

## Agenda Item

<b>Subject</b>	<b>Annual Review of Governance Compliance Statement</b>	<b>Status</b>	For Publication
<b>Report to</b>	Audit and Governance Committee	<b>Date</b>	07 March 2024
<b>Report of</b>	Head of Governance		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Jo Stone Head of Governance	<b>Phone</b>	01226 666418
<b>E Mail</b>	<a href="mailto:jstone@sypa.org.uk">jstone@sypa.org.uk</a>		

### **1 Purpose of the Report**

- 1.1 To seek the Audit & Governance Committee's review of the annual update of the Governance Compliance Statement for 2024 and recommendation if its adoption to the Authority.

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### **2 Recommendations**

- 2.1 Committee Members are recommended to:
- a. Approve the Governance Compliance Statement at Appendix A.**

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### **3 Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objective:

#### **Effective and Transparent Governance**

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

- 3.2 The contents of this report are part of the arrangements in place to ensure good governance.

### **4 Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report relate to actions that will contribute to addressing risks around regulatory compliance.

### **5 Background and Options**

- 5.1 Section 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 Authority's statement, following its annual review, is at **Appendix A**. There have been no fundamental changes made because of this review. The statement has been re-formatted throughout to improve its presentation, a small number of substantive updates to the text have been made to reflect minor changes made to the arrangements in the year and to provide some further detail on the support provided for member knowledge and understanding.
- 5.4 It is anticipated that more significant changes will be required when the regulatory changes arising from the Good Governance Review are enacted. In the meantime, an independent review of the Authority's governance arrangements is in progress to be concluded in June 2024 and the results of this will inform the next annual update of this Statement.
- 5.5 The Local Pension Board were provided the opportunity to consider the Statement and comment upon and recommend any changes to the Audit & Governance Committee. The Local Pension Board requested that the Statement be updated to include the detail of the role and functions of the Board in the Authority's governance arrangements, and this has now been added (along with a link to the Board's Constitution available on the Authority's website) at paragraph 2.8 in Appendix A. This has been highlighted in red as a tracked change for ease of reference for the Committee's review.
- 5.6 As part of the overall assurance gathering process associated with the Annual Governance Statement, it is appropriate that the Audit & Governance Committee consider the Statement and, if content, recommend its approval to the Authority at its next meeting.
- 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	The Governance Compliance Statement ensures the Authority complies with its obligations under s.55(1) of the Local Government Pension Scheme Regulations 2013.
Procurement	None.

**Jo Stone**

**Head of Governance & Monitoring Officer**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>