

Wiltshire Pension Fund Governance Compliance Statement

The Fund is required to publish a compliance statement under Regulation 55 of the Local Government Pension Scheme Regulations 2013.

In accordance with this requirement, the table below is the Fund's assessment of its compliance with those standards categorised by nine principles;

- Principle A – Structure
- Principle B – Representation
- Principle C – Selection & role of lay members
- Principle D – Voting
- Principle E – Training
- Principle F – Meetings
- Principle G – Access
- Principle H – Scope
- Principle I – Publicity

In addition to the nine required principles the Wiltshire Pension Fund Committee has included two further principles reflecting the changes to the Fund's structure since 2013 and in the interests of best practice. These are;

- Principle J – Assignments & delegations
- Principle K – Reporting

Under section 101 of the Local Government Act 1972, a local authority can delegate their statutory functions to the Council's committees, sub-committees or to officers. This delegation is laid out in Part 3B of Wiltshire Council's Constitution and the existing governance arrangements* of the Fund are provided for using the following structure;

- Pensions Committee – the role and responsibilities of which are set out in its own terms of reference within the Council's Constitution under Part 3B paragraph 2.7 and Protocol 2A;
- Local Pension Board – the role and responsibilities of which are set out in the Council's Constitution under Part 3B paragraph 7 and Protocol 2B (effective April 2015);
- Brunel Pension Partnership (BPP)** – an FCA regulated investment pooling company with its own governance structure in which the Fund seeks to integrate its own governance arrangements. The Administering Authority on behalf of the Fund has four distinct areas of relationship with the BPP, the first two of which are outlined within this compliance statement (effective April 2018). These areas of relationship are;
 - 1) Shareholder – The role and responsibilities of which are set out in a Shareholder Agreement dated 13 July 2017;
 - 2) Client – The role and responsibilities of which are set out in the Fund's Client Service Agreement 13 July 2017;
 - 3) Scheme Employer – The role and responsibilities of which are set out its Admission Agreement and the Fund's Pension Administration Strategy document; and
 - 4) Payroll service provider – The Administering Authority provides the BPP with a payroll service the scope of which is laid out within a separate contract 24 November 2017.

This compliance statement primarily seeks to set out the Pension Committee's compliance with the Regulations. Details of the terms, structure and operational procedures relating to

the Local Pension Board and Brunel Pension Partnership can be found via the following links;

Wiltshire Pension Fund Local Pension Board [Terms of Reference](#).

*The Board is established under Section 5 of the Public Service Pensions Act 2013 and Regulation 106 of the Local Government Pension Scheme Regulations 2013 and is not a committee constituted under Section 101 of the Local Government Act 1972.

Brunel Pension Partnership

- 1) Terms of Reference covering the governance of Shareholder & Services Agreements ([Terms of Reference](#))
- 2) Service Agreement [Service Agreement](#)

**BPP is established in accordance with the Companies Act 2006 and under its articles of association as submitted to Companies House. Its status as an investment pooling company are governed by the LGPS Investment Regulations 2016.

AREA	PRINCIPLE	LEVEL OF COMPLIANCE	REFERENCE
A) Structure	a) The management of the administration of benefits and strategic management of fund assets clearly rests with the committee established by the appointing council.	<p>FULL – The Council’s Constitution says that the Committee will “exercise the functions of the Council as Administering Authority under the Local Government Superannuation Act and Regulations and deal with all matters relating thereto”.</p> <p>The Wiltshire Pension Fund Committee has the power to “...make decisions on matters of significant policy...” (Part 3B, para 4).</p>	(Part 3, para 2.7 and Protocol 2A)
	b) That governance arrangements exist with the Brunel Pension Partnership, the Fund’s investment pooling company, in which the Administering Authority is both a Shareholder and a client and that the structure ensures effective communication in both capacities	<p>The governance arrangements include a Shareholder Agreement, Service Agreement & Terms of Reference detailing the relationship of each party which will form part of the Brunel Pension Partnership’s constitution.</p> <p>A separate representative will represent it as a shareholder and as a client.</p> <p>BPP will be responsible for the appointment of external investments managers to implement the Fund’s investment policy. All minutes of meetings and decisions taken by the BPP will be</p>	BPP Shareholder and Service Agreements and BPP’s Terms of Reference

