

# Clwyd Pension Fund Governance Strategy September 2026



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## Introduction and Purpose

Flintshire County Council (the Council) is the Administering Authority and Scheme Manager responsible for maintaining and managing the Clwyd Pension Fund (the Fund) on behalf of its stakeholders: the scheme members and employers participating in the Fund. These responsibilities are primarily set out in Local Government Pension Scheme (LGPS) Regulations.

This document is the Governance Strategy for the Fund that has been prepared to meet the requirements of the LGPS Regulations.

The purpose of this Strategy is to describe the Fund's governance framework, decision-making arrangements, accountability structure and governance controls, and to demonstrate how these arrangements support the effective and efficient governance, administration, and investment of the Fund in the interests of scheme members, employers and other stakeholders.

## Aims and Objectives

Our Mission Statement is:

- We will be known as forward thinking, responsive, proactive and professional providing excellent customer focused, reputable and credible service to all our customers.
- We will have instilled a corporate culture of risk awareness, financial governance, and will be providing the highest quality, distinctive services within our resources.
- We will work effectively with partners, being solution focused with a 'can do' approach.

In relation to the governance of the Fund we will aim to:

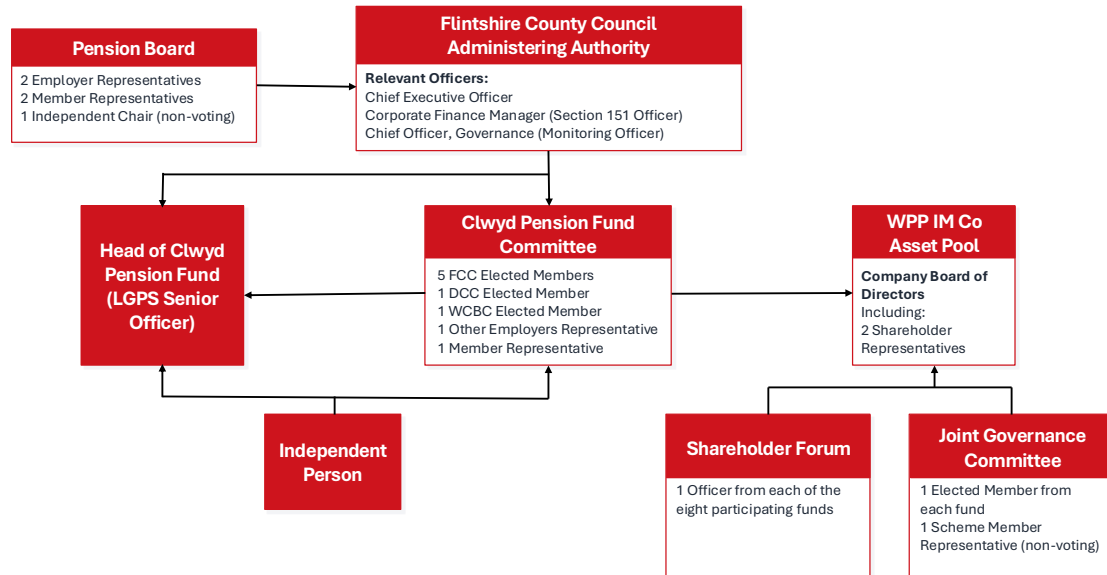
- act in the best interests of the Fund's members and employers
- have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies
- ensure the Pension Fund is managed, and its services delivered, by people who have the appropriate knowledge and expertise
- act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based
- understand and monitor risk
- strive to ensure compliance with the appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance
- clearly articulate our objectives and how we intend to achieve those objectives through business planning, and continually measure and monitor success
- ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved
- ensure that our asset pool operates effectively and efficiently to support the successful implementation of the Fund's investment strategy

## Governance Arrangements

As the Administering Authority and Scheme Manager for the Fund, the Council is responsible for establishing an appropriate governance framework for the management and oversight of the Fund. In accordance with the [Council's Constitution](#), responsibility for most pension fund functions has been delegated to the Pension Fund Committee or LGPS Senior Officer. The Pension Fund Committee has then further delegated a number of its responsibilities to the LGPS Senior Officer and the Asset Pool. Oversight and support is provided through the Local Pension Board, Independent Person and advisers. Further information on the respective roles, responsibilities and delegations can be found in the Council's Constitution and are summarised in Appendix A. As at the date of publishing this Strategy, we have not yet received Statutory Guidance on the Governance Strategy from the Secretary of State, but believe that the delegations in place are consistent with that required by the Regulations. This Strategy will be reviewed when the statutory guidance is published to ensure it is compliant.

The Remuneration and fees payable to all those involved in the management of the Fund (including those specifically included below) are set out in in Appendix B. Individuals or Organisations involved with the management of the Fund may resign or be removed in line with the provisions of the Fund's policy as set out in Appendix C.

The Council's governance structure for pension fund matters is as shown below:



## Flintshire County Council

As the Administering Authority to the Fund and Shareholder of the Asset Pool, Flintshire County Council is responsible for delegating its responsibilities as Scheme Manager to the Pension Fund Committee. There are also a number of key roles and responsibilities in relation to the Fund for Senior officers of the Council.

## Chief Executive Officer

The Chief Executive Officer is the most senior officer of the Council, and as a result has the responsibility for the delivery of all functions of the Council including ensuring that the Fund is properly managed. Under the Council's Constitution, the Chief Executive Officer is required to appoint the LGPS Senior Officer. The Head of Clwyd Pension Fund reports directly to the Chief Executive Officer.

## Corporate Finance Manager

The Chief Finance Officer (Section 151 officer) role is designated to the Corporate Finance Manager. Whilst the Head of Clwyd Pension Fund has senior responsibility for ensuring that the Fund is appropriately managed and resourced across all LGPS functions, the Section 151 Officer retains statutory responsibility for the proper administration of the Council's financial affairs, including those relating to the Fund. The responsibilities of the Head of Clwyd Pension Fund and Section 151 officer are formally documented within the Council's Constitution to prevent overlap of responsibilities. This ensures that the Fund continues to comply with the statutory requirements whilst allowing the Head of Clwyd Pension Fund to remain the single responsible individual for coordinating all pension-related activities within the authority.

## Chief Officer, Governance

The Monitoring Officer role is designated to the Chief Officer, Governance. Whilst the Head of Clwyd Pension Fund has senior responsibility for ensuring that the Fund's Governance structure is suitable and compliant with the Regulations and Statutory Guidance applying to the Fund, they do not have responsibility for ensuring that this is correctly documented within the Council's constitution. Consequently, the Chief Officer, Governance will provide advice, guidance and support to the Head of Clwyd Pension Fund and the Pension Fund Committee wherever there is a need to change the Council's Constitution. The Chief Officer, Governance will also provide advice to the Committee on Legal matters, where appropriate.

