



## **Border to Coast Pensions Partnership Joint Committee**

**Date of Meeting:** 30<sup>th</sup> November 2022

**Report Title:** Shareholder Governance Review  
(for information)

**Report Sponsor:** Ian Bainbridge, Head of Pensions, Tyne and Wear

### **1 Executive Summary**

- 1.1 The Joint Committee has been kept updated with a review of the governance arrangements at Border to Coast which has focussed on the main three governance documents that underpin the relationship between Border to Coast and the partner funds, as both investors and shareholders. These are the Inter Authority Agreement; the Shareholders' Agreement and the Articles of Association.
- 1.2 Squire Patton Boggs (SPB) has been appointed by the partner funds to provide external legal advice to assist in this process.
- 1.3 This review is now nearing completion and the latest versions of the documentation have been agreed and issued to the partner funds to seek approval through their own governance arrangements.
- 1.4 Included in the recent pack of documentation issued to partner funds was a formal Letter of Advice from SPB that provides an overview of the changes and confirms that SPB are comfortable with the final documents and they believe that they are acceptable from a legal perspective and can be agreed by the Partner Funds.
- 1.5 One issue that will need to be addressed is that some changes may be needed in respect of the re-organisation of Cumbria County Council, which will result in a change to the administering authority of the Cumbria County Council Pension Fund. The best way to address this is still under consideration but may result in some changes to the Articles and Shareholders' Agreement to cover this and future proof similar scenarios in the future. However, given that this is unlikely to be contentious, partner funds have been asked to progress with the current documentation and this will be addressed prior to the final sign off.
- 1.6 It is understood that it may take some partner funds a couple of months to gain formal approval to sign the updated documentation. Consequently, the process will not be concluded until early 2023.

- 1.7 Border to Coast has also sought its own external legal advice and will progress through its own governance arrangements prior to all documents being signed.

## **2 Recommendations**

- 2.1 The Committee is asked to note the position on the review of the governance arrangements.

## **3 Risks**

- 3.1 A shared and common understanding of the governance for Border to Coast is imperative in the running of an effective and efficient organisation and its scrutiny and oversight by Partner Funds as both shareholders and customers. This governance review is timely to address the risks to our collective effective operation.

## **4 Author**

Ian Bainbridge, Head of Pensions, Tyne and Wear Pension Fund  
16<sup>th</sup> November 2022.