



# Border to Coast Pensions Partnership Limited

## Joint Committee

**Date of Meeting:** 21 March 2023

**Report Title:** Governance Charter Review

**Report Sponsor:** Border to Coast CEO – Rachel Elwell

### 1 Executive Summary

- 1.1 This report presents the annual review of the Governance Charter. The Governance Charter is a public document included on the external website and sets out a summary of the Border to Coast governance arrangements.
- 1.2 The Governance Charter was not subject to an annual review in 2022 due to the shareholder governance changes, but it has now been reviewed by the CEO, HO CRM, HO Legal and Governance, and the Company Secretary. It has also been shared with Pension Officers and reflects their comments.
- 1.3 Both documents were presented to the Executive Committee on 28 February 2023 and the Border to Coast Board on 8 March 2023.
- 1.4 A summary of the changes made in the update to the Governance Charter is included in Section 3 and a track-changed version is attached to this report for ease of review.
- 1.5 There may be further changes to the document following the completion of the shareholder governance review, however the date for this is not yet known.

### 2 Recommendations

- 2.1 The Joint Committee is asked to approve the proposed changes to the Governance Charter.

### 3 Summary of key changes to the Governance Charter

- 3.1 Section 2: the CSO has updated this section to reflect our actual strategy.
- 3.2 Section 3.2: this section on investor interaction with the Company has been updated to reflect current arrangements.
- 3.3 Section 4.1: this section has been updated to reflect the arrangements in which the Company provides the shareholders with financial information.

- 3.4 Section 4.2: this section has been added in and details the process for Partner Funds Non-Executive Director elections.
- 3.5 Section 5.1: this section has been updated to align to the Board's role as detailed in the corporate governance manual.
- 3.6 Section 5.2: the governance chart in this section has been updated to show the current structure.
- 3.7 Appendix I: proposed updates to the Joint Committee terms of reference have been made, these include removal of the remit of the Joint Committee prior to the Company's launch.
- 3.8 Appendix II: changes have been made to align the schedule of matters reserved for decision by the shareholders with the changes made to the Shareholders Agreement.
- 3.9 Section 1 of the Governance Charter does not include the Real Estate propositions (global and UK) which are planned for launch during 2023/24. The oversight of the associated structures is expected to be broadly in line with those described in Section 1. It is proposed that the Governance Charter will be updated to reflect these propositions at the review after their launch.

#### **4 Risks**

- 4.1 It is important that Border to Coast has a robust corporate governance framework and policies reflect the Board and the Joint Committee's desired approach to the management of the Company.
- 4.2 The Governance Charter needs to provide external stakeholders with an up-to-date view of the management of governance within the organisation. As the governance changes the Charter must reflect this. Without these changes external stakeholders cannot be confident in their ability to hold the firm to account.

#### **5 Conclusion**

- 5.1 It is good governance to review these documents on an annual basis and the Joint Committee is recommended to approve the proposed changes to the Governance Charter.

#### **6 Author**

Milo Kerr, Head of CRM  
9 March 2023

#### **7 Supporting Documentation**

Appendix I - Revised Governance Charter marked to show proposed changes