## Clwyd Pension Fund Committee

Most functions of the Scheme Manager or Administering Authority are delegated to the Pension Fund Committee. This ensures that there is a single body responsible for the effective and efficient governance, administration, and investment of the Fund. As this Committee contains representatives of different groups, all Scheme members and participating employers are represented, ensuring that decisions are made in the best interests of all stakeholders. The Committee is also responsible for directing the Head of Clwyd Pension Fund on how to act in their role as Shareholder of the asset management company.

The specific roles as outlined in the Council's Constitution are shown in Appendix D. The Committee may also delegate a limited range of its functions to one or more officers of Flintshire County Council.

No matters relating to the Council's responsibilities as an employer participating within the Fund are delegated to the Pension Fund Committee.

The Pension Fund Committee meets at least quarterly and is composed of nine members as follows:

- Five Councillors of Flintshire County Council, determined by the Council.
- Four co-opted members comprising:
  - One Councillor of Wrexham County Borough Council, determined by that Council.
  - One Councillor of Denbighshire County Council, determined by that Council.
  - One Representative of the other Scheme Employers<sup>1</sup> (not admission bodies) in the Fund, appointed in accordance with procedures agreed by the Head of Clwyd Pension Fund.
  - One Representative of the scheme members of the Clwyd Pension Fund, appointed in accordance with procedures agreed by the Head of Clwyd Pension Fund.

The Council's Constitution permits named substitutes providing they satisfy the knowledge and skills Strategy of the Fund.

Councillors of the Council are appointed annually, whilst the terms of reference for the co-opted members range from four to six years. Members may be reappointed for further terms. All members have equal voting rights. The Chair of the Committee must be a Flintshire County Council member and is appointed by full council annually. The Vice-Chair of the Committee must also be a Flintshire County Council member and is appointed by the Pension Fund Committee annually.

## LGPS Senior Officer

We are required to appoint a LGPS Senior Officer, as a single responsible individual for the management of the Fund. The Head of the Clwyd Pension Fund is designated and appointed as LGPS Senior Officer<sup>2</sup> as required under the Council Constitution. The LGPS Senior Officer's responsibilities are summarised in Appendix E, and in many cases the LGPS Senior Officer is required to consult with the Pension Fund Committee prior to making a decision, ensuring that those delegated by the Council to manage the Fund remain the principal decision makers. In addition, the Council has delegated the responsibility to act as shareholder of the asset pool investment management company to the Head of Clwyd Pension Fund.

The LGPS Senior Officer can nominate a Deputy Senior Officer to discharge their duties as needed.

As the Head of the Clwyd Pension Fund, the role will also be required to Chair the Senior Management Team meetings, consisting of the Fund's senior officers to provide advice and

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<sup>1</sup> As defined by Schedule 2 of the Local Government Pension Scheme 2013

<sup>2</sup> For the purposes of this Strategy, any reference to the Head of Clwyd Pension Fund also includes the LGPS Senior Officer.

propose recommendations to the Pension Fund Committee and to carry out such matters as delegated to them by the Pension Fund Committee.

## Independent Person

We are required to appoint an Independent Person. This helps to strengthen governance and decision-making across all our functions by providing independent professional expertise, support and constructive challenge to the Pension Fund Committee and Head of Clwyd Pension Fund. The Fund recognises that appointing an Independent Person does not replace the need for other professional advisers where required.

The Independent Person scrutinises potential Fund policies and strategies, advice provided by the Fund's other professional advisers, the Fund's performance across all areas and supports governance reviews.

The appointment of the Independent Person is delegated to the Head of Clwyd Pension Fund and will follow an appropriate procurement process. Some requirements of this role are set out in the Regulations and the associated Statutory Guidance issued by the Secretary of State.

## Pension Board

We are required to have a local Pension Board which assists us with:

- securing compliance with the LGPS Regulations and any other legislation relating to the governance and administration of the Scheme, and requirements imposed in relation to the LGPS by The Pensions Regulator
- ensuring the effective and efficient governance and administration of the Pension Fund

The Pension Board has no decision-making powers and instead provides oversight of the Fund independently of the Pension Fund Committee. The Pension Board is not a local authority committee, however the Council's Constitution contains the Pension Board Protocol which defines the terms of reference and role of the Pension Board within the Council.

The Pension Board meets at least twice and no more than four times a year and is composed of five members as follows:

- Two Scheme Employer Representatives
- Two Scheme Member Representatives, one of whom is nominated by the joint trade unions, and one who is a member of the Clwyd Pension Fund
- One Independent Member who acts as chair of the Pension Board

All Pension Board members, excluding the Independent Member, have individual voting rights but it is expected the Pension Board will as far as possible reach a consensus. This is designed to ensure that the Pension Board's view, and therefore the views of Scheme Employers and members can be taken as an authoritative position by the Pension Fund Committee and Head of Clwyd Pension Fund.

## Wales Pension Partnership

The LGPS Regulations mandate pooling of LGPS assets into “Asset Pools” and the eight Welsh LGPS funds have agreed to form a single Asset Pool.

Our Asset Pool is required to consist of an FCA Authorised investment management company which provides the following services:

- Advise us on our investment strategy
- Implement our chosen investment strategy
- Have control and oversight of all our invested assets

We retain the responsibility for setting the Investment Strategy.

We are both a Client and Shareholder of **Wales Pension Partnership Investment Management Company Limited (WPP IM Co)** which acts as the investment management company for all eight Welsh LGPS funds. We have delegated all responsibilities required under the Regulations to WPP IM Co, and will receive its investment advice from WPP IM Co when this is required.

We have a Client Service Agreement which sets out the terms of our participation in WPP IM Co as a client, this confirms the scope of the services to be delivered, the service standards we receive and the fees we are required to pay.

Separately we have a Shareholder Agreement which sets out the terms of our participation as a shareholder of WPP IM Co. This ensures that we retain sufficient oversight of WPP IM Co to ensure that our strategic decisions are delivered. The Shareholder Agreement contains a number of matters which are reserved to the shareholder. These matters include approval of the business plan and budget of WPP IM Co, and the remuneration policy for their staff.

Whilst not required under regulation, our Asset Pool also contains governance structures designed to ensure collaborative working across the eight participating funds in Wales. These groups help ensure that there is suitable oversight of the investment management company, ensuring that the company delivers the investment performance required and sufficiently takes account of the requirements of its clients and shareholders. These governance arrangements are set out in the Inter-Authority Agreement between the eight participating funds, and the key provisions of the agreement are included in the Council’s constitution.

The key groups established under the Inter-Authority Agreement are:

### Shareholder Forum

The Shareholder Forum is designed to strengthen the voice of shareholders with WPP IM Co by allowing a forum to discuss motions and proposals put to the shareholders by WPP IM Co.

