

TEESSIDE PENSION FUND

Administered by Middlesbrough Council

AGENDA ITEM 12

PENSION FUND COMMITTEE REPORT

15 DECEMBER 2021

DIRECTOR OF FINANCE – IAN WRIGHT

GOVERNANCE POLICIES REVIEW

1. PURPOSE OF THE REPORT

- 1.1 To provide Members with updated versions of a number of governance policies for comment / noting as appropriate. This includes some policy updates which will be circulated to Pension Fund employers for further comment.

2. RECOMMENDATION

- 2.1 That Members note the report and provide any comments in respect of the updated policies.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no specific financial implications arising from this report.

4. UPDATED GOVERNANCE POLICIES

- 4.1 Most of the Pension Fund's governance policies are required to be formally updated every three years. This review is overdue for some policies, mainly as an overarching review of Local Government Pension Scheme (LGPS) governance has been expected for over a year now, as a follow-on from work carried out on behalf of the Scheme Advisory Board.

- 4.2 As there is still no certainty of when the expected revised regulations or guidance on LGPS governance will appear, and as internal audit has recommended the Fund should update the existing governance documents, the following documents have been reviewed and updated based on the existing regulations and guidance:

- Governance Policy & Compliance Statement
- Training Policy
- Conflict of Interest Policy
- Risk Management Policy
- Procedures for Reporting Breaches of Law
- Communication Policy
- Pension Administration Strategy and Charging Policy
- Fund Officers' Scheme of Delegation

4.3 The documents are enclosed as appendices A to H. Most of the changes made have been minor and cosmetic, with the exception of the Pensions Administration Strategy which has been substantially rewritten to make it a shorter, more usable document. Significantly, the Pensions Administration Strategy now also includes a Charging Policy setting out a range of possible charges that employers could incur if they fail to comply with requirements in the Pensions Administration Strategy and Charging Policy. The Charging Policy has been introduced following an internal audit recommendation. The intention is only to levy these charges as a last resort, the Fund and its administrator will always seek to work with employers to help them fulfil data exchange and other requirements.

5. NEXT STEPS

- 5.1 The Pensions Administration Strategy and Charging Policy will be sent to employers for consultation and will be brought back to the Committee for approval should substantive changes be made following that consultation.
- 5.2 The other governance policies will take immediate effect, subject to any comments from the Committee.

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