

NOTICE
OF
MEETING

BERKSHIRE PENSION FUND PANEL

will meet on

MONDAY, 16TH DECEMBER, 2019

At 5.00 pm

in the

GREY ROOM - YORK HOUSE, WINDSOR

TO: MEMBERS OF THE BERKSHIRE PENSION FUND PANEL

COUNCILLORS DAVID HILTON (VICE-CHAIRMAN), JULIAN SHARPE (CHAIRMAN), JOHN STORY, SIMON BOND AND WISDOM DA COSTA

ADVISORY MEMBERS: MARK BUTCHER, CLLR LAW, CLLR JO LOVELOCK (READING), CLLR BALVINDER S. BAINS (SLOUGH), CLLR JOHN KAISER (WOKINGHAM), CLLR IAN LEAKE (BRACKNELL FOREST), PATRICK FULLER AND ASIA ALLISON

Karen Shepherd – Head of Governance - Issued: 06/12/2019

Members of the Press and Public are welcome to attend Part I of this meeting. The agenda is available on the Council's web site at www.rbwm.gov.uk or contact the Panel Administrator David Cook 01628 796560

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AGENDA

PART I

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3.	<u>MINUTES</u> To approve the Part I minutes of the meeting held on 23 September 2019.	7 - 10
4.	<u>TERMS OF REFERENCE</u> To note the proposed revised terms of reference.	11 - 14
5.	<u>PENSION FUND PANELS ANNUAL WORK PLAN</u> To consider the report.	15 - 40
6.	<u>ADMINISTRATION REPORT</u> To consider the report.	41 - 52
7.	<u>LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PRESS AND PUBLIC</u> To consider passing the following resolution:- "That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act"	-

PRIVATE MEETING - PART II

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9.	<u>TRIENNIAL VALUATION RESULTS - BARNETT WADDINGHAM</u> To consider he report. <i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	55 - 62
10.	<u>EMPLOYER COVENANT REVIEW UPDATE LPP</u> To consider he report. <i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	63 - 70
11.	<u>INVESTMENT PERFORMANCE UPDATE - LPPI</u> To consider the report. <i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	71 - 84
12.	<u>RISK ASSESSMENT REGISTER</u> To consider the report. <i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)</i>	85 - 106

MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations on the item: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations in the item: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

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Agenda Item 3

BERKSHIRE PENSION FUND PANEL

MONDAY, 23 SEPTEMBER 2019

PRESENT: Councillors David Hilton (Vice-Chairman), Julian Sharpe (Chairman), John Story and Simon Bond

Advisory Members: Councillors Ian Leake (Bracknell Forest BC), Balvinder Bains (Slough BC), Jo Lovelock (Reading BC), John Kaiser (Wokingham BC)

Officers: Philip Boyton, Shilpa Manek and Kevin Taylor. Local Pension Partnership (LPP) representatives Chris Rule, Richard Tomlinson and Matthew Course. Andrew Harrison, Law Debenture. Investment Group Rohan Worrall and Aoifinn Devitt. Kieron Finlay, University of West London.

APOLOGIES

Apologies for absence were received from Councillor Da Costa, Councillor Law and Mark Butcher.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

MINUTES

RESOLVED Unanimously: The Part I minutes of the meeting held on 11 March 2019 were approved as a true and correct record.

TERMS OF REFERENCE

Kevin Taylor, Deputy Pension Fund Manager, went through the Terms of Reference for all the new Members of the Panel. Kevin Taylor informed the Panel that they were the main decision making body for the Berkshire Pension Fund. There was also an Advisory Panel and a Berkshire Pension Fund Panel Sub Committee (Investment Group). The Panel agreed that since this was the first meeting of the municipal year and all but two of the members were new, this was a good time to review and amend the Terms of Reference as this had not been done since pre-pooling of the investments.

The Panel agreed Unanimously that Kevin Taylor would review and amend the Terms of Reference and agree them with the Chairman before they were on the next Agenda.

ACTION: Kevin Taylor to review and amend the Terms of Reference, clear with Chairman and have ready for next meeting.

