THE ROYAL COUNTY OF BERKSHIRE PENSION FUND

lgps | Local Government Pension Scheme

Governance Policy

Royal County of Berkshire Pension Fund

September 2026

Version History

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Introduction

This is the Governance Policy for The Royal County of Berkshire Pension Fund ("the Fund"), as required under Local Government Pension Scheme Regulations 2013 (as amended) (Regulation 55A).

The Local Government Pension Scheme (LGPS) is one of the largest public sector pension schemes in the UK. It is a nationwide pension scheme with 6.9 million members across over 22,000 participating employers. The LGPS in England and Wales is administered locally through 86 regional LGPS Pension Funds. The scheme regulations are made under the Superannuation Act 1972 and the Public Service Pension Schemes Act 2013.

Changes to scheme rules are discussed at national level by employee and employer representatives but can only be amended with the approval of Parliament.

The Royal Borough of Windsor & Maidenhead ("RBWM") has been the administering authority and "Scheme Manager" responsible for maintaining and managing the Fund on behalf of its scheme employers and their scheme members since 1 April 1998, following the abolition of Berkshire County Council.

The administering authority can determine its own governance arrangements. However, it must publish how functions related to maintaining the Fund are delegated including the frequency of meetings, terms of reference and details of representation and voting rights. In addition, administering authorities are required to report the extent of compliance against best practice governance principles outlined in statutory guidance. This policy statement provides the required information.

This statement sets out the governance that is in place for RBWM's responsibilities as administering authority only.

Purpose of the Governance Policy Statement

The LGPS regulations require an administering authority, after consultation with such persons as they consider appropriate, to prepare, maintain, publish, and keep under review a written statement setting out:

- Whether it delegates its functions, or part of its functions under these Regulations to a Committee, a Sub-committee, or the Senior LGPS Officer of the administering authority.

- The terms, structure, and operational procedures of the delegation, including the basis on which substitutes may be permitted to attend or act.

- Whether such a committee or sub-committee includes representatives of scheme employers or members, and if so, whether those representatives have voting rights.

- Details of the terms, structure and operational procedures relating to the Local Pension Board.

About the Royal County of Berkshire Pension Fund

The Royal County of Berkshire Pension Fund ("the Fund") is required to maintain the LGPS for its members of those participating scheme employers within its area.

The Fund administers the LGPS for six unitary authorities and over 350 other scheme employers, with approximately 23,000 contributing members, 26,000 deferred pensioners and 21,000 pensioners and dependants.

The Fund does not provide pensions for teachers, firefighters or police officers, who have their own separate public sector pension arrangements. The Fund does, however, provide pensions for administrative and support staff for these organisations.

The role of RBWM's Pension Fund Committee is to fulfil a fiduciary duty owed to scheme members and employers. Pension Fund Committee Members act as quasi-trustees when receiving advice and making decisions on Fund matters, including the investment strategy. Each Member of the Committee must serve the interests of both Fund's scheme members and scheme employers.