We are required to vote as shareholder individually after consultation with Pension Fund Committee, and so the Shareholder Forum cannot make decisions on our behalf. The terms

of reference for the Shareholder Forum are set out within the Inter-Authority Agreement and summarised in Appendix F.

The Shareholder Forum meets at least quarterly and is composed of one Officer from each of the eight participating funds, as determined by that fund.

All members have individual voting rights.

Our representative on the Shareholder Forum will be the Head of Clwyd Pension Fund with the Deputy LGPS Senior Officer acting as substitute when required.

## Joint Governance Committee

The Joint Governance Committee (JGC) is designed to strengthen the voice of clients with WPP IM Co and provide client-side governance and oversight of the pooling arrangements. The terms of reference for the JGC are set out within the Inter-Authority Agreement and summarised in Appendix F.

The JGC meets at least quarterly and is composed of nine members as follows:

- one elected member from each of the eight participating funds
- one co-opted scheme member representative

All JGC members, excluding the scheme member representative, have individual voting rights. The Chair of the JGC rotates among the eight participating funds annually.

There are a number of matters which are reserved to each of the participating funds to approve. On these matters the JGC can only make a recommendation to the Pension Fund Committee. These matters include approval of the business plan and budget for the JGC.

Our representative on the JGC will be the Chair of the Pension Fund Committee with the Vice-Chair of the Pension Fund Committee acting as substitute when required.

The JGC is supported by an Officer Working Group which consists of officers from the eight participating funds. The officers who attend the Officer Working Group are agreed by the Pension Fund Committee.

Carmarthenshire County Council is responsible for providing governance, administration and support services to the Shareholder Forum, JGC and Officer Working Group.

## Policies to Support the Governance of the Fund

### Training

We recognise that effective management, administration and decision making can only be achieved where those involved have the requisite knowledge and skills. We are required to prepare and publish a Training Strategy which sets out our approach to ensuring that those managing the Fund have appropriate knowledge and skills. This Strategy is called the Knowledge and Skills Strategy can be found on our website: [www.clwydpensionfund.org.uk](http://www.clwydpensionfund.org.uk)

In addition, in accordance with the Wales Pension Partnership Inter Authority Agreement, the Joint Governance Committee is required to prepare, maintain and adhere to a **Training Strategy**, which can be found on their website [www.walespensionpartnership.org](http://www.walespensionpartnership.org).

## Conflicts of Interest

Conflicts of interest have always existed for those with LGPS administering authority responsibilities as well as for advisers to LGPS funds. We are required to prepare and publish a Conflicts of Interest Policy which sets out our approach to managing Conflicts of Interest. The Policy can be found on our website: [www.clwydpensionfund.org.uk](http://www.clwydpensionfund.org.uk)

In addition, in accordance with the Wales Pension Partnership Inter Authority Agreement, the Joint Governance Committee is required to prepare, maintain and adhere to a Conflicts of Interest Policy, which can be found on their website [www.walespensionpartnership.org](http://www.walespensionpartnership.org).

## Risk Management

We recognise that effective risk management is an essential element of good governance in the LGPS. We set out our approach to risk management within the Risk Management Policy, which can be found on our website: [www.clwydpensionfund.org.uk](http://www.clwydpensionfund.org.uk)

In addition, in accordance with the Wales Pension Partnership Inter Authority Agreement, the Joint Governance Committee is required to prepare, maintain and adhere to a Risk Policy, which can be found on their website [www.walespensionpartnership.org](http://www.walespensionpartnership.org).

## Other Policies

The Fund also has a number of other governance policies, which are either statutory requirements or in line with best practice. These include the Anti-Fraud and Corruption Strategy, Business Continuity Policy, Cyber Strategy, Equality, Diversity and Inclusion Policy, and the Recording Breaches of the Law Procedure. There are also governance matters raised in other strategies relating to Funding, Investment, Administration and Communications.

All these policies can be found on our website: [www.clwydpensionfund.org.uk](http://www.clwydpensionfund.org.uk)

In addition, the Wales Pension Partnership also prepares and maintains a number of other governance policies, which can be found on their website [www.walespensionpartnership.org](http://www.walespensionpartnership.org).

## Welsh Language Standards

We have adopted the principle that in the conduct of public business we will treat the Welsh and English languages on a basis of equality. More information can be found on the Council's website or by contacting the Head of Clwyd Pension Fund.

# Monitoring Governance of the Clwyd Pension Fund

Our governance objectives will be monitored as follows:

| Objective                                                                                                                                       | Monitoring Arrangements                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies. | <ul style="list-style-type: none"> <li>• The Independent Person undertakes an annual review of the effectiveness of our governance arrangements, which is reported to the Committee and published.</li> <li>• The Pension Board prepares and publishes an annual report.</li> <li>• In line with the requirements of the Regulations we will undergo a triennial Independent Governance Review, conducted by an independent provider.</li> </ul> |
| Ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise                        | <ul style="list-style-type: none"> <li>• A Knowledge and Skills Strategy is in place together with monitoring and reporting of all training by Pension Committee members, Pension Board members and key officers in accordance with the Knowledge and Skills Policy.</li> <li>• The WPP Joint Governance Committee has a Training Policy in place with monitoring arrangements in accordance with the Inter Authority Agreement.</li> </ul>      |

| Objective                                                                                                                                                            | Monitoring Arrangements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based                                                 | <ul style="list-style-type: none"> <li>• A Conflicts of Interest Policy is in place together with ongoing reporting and monitoring of the register of conflicts in accordance with the Conflicts of Interest Policy.</li> <li>• The employers within the Fund, together with union representatives, are invited to an Annual Meeting. Attendees receive presentations and have the opportunity to ask questions on the governance of the Fund.</li> <li>• The Independent Person undertakes an annual review and this may also include considering decision making.</li> <li>• The Pension Board prepares and publishes an annual report and this may also include commentary on decision making.</li> <li>• The WPP Joint Governance Committee prepares an annual business plan which is brought to the Clwyd Pension Fund Committee for agreement in accordance with the Inter Authority Agreement.</li> </ul> |
| Understand and monitor risk                                                                                                                                          | <ul style="list-style-type: none"> <li>• A Risk Policy and register is in place and monitoring and reporting of risks is carried out in accordance with the Risk Policy.</li> <li>• Ongoing consideration of key risks at Pension Fund Committee and Pension Board meetings.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Strive to ensure compliance with the appropriate legislation and statutory guidance and to act in the spirit of other relevant guidelines and best practice guidance | <ul style="list-style-type: none"> <li>• Our Governance is considered by both the External and Internal Auditors. All External and Internal Audit Reports are reported to Committee.</li> <li>• An Independent Provider will carry out an Independent Governance Review of all our policies and governance functions at least every three years.</li> <li>• We carries out a compliance check, at least annually, against The Pension Regulator's Code of Practice.</li> <li>• We maintains a log of all breaches of the law in accordance with our</li> </ul>                                                                                                                                                                                                                                                                                                                                                   |