ACTION: Clerk to place on next Agenda.

The Chairman requested that Kevin Taylor explain the governance structure to the Panel. Kevin Taylor informed the Panel that RBWM was the administering authority for the Royal County of Berkshire Pension Fund, which was one of eighty eight in England and Wales. It consisted of five elected members from RBWM that had the powers to take decisions with respect to the pension fund activity on behalf of the Berkshire Pension Fund.

Kevin Taylor informed the Panel that there was also a Berkshire Pension Fund Advisory Panel that consisted of the five RBWM Elected Panel Members, one Elected Member from each of Reading Borough Council, Slough Borough Council, West Berkshire Council,

Bracknell Forest Council and Wokingham Borough Council, two trade union employee representatives, three representatives from employer bodies within the Fund; one member drawn from the active membership and one member drawn from the deferred/pensioner membership.

Kevin Taylor informed the Panel that there was also a Berkshire Pension Fund Panel Sub Committee (Investment Group). This consisted of the Chairman and/or Vice Chairman of the Berkshire Pension Fund Panel, one other member of the Berkshire Pension Fund and Pension Fund Advisory Panels and two independent advisers.

PENSION FUND PANELS WORK-PLAN

Kevin Taylor informed the Panel that a work plan had been attached at Appendix A for new members to agree. A similar plan had been presented and agreed to Members in July 2018. The work plan was for a twelve months rolling review period. Kevin Taylor informed the Panel that all changes would be clearly shown when they were made. The table at Appendix A showed the minimum that had to come before the Panel but there would be additional reports.

Resolved unanimously: the Panel noted and agreed the work plan at Appendix A.

APPROVAL OF ANNUAL REPORT AND ACCOUNTS 2018/19

Kevin Taylor informed the Panel that the attached Annual Report and Accounts was only the draft version. The aim was that the final report would be published by 1st December 2019. Kevin Taylor was today looking for general approval from the Panel. Kevin Taylor would circulate changes for the final version to be published before the 1st December 2019. The changes would be very minor. Kevin Taylor highlighted one change would be on page 65 of the report, the figure of £63,527 would change. This was a result of the change in longevity factors. However, this was not the reason for signing the accounts off late. The main reason was that the audit committee had sharpened their housekeeping and auditing.

ACTION: Councillor Hilton to establish when the accounts would be signed off, sending projected timescales to the Panel.

Kevin Taylor informed the Panel that all authorities were in the same position.

Resolved Unanimously: Panel substantively agreed the Annual Report and Accounts but requested that all changes be sent to Panel before signing them off.

INTERNAL AUDIT REPORT – PENSIONS AND PAYROLL AND ADMINISTRATION

Kevin Taylor informed the Panel that at a recent internal audit, no extreme or major concerns had been identified. All moderate concerns identified at the draft report stage had been resolved prior to the final report being issued resulting in the audit opinion be assessed at the highest category, Complete and Effective.

Philip Boyton, Pension Administration Manager, informed the Panel that the Pension Fund had now moved to an automated secure data interface system called iConnect that operates between an employer's payroll system and the Pension Fund's pension administration software. To date, 275 employers were already using the new system. A phased approach had been adopted meaning that by March 2021 all employers will be using iConnect.

Using iConnect resulted in clean and efficient data, a more accurate employer contribution rates going forward. In addition, the required triennial valuation data extracts had been submitted the Pension Fund's Actuary by 30 June 2019, way ahead of the deadline of 31 August 2019.

Philip Boyton informed the Panel that as iConnect updated member records monthly data was available in real time resulting in a better experience for scheme members using the Member Self-Service facility.

Resolved Unanimously: The Panel noted the report.

RISK MANAGEMENT POLICY AND RISK ASSESSMENT REGISTER

Kevin Taylor informed the Panel that the Risk Management Policy and Risk Assessment Register should be seen regularly, at each Meeting, by the Panel.

Kevin Taylor suggested that the key sections of the report be on every Agenda and then the whole report once a year.

It was suggested that the Panel were informed about what was getting better and worse at each meeting since the risk register was a living document and was changing all the time.

