

**SURREY COUNTY COUNCIL****PENSION FUND COMMITTEE****DATE:** 9 JULY 2021**LEAD OFFICER:** ANNA D'ALESSANDRO, DIRECTOR OF CORPORATE FINANCE**SUBJECT:** GOVERNANCE COMPLIANCE STATEMENT**SUMMARY OF ISSUE:**

Strategic objectives

Governance

Local authority pension funds are required to publish and keep under review a Governance Compliance Statement. The Surrey Pension Fund Governance Compliance Statement is based on statutory guidance produced by the Ministry of Housing, Communities and Local Government (MHCLG) which is complemented by a Governance Policy Statement.

The Governance Compliance Statement was last reviewed by the Pension Fund Committee at its meeting of 13 September 2019 and this paper introduces an updated version.

**RECOMMENDATIONS:**

The Pension Fund Committee is asked to approve the Governance Compliance Statement (Annexe 1).

**REASON FOR RECOMMENDATIONS:**

The Fund is required to have a Governance Compliance Statement under regulation 55. Compliance is in accordance with the Fund's Governance objectives.

**DETAILS:**

1. The Fund is required to publish a Governance Compliance Statement under regulation 55.
2. The Fund's policy follows the format set out in the MHCLG guidance published in November 2008.
3. The policy will need to be kept under review as the Scheme Advisory Board (SAB) Good Governance phase III report recommends that the Governance Compliance Statement should be reviewed annually.
4. SAB has asked the Ministry of Housing, Communities and Local Government (MHCLG) to produce new statutory guidance on Governance Compliance Statements.
5. The Fund's policy will have to be reviewed when the new statutory guidance is published.

**CONSULTATION:**

6. The Chairman of the Pension Fund Committee has been consulted on this report.

**RISK MANAGEMENT AND IMPLICATIONS:**

7. There are no risk related issues.

**FINANCIAL AND VALUE FOR MONEY IMPLICATIONS**

8. There are no financial and value for money implications contained in this report.

**DIRECTOR OF CORPORATE FINANCE COMMENTARY**

9. The Director of Corporate Finance is satisfied that all material, financial and business issues and possibility of risks have been considered and addressed.

**LEGAL IMPLICATIONS – MONITORING OFFICER**

10. There are no legal implications or legislative requirements.

**EQUALITIES AND DIVERSITY**

11. There are no equality or diversity issues.

**OTHER IMPLICATIONS**

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

**WHAT HAPPENS NEXT**

13. The following next steps are planned:

- The statement will be monitored and reviewed.

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**Contact Officer:**

John Smith, Pensions Governance and Employer Manager

**Consulted:**

Pension Fund Committee Chairman

**Annexes:**

1. Governance Compliance Statement