| Objective                                                                                                                                                     | Monitoring Arrangements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                               | <p>breaches procedure which is reported on and monitored as outlined in that procedure.</p> <ul style="list-style-type: none"> <li>• The Independent Person undertakes an annual review which may include consideration on compliance matters.</li> <li>• The Pension Board prepares and publishes an annual report which may include comment on compliance matters.</li> <li>• The WPP Joint Governance Committee has a Breaches and Error Policy in place with monitoring arrangements in accordance with the Inter Authority Agreement.</li> </ul> |
| <p>Clearly articulate our objectives and how we intend to achieve those objectives through business planning, and continually measure and monitor success</p> | <ul style="list-style-type: none"> <li>• All strategies and policies include reference to how objectives will be monitored.</li> <li>• Ongoing monitoring against key objectives at Pension Fund Committee meetings.</li> <li>• Ongoing monitoring of business plan targets at Pension Fund Committee meetings.</li> <li>• Quarterly and annual updates against the WPP Joint Governance Committee's business plan and objectives are provided in accordance with the Inter Authority Agreement.</li> </ul>                                           |
| <p>Ensure the confidentiality, integrity and accessibility of our data, systems and services is protected and preserved.</p>                                  | <ul style="list-style-type: none"> <li>• All information security breaches relating to data being issued insecurely by us are recorded and reviewed.</li> <li>• All other incidents affecting confidentiality, integrity and accessibility of data, systems or services are recorded and reviewed.</li> <li>• We have a cyber incident response plan in place.</li> <li>• We have a business continuity plan and a testing schedule (including cyber incident testing) in place which is adhered to.</li> </ul>                                       |

| Objective                                                                                                                                   | Monitoring Arrangements                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                             | <ul style="list-style-type: none"> <li>All our staff have undertaken GDPR training in accordance with FCC's training programme.</li> </ul>                                                                                                       |
| Ensure that our asset pool operates effectively and efficiently to support the successful implementation of the Fund's investment strategy. | <ul style="list-style-type: none"> <li>The Head of Clwyd Pension Fund has voted on all shareholder matters raised by the Company</li> <li>The Pension Fund Committee has been consulted on all shareholder matters prior to any vote.</li> </ul> |

## Key Governance Risks

These are the main governance risks that we monitor on an ongoing basis.

- Pension Fund Committee or Officer decision making lead to disadvantageous outcomes for the Fund.
- Inappropriate decisions being made, decisions not being implemented or objectives not being achieved, either from a lack of appropriately knowledgeable and trained resource, constraints placed on the Fund by virtue of being a part of the Council or failure of a Fund supplier.
- Ineffective oversight of the Fund's activities, either by the Pension Board or by internal and external auditors.
- The potential for externally led influence and changes (such as scheme changes, national reorganisation, cybercrime and asset pooling) to result in the Fund's objectives and legal responsibilities not being met or being compromised.
- The Fund being adversely affected by acts of fraud including corruption, bribery and money laundering.
- The Fund having no or restricted access to key systems used in the management of the Fund.

In all cases, if potential or actual conflicts of interest are not appropriately managed or appropriate training is not provided to ensure those tasked with managing the Fund understand their responsibilities, there is a greater chance of these risks occurring.

Additionally, if there is a breakdown in risk management, meaning new risks are not identified or not appropriately considered, there could be losses or other detrimental impact to the Fund or its stakeholders.

## Approval, Review and Consultation

This version of the Governance Policy was approved at the Clwyd Pension Fund Committee on 16<sup>th</sup> September 2026. It will be formally reviewed and updated at least every three years or sooner if the governance arrangements or other matters included within it merit reconsideration.

Prior to fundamental changes to the Strategy that require approval by the Clwyd Pension Fund Committee, we will consult with such persons as we deem to be appropriate.

## Further Information

If you require further information about anything in or related to this Governance Strategy, please contact:

Philip Latham, Head of Clwyd Pension Fund, Flintshire County Council

E-mail: [Philip.latham@flintshire.gov.uk](mailto:Philip.latham@flintshire.gov.uk)

Telephone: 01352 702264

Further information about the Fund can be found on its website:

[www.clwydpensionfund.org.uk](http://www.clwydpensionfund.org.uk)

Further information about the Wales Pension Partnership can be found on its website:

[www.walespensionpartnership.org](http://www.walespensionpartnership.org)