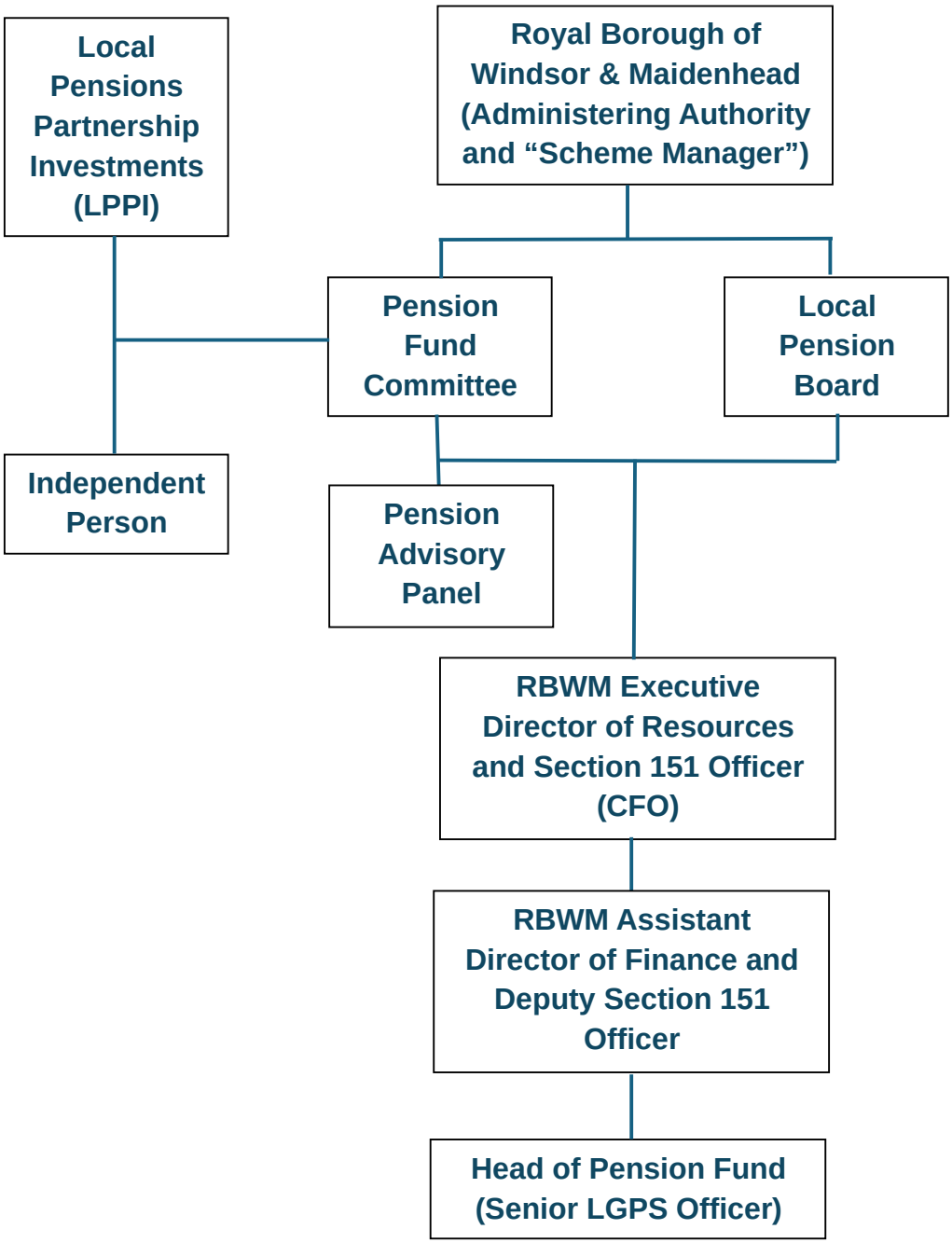
Decisions must be taken in agreement with public law obligations, including the obligations of reasonableness, rationality, objectivity and impartiality.

The Pension Fund Committee is responsible for pension scheme administration on behalf of all scheme employers. The responsibilities of individual scheme employers, including RBWM, are dealt with through separate governance arrangements, which are specific to each scheme employer.

The Administering Authority

The Royal Borough of Windsor & Maidenhead ("RBWM"), in its role as administering authority and "Scheme Manager", is responsible for managing and administering the LGPS on behalf of scheme members and scheme employers.

Management of the Fund is a non-executive function, which means that, by law, it cannot be the responsibility of RBWM's Cabinet or Executive Members. As shown in the chart below, it can delegate that function to a Committee and can decide on the number of Members of that Committee, their terms of office and the Committee's terms of reference.

