## Border to Coast Joint Committee

**Date of Meeting:** 9th July 2025

**Report Title:** Joint Committee Arrangements and Partner Fund Non Executive Directors

**Report Author:** George Graham (for Officer Operations Group)

### 1.0 Executive Summary:

1.1 This report makes revised proposals for the arrangements for the election of Partner Fund Nominated Non-Executive Directors and potential elections for Joint Committee roles because of the Government's decision about the future of two pools which will potentially lead to a change in the number of funds participating in the Partnership.

### 2.0 Recommendation:

2.1 It is recommended that:

a) The Joint Committee recommend to the Company's Board the extension of Cllr David Coupe's term as a Non-Executive Director by 12 months.

b) The Joint Committee approve the arrangements set out in para 4.2 for managing the initial integration of any new partners into the work of the Joint Committee.

### 3.0 Changes in Circumstances and Rationale for Change

3.1 The Joint Committee approved arrangements for elections to the two Partner Fund nominated Non-Executive Director roles at its last meeting. Subsequently the Government announced that the ACCESS and Brunel Pensions Partnership pools would not be allowed to continue and that the 21 funds belonging to these pools should find a new pool and complete the necessary shareholder agreements by March 2026. Border to Coast is one of the pools able to admit new members and has been approached by a number of these funds as part of their due diligence process. An update on these discussions is provided elsewhere on the confidential part of the agenda.

3.2 Officers have been discussing how to manage the transition to a potentially larger new partnership and the importance of ensuring that any new partners do not feel excluded within the Partnership's governance arrangements creating a "them and us" situation. Such inclusiveness which promotes collaboration has been a significant contributor to the success of Border to Coast. As a result, revised proposals for the arrangements for elections to the Non-Executive Director roles are being brought forward together with outline proposals for the operation of the Joint Committee during any transition to a new partnership.

## 4.0 Proposed Revised Arrangements

4.1 In order to provide new partner funds with the opportunity to be involved in the process of selecting Partner Fund Nominated Non-Executive Directors at the earliest possible opportunity it is now proposed to conduct an election for only one role in this cycle and to extend the other role for a period of one year. In addition to facilitating the involvement of new partners this approach has the benefit of placing the two roles on different electoral cycles which will assist with Board continuity for the operating company. The Government is also proposing to issue new guidance on shareholder governance, and this will allow the implications of this to be considered as necessary. The Company's Board is supportive of this approach and Cllr David Coupe has indicated a willingness to have his current role extended. Should the Joint Committee agree to this approach an election process will be undertaken immediately following this meeting for the other role. Should the election of a NED result in a vacancy for one of the Joint Committee office holders the necessary arrangements will need to be resolved at the September meeting of the Joint Committee.

4.2 There will be a process running from September 2025 to March 2026 which will result in a transition from the current Joint Committee to a new Joint Committee including any new partners which will be governed by a new Inter-Authority Agreement. At the same time a number of functions which the current Joint Committee undertakes will need to continue. However, it will be important during this period to involve new partners in some elements of the work of the Joint Committee, such as influencing the shape of the new services to be provided by the Operating Company, and the annual review of the Responsible Investment policy. As any new partners cannot formally participate in the Joint Committee until the Joint Committee has been reconstituted under the new Inter-Authority Agreement it is proposed that an approach along the following lines which builds on experience prior to the formal establishment of the current Joint Committee.

a) The Joint Committee will continue to meet as scheduled to consider a limited range of business including annual proposition reviews and updates on responsible investment which relate to the operation of the current partnership. It will also need to formally approve the responsible investment policies in the usual way.

B) An informal working group will be constituted which comprises the members of the Joint Committee together with the Chairs (or other representatives) of any new partner funds which will deal with issues concerned with the transition to the new partnership including the design of new services. Ordinary meetings of this group would take place on the same day and at the same venue as the Joint Committee, which will help establish relationships across the new partnership. This group may need to meet more frequently than the Joint Committee and because it is not constituted as a Joint Committee will be able to do so virtually if necessary. It is suggested that the Chair of the Joint Committee act as Chair for this group with a Vice Chair being drawn from amongst any new partners.

4.3 There are a range of further practical issues that will need to be addressed if this approach is followed including venues for the Joint Committee / Working Group as the current venue is already over-crowded and is not suitable for holding a larger meeting. Additionally, any new partners will change the geographic balance of the partnership, and it will be important to facilitate arrangements which maintain the current high level of in person interaction between Joint Committee members. Officers will consider this over the summer with a preference for using a Council Chamber at one of the partner councils which could facilitate the webcasting of the public parts of future Joint Committee meetings, subject to budget.

4.4 Once the shape of the new partnership is clear there will be further issues to be considered such as how to ensure scheme member representation in a way which is inclusive of new partners and the secretariat arrangements for the Joint Committee. At this stage no work has been done on these matters, but they will be an important part of early discussions with new partners.

## 5.0 Recommendation

5.1 It is recommended that:

a) The Joint Committee recommend to the Company's Board the extension of Cllr David Coupe's term as a Non-Executive Director by 12 months.

b) The Joint Committee approve the arrangements set out in para 4.2 for managing the initial integration of any new partners into the work of the Joint Committee.

## Report Author:

George Graham

ggraham@sypa.org.uk

01226 666439

## Further Information and Background Documents:

None