## Appendix A: Roles and Responsibilities Matrix

| Area                                                                 | Task / Decision                                                  | Flintshire CC<br>(Full Council) or<br>Chief Executive) | Pension Fund<br>Committee | Head of CPF<br>(LGPS Senior<br>Officer) | Independent<br>Person | Corporate Finance<br>Manager<br>(Section 151) | Local Pension<br>Board | WPP IM Co | WPP Shareholder<br>Forum | WPP JGC |
|----------------------------------------------------------------------|------------------------------------------------------------------|--------------------------------------------------------|---------------------------|-----------------------------------------|-----------------------|-----------------------------------------------|------------------------|-----------|--------------------------|---------|
| <b>Fund Structure,<br/>Delegations and<br/>approvals</b>             | Establish Delegation to Committee and Board Membership           | A                                                      | C                         | R                                       | C                     | I                                             | C                      | I         |                          |         |
|                                                                      | Establish Fund Governance Arrangements                           |                                                        | A                         | R                                       | C                     | I                                             | C                      |           |                          |         |
|                                                                      | Determine Delegations to Officers                                |                                                        | A                         | R                                       | C                     |                                               | C                      |           |                          |         |
|                                                                      | Approve Inter-Authority Agreement                                | A                                                      | C                         | R                                       |                       |                                               | C                      |           |                          | R       |
| <b>Appointments</b>                                                  | Appoint LGPS Senior Officer                                      | A                                                      | C                         |                                         |                       |                                               | C                      |           |                          |         |
|                                                                      | Appoint LGPS Independent Person                                  |                                                        | C                         | A                                       |                       | I                                             | C                      |           |                          |         |
|                                                                      | Appoint Fund Advisers and Service providers                      |                                                        | A                         | R                                       | C                     | I                                             | I                      |           |                          |         |
| <b>Key Roles</b>                                                     | Act as Scheme Manager                                            |                                                        | A                         | R                                       | C                     |                                               | C                      |           |                          |         |
|                                                                      | Act as WPP IM Co Shareholder and vote on shareholder resolutions |                                                        | C                         | A                                       | C                     |                                               | C                      |           | C                        |         |
|                                                                      | Provide Advice, Guidance and Assurance to Committee and Board    |                                                        | I                         | A                                       | R                     | R                                             | I                      | R         |                          |         |
|                                                                      |                                                                  |                                                        |                           |                                         |                       |                                               |                        |           |                          |         |
| <b>Fund Operation,<br/>Objectives,<br/>Strategies and<br/>Budget</b> | Determine Fund structure and resources                           |                                                        | A                         | A                                       | C                     | I                                             | C                      |           |                          |         |
|                                                                      | Determine Fund risk management arrangements                      |                                                        | A                         | R                                       | C                     | I                                             | C                      | C         |                          |         |
|                                                                      | Determine Fund Strategies and Objectives                         |                                                        | A                         | R                                       | C                     | I                                             | C                      | C         |                          | R       |
|                                                                      | Determine the approach taken when the Fund has a discretion      |                                                        | C                         | A                                       | C                     |                                               | C                      |           |                          |         |
|                                                                      | Approve the Fund's Business Plan and Budget                      |                                                        | A                         | A                                       | C                     | I                                             | C                      | C         |                          |         |
|                                                                      | Approve the WPP IM Co Business Plan and Budget                   |                                                        | C                         | A                                       | C                     | I                                             | C                      | R         | C                        |         |
|                                                                      | Approve the JGC Business Plan and Budget                         |                                                        | A                         | C                                       | C                     | I                                             | C                      | C         |                          | R       |
| <b>Monitoring and<br/>Compliance</b>                                 | Publish the Fund Annual Report and Accounts                      |                                                        | A                         | A                                       | C                     | R                                             | C                      | C         |                          |         |
|                                                                      | Provide responses to relevant consultations affecting the Fund   |                                                        | A                         | R                                       | C                     | I                                             | C                      | C         |                          | C       |
|                                                                      | Ensure that all pension, benefit or other payments are made      |                                                        | A                         | R                                       |                       |                                               | C                      |           |                          |         |
|                                                                      | Make decisions on Employers activity, including Bulk transfers   |                                                        | I                         | A                                       | C                     |                                               | I                      |           |                          |         |
|                                                                      | Monitor Governance Arrangements and Compliance                   |                                                        | I                         | A                                       | C                     |                                               | I                      |           |                          |         |
|                                                                      | Monitor Administration & Communications Performance              |                                                        | I                         | A                                       | C                     |                                               | I                      |           |                          |         |
|                                                                      | Monitor Funding Position and Risk levels                         |                                                        | I                         | A                                       | C                     |                                               | I                      |           |                          | R       |
|                                                                      | Monitor Investment Performance                                   |                                                        | I                         | A                                       | C                     |                                               | I                      |           |                          |         |
|                                                                      | Monitor Cashflow and Budget of the Fund                          |                                                        | I                         | A                                       |                       |                                               | I                      | C         |                          |         |
|                                                                      | Monitor WPP IM Co Operational Performance                        |                                                        | I                         | A                                       | C                     |                                               | I                      |           | C                        |         |
|                                                                      | Implement and monitor the Fund's policies and strategies         |                                                        | A                         | R                                       | C                     |                                               | I                      | R         |                          | R       |
|                                                                      |                                                                  |                                                        |                           |                                         |                       |                                               |                        |           |                          |         |
|                                                                      |                                                                  |                                                        |                           |                                         |                       |                                               |                        |           |                          |         |

| Code | Role        | Definition                                                                                  |
|------|-------------|---------------------------------------------------------------------------------------------|
| R    | Responsible | Undertakes or coordinates the work required to complete the activity.                       |
| A    | Accountable | Holds final accountability for the decision or outcome and has authority to approve it.     |
| C    | Consulted   | Provides advice, expertise, scrutiny or input before the activity or decision is completed. |
| I    | Informed    | Is kept informed of the decision, progress or outcome.                                      |

## Appendix B: Remuneration and Fees Policy

This Policy sets out the principles and arrangements for remunerating individuals and organisations involved in the management of the Fund. It has been developed having regard to the principles set out within the expectations of The Pensions Regulator's General Code of Practice, the Local Government Pension Scheme regulatory framework, and our governance arrangements.

The Policy applies to all parties involved in the management of the Fund.

### Remuneration Principles

In determining appropriate remuneration arrangements, we will have regard to the following principles:

- Remuneration should be appropriate to the role, responsibilities, expertise and time commitment associated with the position.
- Remuneration should support the effective governance and management of the Fund and be consistent with our objectives and governance framework.
- Remuneration and fees should represent value for money and be proportionate to the nature, scale and complexity of the activities being undertaken.
- Remuneration arrangements should be transparent, fair and capable of withstanding public scrutiny.
- Remuneration should not encourage excessive risk-taking or behaviour that is inconsistent with our governance, risk management or fiduciary responsibilities.
- Remuneration arrangements should comply with relevant legislation, constitutional requirements, contractual arrangements and procurement obligations.

### Pension Fund Committee

Members of the Pension Fund Committee, whether elected members of the Council or co-opted members, will receive any allowances, remuneration or reimbursement of expenses in accordance with the provisions of the Council's Constitution and any associated policies.

### Local Pension Board

Members of the Local Pension Board will receive any remuneration, allowances or reimbursement of expenses in accordance with the terms of their appointment and set out as part of the Pension Board Protocol within the Council's Constitution.

### Head of Clwyd Pension Fund and Fund Officers

All Fund officers including the Head of Clwyd Pension Fund, will be remunerated in accordance with the Council's approved pay structure, grading arrangements, terms and conditions of employment and relevant employment policies, and are not separately determined by us.

## Independent Person

The Independent Person will receive remuneration and reimbursement of expenses in accordance with the contractual arrangements established at the point of appointment and will reflect the services provided, the expertise required and prevailing market rates. Any fees and expenses will be reviewed periodically in accordance with the contractual terms of appointment.

## WPP IM Co

Fees payable to WPP IM Co are determined through the Shareholder Agreement. We can influence the fees payable to WPP IM Co as we are a shareholder of WPP IM Co.

As shareholder we are required to approve the WPP IM Co business plan and budget. We are also required to approve any budget increase in excess of X% of the approved budget.

Separately we are required to approve the WPP IM Co remuneration policy, which impacts the amount that WPP IM Co can pay to their staff, including the executive and board.

## Advisers and Service Providers

Fees payable to professional advisers, consultants and service providers engaged by us will be determined through procurement exercises, framework agreements or contractual negotiations, as applicable. Remuneration will be set out within formal contracts, service agreements or appointment letters and will reflect the services provided, the expertise required and prevailing market rates.

## Inflation and Periodic Review of Fees

Where permitted remuneration, allowances and fees may be subject to periodic review and adjustment. Any increases will be applied only in accordance with the relevant governing documentation, contractual arrangements or applicable legislation.

## Conflicts of Interest

We recognise that remuneration arrangements may give rise to actual, potential or perceived conflicts of interest. All remuneration and fee arrangements will therefore be subject to our Conflicts of Interest Policy, procurement requirements and governance controls.

No remuneration arrangement should discourage any individual from acting independently, objectively and in our best interests, its members and employers. Remuneration decisions will be made transparently and documented through the relevant constitutional, contractual or governance processes.