Kevin Taylor informed the Panel that there were two parts to managing risk, the risk policy which was agreed in November 2018 and the risk assessment register. Kevin Taylor requested that the Panel agree the risk policy as there had been no changes to that, then it could be reissued.

The Chairman highlighted that IT Security was not on the risk register and needed to be. The Panel agreed.

ACTION: Kevin Taylor to add IT Security to the Risk Register.

ACTION: Bring revision to next meeting.

The risk assessment register had highlighted four medium risks as below:

- PEN 004 – All employers to using iConnect by March 2021.
- PEN 011 – Loss of key staff.
- PEN 017 – Funding level below 100%.
- PEN 025 – Inability of scheme employer to meet their obligation

Resolved Unanimously: The panel noted and agreed all recommendations.

ADMINISTRATION REPORT

Philip Boyton informed the Panel that this was a standing item on the agenda.

During Quarter 1, April to 30 June, membership numbers as a whole were steadily increasing, however the active membership was decreasing as members were transferred to third party service providers on a closed scheme basis.. It was explained that whilst scheme members retained a right to be a member of the LGPS through an admission agreement following the TUPE transfer of their employment to a private company those agreements generally did not permit new employees to join the scheme.

Philip Boyton reported that all six unitary authorities had adopted iConnect. There were four KPI's that were reported to Panel. It was noted that these targets were being met.

The Panel asked if the targets being reported were in line with National recorded targets. Officers explained that the KPIs as currently set out had not been amended for many years and that they would investigate further targets issued by CIPFA and adopt these where possible.

ACTION: Officers to investigate performance targets issued by CIPFA and adopt these as part of future reporting once a full quarter can be included as part of an administration report.

Resolved Unanimously: The Panel noted the report.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PRESS AND PUBLIC

The meeting, which began at 5.00 pm, finished at 6.50 pm

CHAIRMAN.....

DATE.....

A) PENSION

A1 Berkshire Pension Fund Panel

A1.1 Purpose

To exercise the general powers and duties of an Administering Authority in the maintenance of such Superannuation funds as may be required in accordance with the Superannuation Fund Act 1972 and Local Government Pension Scheme Regulations existing under that Act including, but not restricted to the following.

- (i) ~~Setting of the Investment Strategy and Funding Strategy Statements and~~ Determination of the Strategic Asset Allocation of the Pension Fund's assets ~~investment policies of the Administering Authority~~ in the light of professional ~~officer~~ advice and other suitably qualified independent advice, legislative constraints and Codes of Practice.
- (ii) Responsibility for the statutory policies and administration of all superannuation funds maintained by the Administering Authority in accordance with the Local Government Pension Scheme Regulations, all other associated legislation and Pension Regulator Codes of Practice, and including, specifically, custodianship arrangements.
- ~~(iii) The appointment of External Fund Managers.~~
- ~~(iv)~~ (iii) 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 superannuation fund investment and management arrangements.
- ~~(v)~~ (iv) The periodic review and monitoring of the Pension Funds' investment performance.
- ~~(vi)~~ (v) Determination of applications for admitted body status in accordance with the appropriate legislative provisions.
- ~~(vii)~~ (vi) To consider the Annual Report on the Fund.

A1.2 Membership 5

RBWM Councillors

N.B. A Cabinet Member may be a Member of the Berkshire Pension Fund Panel and of the Berkshire Pension Fund Advisory Panel.

A1.3 Quorum

2 RBWM Councillors

A1.4 Frequency

Quarterly

A 2 Berkshire Pension Fund Panel Sub Committee (Investment Group)

A2.1 Purpose

The Sub Committee shall have delegated authority to undertake the following functions:

- To review and recommend appropriate policies/actions to the Pension Fund Panel and Advisory Panel in respect of the following:

