

LOCAL PENSION BOARD – 9 OCTOBER 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

REPORTING BREACHES OF THE LAW TO THE PENSIONS REGULATOR

Purpose of the Report

1. To inform the Board on reporting breaches of the law to The Pensions Regulator.

Background

2. The Public Service Pensions Act 2013 introduced a framework for the regulatory oversight of governance and administration of public service pension schemes by The Pensions Regulator (TPR).
3. In April 2015 TPR published its draft Code of Practice on Governance and administration of public service pension schemes. This is not a statement of law, but nonetheless it carries weight and pension funds are strongly advised to follow the code.
4. The code covers a number of areas of pension administration. A copy of the code is attached as Appendix A. Within sections 241 to 262 it states that a procedure should be established to ensure that those with a responsibility to report on breaches of the law are able to meet their legal obligations. 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 and;
 - the failure to comply is likely to be of material significance to the Regulator in the exercise of any of its functions.
5. Attached as Appendix B is the procedure, which relates to all the Fund's areas of operations.

Legal Requirements

6. Within the procedure it details who are required to report breaches. This includes members of the Local Pension Board.

Recommendation

7. The Board is asked to note this report.

Equal Opportunities Implications

None specific

Background Papers

Appendix A - Draft Code of Practice Number 14 – Governance and administration of public service pension schemes

Appendix B – The Fund’s procedure for reporting breaches to The Pensions Regulator.

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