

Report Title:	<b>Good Governance</b>
Contains Confidential or Exempt Information	No - Part I
Lead Member:	Councillor Simon Bond, Chairman Pension Fund Committee and Advisory Panel
Meeting and Date:	Pension Fund Committee and Advisory Panel – 19 June 2023
Responsible Officer(s):	Damien Pantling, Head of Pension Fund
Wards affected:	None

## **REPORT SUMMARY**

This report addresses several key documents prepared by the Fund that are not explicitly required by the Regulations and are thereby prepared and reported on as a matter of good governance in the LGPS.

Appendix 1 contains the Fund’s training framework for the 2023/24 financial year now that the new Pension Fund Committee members have been appointed. Appendix 2 contains an update of the Fund’s governance structure following recent personnel change.

### **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION: That the Pension Fund Committee notes the report;**

- i) Approves 2023/24 training framework; and**
- ii) Approves the revised governance structure chart**

### **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

2.1. For Pension Fund Committee and Advisory Panel members to appropriately undertake their duties as well as provide appropriate challenge and scrutiny on reports and recommendations, knowledge and understanding must be kept up to date. The Fund has in place a training framework guided by the Pensions Regulator’s 7 essential modules along with a suite of additional training resources set up and run either by officers or third parties. This framework is reviewed and refreshed annually in line with best practice and the revised training framework for 2023/24 is attached at Appendix 1 to this report.

2.2. In compliance with best practice and following a governance recommendation in the Hymans Robertson February 2021 “Good Governance: Phase 3 Report to SAB”, the Pension Fund Committee should prepare and publish a training log documenting all training attended by Committee members. As per the governance recommendation, this training log should be appended to the Governance Compliance Statement which is presented for approval by the Pension Fund Committee annually.

- 2.3. Backward looking training logs are usually approved along with the forward-looking training framework, however, this convention is not followed in 2023 due to the significant change in Committee personnel following the local elections. Training logs for 2022/23 were approved in March 2023 and appended to the Governance Compliance Statement, the training plan for 2023/24 is presented for approval as Appendix 1 to this June 2023 report.
- 2.4. There have been some significant changes since the governance structure chart for the Royal County of Berkshire Pension Fund was last presented in March 2022, with a change in officers filling key senior posts, along with changes to the Committee and Advisory Panel members following the local elections. Appendix 2 summarises the governance structure of the Fund and shall be kept up to date by officers, only presenting as part of a Committee report if and when there are more significant changes in future.

### **3. KEY IMPLICATIONS**

- 3.1. Maintaining a suite of non-statutory policies and acting upon the recommendations of various good governance reviews by third parties ensures that the Pension Fund is maintained as a well governed scheme. Regular reviews of these policy and framework documents, such as those appended to this report, ensures that the officers and Committee Members running the Pension Scheme are acting in line with best practice and making well informed decisions on behalf of the Administering Authority, scheme employers and scheme members.

### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1. Training and development budgets were set as part of the 2023/24 business plan approved in March 2023.

### **5. LEGAL IMPLICATIONS**

- 5.1. None

### **6. RISK MANAGEMENT**

- 6.1. A detailed risk register is brought to the Committee quarterly for review and approval, the risks associated with poor governance are detailed in the register and a relevant mitigation action is to improve governance processes such as the publication of this report and its relevant appendices.
- 6.2. The risk of poor, little or no budget management is mitigated through advanced approval of a controllable budget that was delegated as appropriate to the budget holder from March 2023.

## 7. POTENTIAL IMPACTS

- 7.1. Failure to comply with pension legislation could result in the Administering Authority being reported to the Pensions Regulator where failure is deemed to be of a material significance.
- 7.2. Equalities. An Equality Impact Assessment has been completed for this report. The Equality Act 2010 places a statutory duty on the council to ensure that when considering any new or reviewed strategy, policy, plan, project, service, or procedure the impacts on particular groups, including those within the workforce and customer/public groups, have been considered. There are no EQIA impacts as a result of taking this decision. Equality Impact Assessments are published on the [council's website](#)
- 7.3. Climate change/sustainability: N/A
- 7.4. Data Protection/GDPR. GDPR compliance is included as a specific risk on the register in regard to processing and handling personal data, this is dealt with in the appendix along with the relevant mitigations.

## 8. CONSULTATION

- 8.1. Committee Members were consulted upon preparation of the training framework.

## 9. TIMETABLE FOR IMPLEMENTATION

- 9.1. Ongoing.

