The reason for lateness will be specified in the report.

There may on occasions, be items which may be exempt from the agenda, reports and minutes of the meetings when it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

Copies of the minutes of the meetings and records of decisions taken are made available for a period of six years after a meeting. Minutes of meetings and records of decisions are available for inspection on the Council's website.

## **Senior Officers**

Under the Council's Constitution responsibility for all other functions relating to pensions, not already delegated to the Pension Committee, are delegated to the Executive Director of Corporate Resources (in addition to their role as the Section 151 Officer, whereby they are responsible for ensuring the proper financial administration of the Fund) and the Head of Pensions. As appropriate, the Executive Director of Corporate Resources and the Head of Pensions will delegate aspects of the management of the Pension Fund to other officers of the Council, including;

- The Director of Finance (Deputy Section 151 officer)
- The Pensions Investment and Accounting Manager
- The Pensions Administration Manager
- The wider pensions team within the Council

as well as appointing suppliers and consultants to assist as necessary.

## **Other Delegations of Responsibilities**

The Pension Committee has also agreed a further scheme of delegation as included in Appendix B. This includes responsibilities relating to how the ongoing implementation of decisions made by them are carried out, as well as how urgent matters that must be considered outside of the Pension Committee cycle are dealt with.

## **Pensions Board**

Each Administering Authority is required to establish a local Pensions Board to assist them with:

- securing compliance with the LGPS Regulations and any other legislation relating to the governance and administration of the Scheme, and requirements imposed in relation to the LGPS by the Pensions Regulator
- ensuring the effective and efficient governance and administration of the Gloucestershire Pension Fund

The Pensions Board is not a local authority committee; as such the elements of the Constitution of Gloucestershire County Council, such as the procedure rules, do not apply to the Pensions Board unless it is expressly referred to in the Board's terms of reference. The Gloucestershire Pension Board was established by Gloucestershire County Council and the full terms of reference of the Board can

be found within the Council's Constitution. The key points are summarised below.

### **Role of the Pensions Board**

The County Council has charged the Pensions Board with providing oversight of the matters that the Pension Committee is responsible for. The Pensions Board, however, is not a decision-making body in relation to the management of the Pension Fund. The Pension Fund's management powers and responsibilities which have been delegated by the Council to the Pension Committee and the Executive Director of Corporate Resources remain solely their responsibilities. However, the remit of the Board includes:

1. Ensuring the Pension Fund's key strategy and policy documents are in place and have been maintained in accordance with the LGPS Regulations.
2. Ensuring the Pension Fund's internal Risk Register is in place and reviewed at least annually.
3. Reviewing the Pension Fund's performance in complying with the requirements of the LGPS Regulations and any other legislation relating to the governance and administration of the LGPS.
4. Reviewing the Pension Fund's performance in complying with the requirements of the Pension Regulator.
5. Providing advice and making recommendations when required, to the Pension Committee, on areas that may improve the governance of the Pension Fund.
6. Formulating and agreeing an annual work plan for the Board.
7. Carrying out any other activities relating to the efficient governance and administration of the Pension Fund, which the Pension Committee may request the Pensions Board to undertake.

### **Membership of the Pensions Board**

The Pensions Board consists of seven members as follows:

- three employer representatives
- three scheme member representatives
- one independent member (non-voting) to act as the Chair of the Pensions Board. The Chair of the Pensions Board cannot be a Gloucestershire County Councillor.

The Chair of the Pensions Board must be able to demonstrate their knowledge and understanding of the LGPS and will be appointed by the Scheme Manager (the Administering Authority), taking due regard of the Appointment of Other Member guidance, as set out in the LGPS Guidance in the creation and operation of Local Pension Boards.

One of the employer or member representatives should be a County Councillor appointed annually at a meeting of Full Council.

In order to ensure that effective Board Members are appointed who can demonstrate their capacity to represent other scheme employers or members (as appropriate), a direct appointment process will be followed wherever possible, with member representatives being selected through nominations made by recognised trade unions, and employer representatives being selected through nominations made from established employers within the Fund.