## Appendix C: Resignation and Removals Procedure

This Policy sets out the principles and arrangements for the resignation or removal of those individuals or organisations involved in the management of the Fund. It has been developed having regard to the principles set out within the expectations of The Pensions Regulator's General Code of Practice, the Local Government Pension Scheme regulatory framework, and our governance arrangements.

The Policy applies to all parties involved in the management of the Fund.

### Resignation

Individuals or organisations may resign their position by providing written notice to the Head of Clwyd Pension Fund or (in the case of Fund or Council Officers) to their line manager. The notice period required for resignation will be determined by the contractual or other agreements between the Council and that individual or organisation.

### Removal

We will consider removing an individual or organisation from a role where they:

- cease to meet any statutory eligibility requirements applicable to the role
- cease to satisfy any required standards of fitness, propriety, independence or professional competence
- are subject to a material conflict of interest that cannot be appropriately managed
- demonstrate persistent failure to discharge the duties of the role appropriately
- fail to comply with applicable governance policies, training requirements, codes of conduct or legal obligations
- are unable to continue undertaking the responsibilities of the role for a prolonged period
- are removed through the relevant appointment, employment or constitutional processes applying to that position

In all cases, we will seek to ensure that any removal process is undertaken in a fair, objective and proportionate manner, having regard to the circumstances of the case and any applicable legal or constitutional requirements.

### Role-Specific Considerations

For members serving on the Pension Fund Committee, appointment and removal arrangements will operate in accordance with the provisions of the Council's constitution.

For members of the Local Pension Board, appointment and removal arrangements will operate in accordance with the Pension Board Protocol as set out in the Council's constitution.

The Head of Clwyd Pension Fund may resign or be removed in accordance with the Council's employment procedures and constitutional arrangements, where this gives rise to a vacancy

the role of Head of Clwyd Pension Fund will usually be undertaken by any appointed Deputy, until that role is filled.

Officers of the Fund may resign or be removed in accordance with the Council's employment procedures.

The Independent Person and any other adviser or service provider may resign or be removed at any time in accordance with the terms of their appointment and the contractual provisions established between them and the Council.

WPP IM Co are unable to resign due to the statutory nature of their role. However, they may be removed as asset pool for the Fund by a decision taken by Full Council. Should WPP IM Co be removed, the Fund will be required to join another asset pool in place of WPP IM Co.

## Appendix D: Delegated Roles and Functions of the Clwyd Pension Fund Committee

The Clwyd Pension Fund Committee will have the following specific roles and functions, taking account of advice from the Head of Clwyd Pension Fund and the Fund's professional advisers:

- a) Ensuring the Clwyd Pension Fund is managed and pension payments are made in compliance with the extant Local Government Pension Scheme Regulations, HM Revenue & Customs requirements for UK registered pension schemes and all other relevant statutory provisions.
- b) Ensuring robust risk management arrangements are in place.
- c) Ensuring the Council operates with due regard and in the spirit of all relevant statutory and non-statutory best practice guidance in relation to its management of the Clwyd Pension Fund.
- d) Determining the Pension Fund's aims and objectives, strategies, policies and procedures for the overall management of the Fund, including in relation to the following areas:
  - i. Governance: approving the Fund's Governance Strategy for the Fund within the framework as determined by Flintshire County Council and making recommendations to Flintshire County Council about any changes to that framework.
  - ii. Agreeing the Fund's Knowledge and Skills Strategy for all Clwyd Pension Fund Committee members, Pension Board members and for all officers of the Fund, including determining the Fund's knowledge and skills framework, identifying training requirements, developing training plans and monitoring compliance with the Strategy.
  - iii. Agreeing the Fund's Conflicts of Interest Policy for all Clwyd Pension Fund Committee members, Pension Board members, the Independent Person and for all officers of the Fund, including determining how actual, potential and perceived conflicts of interest will be identified, monitored and managed, maintaining the conflicts of interest register and monitoring compliance with the Policy.
  - iv. Funding Strategy: approving the Fund's Funding Strategy Statement including ongoing monitoring and management of the liabilities, ensuring appropriate funding plans are in place for all employers in the Fund, overseeing the triennial valuation and interim valuations, and working with the actuary in determining the appropriate level of employer contributions for each employer.
  - v. Investment Strategy: approving the Fund's Investment Strategy Statement including setting investment objectives, strategic asset allocation and priorities and preferences regarding local investment targets and responsible investment, including the consideration of relevant social, environmental and corporate governance factors, and ensuring these are aligned with the Fund's specific liability profile, risk appetite and relevant statutory guidance.

- vi. Administration Strategy: approving the Fund's Administration Strategy determining how the Council will administer the Fund including collecting payments due, calculating and paying benefits, gathering information from and providing information to scheme members and employers.
  - vii. Communications Strategy: approving the Fund's Communication Strategy, determining the methods of communications with the various stakeholders including scheme members and employers.
  - viii. Discretions: determining how the various administering authority discretions are operated for the Fund.
- e) Monitoring the implementation of these policies and strategies on an ongoing basis.
- f) In relation to the Wales Pension Partnership Collaboration arrangements:  
Undertaking the matters reserved to Flintshire County Council as outlined in Schedule 2 of the Inter-Authority Agreement as summarised below unless they require approval by Flintshire County Council as noted below:
- Appointment, termination or replacement of WPP IM Co as the asset pool company for each WPP Constituent Authority
  - Approval of the Joint Governance Committee Business Plan (including the budget described in the Joint Governance Committee Business Plan)
  - Approval of additional expenditure not included within the Joint Governance Committee Business Plan which exceeds 30% of the approved budget in the Joint Governance Committee Business Plan in any one Financial Year.
  - Formulation, approval or revisions of Clwyd Pension Fund's investment strategy
  - Amendment of the Inter-Authority Agreement\*
- i. Approval of an administering authority within the LGPS becoming a Constituent Authority under the Inter-Authority Agreement or becoming a shareholder in WPP IM Co (with such approval of becoming a shareholder in WPP IM Co being subject to the terms of the Shareholder Agreement).

**Note:** \*Any proposed changes to of the Inter-Authority Agreement which are changes of substance that impact on the Joint Governance Committee will require prior approval by Full Council.