AREA	PRINCIPLE	LEVEL OF COMPLIANCE	REFERENCE
	c) That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of the committee.	reported back to the next committee meeting. FULL – There are two voting representatives from Swindon Borough Council, two voting representatives from Admitted Bodies and 2 UNISON Observers (representing active, deferred and pensioner members), all of whom are members of the main committee.	Protocol 2A
B) Representation	a) That all key stakeholders are afforded the opportunity to be represented within the committee structure. These include: <ul style="list-style-type: none"> <li data-bbox="512 846 794 1077">i. employing authorities (including non-scheme employers, eg, admitted bodies); <li data-bbox="512 1350 794 1581">ii. scheme members (including deferred and pensioner scheme members); <li data-bbox="512 1653 794 1749">iii. independent professional observers; and <li data-bbox="512 1955 794 2051">iv. expert advisors (on an ad-hoc basis). 	<p data-bbox="831 846 1198 1312">FULL – four representatives in total, two from Swindon Borough Council and two from Scheduled bodies such as Academies/Colleges, or Admitted Bodies. The non-elected members will hold their office for a maximum of 4 years before a re-election process needs to take place.</p> <p data-bbox="831 1350 1198 1514">FULL – two non-voting representatives from UNISON, who represent active, deferred and pensioner members</p> <p data-bbox="831 1653 1198 1883">FULL – Our Independent Pension Adviser, who attends all meetings, fulfils this role and feeds back any observations to the Chief Finance Officer and/or Heads of Pensions</p> <p data-bbox="831 1955 1198 2085">FULL – The Fund’s Investment Consultant and the Fund’s Actuarial Consultant attends all</p>	<p data-bbox="1230 846 1406 875">Protocol 2A</p> <p data-bbox="1230 1350 1406 1379">Protocol 2A</p>

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	b) That where lay members sit on the committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision-making process, with or without voting rights.	meetings where expert advice relating to their area is required FULL – All members of the Committee are given equal access to papers, meetings and training and can fully participate in debates.	Protocol 2A
C) Selection and Role of Lay Members	a) That committee members are made fully aware of the status, role and function they are required to perform on the committee.	FULL – Full Induction Training and Governance is given, and each member is given a Guide to the LGPS	Protocol 2A
	b) That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda.	FULL – this is a standard part of committee procedure.	Protocol 2A
	c) That Committee members selection is undertaken in accordance with the Local Government and Housing Act 1989.	FULL – selection will follow consultation between Wiltshire Council and the political groups.	Local Government and Housing Act 1989
	d) That Brunel Pension Partnership selection for the roles of Administering Authority Shareholder and Client representative will be made in accordance with the Shareholder and Services Agreements.	Unless by other agreement the Chair of the Committee will take the role of Shareholder representative and the Head of Wiltshire Pension Fund will take the role of Client representative	Shareholder and Service Agreements
	e) That substitute member selection will be undertaken in accordance with both Wiltshire and Swindon Borough Council's constitutions	FULL – All substitute members will be subject to the requirements of Committee members in terms of their selection, training and standards	Constitutions of Wiltshire and Swindon Borough Councils
D) Voting	a) The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or	FULL – The Committee has afforded each of its members voting rights, except the UNISON Observers who represent members. Being a statutory pension	Protocol 2A