Only members of the Pensions Board who are employer or member representatives will have individual voting rights, but it is expected the Pension Board will as far as possible reach a consensus.

No substitutions are permitted on the Pensions Board.

### **Pension Board Meetings**

The Pensions Board meets at least twice each calendar year and additional meetings may be arranged as required to facilitate its work. This will be determined by the Chair.

A meeting of the Pensions Board is only quorate when there are three Board members present for the duration of the meeting, one of which must be an employer representative and one of which must be a member representative.

Meetings of the Local Pension Board will always be chaired by the appointed Chair of the Board when in attendance. Where the Chair is not in attendance at a meeting, those members present will elect a temporary chairperson for that meeting.

Each member of the Pensions Board is expected to declare, on appointment, annually, and at each meeting, any interests which may lead to conflicts of interest in the subject area or specific agenda of that Pensions Board.

Members of the public may attend Pensions Board meetings and papers will be made public in the same way as described above for the Pension Committee.

## **Policy Documents**

There are a number of key documents which are relevant to the governance and management of the Fund, including various policies and strategies which incorporate the Fund's objectives. Brief details of these are listed below and the full copies of all documents can be obtained on the County Council's website.

### **Annual Report and Accounts**

As part of the financial standing orders, it is the duty of the Section 151 Officer to ensure that record-keeping and accounts are maintained by the Pension Fund. The Pension Fund accounts are produced in accordance with CIPFA's Code of Practice on Local Authority Accounting. The financial statements within the accounts summarise the transactions of the Fund and detail the net assets of the Fund. The statement of accounts is reviewed by the Pension Committee and the Audit and Governance Committee and incorporated in the Statement of Accounts for the Council. The accounts are incorporated into an Annual Report which provides an update on other key matters during the year such as scheme details, financial performance and administration matters. Full copies of the Fund's Annual Report and Accounts are distributed to employers in the Fund and other interested parties and

a copy placed on the County Council's website.

### **Funding Strategy Statement**

The Funding Strategy Statement is one of two key parts of the framework which ensures there are sufficient assets in the Fund to pay its liabilities (mainly pension benefits) and sets out how the contribution rates that are required to be paid by the employers participating in the Fund are calculated. The Funding Strategy Statement (FSS) is developed in collaboration with the Fund's actuary and, after consultation with the Fund's employers, it is formally approved by the Pension Committee.

### **Investment Strategy Statement**

The Investment Strategy Statement is the second key part of the framework for ensuring appropriate assets are in the Fund to meet the liabilities. The strategy sets out:

- the Fund's approach to investment risk including ways in which risks are measured and managed
- the Fund's approach to pooling of assets (which is done through the Brunel Pension Partnership)
- how social, environmental or corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments
- the exercise of voting rights attached to investments.

The Investment Strategy Statement also sets out the target percentage of the total value of all Fund money that should be invested in particular asset classes, including any restrictions on those investments.

### **Governance Compliance Statement**

This sets out our compliance with the Secretary of State's Statutory Guidance on Governance in the LGPS. The Gloucestershire Pension Fund's Governance Compliance Statement is attached as Appendix A and shows where the Fund is compliant or not compliant with the expectations in the statutory guidance and the reasons why the Fund may not be compliant.

### **Training Strategy**

The training strategy provides Pension Committee members, Pensions Board members and senior officers with a clear framework setting out how they acquire and retain the knowledge and skills required to perform their individual roles. The aim of this policy is to ensure that those responsible for the management, delivery and governance and decision making in the Fund have the appropriate levels of knowledge and skills. The Fund will report on an annual basis how well this Policy has been adhered to throughout the financial year as part of the Fund's Annual Report and Accounts.

As part of this policy, the Fund aims to comply with the requirements of:

- the CIPFA Code of Practice and Knowledge and Skills Framework

- the knowledge and skills elements of the Public Service Pensions Act 2013 and the Pensions Regulator's (TPR) General Code of Practice
- MiFID II (Markets in Financial Instruments Directive).