The following matters reserved to Flintshire County Council as outlined in Schedule 2 of the Inter-Authority Agreement shall require Full Council approval:

- Termination of the Inter-Authority Agreement.
- Approval of changes to the constitution or terms of the Joint Governance Committee as set out in Schedule 4 of the Inter-Authority Agreement

The Head of Clwyd Pension Fund/LGPS Senior Officer will have the power to approve minor or consequential changes to the Inter-Authority Agreement

- The Council has determined that the nomination of a Co-opted Member to the Joint Governance Committee is to be carried out by the Pension Board.
  - ii. Making recommendations on how the Chair and Vice Chair of the Clwyd Pension Fund Committee will vote in relation to Joint Governance Committee matters
  - iii. Making other recommendations on other matters pursuant to the Inter-Authority Agreement which are delegated to the Chair or Vice Chair in the Joint Governance Committee roles, to the Head of Clwyd Pension Fund or any other nominated officer.
- g) In relation to the Wales Pooling Collaboration arrangements specific to the Shareholder Agreement
- i. Recommending to the Head of Clwyd Pension Fund on how shareholder votes should be cast in their role acting as the Flintshire County Council Shareholder
  - ii. Providing feedback and recommendations to the Head of Clwyd Pension Fund on other shareholder matters
  - iii. Approving any changes of substance to the Shareholder Agreement
  - iv. Approving the termination of the Shareholder Agreement

**Note:** The Head of Clwyd Pension Fund/LGPS Senior Officer will have the power to vote on minor or consequential changes to the Shareholder Agreement\*

- h) In relation to the Wales Pooling Collaboration arrangements specific to the Client Services Agreement
- i. Considering principal advice provided by WPP IM Co in relation to the setting of the Clwyd Pension Fund Investment Strategy as well as any other and any further supplementary advice provided by or arranged by the Head of Clwyd Pension Fund
  - ii. Monitoring, and providing feedback and recommendations on the performance of WPP IM Co relating to implementation of Clwyd Pension Fund's Investment Strategy and other investment related requirements, including monitoring against agreed key performance indicators
  - iii. Approving any changes of substance to the Client Services Agreement or termination of the Client Services Agreement

**Note:** The Head of Clwyd Pension Fund/LGPS Senior Officer will have the power to approve minor or consequential changes to the Client Services Agreement\*

- i) Delegating powers to Flintshire County Council's own officers and the Host Council Authority (as defined in the Inter-Authority Agreement) where required.
- j) Nominating Flintshire County Council's officers to the Officer Working Group.

**Note:** All costs relating to the Wales Pooling Collaboration (whether as a result of the Inter-Authority Agreement, Shareholder Agreement, Client Services Agreement or otherwise) are charged to the Clwyd Pension Fund, and will be incorporated into the Clwyd Pension Fund

budget which is approved on an annual basis by the Head of Clwyd Pension Fund/LGPS Senior Officer and Clwyd Pension Fund Committee.

- k) Approving the Fund's annual report including the Fund's financial statements on behalf of the administering authority prior to publication, having regard to the statutory responsibilities of the Chief Finance Officer under section 151 of the Local Government Act 1972 and responsibilities of the LGPS Senior Officer.
- l) Selection, appointment, dismissal and monitoring of the Fund's professional advisers.
- m) Making decisions relating to employers joining and leaving the Fund. This includes which employers are entitled to join the Fund, any requirements relating to their entry, ongoing monitoring and the basis for leaving the Fund.
- n) Agreeing the terms and payment of bulk transfers into and out of the Fund.
- o) Consider the results of each Independent Governance Review, agree an action plan and monitor progress in implementing recommendations as a result of reviews.
- p) Agreeing Pension Fund Business Plans and budgets, and monitoring progress against them.
- q) Agreeing the Administering Authority responses to consultations on LGPS matters and other matters where they may impact on the Fund or its stakeholders.
- r) Receiving ongoing reports from the Head of Clwyd Pension Fund in relation to delegated functions.

## Appendix E: Role of the LGPS Senior Officer

A summary of the role's remit is as follows:

- **Leading all LGPS functions** including administration, funding, investments, governance and communications
- **Ensuring compliance** with LGPS regulations, statutory guidance, relevant legislation and The Pensions Regulator's General Code
- **Overseeing service delivery**, including performance monitoring, KPIs, and timely and accurate pension payments
- **Developing and implementing fund strategies**, such as the Funding Strategy Statement, Investment Strategy Statement and Administration Strategy
- **Managing resources and budgets**, ensuring the LGPS is adequately staffed, structured and funded to deliver its objectives
- **Managing risk and governance**, including oversight of employer risk, internal controls, governance reviews and risk management frameworks
- **Securing appropriate professional advice** on actuarial, legal, governance, procurement and investment matters
- **Supporting effective governance bodies**, including the Pension Committee and Local Pension Board
- **Representing the pension fund at senior leadership level**, ensuring LGPS requirements are considered in wider local authority planning and decision-making
- **Overseeing investment pooling arrangements**, including monitoring the pool's performance and ensuring it supports the administering authority's investment strategy

## Appendix F: Responsibilities of the Wales Pension Partnership Bodies

The responsibilities of the Shareholder Forum include:

- Debating, discussing and feedback to WPP IM Co on matters relevant to shareholders
- Requesting from WPP IM Co such financial information as is necessary to keep each participating fund informed about how the business of WPP IM Co is performing.
- Requesting from WPP IM Co and considering other information relating to the operations and management of WPP IM Co.
- Where possible, undertaking meaningful consultation with the Joint Governance Committee, prior to the participating funds approving or reviewing the business plan and budget for WPP IM Co.
- Where possible, undertaking meaningful consultation with the Joint Governance Committee on “Reserved Matters”

The responsibilities of the JGC include:

- Making recommendations to the Fund on the performance, from a common client perspective, of WPP IM Co against common or consistent key performance indicators across the participating funds
- Monitoring the performance of WPP IM Co against common or consistent key performance indicators across the participating funds
- From time to time reviewing policies in respect of environmental, social and governance matters (including responsible investment), local investment, and conflicts of interest management, and where appropriate make recommendations to the participating funds as to any changes deemed necessary
- Applying any processes or policies that are assigned to it within the Inter Authority Agreement
- Ensuring that the Officer Working Group acts within its remit
- Providing any analysis or commentary to the participating funds on annual accounts relevant to the Joint Governance Committee
- Monitoring the implementation and effectiveness of the JGC’s policies and initiating reviews of these where required
- Delivery and ongoing monitoring against the combined objectives of participating funds, Business Plan and budgets
- Approving responses from the participating funds collectively in relation to consultations or other matters considered appropriate
- Making recommendations and providing feedback (as applicable) to the Chair of the Shareholder Forum in relation to matters on which the Shareholder Forum consults the Joint Governance Committee
- Seeking advice from professional and authorised and regulated advisers where necessary
- Agreeing the Business Plan to be put forward to the participating funds for approval

- Reporting to the participating funds quarterly (and at any other time when the Joint Governance Committee considers it to be necessary) on the matters within their remit including the ongoing monitoring of the Business Plan
- Agreeing criteria for the evaluation of bids or tenders for any procurement of a provider or adviser to the Joint Governance Committee

## Appendix G: Legislative Requirements

When preparing this Strategy, we have taken regard to the following Regulations, Statutory Guidance, Codes of Conduct and other Guidance.

