

REPORT FOR: Pension Board

Date of Meeting: 7 March 2017

Subject: Policy for Reporting Breaches of the Law

Responsible Officer: Dawn Calvert, Director of Finance

Exempt: No.

Wards affected: All

Enclosures: Draft Policy for Reporting Breaches of the Law

Section 1 – Summary and Recommendation

Summary

The Board is asked to consider a draft Policy for Reporting Breaches of the Law and agree comments to be passed onto the Pension Fund Committee.

Recommendation

That, the Board consider the draft Policy for Reporting Breaches of the Law and agree comments to be passed onto the Pension Fund Committee.

Section 2 – Report

1. The Pensions Regulator was established under the Pensions Act 2004 to regulate work-based pensions. The Public Service Pensions Act 2013 introduced an expanded role for the Regulator in overseeing the major work-based pension schemes for those working in the public services.
2. Under the 2013 Act the Regulator is required to issue one or more codes of practice covering specific matters relating to public service pension schemes.
3. In January 2015 the Regulator published “Code of practice no.14” entitled *Governance and administration of public service pension schemes* which came into force in April 2015. It sets out the legal requirements for public service pension schemes in respect of specific matters, practical guidance and standards of conduct and practice expected of those who exercise functions in relation to those legal requirements.
4. In paragraphs 241-275 of the Code the Regulator sets out the legal requirements and practical guidance for those with responsibilities for reporting breaches of the law. Specifically the Regulator advises that:

241. Certain people are required to report breaches of the law to the regulator where they have reasonable cause to believe that:

- *a legal duty which is relevant to the administration of the scheme has not been, or is not being, complied with*
- *the failure to comply is likely to be of material significance to the regulator in the exercise of any of its functions .*

242. People who are subject to the reporting requirement (‘reporters’) for public service pension schemes are:

- *scheme managers*
 - *members of pension boards*
 - *any person who is otherwise involved in the administration of a public service pension scheme*
 - *employers*
 - *professional advisers including auditors, actuaries, legal advisers and fund managers*
 - *any person who is otherwise involved in advising the managers of the scheme in relation to the scheme .*
5. Attached is a statement setting out the Council’s proposed policy and procedures on identifying, managing and, where necessary, reporting breaches of the law in accordance with the Regulator’s Code.

6. The Board are asked to consider the draft Policy for Reporting Breaches of the Law and agree comments to be passed onto the Pension Fund Committee.

Financial Implications

7. There are no financial implications arising from this report.

Risk Management Implications

8. Any relevant risks arising from non-compliance with the legal requirements and Scheme Regulations are included in the Pension Fund risk register.

Equalities implications

9. There are no direct equalities implications arising from this report.

Council Priorities

10. Whilst the financial health of the Pension Fund directly affects the level of employer contribution which, in turn, affects the resources available for the Council's priorities there are no impacts arising directly from this report.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 22 February 2017		
Name: Caroline Eccles	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 22 February 2017		

Ward Councillors notified:	Not applicable
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Section 4 - Contact Details

Contact: Ian Talbot, Treasury and Pension Fund Manager 0208 424 1450

Background Papers - None