1. The Strategic Asset Allocation of the Fund
 2. The investment performance of the Fund
 - ~~3. New investment products/mandates and their suitability for investment by the Fund~~
 - ~~4. To interview potential managers for the Fund~~
 - ~~5. To recommend the appointment or termination of investment mandates~~
- Such other matters as may be relevant to managing the investments of the Fund and implementing decisions of the Pension Fund Panel
 - Recommend changes to the Investment Strategy
 - Set and Change asset allocation
 - ~~• Review investment opportunities/new managers and authorise officers to make such investments if they comply with the agreed Investment Strategy. Such delegation is limited to a limit of the higher of £50 million, or 3% of the net asset value of the Fund as published in the Fund's latest Financial Statements for any single or series of investments in any one asset class with any single manager. For the avoidance of doubt any proposed investment either incrementally or new in excess of £50 million will require prior approval from the Panel.~~
 - To take emergency actions to terminate a mandate, redeem a pooled holding or reduce exposure to one or more asset classes and to take any other action necessary to secure / recover/ Pension Fund Assets. Such emergency action is delegated to: the Chairman (or in his absence the Vice Chairman) of the Berkshire
 - Pension Fund Panel and one other of: the Vice Chairman, Leader, and Lead Member for Finance, Managing Director or an Executive Director.

A2.2 Membership

The Berkshire Pension Fund Panel Sub Committee will consist of the Chairman and/or Vice-Chairman of the Berkshire Pension Fund Panel, ~~and one up to three~~ other members of the Berkshire Pension Fund and Pension Fund Advisory Panels and two independent advisers.

A2.3 Quorum

~~Two~~Four members of whom at least ~~one~~two shall be ~~a members of the Berkshire Pension Fund Panel and include~~ the Chairman and/or the Vice Chairman of the Panel.

A2.4 Frequency

The Berkshire Pension Fund Panel Sub Committee will meet ~~at least~~ quarterly in advance of scheduled meetings of the Berkshire Pension Fund Panel and Berkshire Pension Fund Advisory Panel~~and on an ad-hoc basis as required. At least five clear days' notice of a meeting will be given for each meeting.~~ The Sub Committee may meet "electronically" if required. In such a circumstance it will be made clear by what date Sub Committee Members are required to respond, decisions recorded and reported to subsequent meeting.

A3 Berkshire Pension Fund Advisory Panel

A3.1 Purpose

To consider and make recommendations to the Berkshire Pension Fund Panel on investment and actuarial issues relating to the Fund as follows:

- (i) 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.
- (ii) The statutory policies and administration of all superannuation funds maintained by the Administering Authority, ~~including specifically, custodianship arrangements.~~
- ~~(iii) The appointment of External Fund Managers.~~
- ~~(iv)~~(iii) The arrangements of obtaining appropriate investment advice, including the appointment of suitably qualified independent person or persons to give expert advice on Superannuation fund investment and management arrangements.
- ~~(v)~~(iv) The periodic review and monitoring of the Fund's investment performance.
- ~~(vi)~~(v) The Annual Report on the Fund.

A3.2 Membership 17

persons comprising:

- Five Members of the Pension Panel;
- One elected representative from each of Reading Borough Council, Slough Borough Council, West Berkshire Council, Bracknell Forest ~~Borough~~ Council and Wokingham Borough Council;
- Two trade union employee representatives;
- Three representatives from employer bodies with the Fund: University of West London; an employer with a minimum of 200 members within the Fund; a representative from an Academy (to represent all academies within the Fund)
- One member drawn from the active membership, and one member drawn from the deferred/pensioner membership.

The term of office for Members of the Advisory Panel should be set to run alongside the election cycle of the ~~A~~administering ~~A~~authority with Members being required to attend a minimum of 2 meetings per annum. Members of the Advisory Panel who fail to attend the minimum meeting requirement will be asked by the Berkshire Pension Fund Panel to step down and for a replacement to be appointed.

A3.3 Quorum

5 Members

A3.4 Frequency

As per the Pension Fund Panel schedule

Report Title:	Pension Fund Panel Work-plan
Contains Confidential or Exempt Information?	YES - Part I
Member reporting:	Councillor Sharpe, Chairman Berkshire Pension Fund and Pension Fund Advisory Panels
Meeting and Date:	Berkshire Pension Fund and Pension Fund Advisory Panels – 16 December 2019
Responsible Officer(s):	Kevin Taylor, Pension Services Manager
Wards affected:	None



REPORT SUMMARY

1. This report brings to Members' attention a number of Administering Authority policy statements for review as set out in the work-plan approved previously by Members.
2. Members are asked to consider the items listed in appendix 1 to this report and either suggest any amendments or (re-) approve the policy statements as currently written. Please note that no amendments have been made to the previous versions of these documents.

