

## **Governance Compliance Statement**

### **1 Introduction**

This Governance Compliance Statement document sets out how governance of the Pension Fund operates in Haringey. It is prepared in accordance with paragraph 55 of the Local Government Pension Scheme Regulations 2013 and the associated statutory guidance issued by the Department for Communities and Local Government.

The objective of the Governance Compliance Statement is to make the administration and stewardship of the scheme more transparent and accountable to the stakeholders.

### **2 Council delegation**

Haringey Council, in its role as Administering Authority, has delegated responsibility for administering the Local Government Pension Scheme to the Pensions Committee and Board. The terms of reference for the committee were adopted by the Council in 2017, are included in the Council's constitution and are set out in the section below:

### **3 Terms of reference**

The responsibilities for Pensions Committee and Board are set out below from the terms of reference for the committee:

- a. all the functions which are stated not to be the responsibility of The Executive in Regulation 2 and Schedule 1 paragraph H of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) and in any Statute or subordinate legislation further amending these Regulations relating to those matters concerning the Local Government Pension Scheme.
- b. Exercising all the Council's functions as "Administering Authority" and being responsible for the management and monitoring of the Council's Pension Fund and the approval of all relevant policies and statements. This includes:
  - i. Selection, appointment and performance monitoring of investment managers, AVC scheme providers, custodians and other specialist external advisers;
  - ii. Formulation of investment, socially responsible investment and governance policies and maintaining a statement of investment principles and funding strategy statement;
  - iii. Determining the allocation of investments between each asset class;
  - iv. Reviewing specialist external advisers performance;
  - v. Publicising statements and policy documents as required by legislation, government directives and best practice.
- c. Monitoring and as appropriate to decide upon Pensions Administration issues.

- d. Monitoring the Pension Fund Budget including Fund expenditure and actuarial valuations; and to receive the Pension Fund Budget annually.
- e. Agreeing to the admission of bodies into the Council's Pension scheme.
- f. Receiving actuarial valuations.
- g. Ensuring that members receive appropriate training to undertake their responsibilities.
- h. Approving the Annual Accounts of the Local Government Pension Scheme and consider recommendations from the Auditor.
- i. To secure, and to assist in securing compliance with:
  - i. the Regulations,
  - ii. and any other legislation relating to the governance and administration of the Scheme and any connected scheme,
  - iii. any requirements imposed by the Pensions Regulator in relation to the Scheme and any connected scheme, and
- j. To ensure, and to assist in securing the effective and efficient governance and administration of the Scheme and any connected scheme.

#### **4 Membership of Committee**

The Committee's membership is made up of six elected members of Haringey Council and two employee and two employer representatives.

#### **5 Compliance with statutory guidance**

The Council is fully compliant with the statutory guidance issued by the Department for Communities and Local Government in 2008. Annex 1 details this compliance in each area of the guidance.

#### **6 Local Pension Board**

The Local Government Pension Scheme Regulations 2013 (paragraph 53 (4)) requires the Council to establish a Local Pension Board to assist the Pensions Committee. The Council applied under paragraph 106(2) of the Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 to operate a combined Board and Committee, this request was approved, and the joint Pensions Committee and Board is now fully operational.

## Annex 1: Compliance with Statutory Guidance

<p><b>A. Structure</b></p> <p>a) <i>The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing council.</i></p> <p>b) <i>That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.</i></p> <p>c) <i>That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.</i></p> <p>d) <i>That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.</i></p>
<p><u>Haringey position</u> Fully compliant.</p> <p>The terms of reference for Pensions Committee and Board are clear that administration of benefits and strategic management of fund assets are part of the remit. In addition to elected members, there are members on the Committee representing Scheduled &amp; Admitted Bodies, Active members and Pensioners. There is no secondary committee dealing with pension issues.</p>
<p><b>B. Representation</b></p> <p>a) <i>That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include:-</i></p> <p><i>i) employing authorities (including non-scheme employers, e.g. admitted bodies);</i></p> <p><i>ii) scheme members (including deferred and pensioner scheme members);</i></p> <p><i>iii) independent professional observers, and</i></p> <p><i>iv) expert advisers (on an ad-hoc basis).</i></p> <p>b) <i>That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision making process, with or without voting rights.</i></p>
<p><u>Haringey position</u> Fully compliant.</p> <p>In addition to elected members, there are four employer and employee positions on the committee representing Scheduled &amp; Admitted Bodies, Active members and Pensioners. Independent and expert advisers attend as required by the Committee. All members of the committee have equal voting rights and access to all of the same papers, meetings and training.</p>
<p><b>C. Selection and role of lay members</b></p> <p><i>That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.</i></p>
<p><u>Haringey position</u> Fully compliant.</p> <p>The terms of reference for the Pensions Committee and Board sets out the role and function of the Committee in relation to Pensions. This is supplemented by induction training offered to all new members of the Committee. Training is reported on at every meeting, members of the committee are actively encouraged to complete wider training sessions, as well as those organised for committee members prior to committee meetings.</p>

<b>D. Voting</b>
<i>The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees.</i>
<u>Haringey position</u> Fully compliant. The policy regarding voting rights is clearly set out and all members of the Pensions Committee and Board have equal voting rights. The nature of the decision making by the committee is such that almost all decision making is done by a reached consensus among the group of committee members, rather than by voting.
<b>E. Training, Facility time, Expenses</b>
a) <i>That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.</i> b) <i>That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels or any other form of secondary forum.</i>
<u>Haringey position</u> Fully compliant. There is a clear policy on reimbursement of expenses for elected members of the Pensions Committee and Board. All members of the committee, have equal access to training.
<b>F. Meetings (frequency/quorum)</b>
a) <i>That an administering authority's main committee or committees meet at least quarterly.</i> b) <i>That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.</i> c) <i>That administering authorities who do not include lay members in their formal governance arrangements, provide a forum outside of those arrangements by which the interests of key stakeholders can be represented.</i>
<u>Haringey position</u> Fully compliant. The committee meets at least four times a year (recently this has been five times per annum). Additional formal or informal e.g. training meetings or manager selection days are held when necessary.
<b>G. Access</b>
<i>That subject to any rules in the Council's constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.</i>
<u>Haringey position</u> Fully compliant. All members of the committee have equal access to all papers, documents and advice.
<b>H. Scope</b>
<i>That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.</i>
<u>Haringey position</u> Fully compliant. The Pensions Committee and Board's terms of reference include the wide range of

pension's issues – investment, funding, administration, admission and budgeting.
<b>I. Publicity</b>
<i>That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed can express an interest in wanting to be part of those arrangements.</i>
<u>Haringey position</u> Fully compliant. The Governance Compliance Statement is circulated to all employers in the Pension Fund and published on the Council's website.