### Local Government Pension Scheme Regulations 2013

| Number | Wording                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 53A(1) | Every administering authority must appoint an officer (“the LGPS senior officer”) who has senior responsibility across all pension functions of the authority, in accordance with guidance issued by the Secretary of State from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 53A(5) | Where an administering authority delegates its functions, or part of its functions, under these Regulations or section 101(1)(a) of the Local Government Act 1972 (arrangements for discharge of functions by local authorities) to a committee, sub-committee or an officer, it must appoint a person who is independent of both the Secretary of State and the administering authority (“an independent person”) to support the discharge of those functions in relation to the Scheme, including in respect of investment strategy, governance and administration.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 55A(1) | An administering authority must prepare: <ul style="list-style-type: none"> <li>(a) a governance strategy,</li> <li>(b) a training strategy, and</li> <li>(c) a conflicts of interest policy.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 55A(2) | A governance strategy is a document setting out: <ul style="list-style-type: none"> <li>(a) whether the authority delegates its functions, or part of its functions, under these Regulations to a committee, a sub-committee or the LGPS senior officer of the authority,</li> <li>(b) if the administering authority does so: <ul style="list-style-type: none"> <li>(i) the terms, structure, and operational procedures of the delegation, including the basis on which substitutes may be permitted to attend or act,</li> <li>(ii) the frequency of any committee or sub-committee meetings,</li> <li>(iii) whether such a committee or sub-committee includes representatives of Scheme employers or members and: <ul style="list-style-type: none"> <li>(aa) if so, whether those representatives have voting rights, or</li> <li>(bb) if there are no such representatives, or if any representatives do not have voting rights, how the authority will ensure that the views of Scheme employers and members are represented in the governance of the fund, and</li> </ul> </li> <li>(iv) how the authority will ensure that it has appointed an independent person in accordance with regulation 53A(5) (appointments that must be made by administering authorities),</li> </ul> </li> </ul> |

| Number | Wording                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | <p>(c) the extent to which a delegation, or the absence of a delegation, complies with guidance given by the Secretary of State and, to the extent that it does not so comply, the reasons for not complying,</p> <p>(d) an explanation of how the governance structure and any delegation arrangements adopted by the administering authority are designed to secure the effective and efficient administration, governance and investment of the Scheme for Scheme employers, members and other stakeholders, and</p> <p>(e) details of the terms, structure, and operational procedures relating to the local pension board established under regulation 106 (local pension boards: establishment).</p> |
| 55A(8) | Before preparing or updating a governance strategy, training strategy, or conflicts of interest policy, an administering authority must consult such persons as it considers appropriate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 106(1) | <p>Each administering authority shall no later than 1<sup>st</sup> April 2015 establish a pension board ("a local pension board") responsible for assisting it:</p> <p>(a) to secure compliance with:</p> <p style="padding-left: 40px;">(i) these Regulations,</p> <p style="padding-left: 40px;">(ii) any other legislation relating to the governance and administration of the Scheme and any connected scheme, and</p> <p style="padding-left: 40px;">(iii) any requirements imposed by the Pensions Regulator in relation to the Scheme and any connected scheme; and</p> <p>(b) to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.</p>     |

## Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026

| Number | Wording                                                                                                                                                                                                                                                                                                                                                                                          |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 7(1)   | On and after the day on which these Regulations come into force, an authority must participate in an asset pool company with a view to that company managing the funds or other assets of the Scheme for which that authority is responsible.                                                                                                                                                    |
| 7(1)   | <p>Subject to paragraph (2), before managing any funds or other assets of the Scheme for which an authority is responsible, any relevant asset pool company must be authorised as:</p> <p>(a) a full-scope UK AIFM, or</p> <p>(b) an investment firm with its head office in the United Kingdom (or, if the firm has a registered office, with its registered office in the United Kingdom).</p> |
| 10(1)  | The relevant asset pool company must provide an authority with proper advice (whether directly or indirectly) about its investment strategy.                                                                                                                                                                                                                                                     |
| 17     | Subject to regulation 24, within the period of three months from the date on which it first participates in an asset pool company under regulation                                                                                                                                                                                                                                               |

| Number | Wording                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | <p>7(1), an authority must ensure that the funds or other assets of the Scheme for which that authority is responsible (other than money needed for making payments under the Scheme from the pension fund maintained by the authority) are:</p> <ul style="list-style-type: none"> <li>(a) held on behalf of the authority by the relevant asset pool company, and</li> <li>(b) properly managed by that company with a view to implementing the authority's investment strategy.</li> </ul> |

## Statutory Guidance

We are expecting further Statutory Guidance on the Governance Strategy from the Secretary of State, but at the date of publication of this Strategy this had not been received.

On 29<sup>th</sup> June 2026 the Ministry of Housing Communities and Local Government published the [Local Government Pension Scheme: fund governance](#) Statutory Guidance.

This guidance should be read alongside the Regulations and is structured around the following areas:

1. Introduction
2. Knowledge and understanding
3. LGPS senior officer
4. Independent person
5. Independent Governance Reviews

The areas of most relevance to this strategy are the LGPS Senior Officer and Independent person sections.

Section 3 of the guidance requires every administering authority to appoint a single senior officer with responsibility across all pension functions. This role is intended to provide clear accountability for the pension fund's overall management and resourcing.

The guidance clarifies that:

- the LGPS Senior Officer is responsible for ensuring the fund is properly managed across administration, investment and governance
- the role should have sufficient seniority, authority, capacity and access to decision-makers to discharge those responsibilities effectively
- the role is intended to improve accountability and ensure there is a clearly identifiable individual responsible for coordinating all pension-related activities within the authority
- for local authorities, the LGPS Senior Officer cannot also be the Section 151 Officer, Monitoring Officer or Chief Executive, creating a separation of duties
- the guidance emphasises that the appointment does not transfer legal responsibility from the administering authority or other statutory officers

Section 4 of the guidance requires administering authorities that delegate LGPS functions to appoint an Independent Person to support decision-making and provide challenge.

The guidance clarifies that:

- the Independent Person must be genuinely independent of both the administering authority and central government
- their role is to provide support, scrutiny, challenge and external perspective on fund administration, governance and investment matters
- the appointment is intended to improve governance quality, strengthen decision-making and reduce the risk of groupthink
- the Independent Person is not a substitute for professional advisers and does not assume decision-making responsibility from the committee or officers
- authorities need to ensure the individual has sufficient experience and expertise to provide meaningful challenge and support



[www.clwydpensionfund.org.uk](http://www.clwydpensionfund.org.uk)

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Please note that Flintshire County Council is the administrative authority of the Clwyd Pension Fund and we use your personal data in accordance with Data Protection legislation to provide you with a pension administration service. For more information about how we use your data, who we share it with and what rights you have in relation to your data, please visit the Privacy Notice on our website.