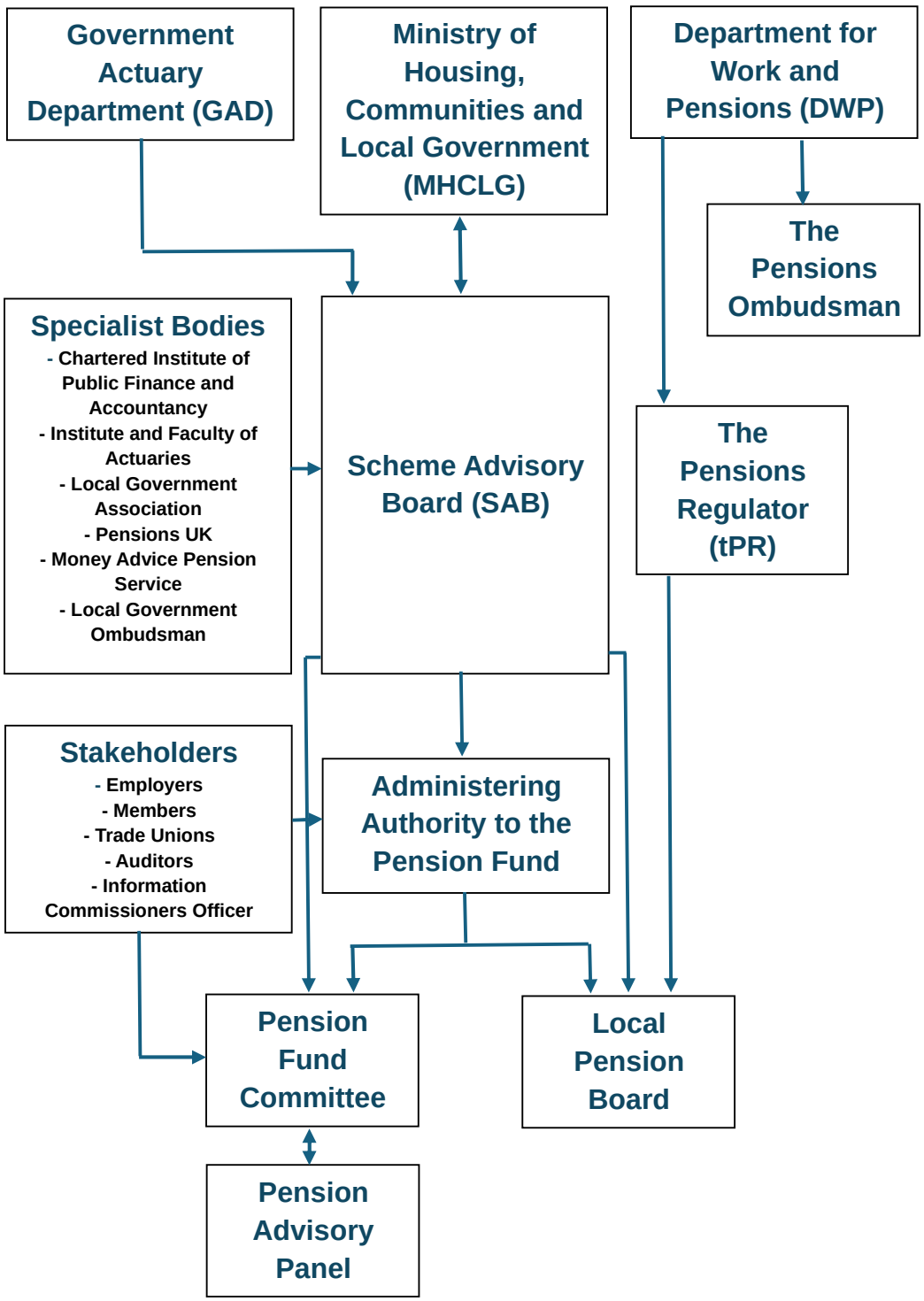


Administering Authority Constitution

As administering authority and "Scheme Manager" The Royal Borough of Windsor and Maidenhead's full Constitution can be found here.

National Framework

There are several parties who have a role in governance of the LGPS in England and Wales, as shown below:



- **Ministry of Housing, Communities and Local Government (MHCLG):**
  MHCLG is a ministerial department responsible for housing, communities and local government, and the Local Government Pension Scheme (LGPS). Under the Public Services Pensions Act 2013 each pension scheme covered by this legislation must have a 'Responsible Authority' the individual responsible for making regulations for that scheme. For the LGPS, the role (Responsible Authority) is held by the Secretary of State for Housing, Communities and Local Government.

- **Government Actuary Department (GAD):**
  The GAD provide actuarial solutions including financial risk analysis, modelling and advice to support the UK public sector. Each LGPS triennial valuation is assessed by the GAD against the four criteria set out in the Public Services Pensions Act 2013 (compliance, consistency, solvency and long-term cost efficiency). Findings and recommendations are reported to LGPS Pension Funds and the Scheme Advisory Board.

