

<b>Report to:</b>	Pension Committee	<b>Date:</b>	18 December 2017
<b>Report title:</b>	Pension Governance Update		
<b>Report from:</b>	Gerald Almeroth, Strategic Director – Resources		
<b>Ward/Areas affected:</b>	Borough Wide		
<b>Chair of committee:</b>	Councillor Sunita Gordon		
<b>Author(s)/Contact Number(s):</b>	Lyndsey Gamble, Head of Investment, Risk and Commercial Finance, 0208 770 5358		
<b>Corporate Plan Priorities:</b>	<ul style="list-style-type: none"> <li>• A Smart Council</li> </ul>		
<b>Open/Exempt:</b>	Open		
<b>Signed:</b>		<b>Date:</b>	06 December 2017

## 1. Summary

- 1.1 This report provides an update for the Committee on the progress against the action plan arising from the governance review recommendations agreed by the Pension Committee on 5 September 2016.

## 2. Recommendations

The Pension Committee is recommended to:

- 2.1 Consider and note the progress on the updated governance action plan as set out in Appendix A.

## 3. Background

### Governance Review

- 3.1 On 6 July 2016 the Pension Board received a report from John Raisin, an independent advisor, following a review of governance arrangements within the pension fund. The report made a number of recommendations for consideration. These recommendations were then presented and discussed at Pension Committee on 5 September 2016. The Committee accepted the report and agreed an action plan be produced.
- 3.2 An action plan was produced that addressed each recommendation made within the report. The plan sets out action to be taken, timescales, progress made already and the responsible officer / body. The recommendations have been given a low, medium or high priority and the proposed



timescales reflect this prioritisation. The plan has resulted in the majority of actions being completed by September 2017, a period of twelve months after they were presented to Pension Committee. There are a few outstanding items most of which are being addressed as part of the December Pension Committee. A final item relating to the review of fund policies, reporting, actions and activities against the Myners Principles is planned to be undertaken after a training session due to be delivered in December 2017. Given the number of recommendations officers have taken a pragmatic approach to the implementation of the recommendations balancing reporting to both the Committee and the Board and the resources and time available.

- 3.3 The majority of the recommendations have been implemented including changes to the Council Constitution (recommendation 1), changes to the compliance statement (recommendation 3), development of a reporting breaches policy (recommendation 4), making the committee and board aware of the CIPFA Knowledge and Skills Framework (recommendations 5 & 6), changes to the content and review of the risk register (recommendations 9 and 10) and development and reporting of the Funding Strategy Statement and Investment Strategy Statement (recommendations 11 and 12). Work related to some of the last few remaining recommendations such as consideration of the need for an independent advisor and the pension administration strategy are being brought to the Committee as part of this agenda.
- 3.4 In addition the pension fund risk register is being reviewed and updated at regular periods alongside the action plan.
- 3.5 Now that the action plan is largely completed, the Pension Board have requested that John Raisin undertakes a further review of the revised governance arrangements. It is planned to start this short review early in 2018.

**4. Impacts and Implications**

Financial

- 4.1 There are no direct financial implications arising from this report.

Legal

- 4.2 There are no direct legal implications arising from this report.

**5. Appendices and Background Documents**

Appendix Letter	Title
A	Governance Action Plan

Background Documents
John Raisin Governance Review

<b>Audit Trail</b>		
Version	Final	Date: 30 November 2017
<b>Consultation with other officers</b>		
<b>Officer</b>	<b>Comments Sought</b>	<b>Comments checked by</b>
Finance	Yes	Lyndsey Gamble
Legal	N/A	N/A
Equality Impact Assessment Required?	No	N/A

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