

COMMITTEE	PENSIONS COMMITTEE
DATE	25 FEBRUARY 2008
TITLE	GOVERNANCE COMPLIANCE STATEMENT
AUTHOR	STRATEGIC DIRECTOR RESOURCES

1. In March 2006, the Gwynedd Pension Fund published its Governance Policy Statement, a copy of which is enclosed for ease of reference at Appendix A.
2. The Department for Work and Pensions have now issued regulations which also require Pension Funds to note in their written statement the extent to which the delegation of functions complies with guidance given by the Secretary of State and, to the extent that it does not do so, the reasons for not complying.
3. At Appendix B I have enclosed a draft of the statement which outlines the “guidance” given by the Secretary of State and the extent to which the Gwynedd Pension Fund complies with that guidance.
4. It seems from the guidance, that the Department seems to suggest that in terms of governance, and in particularly in terms of communication and understanding of governance issues, those stakeholders with greater interest in the Local Government Pension Scheme should be afforded an opportunity to comment on proposals and review issues relating to scheme governance on a more frequent basis than our current practice of having an Annual General Meeting would suggest.
5. At our meeting on 14 February 2007, it was resolved, upon discussion, that a consultation should take place in order to obtain the views of the key stakeholders on the matter.
6. Accordingly, we sent to the key stakeholders to ask their views on the attached Appendix B which is to be appended to the Governance Policy Statements, and also, in particular, whether they considered that a separate forum should be established with representations from a wider range of stakeholders than that currently afforded by having representatives from the two largest local authorities with non-voting representation on the Pensions Committee.
7. It was noted that the advantage of having a secondary forum would be consultative in nature would perhaps be greater awareness of the issues facing the Pension Committee and an ability to influence some of the Pensions Committee’s decisions.
8. The disadvantage would be a greater resource requirement (in terms of servicing such a forum), and in terms of the employers’ time in attending the forum.
9. It was noted that the relatively low attendance at the Pensions AGM does not suggest to me that there’s a great unmet need for information and change in policy

in relation to the Pension Fund, but it may well be that some stakeholders would welcome a more frequent visitation of pensions issues in order to ensure that their views are taken into consideration by the Pensions Committee when it considers various matters.

10. Any responses received will be reported orally to the Committee.