## 10. APPENDICES

- 10.1. This report is supported by 2 Appendices:
- Appendix 1 – 2023/24 Training Framework
  - Appendix 2 – Governance structure chart – June 2023

## 11. BACKGROUND DOCUMENTS

- 11.1. This report is supported by 0 background documents:

## 12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officers (or deputy)</i>			
Andrew Vallance	Head of Finance (Interim S151 Officer)	05/06/2023	

Emma Duncan	Head of Law and Governance (Interim monitoring officer)	<b>05/06/2023</b>	
<i>Deputies:</i>			
Jane Cryer	Principal Lawyer (Litigation) and Deputy Monitoring Officer	<b>05/06/2023</b>	
TBC			
<i>Other consultees:</i>			
Cllr Simon Bond	Chairman – Berkshire Pension Fund Committee	<b>02/06/2023</b>	
Alan Cross	Chairman – Local Pension Board	<b>02/06/2023</b>	

### 13. REPORT HISTORY

<b>Decision type:</b>	<b>Urgency item?</b>	<b>To follow item?</b>
Pension Fund Committee decision	Yes/No	Yes/No

Report Author: Damien Pantling, Head of Pension Fund
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## TRAINING FRAMEWORK FOR BERKSHIRE PENSION FUND COMMITTEE AND ADVISORY PANEL MEMBERS (2023/24)

### 1. Introduction

Pension Fund Committee and Advisory Panel Members must ensure that their knowledge and understanding of the rules, regulations and laws governing LGPS funds are kept up to date. Regular training must be made available to enable decision makers to undertake their duties appropriately, to make informed decision as well as provide necessary challenge on various RCBPF decisions that are required to be taken by the Pension Fund Committee under the Administering Authority's constitution.

In compliance with best practice for good governance, a training framework is presented for approval by the Pension Fund Committee. This framework is reviewed annually focussing on essential training along with additional areas of training and development, it is recommended that decision makers undertake all essential and at least some additional training sessions.

Pension Fund Committee and Advisory Panel members are required to keep a record of their training, which is collated into a training log and published as an appendix to the annual governance compliance statement following advice provided by in the Hyman Robertson Good Governance: Phase 3 Report to the SAB.

### 2. Core Essential Training

The Pension Regulator's (tPR) public service pensions toolkit contains seven modules that must be completed at least once by Pension Fund Committee and Advisory Panel members and should be revisited on a regular basis or as and when members feel there are possible gaps in the knowledge and understanding required to undertake their decision making duties.

<b>Training Item</b>	<b>Description</b>	<b>Source</b>	<b>Further Information</b>
Conflicts of interest	Learn what conflicts of interest are, how important it is to be aware of them and their potential impact	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>
Managing risk and internal controls	Learn how to identify, evaluate, manage and monitor scheme risks. You will also learn about internal controls to mitigate risk.	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>
Maintaining accurate member data	Learn about the requirement for maintaining complete and accurate member data. You will also learn about other records that must be kept.	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>
Maintaining member contributions	Learn about the requirement to monitor member contributions and how to manage overdue contributions.	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>
Providing information to members and others	Learn about the information different types of schemes are required to provide.	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>
Resolving internal disputes	Learn about the requirement for schemes to have an Internal Dispute Resolution Procedure (IDRP).	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>
Reporting breaches of the law	Learn about the requirement to report certain breaches of the law to the Regulator. You will also learn about the traffic light framework.	tPR Public Service toolkit	<a href="https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes">https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes</a>

### 3. Additional Training

#### Investment matters

Presented for approval: 19 June 2023

Last approved: 4 July 2022

In between quarterly Pension Fund Committee meetings, the Local Pensions Partnership (Investments) Limited (LPPI) attend a meeting with Fund officers and Committee members (intra-quarter meetings). The agenda is often focussed on upcoming matters for discussion and approval at the upcoming Committee meeting. Since September 2021, where possible this forum has incorporated a training session consistent with the main topic of discussion/decision at the upcoming Committee meeting. Examples of what has been covered recently includes (but not limited to); SAA training, currency hedging training, real-assets portfolio training, risk appetite statement metric training, responsible investment and climate risk training. The intention is for this process to continue through 2023/24, Committee and Advisory Panel members are advised to attend these sessions where possible and to suggest specific topics for training where possible.

### **Funding matters**

At least quarterly, Fund officers hold a general training and update session with technical matters usually presented by the Fund's actuary Barnett Waddingham. Examples of sessions delivered by the actuary recently include (but not limited to); technical training on actuarial matters (such as discounting, funding etc.), funding and contributions training at the annual meeting, and longevity contract training. These training sessions plan to continue through 2023/24, either as standalone items or during Committee pre-meetings. Committee and Advisory Panel members are advised to attend these sessions where possible.

### **General and other matters**

In addition to the training sessions summarised above, third parties whereby the Fund hold existing relationships (actuary, investment managers, custodian bank, LAPFF, PLSA, SAB etc.) may be contacted from time to time to provide specialist and bespoke training on a wide range of matters to a wide variety of audiences (for example at the fund AGM or employer meeting). Adhoc training matters may include general LGPS overviews or subject specific matters such as asset valuation, IAS19/FRS102 accounting reports, responsible investment and climate risk. Where training sessions are already provided and diarised by third parties, these details will be communicated to Committee/Advisory-Panel members by officers as soon as practical to encourage attendance.