- **Department for Work and Pensions (DWP):**
  The DWP is responsible for welfare, pensions and child maintenance policy. It administers the State Pension as well as a range of benefits. It also sponsors The Pensions Regulator and the Pension Ombudsman as independent bodies. These organisations support the DWP's objectives of delivering a high-quality, efficient service while ensuring regulation and dispute resolution in pension matters.

- **Scheme Advisory Board (SAB):**
  The SAB is responsible for providing advice to the Secretary of State, at the authority's request, on the benefit of changes to the LGPS. The Secretary of State must consider any advice carefully when making decisions. Statutory duties, under the regulations, include introducing and maintaining a process to manage costs The SAB also advises Pension Fund Committees and Local Pension Boards on how to implement regulation changes.

- **The Pensions Regulator (tPR):**
  tPR oversees aspects of both the governance and the administration of public service pension schemes. This includes knowledge and understanding required by pension board members, conflicts of interest and representation and reporting breaches of the law. The tPR has certain enforcement powers, but these don't include areas such as the funding and investment of LGPS Pension Funds.

- **The Pension Ombudsman:**
  The Pensions Ombudsman was established in April 1991 by Act of Parliament. The Ombudsman impartially investigates complaints from scheme of pension schemes or their beneficiaries, scheme employers and trustees.

Local Pension Partnership Investments (LPPI)

The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 introduced the requirement for administering authorities to pool investment assets.

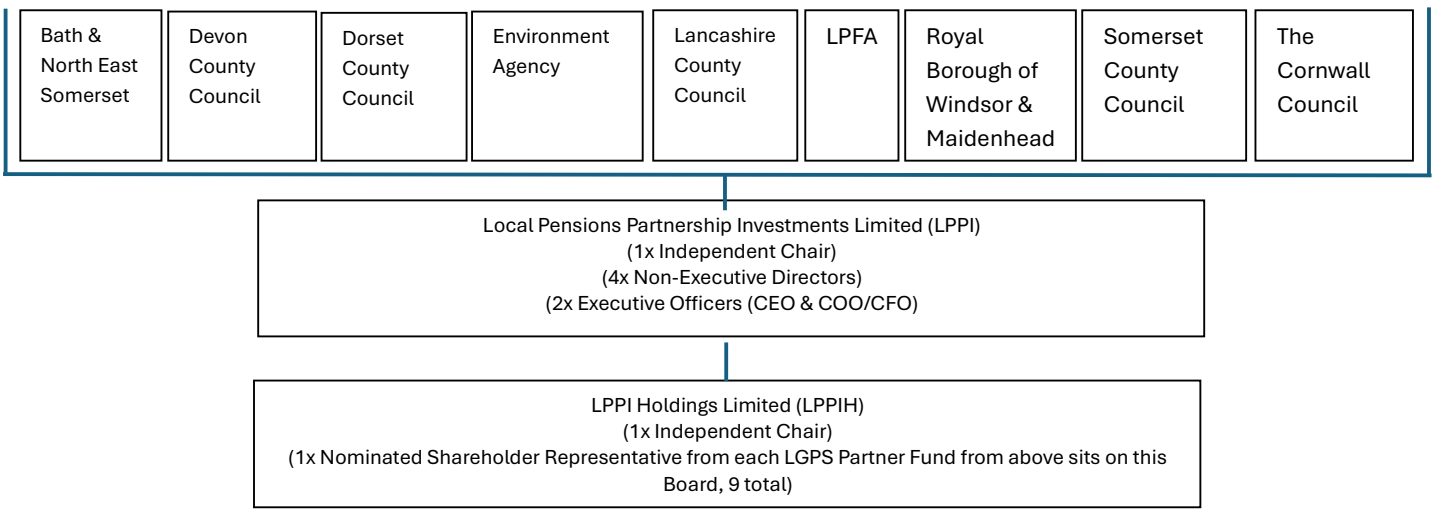
In line with these regulations and subsequent government reforms on strengthening asset pooling, the Fund has participated in the Local Pension Partnership Investments (LPPI) pool ("the Pool") for the implementation of its investment strategy since 1 June 2018.