Members of the Pension Committee, Pensions Board and officers involved in the management of the Fund receive training following completion of a Training Needs Assessment (TNA) to ensure that they meet the aims of the Knowledge and Skills Policy. Specific TNAs on particular subjects will also be carried out as and when required by the appropriate officer and will be used to inform subsequent training requirements.

### **Conflicts of Interest Policy**

Conflicts of interest have always existed for those with LGPS Administering Authority responsibilities as well as for advisers to LGPS funds. This simply reflects the fact that many of those managing or advising LGPS funds have a variety of other roles and responsibilities, and may also have individual personal, business or other interests which might conflict, or be perceived to conflict, with their role managing or advising an LGPS fund. It is generally accepted that LGPS Administering Authorities have both fiduciary and public law duties to act in the best interest of both the scheme beneficiaries and participating employers.

The Fund's Conflict of Interest Policy details how actual and potential conflicts of interest are identified and managed by those involved in the management and governance of the Fund whether directly or in an advisory capacity. The policy is established to guide Pension Committee members, Pensions Board members, officers and advisers, ensuring that those individuals do not act improperly or create a perception that they may have acted improperly.

### **Breaches Policy**

The Breaches Policy sets out how the Fund monitors, records and takes action where breaches of the law occur. The policy sets out the responsibility of Pension Committee members, Pensions Board members, Fund officers and advisers to report breaches of the law to The Pensions Regulator where they are deemed material (as set out in the Policy). A log is maintained of all breaches of the law, whether reported to The Pensions Regulator or not.

### **Risk Management Policy**

The Fund recognises that effective risk management is an essential element of good governance in the LGPS. The Risk Policy details the risk management strategy for the Gloucestershire Pension Fund, including:

- the risk philosophy for the management of the Fund, and in particular attitudes to, and appetite for, risk
- how risk management is implemented
- risk management responsibilities
- the procedures that are adopted in the risk management process

The Fund recognises that it is not possible, or even desirable, to eliminate all risks. Accepting and actively managing risk is therefore a key part of the risk management strategy for Gloucestershire Pension Fund. A key determinant in selecting the action to be taken in relation to any risk will be its potential impact on the Fund's objectives in light of the Fund's risk appetite, particularly in relation to investment matters. Equally important is striking a balance between the cost of risk control actions against the possible effect of the risk occurring.

### **Communications Policy Statement**

This document sets out the communications strategy for the Fund. The aim of the strategy is to ensure that all stakeholders are kept informed of developments in relation to the Fund. This helps to ensure transparency and an effective communication process for all interested parties.

### **Pension Administration Strategy**

The Pension Administration Strategy is key to the administration and efficient running of the Pension Fund. It encompasses administrative procedures and responsibilities for the County Council (as the Administering Authority for the Fund) and employing authorities participating in the Fund. It includes quality and performance standards. It is distributed to employers within the Fund following regular review and consultation. This represents part of the process for ensuring the ongoing efficient management of the Fund and maintenance of accurate data and forms part of the overall governance procedures for the Fund.

### **Discretions Policies**

Under the Local Government Pension Scheme regulations, the Administering Authority has a level of discretion in relation to a number of areas. The approaches to these areas of discretion are outlined in the Administering Authority's Discretions Policy. This policy is reviewed as appropriate and interested parties are notified of any significant changes. Employing Authorities are also required to set out their discretions policies in respect of areas under the Regulations where they have a discretionary power.

