

**REPORT OF CORPORATE DIRECTOR RESOURCES**

**AGENDA ITEM: 5**

---

**REVIEW OF PENSION FUND GOVERNANCE COMPLIANCE STATEMENT**

**Reason for this Report**

1. To complete the review of the Governance Compliance Statement for the Pension Fund.

**Background**

2. The Fund's Governance Compliance Statement is included in its Annual Report (Appendix 5) and this statement sets out how the Administering Authority has delivered the governance responsibilities of the Fund. This includes an assessment of how the Fund has performed against the nine principles of good governance practice.
3. The revised Governance Compliance Statement appended to this report was considered by the Local Pension Board at its meeting on 29 January 2024.

**Issues**

4. The Governance Compliance Statement was last considered by the Pension Committee at its meeting on 6 February 2023. No significant changes are proposed for the Governance Compliance Statement with the areas with of Partial Compliance primarily relating to the composition of the Pension Committee and Local Pension Board membership where there are no direct pensioner or deferred member representatives. .
5. A copy of the revised Statement is appended to this Report as Appendix 1. If this Statement is approved by the Pension Committee the revised version would be included in the Fund's 2023/24 Annual Report.

**Legal Implications**

6. The governance compliance statement appended to this report has been prepared in compliance with regulation 55 of the Local Government Pension Scheme Regulations 2013 (as amended) (the "LGPS Regulations").
7. The statement sets out how the administering authority discharges its functions in accordance with the LGPS Regulations and this statement must be revised following material changes to its Governance arrangements and as such does not raise any direct legal implications however the general legal advice set out below should be considered.

## 8. General Legal Advice

Any decision must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council eg. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its tax payers; and (h) be reasonable and proper in all the circumstances and comply with any equalities legislation.

The Council also has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The Protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief.

The Well-Being of Future Generations (Wales) Act 2015 (“the Act”) places a ‘well-being duty’ on public bodies aimed at achieving 7 national well-being goals for Wales – a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.

In discharging its duties under the Act, the Council has set and published well-being objectives designed to maximise its contribution to achieving the national well-being goals. The well-being objectives are set out in Cardiff's Corporate Plan 2023-26.

The well-being duty also requires the Council to act in accordance with ‘sustainable development principle’. This principle requires the Council to act in a way, which seeks to ensure that the needs of the present are met without comprising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:

- Look to the long term
- Focus on prevention by understanding the root causes of problems
- Deliver an integrates approach to achieving the 7 national well-being goals
- Work in collaboration with others to find shared sustainable solutions
- Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language, the report and Equality Impact Assessment deals with all these obligations. The Council has to consider the Well-being of Future Guidance (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.

## **Financial Implications**

9. There are no financial implications arising directly from this report.

## **Recommendations**

10. That the Committee approves the Governance Compliance Statement appended as Appendix 1.

**CHRISTOPHER LEE**  
**CORPORATE DIRECTOR RESOURCES**

Appendix 1 Governance Compliance Statement (February 2024)