On 30 June 2026 the Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026 came into force, replacing the 2016 investment regulations, referred to above.

Since 1 April 2026, therefore, as demonstrated by the structure chart below, LPPI has sat under LPPI Holdings Limited (LPPIH) and the administering authorities of LPPI's original three clients and six new clients are now joint equal shareholders of LPPIH. Each shareholder nominating a representative to the LPPIH Board, alongside an independent Chair.

LPPI's performance continues to be monitored through formal service reporting, oversight meetings, governance engagement and service-level agreements. This includes regular review of performance metrics, operational developments, complaints, regulatory compliance and improvement activity.

As both shareholder and client, the Fund remains focused on ensuring that governance, accountability and service quality continue to evolve in line with regulatory expectations, organisational change and the needs of scheme members and scheme employers.



The Pool is responsible for exercising investment management on behalf of its LGPS Partner Funds in accordance with FCA-regulated requirements and the evolving national framework for LGPS asset pooling.

It is important to note that the Councils of each of the LGPS Partner Funds retain their core duties and responsibilities as the administering authorities of their respective LGPS Pension Fund.

Pension Fund Committee and Pension Advisory Panel

Under the RBWM Constitution, responsibility for the discharge of the administering authority's responsibilities for the LGPS sits with the Pension Fund Committee and Pension Advisory Panel.

Pension Fund Committee

In accordance with the administering authority's Constitution (Part 6A (A1)), the responsibilities of the Pension Fund Committee are as follows:

1) Setting of the Investment Strategy and Funding Strategy Statements and determination of the Strategic Asset Allocation of the Pension Fund's assets in the light of professional advice and other suitably qualified independent advice, legislative constraints and Codes of Practice.

2) Responsibility for the statutory policies and administration of the Royal County of Berkshire Pension Fund maintained by the Administering Authority in accordance with the Local Government Pension Scheme Regulations, The Local Government Pension Scheme (Management of Investment of Funds) Regulations, all other associated legislation and Pension Regulator Codes of Practice.

3) Determination of the arrangements for obtaining appropriate investment advice including the appointment of a suitably qualified independent person or persons to give expert advice on Pension Fund investment and management arrangements.

4) The periodic review and monitoring of the Pension Fund's investment Performance in line with the Advisory and Management Agreement entered into with the Local Pensions Partnership (Investments) Limited (LPPI).

5) To consider the Annual Report and Accounts of the Fund.

6) The reporting of any breaches of the law to the Pensions Regulator.

Pension Advisory Panel

In accordance with the administering authority's Constitution (Part 6A (A2)), the purpose of the Pension Advisory Panel is to consider and make recommendations to the Pension Fund Committee on all issues relating to the Fund as follows:

1) The investment policies of the Administering Authority, in the light of professional officer advice and other suitable qualified independent advice, legislative constraints and Codes of Practice.

2) The statutory policies and administration of the Royal County of Berkshire Pension Fund maintained by the Administering Authority.

3) The arrangements of obtaining appropriate investment advice, including the appointment of a suitably qualified independent person or persons to give expert advice on Pension Fund investment and management arrangements.

4) The periodic review and monitoring of the Fund's investment performance.

5) The Annual Report and Accounts of the Fund.

Governance Arrangements

Representatives on the Pension Fund Committee and Pension Advisory Panel are not appointed to represent the organisation that nominated them or its interests. Their primary responsibility is to act in the best interests of scheme members and scheme employers.

This fiduciary duty must come before any other interests of the administering authority or the bodies represented on the Pension Fund Committee and Pension Advisory Panel.

The governance arrangements for the Pension Fund Committee and Pension Advisory Panel are summarised below:

Governance Requirement	**Status**
Frequency of meetings	Quarterly plus any additional meetings required including any working groups established to undertake work on key themes will be determined at the time based on the remit of the group.
Representatives of scheme employer and scheme members	- The Pension Fund Committee consists of 5 elected Members and up to 5 substitute elected Members (all Councillors of RBWM, the administering authority). - The Pension Advisory Panel consists of 5 elected Members (one Councillor

	from each of the other 5 Unitary Authorities).
Voting rights	- The 5 Pension Fund Committee Members have voting rights on any decision to be taken in respect of the Fund's activities. - The 5 Pension Advisory Panel elected Members do not have voting rights.
Arrangements to enable the discharge of functions	Members are required to acquire and maintain an appropriate level of expertise, knowledge and skills as defined by the Fund's Training Strategy to remain members of the Pension Fund Committee. The Pension Fund Committee can make decisions without reference to the full Council or Audit and Governance Committee.