## **Key Risks**

The main governance risks that Pension Committee members monitor on an ongoing basis include:

- Recruitment and Retention - insufficient experienced staff to meet Fund objectives
- Knowledge and Skills - insufficient knowledge and skills amongst those charged with Fund Management
- Conflicts of Interest - actual conflicts of interest permitted to materialise
- Internal Fraud - financial loss resulting from actions of employee
- Data Protection - failure to adequately protect data results in potential financial or personal impact on members
- Reliance on external systems - the Fund's assets, systems or data are compromised including

financial/data loss or systems downtime

- Business continuity failure
- External factors including regulatory changes impact the governance of the Fund
- Incorrect advice/guidance received from third parties.
- Failure to comply with relevant legislation / best practice / guidance

### Monitoring Governance Objectives

Objective	Monitoring Arrangements
We will aim to act in the best interests of the Fund's members and employers	<ul style="list-style-type: none"><li>• Fund specific conflicts of interest policy in place</li><li>• Training undertaken on role in managing the Fund on behalf of members/employers as part of induction</li></ul>
We will strive to ensure compliance with the appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance	<ul style="list-style-type: none"><li>• Governance of the Fund is considered by both the External and Internal Auditors.</li><li>• A log of all breaches of the law is maintained in accordance with the Fund's breaches procedure which is reported on and monitored as outlined in that procedure.</li><li>• Pensions Board prepares and publishes an annual report which should include comment on compliance matters.</li><li>• Regular reviews of the Fund's compliance with the Pensions Regulator's Code of Practice.</li></ul>
We will act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based	<ul style="list-style-type: none"><li>• Employers within the Fund are invited to an Annual Employers' Forum. Attendees receive presentations and have the opportunity to ask questions on the governance of the Fund.</li><li>• Pension Committee includes representatives from scheme members and employers in the Fund.</li></ul>

	<ul style="list-style-type: none"> <li>• Pensions Board includes representatives from scheme members and employers in the Fund.</li> <li>• Pension Committee receives advice from officers, and a range of consultants are in place to provide advice across all fund aspects, and members are given sufficient time to consider any recommendations.</li> </ul>
<p>We will have robust governance arrangements in place to facilitate informed decision making in a transparent manner, supported by appropriate advice, policies and strategies</p>	<ul style="list-style-type: none"> <li>• Pension Committee carry out regular effectiveness of governance surveys.</li> <li>• Ongoing monitoring against key objectives at Pension Committee meetings.</li> <li>• Ongoing monitoring of business plan targets at Pension Committee meetings.</li> </ul>

## Approval, Review and Consultation

This Governance Policy and Compliance Statement was reviewed and approved at the Gloucestershire Pension Committee meeting on 19 September 2024 and will be formally reviewed and updated at least every three years or sooner if the governance arrangements or other matters included within either of them merit reconsideration.

## Contact Information

Further information on the Gloucestershire Pension Fund can be found as shown below:

Gloucestershire Pension Fund  
 Shire Hall  
 Gloucester  
 GL1 2TG

Telephone: 01452 328888

Email: [peninv@gloucestershire.gov.uk](mailto:peninv@gloucestershire.gov.uk) (Finance)

[pensions@gloucestershire.gov.uk](mailto:pensions@gloucestershire.gov.uk) (Administration)

## Appendix A- Governance Best Practice Compliance Statement

Regulation 55 of the Local Government Pension Scheme Regulations 2013 requires Local Government Pension Scheme (LGPS) Administering Authorities to measure their governance arrangements against the standards set out in the Statutory Guidance issued by the Secretary of State.

The following compliance statement has been approved by the Pension Committee. This sets out where the Fund is compliant with the guidance and where it is not compliant, an explanation is provided for non-compliance.

### Structure

<b>a)</b>	The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing council.	Fully compliant	Council Constitution delegates responsibility for the Pension Fund to the Pension Committee in respect of these matters.
<b>b)</b>	That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.	Fully compliant	Employer and Scheme member representatives are appointed to the Pension Committee.
<b>c)</b>	That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.	Fully Compliant/not applicable	No secondary committee.
<b>d)</b>	That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.	Fully Compliant/not applicable	No secondary committee.

