

Pension Fund Committee

15 March 2018

Procedure for Reporting Breaches



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Purpose of the Report

1. This report is to provide the Committee with a copy of the Council's Procedure for Reporting Breaches in relation to the Pension Fund, and to explain how it operates.

Background

2. There is a requirement for those with a role in administering or overseeing the Local Government Pension Scheme (LGPS) – including Committee members, Local Pension Board members and officers – to report breaches of the law to the Pensions Regulator when they have reasonable cause to believe a breach of 'material significance' has occurred.
3. The Council has set out a procedure (enclosed at Appendix A) which explains when and how breaches or suspected breaches should be reported and recorded. The procedure takes into account the guidance on the subject provided by the Pensions Regulator.

Procedure for Reporting Breaches

4. Individuals with a role in the LGPS have a duty to report breaches of law when they have reasonable cause to believe that:
 - A legal duty relevant to the administration of the scheme has not been, or is not being, complied with; and
 - The failure to comply is likely to be of material significance to the Pensions Regulator.
5. Breaches can potentially take place in relation to a wide variety of tasks associated with the administering a pension scheme such as record keeping, internal controls and benefit calculation, as well as making decisions relating to investments.
6. In line with guidance issued by the Pensions Regulator, the Council has developed a policy and procedure for ensuring those responsible for reporting can identify, assess and report (or record if not reported) a breach of law relating to the Pension Fund. The guidance includes examples of potential breaches and a flowchart showing the process to following in determining whether to report or merely record a suspected breach.

7. The procedure also includes an example breaches record. Future Committee meetings (and Local Pension Board meetings) will be provided with updates on the breaches record.

Recommendations

8. That the Committee notes this report including the attached Reporting Breaches Procedure.

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