All Members of the Pension Fund Committee and Pension Advisory Panel have equal access to agenda papers and associated appendices in accordance with the legislation and constitutional rules relating to access to information for Committees.

Formal meetings of the Pension Fund Committee and Pension Advisory Panel will take place in the public unless it has resolved to move into exempt sessions in accordance with the applicable access to information provisions.

Local Pension Board

Under the Public Service Pensions Act 2013, all administering authorities have a Local Pension Board ("the Board") to assist the "Scheme Manager", in its compliance with the Pensions Regulator's General Code of Practice on the governance and administration of public service pension schemes.

In accordance with the administering authority's Constitution (Part 6A (A3)) the purpose of the Board is to assist the administering authority in its role as "Scheme Manager". Such assistance is to:

1) Secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme and requirements imposed by the Pension Regulator in relation to the Scheme; and

2) Ensure the effective and efficient governance and administration of the Scheme.

3) Include consideration of any relevant matter referred to the Pension Board by the Pension Fund Committee.

The governance arrangements for the Local Pension Board are summarised below:

Governance Requirement	Status
Frequency of meetings	Quarterly plus any additional meetings required including any working groups established to undertake work on key themes will be determined at the time based on the remit of the group.
Representatives of scheme employer and scheme members	3 scheme employer and 3 scheme member representative.
Voting rights	All scheme employer and scheme member representatives can vote.
Arrangements to enable the discharge of functions	Members are required to acquire and maintain an appropriate level of expertise, knowledge and skills as defined by the fund's Training Strategy to remain Members of the Board.

The Role of Senior Officers

Chief Financial Officer (Section 151 Officer) (CFO)

Appointed under Section 151 of the Local Government Act 1972, the CFO is ultimately responsible for the proper administration of a local authority's financial affairs, including those of the Local Government Pension Scheme.

Under the Local Government Pension Scheme Regulations 2013 (as amended), there will be areas of responsibility that fall into the remits of both the CFO and the Senior LGPS Officer, so each administering authorities must set clear and robust boundaries and expectations between the two roles.

This and the following section will be updated as RBWM develops these roles.

Senior LGPS Officer

Under Local Government Pension Scheme Regulations 2013 (as amended) (Regulation 53A), by no later than 31 December 2026, every administering authority must have a Senior LGPS Officer who has senior responsibility across all pension functions to ensure the Fund is appropriately managed and resourced across administration, governance and investment matters.

The Senior LGPS Officer role must be separate from that of the administering authority's Section 151 Officer to ensure independence from the administering authority, although the role is permitted to report directly to the Section 151 Officer.

The Senior LGPS Officer is responsible for ensuring adequate resources, governance, administration, investment oversight, compliance monitoring and implementation of actions arising from governance reviews.

Independent Person

Under Local Government Pension Scheme Regulations 2013 (as amended) (Regulation 53A(5)), by no later than 31 December 2026, every administering authority must appoint an Independent Person as a non-voting Member to its Pension Fund Committee who will be expected to provide additional independent and professional expertise to support Pension Fund Committee Members in scrutinising and challenging the advice given to them.

The role should cover all functions of the Pension Fund Committee, including decisions on administration, governance, investment strategy and the role of the administering authority as a shareholder of its Pool company.

This includes:

- to support and contribute to the development of all strategies for which the Pension Fund Committee is responsible.
- to scrutinise any advice given to the Pension Fund Committee, whether from the Pool or any other organisation or individual.
- to support scrutiny of performance including administrative performance and the Pool's implementation of investment strategy and performance.
- to support consideration of the Pension Fund Committee's governance arrangements, including any action plans arising from Independent Governance Reviews (IGR).
- to contribute in any other way appropriate to the administering authority's LGPS functions.