## Representation

<b>a)</b>	<p>That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include: -</p> <ul style="list-style-type: none"><li>i) employing authorities (including non-scheme employers, e.g., admitted bodies);</li><li>ii) scheme members (including deferred and pensioner scheme members);</li><li>iii) where appropriate, independent professional observers; and</li><li>iv) expert advisers (on an ad-hoc basis).</li></ul>	Fully Compliant	<ul style="list-style-type: none"><li>(i) Employing authorities are represented by an employer representative.</li><li>(ii) Scheme members are represented by a scheme member representative.</li><li>(iii) At this stage the Pension Committee has determined that there is no requirement for an independent professional observer.</li><li>(iv) Expert advisers – investment consultant participates at all meetings of the Pension Committee and other expert advisors are invited to attend as and when required.</li></ul>
<b>b)</b>	<p>That where lay members sit on a main or secondary committee, they are treated equally in terms of access to advisers and meetings, training and are given full opportunity to contribute to the decision-making process, with or without voting rights.</p>	Fully Compliant	All members are sent Pension Committee papers ahead of meetings, are invited to training and are able to fully contribute to the decision-making process.

### **Selection and role of lay members**

<b>a)</b>	That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.	Fully Compliant	See Governance Policy and members made fully aware of this during induction training.
<b>b)</b>	That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda.	Fully Compliant	Members of the Pension Committee declare interests at the start of each meeting.

### **Voting**

<b>a)</b>	The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees	Fully Compliant	See the Council's Constitution and the Fund's Governance Policy
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### **Further Information**

Whilst the co-opted employer and scheme member representatives do not have voting rights, they are encouraged to fully participate in the meetings and decision-making discussions.

### Training/Facility Time/Expenses

<b>a)</b>	That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.	Fully Compliant	See Training Strategy, Governance Policy and Members allowances scheme within the Council's constitution
<b>b)</b>	That where such a policy exists, it applies equally to all members of committees, advisory panels or any other form of secondary forum.	Fully Compliant	See Training Strategy and Governance Policy
<b>c)</b>	That the administering authority considers the adoption of annual training plans for committee members and maintains a log of all such training undertaken.	Fully Compliant	See Governance Policy and Training Needs Assessments (TNAs) are regularly completed by all Committee Members

### Meetings (frequency/quorum)

<b>a)</b>	That an administering authority's main committee or committees meet at least quarterly.	Fully Compliant	
<b>b)</b>	That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.	Fully Compliant/not applicable	No secondary committee
<b>c)</b>	That an administering authority that does not include lay members in their formal governance arrangements must provide a forum outside of those arrangements by which the interests of key stakeholders can be represented	Not applicable	See Governance Policy for other ways of engaging stakeholders. Employer and scheme member representatives are on the main Pension Committee.

## Access

a)	That subject to any rules in the council's constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee	Fully Compliant	Committee papers are despatched 5 clear working days prior to a Committee meeting
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## Scope

a)	That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements	Fully Compliant	The Pension Committee reviews all aspects of Pension Fund management. The finance and operational arrangements of the Fund are subject to review and audit by both external and internal auditors.
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## Publicity

a)	That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements	Fully Compliant	Governance Policy and Compliance Statement published in full in the Pension Fund Annual Report & Accounts and on the County Council's website. The Annual Report is also discussed at the Fund's AGM which is open to all Fund members and employers
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## Appendix B - Delegation of Functions by Pensions Committee

**Key:**

PC	– Pensions Committee
EDCR	– Executive Director of Corporate Resources (S151 Officer)
DoF	– Director of Finance (Deputy S151 Officer)
HoP	– Head of Pensions
PIAM	– Pensions Investment and Accounting Manager
PAM	– Pensions Administration Manager
FA	– Fund Actuary
Advisors	– Investment, actuarial, governance and/or benefits consultants as appropriate

