

Report of: Corporate Director of Resources

| Meeting of: | Date | Agenda item | Ward(s) |
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| Pensions Board | 23 rd March 2021 | | n/a |

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| Delete as appropriate | Non-exempt |
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SUBJECT: SCHEME ADVISORY BOARD(SAB) -LGPS GOOD GOVERNANCE REVIEW RECOMMENDATIONS

1. Synopsis

- 1.1 This is an information report to update Members on the Good Governance Review published by the Scheme Advisory Board (SAB), which builds on the phase I and phase II reports published in 2019. The SAB Chair has now written to MHCLG to ask them to implement the recommendations either via revised guidance or regulations. Alongside this SAB have put forward an action plan to support best practice governance building on the recommendations of the review.

2. Recommendations

- 2.1 To note the final report published by the SAB via link
[Good Governance Final Report February 2021.pdf \(lgpsboard.org\)](https://lgpsboard.org/Good_Governance_Final_Report_February_2021.pdf)
- 2.2 To note the action plan also prepared by SAB and sent to MHCLG to support best practice governance building on the recommendations of the review (attached as Appendix 1).
- 2.3 To agree to receive a further report in September to consider some of the recommendations and its implementation for our Fund.

3. Background

- 3.1 The Scheme Advisory Board accepted the proposals in the Good Governance report Phase 2, on 3 February 2020 after phase 1 reports were published in 2019 and requested that the

project team and working groups provide further detail on the implementation of these proposals. The final report was published by the SAB in February 2021. The SAB Chair has now written to MHCLG to ask them to implement the recommendations either via revised guidance or regulations. Alongside this, SAB have put forward an action plan to support best practice governance building on the recommendations of the review attached as Appendix 1. The action plan consists of formal requests from the SAB to MHCLG and other bodies to implement the recommendations from the project together with actions for the SAB which are either dependant on or regardless of the outcome of those requests.

- 3.2 The main proposals and recommendations cover; general guidance, conflict of interest, representation, knowledge and understanding, service delivery of LGPS function and compliance and improvement. The full report is available on SAB website; [Good Governance Final Report February 2021.pdf \(lgpsboard.org\)](https://lgpsboard.org/Good_Governance_Final_Report_February_2021.pdf)
- 3.3 Members are asked to consider the final report and the action plan attached as Appendix 1 and receive a further report on the implementation of the recommendations.

4. Implications

4.1 Financial implications

None applicable to this report.

4.2 Legal Implications

None applicable to this report.

4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

None applicable to this report. Environmental implications will be included in each report to the Pension Board Committee as necessary. The current agreed investment strategy statement for pensions outlines the policies and targets set to April 2022 to reduce the current and future carbon exposure by 50% and 75% respectively compared to when it was measured in 2016 and also invest 15% of the fund in green opportunities. The link to the full document is <https://www.islington.gov.uk/~media/sharepoint-lists/public-records/finance/financialmanagement/adviceandinformation/20192020/20190910londonboroughofislingtonpensionfundinvestmentstrategystatement.pdf>

4.4 Resident Impact Assessment:

The Council must, in carrying out its functions, have due regard to the need to eliminate unlawful discrimination and harassment and to promote equality of opportunity in relation to disability, race and gender and the need to take steps to take account of disabilities, even where that involves treating the disabled more favourably than others (section 49A Disability Discrimination Act 1995; section 71 Race Relations Act 1976; section 76A Sex Discrimination Act 1975."

- 4.4.1 An equalities impact assessment has not been conducted because this report is seeking opinions on a government policy document and therefore no specific equality implications arising from this report.

5. Conclusion and reasons for recommendations

- 5.1 Members are asked to note the final report published by the SAB and the action plan sent to MHCLG.

Background papers:

None

Final report clearance:

Signed by:



Corporate Director of Resources

Date 15 March 2021

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