The Independent Person should also support the Chair of the Local Pension Board, to help it scrutinise the administering authority as part of its statutory role to ensure effective governance and administration of the Fund.
The Government expects the Independent Person to hold one or more of the following qualifications or experience:

- a qualification from Pensions Management Institute (PMI) – the award in pension trusteeship, diploma in professional trusteeship, certificate in professional trusteeship, accreditation for professional trustees
- member of, and accredited by, the Association of Professional Pension Trustees (APPT)
- significant experience of pensions

For the initial appointment, expressions of interest will be sought through both the Fund's and the Administering Authority's websites, and through LinkedIn. Once expressions of interest have been reviewed, a full procurement exercise will be undertaken, followed by interviews for the shortlisted applicants before appointment is confirmed by the Pension Fund Committee.

Independent Governance Review (IGR)

Local Government Pension Scheme Regulations 2013 (as amended) (Regulation 116A), made under the powers in Section 5 of the Pension Schemes Act 2026, set out requirements relating to IGRs. The IGR is therefore a statutory requirement, as is compliance with associated statutory guidance.

Key criteria to be assessed in an IGR report

The government set a minimum standard of areas that must be considered in an IGR. The minimum standard is not an exhaustive list of areas, and the administering authority may agree with its assessor to cover any other area that relates to governance.

It is for the administering authority and assessors to decide together how to consider each area, and the government is not mandating set questions or a template for how IGRs should look. The IGR minimum standard is an assessment of the following areas:

- Communications with scheme members (including Administration Strategy Statement and Communications Strategy Statement).
- Conflict of Interest policy and implementation
- Governance strategy, structures, and policies
- Pension Fund Committee, Senior Officers, and Leadership
- Remuneration and fee policy
- Risk Management
- Training strategy and policies

There are two routes towards meeting the requirement for an IGR: a periodic IGR as required by Regulation 116A(4); and an ad-hoc governance review as directed by the Secretary of State under Regulation 116A(2). In any event the first IGR must be completed no later than 31 March 2028.

The Senior LGPS Officer will be responsible for implementing actions arising from the IGR, which will be reported to, and monitored by, the Local Pension Board and Pension Fund Committee and Pension Advisory Panel.

Internal Controls

Under section 249B of the Pensions Act 2004, public service schemes, including the LGPS, are required to establish and operate internal controls, which are adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules and with the requirements of the law. Internal controls refer to all the following:

- The arrangements and procedures to be followed in the administration and management of the scheme
- The systems and arrangements for monitoring that administration and management
- Arrangements and procedures to be followed for the safe custody and security of the assets of the scheme.

Further guidance is provided by The Pensions Regulator's General Code of Practice which can be found here.

Internal Control Policies

Together with this Governance Policy Statement, the Fund has the following policies in place aimed at mitigating the risk of an incident and its impact:

- Administering Authority Discretions Policy
- Administration Strategy Statement
- Breaches of the Law Policy
- Business Continuity and Service Recovery Plan
- Business Plan, Budget and Medium-Term Strategy 2026/27
- Communication Strategy Statement
- Conflicts of Interest Policy
- Cyber Security Policy
- Employer Flexibilities Policy
- Internal Disputes Resolution Procedure
- Risk Management Policy
- Training Strategy

Other Internal Controls

Annual Review and Job Description - Fund Officers are provided with a mid-term and annual review in line with the administering authority's process. Objectives and

training are carefully set with thought given to the Fund's "Business Plan, Budget and Medium-Term Strategy 2026/2027" and Fund Officers job description, knowledge and ability. Fund Officers are required in an annual review period (June to May) to have completed online training modules, these include Cyber Security Awareness, Fraud Prevention, GDPR UK Essentials and Prevent.

Data Quality - Accurate, complete, and timely data is the foundation of effective LGPS administration. High-quality data is essential not only for meeting regulatory requirements but also for providing reliable services to scheme members and scheme employers. The Fund undertakes an annual data quality exercise in accordance with guidance issued by the Pensions Regulator and ensures excellent data is maintained reducing manual interventions, minimises the risk of errors, protects against fraud, and builds trust among stakeholders.

External and Internal Audit - Serving as an independent and objective assurance and consulting activity designed to add value and improve the operations of the Fund. The role of the external auditor (Grant Thornton LLP) and internal auditor (SWAP Internal Audit Services) provides assurance that the systems of control in place at the Fund are effective in managing risks to achieve the Funds' objectives.