Function delegated to PC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
To formulate and publish an Investment Strategy Statement and to monitor performance and effectiveness of investment managers	Implementation of strategic allocation including use of both rebalancing and conditional ranges	HoP (in consultation with the Funds independent investment advisor)	Monitored at PC as a regular standing agenda item
To formulate and publish a Funding Strategy Statement in order to manage the Fund's approach to funding its liabilities and to determine all policy matters relating to employer admission and cessations	Making decisions in line with policy with regards to individual employer admissions and cessations, i.e. to determine the amount of any cessation surplus or deficit.  Agreeing (in conjunction with the FA) the terms and payment of bulk transfers into and out of the Fund where there is a bulk transfer of staff.	HoP (in consultation with the FA)	Monitored at PC as a regular standing agenda item

<b>Function delegated to PC</b>	<b>Further Delegation to Officer(s)</b>	<b>Delegated Officer(s)</b>	<b>Communication and Monitoring of Use of Delegation</b>
To agree the Administering Authority responses to consultations on LGPS matters and other matters where they may impact on the Fund or its stakeholders.	Agreeing the Administering Authority responses where the consultation timescale does not provide sufficient time for a draft response to be approved by PC.	HoP (or PAM or PIAM) and in consultation with relevant advisors, subject to agreement with Chair of PC	PC advised of consultation via e-mail (if not already raised previously at PC) to provide opportunity for other views to be fed in. Copy of consultation response provided at following PC for noting.
To set the overall strategic objectives for the Pension Fund and ensure these are reflected in the annual business plan, delivered on budget and to review the Administering Authority's performance	Regular day to day operational delivery of objectives	HoP (in conjunction with PAM and / or PIAM)	Regularly monitored at PC with further monitoring by EDCR and DOF via Administering Authority's Corporate Service Plan
To approve / agree the Pension Fund's policy and strategy documents on a regular cycle	<p>Changes to policy and strategy documents - authority to make minor amendments or required regulatory changes (i.e., where no impact on strategy and having no significant financial implications).</p> <p>Changes to Administering Authority discretionary policies necessitated by changes to regulations - authority to amend the policies to reflect the requirements of such new regulations, subject to those decisions having no significant financial implications.</p> <p>Note that the discretionary policy itself contains a number of specific delegated responsibilities to various Fund officers.</p>	HoP (in conjunction with PAM and / or PIAM after taking appropriate advice from advisers)	Copy of policies to be provided to PC members at next available PC meeting following changes being made.

<b>Function delegated to PC</b>	<b>Further Delegation to Officer(s)</b>	<b>Delegated Officer(s)</b>	<b>Communication and Monitoring of Use of Delegation</b>
To determine arrangements for managing the Fund's relationships with its employers	Ensuring employers have established policies as required by Regulations (for example Employing Authority Discretions policy and a nominated person to consider Internal Dispute Resolution Procedure) cases	HoP and/or PAM and PIAM (having regard to advisers)	Ongoing reporting to PC for noting, where applicable
To determine the Fund's risk management strategy and arrangements	Ensuring the processes outlined in the Fund's risk management strategy are carried out and that risks are recorded and monitored on the risk register on an ongoing basis	HoP and/or PAM and PIAM (having regards to advisers)	Ongoing reporting to PC for noting
To select, appoint and dismiss the Fund's advisers, including actuary, benefits consultants, governance consultants, investment consultants and global custodian	Ongoing monitoring of suppliers	HoP	Ongoing reporting to PC for noting
	Selection, appointment, and termination of suppliers following approval by PC	HoP (having regard to ongoing advice of legal and procurement advisers) and subject to ratification by PC	Notified to PC via ratification process.
The Committee may delegate a limited range of its functions to one or more officers of the Authority. The Pension Committee will be responsible for outlining expectations in relation to reporting progress of delegated functions back to the Pension Committee.	Other urgent matters as they arise	HoP or PAM / PIAM / DoF, subject to agreement with Chair of PC	PC advised of need for delegation via e-mail as soon as the delegation is necessary. Result of delegation to be reported for noting to following PC.
	Other non-urgent matters as they arise	HoP or PAM / PIAM, subject to agreement to Chair of PC	PC advised of need for delegation via e-mail as soon as the delegation is necessary. Result of delegation to be reported for noting to following PC.