Havering
LONDON BOROUGH

PENSIONS COMMITTEE 11 November 2025

Subject Heading:	REVIEW OF GOVERNANCE COMPLIANCE STATEMENT
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Policy context:	Regulation 55(2) of the LGPS Regulations 2013 requires an administrative authority to keep this document under review
Financial summary:	No financial implications

The subject matter of this report deals with the following Council Objectives

People – Supporting our residents to stay safe and well	X
Place – A great place to live, work and enjoy	X
Resources – Enabling a resident-focused and resilient Council	X

SUMMARY

The London Borough of Havering, as an administering authority, has a duty to keep the Governance Compliance Statement under review and make revisions as appropriate. It also must publish a report outlining the extent of compliance against a set of best practice principles.

The Governance Compliance Statement and the extent of compliance checklist is set out in **Appendix A.**

RECOMMENDATIONS

That the committee:

1. Approve the amendments to the Governance Compliance statement as set out at para 2.2.
2. Consider and agree Governance Compliance Statement (**Appendix A**).

REPORT DETAIL

1. Background

1.1. Local Government Pension Scheme (LGPS) Regulations 2013 – Regulation 55

The LGPS Regulations 2013 (Regulation 55) as amended states that an Administering Authority must prepare a written statement setting out;

i. *(a) Whether the authority delegates its functions to a committee or an officer of the authority;*

   (b) If the authority does so –
   (in) the terms, structure and operational procedures of the delegation,
   (ii) the frequency of any committee meetings; and
   (iii) whether such a committee includes representatives of scheme employers or members, and if so, whether those representatives have voting rights.

   (c) the extent to which a delegation, or in the absence of a delegation, complies with guidance given by the Secretary of State, and if it does not comply, the reasons for not complying; and

   (d) details of the terms, structure and operational procedures relating to the establishment of a Local Pension Board.

ii. *An administering authority has a duty to keep the Governance Compliance Statement under review and make revisions as appropriate.*

iii. *Before revising a statement an administering authority must consult such persons as it considers appropriate, following a material change.*

iv. *The administering authority must publish its statement and any revised statement.*

2. Governance Compliance Statement (Appendix A)

2.1 The Governance Compliance Statement as set out in **Appendix A** has been prepared in line with the best practice principles published by the then Department of Communities and Local Government (DCLG) in 2008. Guidance includes a compliance table, which shows the extent to which the pension fund is compliant against best practice standards and where it is not.

2.2 Areas of non-compliance occur because the Fund does not operate a secondary committee or panel, therefore those sections are not applicable.

3. Key points for the committee to consider:

3.1 In line with regulations, before revising this statement an administering authority must consult such persons as it considers appropriate, following a material change. If approved, the Compliance Statement will be circulated to stakeholders for consideration. Comments will be brought back to the committee.

3.2 Listed below is the area where the authority is not fully compliant. It should be noted that the authority does not have to be fully compliant but where it is not the authority must state why.

Appendix A – Compliance Table, Structure
That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.

Appendix A – Compliance Table, Structure
That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.

Appendix A – Compliance Table, Meetings
That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.

For each of these the response is n/a as the Fund does not operate secondary committees or panels.

3.3 If necessary, the compliance statement will be amended after the committee meeting and consultation is completed. It will then be published on the Council's website.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no direct financial implications arising from this report. The review of the Governance Compliance Statement ensures that the London Borough of Havering as the administering authority is compliant with current regulations.

The Pensions Schemes Bill 2025 is expected to be passed before 31 March 2026. Government are working with both the SAB and the Pensions Regulator to develop the detail and will set that out in statutory guidance.

There is a risk that any changes required to meet the new recommended governance structures and practices may impact the Pension Fund budget.

Legal implications and risks:

The relevant legislation is set out in the main report.

The departures from guidance have been explained and are set out at paragraph 3.2 and therefore there is minimal legal risk in leaving the statement intact in that respect, although it is open to the Pensions Committee to suggest any changes if they think this is appropriate.

Human Resources implications and risks:

None arise from this report.

Equalities implications and risks:

An EHIA (Equality and Health Impact Assessment) has not been completed and is not required for this decision. The Council seeks to ensure equality, inclusion, and dignity for all. There are no equalities and social inclusion implications and risks associated with this decision.

BACKGROUND PAPERS

Background Papers List

None