Monthly Payroll Administration and Pension Administration Cross Check - Immediately after each month's payroll is processed a report is run to find any differences held between the payroll administration and pension administration system. If there is a difference of more than 10 pence per month, these cases are investigated and corrected.

Mortality Screening – The Fund undertakes monthly mortality screening and participates in the biennial National Fraud Initiative (NFI) to identify any annual pension in payment in error. Any scheme members identified as deceased or scheme members identified by the NFI are immediately suspended, investigated and resolved accordingly.

Risk Management – The Fund maintains a risk register which is reviewed by the Pension Fund Committee on a quarterly basis and monitored by the Local Pension Board. Risks are assigned owners, scored using agreed criteria and reviewed in accordance with the Risk Management Policy, which can be found here.

Policies

All LGPS Pension Funds are required to maintain core statutory policies covering administration, governance and investments which align with national regulatory updates. LGPS Pension Funds can also maintain non-statutory policies, these are discretionary policies that LGPS Pension Funds are not directed by government regulations to formulate, publish and review.

Below is a list of statutory and non-statutory policies formulated, published and periodically reviewed by the Fund:

Statutory Policies

- Abatement Policy
- Communications Strategy Statement
- Funding Strategy Statement
- Investment Strategy Statement
- Pension Administration Strategy Statement
- Training Strategy (please see further below for a summary about this policy)

Non-Statutory Policies

- Administering Authority Discretions Policy March 2022
- Business Continuity and Service Recovery Plan
- Business Plan, Budget and Medium-Term Strategy 2026/27
- Conflicts of Interest Policy (please see further below for a summary about this policy)
- Cyber Security Policy
- Employer Contribution Review Policy
- Employer Flexibilities Policy
- Environmental, Social and Governance (ESG) Statement
- Internal Disputes Resolution Procedure Guide
- LPPI Shareholder Voting Policy
- Reporting Breaches of the Law
- Responsible Investment Policy
- Risk Management Policy

Conflicts of Interest

Administering authorities of the LGPS have both fiduciary and public law duties to act in the best interest of both the scheme beneficiaries and participating scheme employers.

However, those involved in managing or advising LGPS Pension Funds may also hold other roles that could lead to potential or actual conflicts of interest. These potential conflicts could include:

• Being an elected Member of a participating scheme employer.

• Advising more than one LGPS Pension Fund.

• Holding personal or pecuniary interests that might conflict, or be perceived to conflict, with their role managing or advising LGPS Pension Funds.

To promote transparency and protect sound decision-making, it is considered good practice to clearly set out how any potential conflicts are identified and managed.

The Conflicts of Interest Policy of the Fund is aimed at providing guidance to Local Pension Board Members, Pension Fund Committee and Pension Advisory Panel Members, independent advisers, senior Officers of the Fund and the Executive Director of Resources and Section 151 Officer (CFO).

The Fund's Conflicts of Interest Policy can be found here.

Training Strategy

The Fund maintains a Training Strategy to support Local Pension Board Members and Pension Fund Committee and Pension Advisory Panel Members, and senior Officers in performing and developing personally in their individual roles and to equip them with the necessary skills and knowledge to act effectively in line with their responsibilities.

The Fund's Training Strategy has been prepared with regard to the Local Government Pension Scheme Regulations 2013 (as amended) (Regulation 55A and Regulation 55B) and can be found here.

In accordance with the Training Policy, all Pension Fund Committee, Pension Advisory Panel and Local Pension Board Members will receive induction training on appointment, and ongoing training throughout their membership period on matters relevant to the workplan as well as general LGPS matters.

Knowledge and understanding levels will be assessed periodically, with a development plan created to address any knowledge gaps, at both individual and collective levels.

Training records will be maintained, and activities will be reported in the Fund's Annual Report and Accounts.

Fund officers are expected to maintain appropriate levels of knowledge and understanding relevant to their roles within the Fund. At each annual and mid-year review, the training needs for all officers are discussed, and factored into the development budget of the Fund.

The Fund's Training Strategy can be obtained from the Deputy Head of Pension Fund on request.