

Good Governance in Scotland

November 2022



Introduction

We will look at the England & Wales SAB Good Governance Project to consider:

- Why the project was launched
- How the project was undertaken; and
- What might happen next.

More importantly, we will then consider what, if anything, could be useful for the Scottish SAB perspective

Why look at good governance in E&W

Purpose and scope of the Good Governance Project

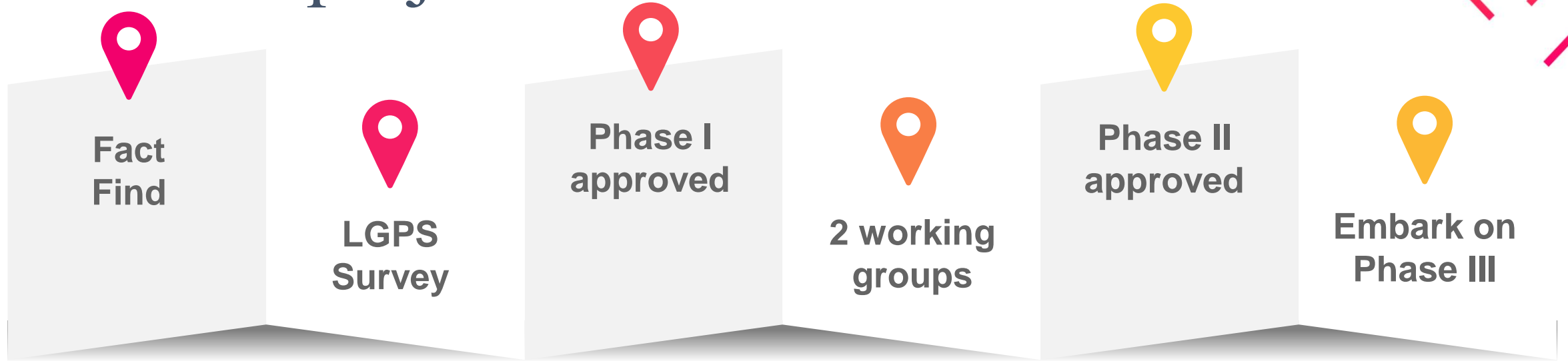
Purpose

- Examine effectiveness of current LGPS governance
- Identify enhancements or alternative models which could strengthen LGPS governance

Scope

- Any governance models considered must “maintain strong links to local democratic accountability”
- Consider four SAB models
- Carry out widest possible survey of the LGPS

How the project was undertaken



July 2019 - 1st Draft Report

October 2019 - Phase II Report

February 2021 - Phase III Report and Action plan

Phase III

- Develop DLUHC guidance
- Develop Good Governance Indicators

DLUHC formally consult and take forward

Key Recommendations in E&W

General

- Statutory guidance from DLUHC
- A single named LGPS Officer
- Enhanced governance compliance statement

Conflicts

- Publish a Fund specific policy on conflicts on interest

Representation

- Published policy on representation of scheme members and non-admin authority employers on committees (including the approach to voting rights)

Knowledge & understanding

- Officers, Committees & Boards
- s. 151 officers to have relevant training as part of CPD
- Policy on approach to delivery, assessment, and recording Fund training plans.

Service delivery

- Roles and responsibility matrix
- Compulsory administration strategy
- Publish details of performance against service standard indicators
- Ensure committee is included in business planning

Compliance & improvement

- Biennial Independent Governance Review

New

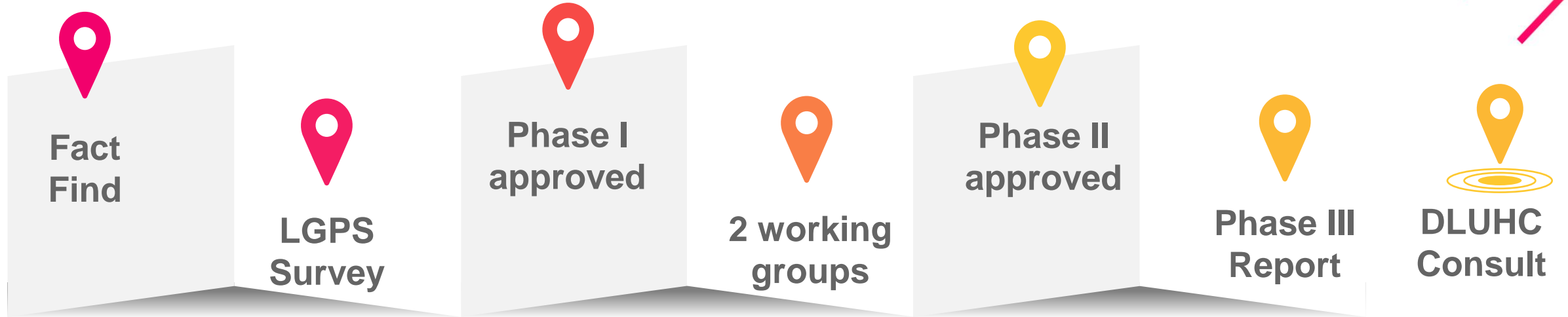
- Have a workforce plan

What, if anything, might be useful for Scotland?

- Addressing the same perceived conflict of interest that the local authority is an employer in the scheme as well as the administrator and could be acting in the best interest of the local authority rather than scheme members
- Ensuring that without investment pooling committees still have time to focus on governance
- It's the same Regulator..... so there is a need to meet the same regulatory expectations
- Ensuring teams are appropriately resourced and have the required budgets to match
- Existing collaboration could be leveraged and improved as everyone is included



How to find benefits



Replicate or..... leverage....



Thank you

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