

**SURREY COUNTY COUNCIL**

**PENSION FUND BOARD**

**DATE: 31 MAY 2013**

**LEAD OFFICER: SHEILA LITTLE, CHIEF FINANCE OFFICER**

**SUBJECT: GOVERNANCE COMPLIANCE STATEMENT**



**SUMMARY OF ISSUE:**

Local authority pension funds are required to publish a Governance Compliance Statement. A statement has been drafted for consideration and approval.

**RECOMMENDATIONS:**

It is recommended that:

- 1 The Pension Fund Board approve the Governance Compliance Statement attached as Annex 1 to this report.

**REASON FOR RECOMMENDATIONS:**

To comply with legislation and best practice.

**DETAILS:**

**Contents of the Governance Compliance Statement**

- 1 The relevant regulation requiring this statement is Regulation 31 of the Local Government Pension Scheme (Administration) Regulations 2008.
- 2 The Governance Compliance Statement must include the following information:
  - The delegation arrangements (from the administering authority to a Committee and/or officers).
  - The frequency of any meetings, terms of reference, structure and operational procedures of the delegation.
  - Whether the committee includes representatives of employing authorities (including non LGPS employers) or members, and if so, whether those representatives have voting rights.
- 3 The Statement must state the extent to which a delegation (or the absence of a delegation), complies with guidance given by the Secretary of State (shown in Annex 1) and, to the extent it does not so comply, an explanation of the reasons for not complying. Such a disclosure is known as 'Comply or Explain'.

- 4 In summary, the Governance Compliance Statement covers various governance issues, namely: structure, representation, the selection and role of Pension Fund Board members, voting, training/facilities/expenses, meetings (frequency and quorum), access to information and papers, scope and publicity.
- 5 Surrey's statement is included as Annex 1 to this report.

#### **CONSULTATION:**

- 6 The Chairman elect of the Pension Fund Board has been consulted on the proposed change and has offered full support for the proposals.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

- 7 There are no risk related issues contained within the report's proposals.

#### **FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

- 8 There are no financial or value for money implications.

#### **CHIEF FINANCE OFFICER COMMENTARY**

- 9 The Chief Finance Officer is satisfied that all material, financial and business issues and possibility of risks have been considered and addressed and that the Governance Compliance Statement provides a sound framework, setting out Surrey's position with regard to every strand of good governance practice.

#### **LEGAL IMPLICATIONS – MONITORING OFFICER**

- 10 The Governance Compliance Statement was originally prepared by the Council in accordance with regulation 73A of the Local Government Pension Scheme Regulations 1997. Regulation 31 of the Local Government Pension Scheme (Administration) Regulations 2008 requires an administering authority to keep this statement under review and make any revisions as appropriate. This has to happen where there are changes in the delegation arrangements as has recently happened with the establishment of the Pension Fund Board.

#### **EQUALITIES AND DIVERSITY**

- 11 The approval of a compliance statement will not require an equality analysis, as the initiative is not a major policy, project or function being created or changed.

#### **OTHER IMPLICATIONS**

- 12 There are no potential implications for council priorities and policy areas.

<b><u>WHAT HAPPENS NEXT</u></b>
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13 The following next steps are planned:

- The statement will be monitored and reviewed.

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**Contact Officer:**

Phil Triggs, Strategic Finance Manager (Pension Fund and Treasury)

**Consulted:**

Pension Fund Board Chairman

**Annexes:**

Governance Compliance Statement

**Sources/background papers:**

None

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