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## **GOVERNANCE POLICY AND COMPLIANCE STATEMENT 2018**

**Report by Chief Financial Officer**

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### **JOINT MEETING OF PENSION FUND COMMITTEE AND PENSION FUND BOARD**

**13 June 2019**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report proposes the revised Governance Policy and Compliance Statement for the Scottish Borders Council Pension Fund (the Pension Fund) following implementation of the 2015 regulatory changes. It also requests approval of the Governance Compliance Statement for inclusion in the Pension Fund's Annual Report and Accounts 2018/19.**
- 1.2 Appendix 1 contains the revised Governance Policy and Compliance Statement for the Pension Fund.
- 1.3 The Governance Compliance Statement is included in Appendix B to the policy and demonstrates that the Pension Fund is in full compliance with the best practice guidance.

#### **2 RECOMMENDATIONS**

- 2.1 It is recommended that the revised Governance Policy and Compliance Statement 2019 is approved and the Governance Compliance Statement is agreed for inclusion in the Pension Fund Annual Report and Accounts 2018/19.**

### **3 BACKGROUND**

- 3.1 It is a requirement of the LGPS Regulations that the Pension Fund maintains a Governance Policy and Compliance Statement.
- 3.2 The Public Services Pension Act 2013 introduced the requirement for Pensions Boards and the Council approved the constitution for the Fund's Pension Board on 2 April 2015.
- 3.3 At the same meeting the Council approved changes to the Scheme of Administration which introduced the requirement for the Pension Board and Pension Fund Committee to have joint meetings and for the introduction of a Pension Fund Investment & Performance Sub-Committee. These changes were fully reflected in the Governance Policy and Compliance Statement approved previously.

### **4 GOVERNANCE POLICY AND COMPLIANCE STATEMENT**

- 4.1 A review of the Governance Policy was undertaken and resulted in only minor changes. The revised Policy and Statement are contained in Appendix 1.
- 4.2 Section 2 Regulatory Framework has been updated to reflect the Local Government Pension Scheme (Scotland) Regulations 2018.
- 4.3 Para 7.1 has been updated to reflect the appointment of Hyman Robertson as the Funds actuary.

### **5 IMPLICATIONS**

#### **5.1 Financial**

There are no financial implications relating to this proposal.

#### **5.2 Risk and Mitigations**

This report is part of the governance framework to manage the operation of the Pension Fund and reflects the compliance with the best practice recommendations.

#### **5.3 Equalities**

An Equalities Impact Assessment has been carried out on this proposal and it is anticipated that there are no adverse equality implications.

#### **5.4 Acting Sustainably**

There are no direct economic, social or environmental issues with this reports which would affect the Council's sustainability.

#### **5.5 Carbon Management**

There are no direct carbon emissions impacts as a result of this report.

#### **5.6 Rural Proofing**

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

#### **5.7 Changes to Scheme of Administration or Scheme of Delegation**

There are no changes to the Scheme of Administration or the Scheme of Delegation required as a result of this report.

## 6 CONSULTATION

- 6.1 The Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted on the report and their comments have been fully incorporated to the report.

### Approved by

**David Robertson**  
**Chief Financial Officer**

**Signature .....**

### Author(s)

| Name        | Designation and Contact Number               |
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| Kirsty Robb | Pension and Investment Manager, 01835 825249 |

### Background Papers:

**Previous Minute Reference:** Pension Fund Committee, 14 June 2018

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Pension & Investments Team can also give information on other language translations as well as providing additional copies.

Contact us at Pension & Investments Team, Council Headquarters, Newtown St Boswells, Melrose, TD6 PSA  
Tel: 01835 825249  
email: [t&cteam@scotborders.gov.uk](mailto:t&cteam@scotborders.gov.uk)