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	<p>group represented on main LGPS committees.</p>	<p>scheme, the local committee has very little influence over benefits and the members are fully protected by statute. Therefore, there is very little that scheme members (or their representatives) can influence on the committee that has any direct impact upon them. Further, giving voting rights to the observers would mean increasing the size of the However, the Committee, because on behalf of the Administering Authority must legally be able to maintain a majority.</p>	
	<p>b) The role of the Administering Authority's Shareholder representative on voting on behalf of the interests of the Authority in respect of the Brunel Pension Partnership.</p>	<p>The scope of the Shareholder representative's voting powers will be in accordance with the Agreement. The Shareholder representative will always only vote with the consent of the Administering Authority, who must receive written notification of all matters voted upon and how their vote was cast.</p>	<p>Shareholder Agreement</p>
<p>E) Training/Facility Time/Expenses</p>	<p>a) That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.</p>	<p>FULL – There is a Members' Training Plan which is fully implemented and is updated regularly. All members and substitutes (including observers) have full access to all training opportunities and can claim all reasonable expenses.</p>	<p>Protocol 2A</p>
	<p>b) That where such a policy exists, it applies equally to all members of committees.</p>	<p>FULL – see Members Training Plan</p>	<p>Protocol 2A</p>
	<p>c) That where a statutory training requirement exists, all members of committee, will ensure that they remain competent to fulfil their</p>	<p>See Members Training Plan</p>	<p>Protocol 2A</p>

AREA	PRINCIPLE	LEVEL OF COMPLIANCE	REFERENCE
	role and responsibilities		
F) Meetings - Frequency	a) That an administering authority's committee meet at least quarterly.	FULL – The Committee meets eight times per year, plus on an ad-hoc basis for special issues (eg. Valuation & tenders) The annual meeting cycle will typically comprise of four investment focused and four non-investment focused meetings	Wiltshire Council Constitution
	b) That a representative of the administering authority will attend each Shareholder, Brunel Oversight Board and Client Group meeting held by the Brunel Pension Partnership.	The Shareholder, Brunel Oversight Board and Brunel Client Group will meet as often as required and should be attended by the relevant representative stated in the Structure Principle	Shareholder Agreement
	c) That administering authorities who do not include lay members in their formal governance arrangements, provide a forum outside of those arrangements by which the interests of key stakeholders can be represented.	FULL – From 1 April 2015, Wiltshire Council in its role of Administering Authority has established a Local Pension Board. It consists of 6 voting members (3 employer and 3-member representatives) along with a non-voting independent chair. The purpose of this Board is to review and ensure the Wiltshire Pension Fund secures compliance with the Scheme regulations and all other relevant legislation.	Protocol 2B
G) Access	a) That subject to any rules in the Council's Constitution, all members have equal access to committee papers, documents and advice that falls to be considered at meetings of the committee.	FULL – All members of the Committee (including non-voting and substitute members) receive all the papers for every meeting, including the confidential ones	Wiltshire Council Constitution
H) Scope	a) That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.	FULL – All matters in relation to the Fund, whether Benefits, Governance, Investments, Communications, Employers, Financial, etc, are covered by the governance arrangements.	Protcocol 2A
I) Publicity	a) That administering authorities have	FULL – The Governance Compliance Statement is	Protocol 2A

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	published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements.	available on the Wiltshire Pension Fund Website and in the Wiltshire Pension Fund Annual Report. This statement is approved by the committee which is held as a meeting open to public participation	
J) Assignments & delegations	a) That the Brunel Pension Partnership authority to make an investment decision has been delegated to it by the administering authority and that the Committee acts as the administering authority's decision-making forum	The BPP will act on the instructions of the Committee as advised to it by the Fund's Client representative (or their designated substitute). BPP will act subject to that instruction and in accordance with its mandates, Terms of Reference or any other recognised document.	Service Agreement
	b) That in the event of an emergency, the administering authority's emergency powers will allow officers to take decisions.	Where a Committee meeting cannot take place, the scheme of sub-delegation to the Director of Finance and Procurement allows that Director to take decisions on behalf of the Council, unless responsibility has not been specifically reserved. Subject to approval and after consultation with the Chair and Vice-chair the Director can make decisions on behalf of the Fund. All decisions must be reported back to the next Committee meeting.	Wiltshire Council Constitution, Part 3, Section D2, Paragraph 1. With reference to the Pension Committee minutes dated 26 March 2020 – Minute 124.
K) Reporting	a) The Committee will report to the Local Pension Board to the extent that the Board can fulfil its statutory function.	Reporting will include items specified within the Local Pension Board's Terms of Reference	Protocol 2B
	b) The Committee will ensure all external reporting is completed to the extent that it will fulfil its statutory function.	Reporting will include, but is not limited to the Scheme Return, GAD Financial reporting and HMRC Event reporting	