

Agenda Item

Subject	Annual Review of the Governance Compliance Statement	Status	For Publication
Report to	Audit Committee	Date	21 st October 2021
Report of	Director		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	George Graham Director	Phone	01226 772887
E Mail	ggraham@sypa.org.uk		

1 Purpose of the Report

- 1.1 To review the Governance Compliance Statement and recommend its adoption to the Authority

2 Recommendations

- 2.1 Members are recommended to:
- a. Review and comment upon the Governance Compliance Statement at Appendix A.
 - b. Recommend the adoption of the Governance Compliance Statement to the Authority

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.

4 Implications for the Corporate Risk Register

- 4.1 The actions outlined in this report address the identified corporate risks around regulatory compliance.

5 Background and Options

5.1 s 55(1) of the Local Government Pension Scheme Regulations 2013, requires that:

An administering authority must prepare a written statement setting out—

- a) whether the authority delegates its functions, or part of its functions under these Regulations to a committee, a sub-committee or an officer of the authority;
- b) if the authority does so—
 - i. the terms, structure and operational procedures of the delegation,
 - ii. the frequency of any committee or sub-committee meetings,
 - iii. whether such a committee or sub-committee includes representatives of Scheme employers or members, and if so, whether those representatives have voting rights;
- c) the extent to which a delegation, or the absence of a delegation, complies with guidance given by the Secretary of State and, to the extent that it does not so comply, the reasons for not complying; and
- d) details of the terms, structure and operational procedures relating to the local pension board established under regulation 53(4) (Scheme managers).

5.2 An administering authority must keep a statement prepared under paragraph (1) under review, and make such revisions as are appropriate, following a material change to any of the matters mentioned in that paragraph.

5.3 The Statement produced under s 55(1) is known as the Governance Compliance Statement, and an updated version of the SYPA statement following its annual review is at Appendix A. There have been no fundamental changes in the Statement, but additional text has been added to reflect the changes agreed in the Members' Learning and Development Strategy and to better integrate the role of the Local Pension Board within the Statement.

5.4 As part of the overall assurance gathering process associated with the Annual Governance Statement it is appropriate that the Audit Committee consider the Statement and, if content, recommend its approval to the Authority at its next meeting.

5.5 Fundamental changes to the Governance Compliance Statement will be required when the regulatory changes arising from the Good Governance Review are approved and officers have undertaken a review of the sample statement provided by the Scheme Advisory Board. This exercise has identified the following gaps which will be addressed in the coming months. In addition some changes have been made to the way information is presented in the Annual Report to conform to the expectations set out in the sample statement.

- An annual review of compliance with the Regulator’s Code of Practice – This has been undertaken this year, but the process needs to become embedded and achieve more depth. This is an action associated with the appointment to the new Governance Manager role approved by the Authority.
- The need to produce a policy statement on the representation of different groups within the Authority’s governance structure, which will be completed during this financial year.
- Improvements to the quality of training records (for both members and staff) and the development of a more explicit annual training plan for staff.

5.6 Work on these areas will be factored into plans for the coming year.

5.7 Members are invited to consider the Annual Governance Statement and determine whether they wish to recommend its approval to the Authority.

6 Implications

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

Financial	None
Human Resources	None
ICT	None
Legal	None
Procurement	None

George Graham

Director

Background Papers	
Document	Place of Inspection