

# Warwickshire Local Pension Board

26 April 2022

## Governance Review Update

### Recommendation(s)

That the Local Pension Board notes and comments on the content of the report.

#### 1. Executive Summary

- 1.1 This report provides details of the ongoing governance review of the Local Government Pension Scheme, currently being undertaken by the Scheme Advisory Board (SAB).
- 1.2 Officers understand that the proposals detailed in the review are currently being considered by the Department for Levelling Up, Housing and Communities (DLUHC).
- 1.3 Appendix 1, details the main points of the review and the points under consideration by the Warwickshire Pension Fund and possible actions.

#### 2. Financial Implications

- 2.1 None identified at this stage.

#### 3. Environmental Implications

None.

#### 4. Supporting Information

- 4.1 There will be some points raised in the review where Warwickshire Pension Fund (WPF) will need to consider possible changes in its approach to the management of the Fund. These are summarised below:

Recommendation	WPF Position	WPF Actions	Notes
<p><b>C1.</b> Each fund must produce and publish a policy on the representation of scheme members and non-administering authority employers on its committees, explaining its approach to voting rights for each party.</p>	<p>No official representation although a county councillor may also be a district councillor.</p>	<p>Wait for statutory guidance and address.</p>	<p>WPF will need to wait and see what is included in the statutory guidance. This may be an area where employers and scheme members are given additional representation and voting rights in the management of the Fund. The Fund is awaiting further guidance to be issued by the Scheme Advisory Board before considering what further action is needed.</p>
<p><b>E1.</b> Each administering authority must document key roles and responsibilities relating to the LGPS and publish a roles and responsibilities matrix setting out how key decisions are reached. The matrix should reflect the host authority's scheme of delegation and constitution and be consistent with role descriptions and business processes.</p>	<p>Responsibility sits with the Staff and Pensions Committee which has delegated responsibility for the management of the Fund to the Pension Fund Investment Sub-Committee. Due to workload of PFISC, administration and governance issues are dealt with by the Staff and Pensions Committee.</p>	<p>None at this time.</p>	<p>To be reviewed when statutory guidance is issued.</p>
<p><b>F1.</b> Each administering authority must undergo a biennial Independent Governance Review and, if applicable, produce the required improvement plan to address any issues</p>	<p>Governance review undertaken and action plan created and progressed to completion.</p>	<p>Consideration has already been given to this Review when regulations and Statutory Guidance issued.</p>	<p>The Fund undertook an independent review in 2019 and made significant changes in its approach to governance and administration as a consequence.</p>

<b>Recommendation</b>	<b>WPF Position</b>	<b>WPF Actions</b>	<b>Notes</b>
identified. IGR reports to be assessed by a SAB panel of experts.			The main change in latest recommendations appears to be an assessment by a panel of experts appointed by the Scheme Advisory Board. The Fund intends to wait for the publication of amending regulations and Statutory Guidance before considering what further action is needed.
<b>F2.</b> Local Government Association to consider establishing a peer review process for LGPS Funds.	The Fund undertook an independent review in 2019.	The Fund will be keen to undertake a further review.	The Fund is awaiting further guidance to be issued by the Scheme Advisory Board before considering what further action is needed.

4.2 Officers understand that further guidance is expected in the summer of 2022.

## **5. Timescales associated with the decision and next steps**

5.1 Officers will keep the Board updated on further developments.

## **Appendices**

1. Appendix 1 Good Governance Review Actions schedule.

## **Background Papers**

None

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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: n/a