From time-to-time, Fund officers may arrange for external third parties to attend a smaller group session to provide training on a specific matter. This will largely be on an ad-hoc basis where Committee, Advisory Panel or Fund officers feel that there is a current knowledge gap in this area and/or specific training is required before a decision can comfortably be taken. Generally, the Fund will look to use existing relationships, but external parties may be contacted if better suited for the provision of such training.

The Fund's two independent advisors (independent investment advisor and independent strategy and governance advisor) may be asked on an adhoc basis to provide a training session on a particular matter or issue where it is felt there is a knowledge gap.

Pension Fund Committee and Advisory Panel members may from time to time attend in-person and virtual conferences, seminars and forums. These events usually contain several useful training sessions on general and specific matters. Attendance to these sessions is encouraged and where not explicitly arranged by Fund officers, should be independently recorded in members' training logs or attendance details provided to officers.

## **4. Budget**

Training and development is seen as a crucial part of Committee and Advisory Panel members being equipped with the right knowledge and skills to be able to effectively undertake their duties and take decisions. Therefore, training and development resources, where reasonable, will be made available by the Fund and paid for out of existing administrative budgets. For 2023/24, the £1.033m third-party expenses budget contains an £0.080m contingency which has been ringfenced for fund Governance, Training and Development activities and all training activities are expected to be managed within this budget. All training expenditure should be agreed in writing by the Head of Pension Fund as delegated budget manager.

## NATIONAL LEVEL

### HM TREASURY



**SECRETARY OF STATE FOR THE DEPARTMENT FOR LEVELLING UP, HOUSING AND COMMUNITIES (DLUHC)**  
**(The 'Responsible Authority' as defined in The Public Service Pensions Act 2013)**



### SCHEME ADVISORY BOARD

## LOCAL LEVEL

#### Administering Authority ('Scheme Manager')

Royal Borough of Windsor & Maidenhead

*Responsible for managing and administering the Scheme in relation to any person for which it is the appropriate administering authority under the Local Government Pension Scheme Regulations.*

*There is no separate legal distinction between the Administering Authority and the Pension Fund. The Fund does not operate under a trust arrangement and is effectively classed as a ringfenced reserve fund of the Administering Authority. Committee members are not trustees despite fulfilling a similar role to that of a corporate trustee.*

#### Berkshire Pension Fund Committee

##### 5 RBWM Elected Members

- Cllr. Simon Bond (Chair)
- Cllr. Wisdom Da Costa (Vice-Chair)
- Cllr. Neil Knowles
- Cllr. Asghar Majeed
- Cllr. Julian Tisi



The 5 Committee Members have voting rights.

There are 5 substitute members that may attend in the absence of any of the voting Committee members.

#### Berkshire Pension Fund Advisory Panel

*To consider and make recommendations to the Berkshire Pension Fund Committee on all Pension Fund matters.*

- Cllr. TBC (Slough BC)
- Cllr. TBC (Reading BC)
- Cllr. Stephen Newton (Wokingham BC)
- Cllr. TBC (West Berkshire Council)
- Cllr. Steve O'Regan (Bracknell Forest Council)

The Advisory Panel has no voting rights.

#### Local Pension Board

*Responsible for assisting the Administering Authority in securing compliance with the LGPS Regulations, other legislation relating to governance and administration and the requirements imposed by the Pensions Regulator.*

##### Scheme Employer Representatives:

- Nikki Craig (RBWM)
- Arthur Parker (Bracknell Forest Council)
- Julian Curzon (Haybrook College)

##### Scheme Member Representatives:

- Alan Cross (Deferred Member) (Chair)
- Jeff Ford (Retired Member)
- Vacant

#### Investment Manager:

##### Local Pensions Partnership (Investments) Ltd

*Appointed by the Administering Authority as the Investment Manager of all Pension Fund assets ('investments') through an Advisory and Management Agreement effective from 1 June 2018 (in line with the Government's objective to 'pool' Local Authority Pension Funds in England and Wales).*

#### Actuary:

##### Barnett Waddingham

*Appointed by the Administering Authority as the Independent Actuary, responsible for calculating how much Scheme employers should pay into the Scheme, for undertaking a Triennial valuation, producing IAS19/FRS102 accounting reports for scheme employers and other adhoc actuarial matters.*

#### Custodian:

##### Northern Trust

*Appointed by the Administering Authority as the global custodian, responsible for the safekeeping of the Fund's investment assets, production of Fund performance data, trade settlement and income collection, tax reclaims and other global custody services from time to time.*

#### Pension Fund Senior Officers

- Andrew Vallance, Interim s.151 Officer
- Damien Pantling, Head of Pension Fund
- Philip Boyton, Deputy Head of Pension Fund
- VACANT, Pensions Admin Manager
- Patrick Osei, Fund Accountant