



SOUTH YORKSHIRE
PENSIONS AUTHORITY

Agenda Item

Subject	Local Code of Corporate Governance	Status	For Publication
Report to	Authority	Date	12 September 2019
Report of	Fund Director and Monitoring Officer		
Equality Impact Assessment	Not Required	Attached	No
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1 Purpose of the Report

- 1.1 To secure approval for a revised Local Code of Corporate Governance which has been updated to reflect changes in the Authority's governance structure and more recent guidance from CIPFA and SOLACE.
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2 Recommendations

- 2.1 Members are recommended to:
- a. Approve the revised Local Code of Corporate Governance at Appendix A.**
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3 Link to Corporate Objectives

- 3.1 This report links to the delivery of all the corporate objectives as an effective governance system provides the infrastructure which ensures delivery of the corporate objectives. However, this report specifically impacts on the following corporate objective:

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times.

By thoroughly documenting the Authority's governance arrangements and how assurance will be derived over their effectiveness the Authority is putting itself in a place where it is able to exercise proper oversight over the operations for which it is responsible.

4 Implications for the Corporate Risk Register

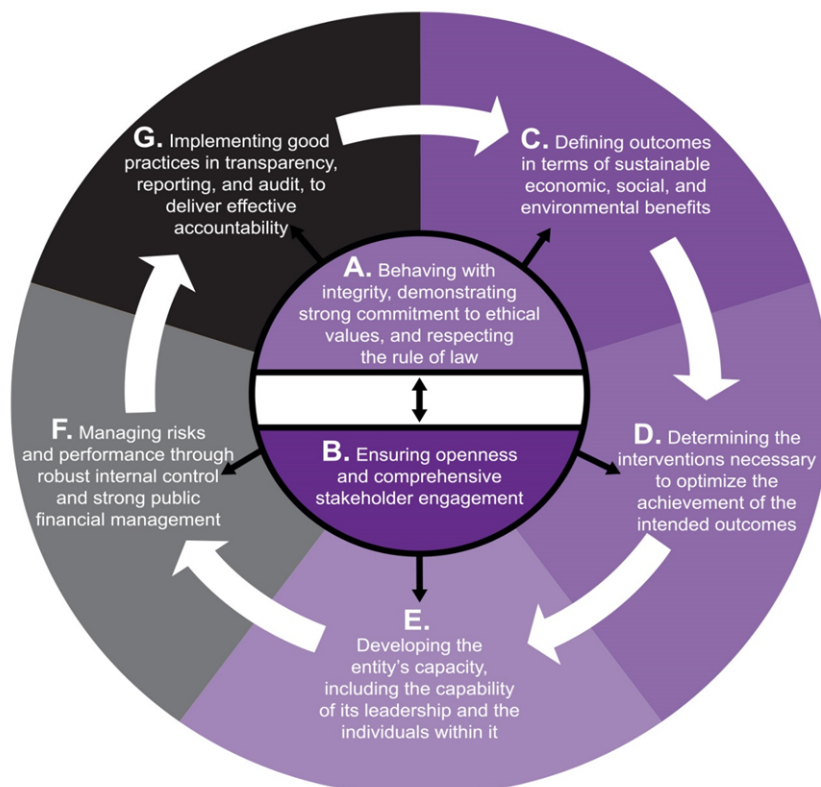
4.1 The actions outlined in this report form a key part of the systematic mitigation of risks relating to governance processes and decision making.

5 Background and Options

5.1 The Authority maintains a Local Code of Corporate Governance in order to document where assurance can be derived in relation to key elements of the control system in producing the Annual Governance Statement. In other contexts this might be referred to as an Assurance Map. This document is one of the cornerstones of an effective corporate governance system and it is important that it is kept up to date and reflects the reality of the arrangements in place on the ground.

5.2 The Authority's current local code has not been formally updated since 2010 and following the adoption of the new governance arrangements and the revised corporate strategy and the issuing of more recent guidance by CIPFA and SOLACE it is important that it is brought up to date.

5.3 Good corporate governance can be summarised as "achieving the intended outcomes while acting in the public interest at all times" (CIPFA/IFAC *International Framework: Good Governance in the Public Sector* (2014)). In this sense good corporate governance is founded on seven key principles as set out in the diagram below:



5.4 The international framework has been transposed into UK professional standards in the CIPFA/SOLACE framework “Delivering good governance in Local Government” (2016) which applies to all local government bodies including joint authorities such as the South Yorkshire Pensions Authority. The framework and the associated guidance are not a prescriptive checklist and it is for each individual organisation to apply the framework to its own particular context. The local code of corporate governance at Appendix A describes how South Yorkshire Pensions Authority discharges its responsibilities in this respect, by identifying sources of evidence of compliance and assurance in relation to each of the seven principles and supporting defining factors within the framework. The Annual Governance Statement which forms part of the Authority’s Statement of Accounts demonstrates on an ongoing basis how the Authority is complying with this code. In addition the code itself will be reviewed on a regular basis.

6 **Implications**

6.1 The proposals outlined in this report have the following implications:

Financial	There are no direct financial implications arising from this report.
Human Resources	None apparent
ICT	None apparent
Legal	Putting in place an up to date local code ensures compliance with proper governance practice and the regulatory requirements placed on the Authority.
Procurement	None apparent, although clearly compliance with proper procurement practice is an important part of the Corporate Governance system.

George Graham

Andrew Frosdick

Fund Director

Monitoring Officer

Background Papers	
Document	Place of Inspection
Delivering Good Governance in Local Government (CIPFA/SOLACE 2016)	SYPA Offices Gateway Plaza Barnsley.