

Subject	Governance Compliance Statement	Status	For Publication
Report to	Authority	Date	10 th December 2020
Report of	Director and Clerk		
Equality Impact Assessment	Not Required	Attached	No
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1 **Purpose of the Report**

- 1.1 To approve the annual update to the Authority's Governance Compliance Statement.

2 **Recommendations**

- 2.1 Members of the Pensions Authority are recommended to:
- a. Approve the revised Governance Compliance Statement.**

3 **Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:
Effective and Transparent Governance

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

The draft of the Governance Compliance Statement has been subject to review by the Local Pension Board which provides an additional level of assurance within the governance process.

4 **Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report do not address any specific risk on the Corporate Risk Register, but reflect an overall approach to reducing the risk of gaps in the governance framework.

5 **Background and Options**

- 5.1 The Authority is required by the Local Government Pension Scheme Regulations to maintain a Governance Compliance Statement which sets out details of its overall governance arrangements and how these meet certain requirements. Good practice dictates that the Statement should be regularly reviewed, and the reforms to be brought

in following the Good Governance Review will require an enhanced version of the statement to be produced annually and be subject to external review every two years.

5.2 Set out at Appendix A is an updated version of the Governance Compliance Statement for approval. The changes from the previous version are principally to provide more consistent terminology and to clarify wording which was previously not as clear as would be desirable. There have been no changes to the assessment of the degree of compliance.

5.3 The Local Pension Board reviewed the draft statement at their October meeting. While the Board did not suggest any changes they did probe the area where partial compliance is indicated which are associated with the representativeness of the membership of the Authority in the context of the overall employer base. This is an area where many LGPS Administering Authorities indicate partial compliance given the large number of employers and their widely varying scale, which make effective representation difficult. Arguably the maintenance of effective engagement between employers and the Authority together with the effective operation of the Local Pension Board which does include representation from a wider range of employers will mitigate any risks arising from partial compliance in this area.

6. **Implications**

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

Financial	None directly
Human Resources	None
ICT	None
Legal	Maintaining and reviewing the Governance Compliance Statement is a requirement of the LGPS regulations, the process set out in this report is a means of effectively demonstrating compliance with the regulations.
Procurement	None

George Graham

Sarah Norman

Director

Clerk

Background Papers	
Document	Place of Inspection
Local Government Pension Scheme Regulations 2013	https://www.legislation.gov.uk/uksi/2013/2356/contents