1 DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Panel notes the report and:

- i) **Subject to any amendments being proposed, approves the policy statements set out in Appendix 1 to the report as continuing to be fit for purpose.**
- ii) **Request that officers produce and publish the approved policy statements on the Berkshire Pension Fund website.**

2 REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 In accordance with Regulation 53 of the Local Government Pension Scheme Regulations 2013 ("the Regulations") and as listed in Part 1 of Schedule 3 of the Regulations, RBWM is an Administering Authority (Scheme Manager) required to maintain a Pension Fund for the Scheme.
- 2.2 An Administering Authority is responsible for managing and administering the Scheme in relation to any person for which it is the appropriate Administering Authority under the Regulations.
- 2.3 The Pension Fund Panel as set out in RBWM's Constitution acts as the Scheme Manager and is therefore responsible for ensuring that the Administering Authority fulfils its statutory responsibilities in accordance with the Regulations and the Public Service Pension Act 2013

- 2.4 The purpose of this paper is to identify for Panel members a number of policies for their consideration and review as set out in the work-plan for 2018-19 in order to meet certain Administering Authority statutory requirements set out in the Regulations.

3 KEY IMPLICATIONS

- 3.1 The Administering Authority (Scheme Manager) is required by law to maintain the Royal County of Berkshire Pension Fund in accordance with the Regulations and all other associated legislation. Failure to do so could result in the Pensions Regulator issuing fines to the Authority where he deems it to have failed in areas of scheme governance, risk management and administration.

4 FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 Not applicable.

5 LEGAL IMPLICATIONS

- 5.1 The Local Government Pension Scheme Regulations 2013 (as amended) set out the statutory requirements of the Administering Authority.

6 RISK MANAGEMENT

- 6.1 Failure to maintain the Pension Fund in line with statutory legislation could result in a scheme member or scheme employer reporting the Administering Authority to the Pensions Regulator for failing to fulfil its statutory responsibilities.

7 POTENTIAL IMPACTS

- 7.1 Failure to maintain the Pension Fund in accordance with statutory legislation could result in a loss of confidence in the Administering Authority.

8 CONSULTATION

N/A

9 TIMETABLE FOR IMPLEMENTATION

- 9.1 **Implementation timetable**

Date	Details
16 December 2019	1 – Reporting Breaches of the Law 2 – SLA Between RBWM and RCBPF 3 – Actuarial Valuation Report (see separate report)
23 March 2020	1 – Investment Strategy Statement 2 – Funding Strategy Statement 3 – Governance Compliance Statement 4 – Pension Fund Business Plan 2020/21
Q1 2020/21	1 – Administering Authority Decisions Policy 2 – Communications Policy 3 – Pension Administration Policy

Date	Details
	4 – Abatement Policy
Q2 2020/21	1 – Pension Fund Annual Report & Accounts 2 – Audit Reports 3 – Risk Management Policy 4 – Full Risk Assessment Register

10 APPENDICES

10.1 The appendices to the report are as follows:

- Appendix 1 – Reporting Breaches of the Law
SLA Between RBWM and RCBPF

11 BACKGROUND DOCUMENTS

11.1 Local Government Pension Scheme Regulations 2013 (as amended)

11.2 Public Service Pensions Act 2013

11.3 The Pensions Regulator's Code of Practice No. 14

12 CONSULTATION (MANDATORY)

Name of consultee	Post held	Date issued for comment	Date returned with comments
Cllr Julian Sharpe	Chairman – Berkshire Pension Fund Panel		
Terry Neaves	Interim Section 151 Officer		



REPORTING BREACHES OF THE LAW



The Pensions Regulator

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1 INTRODUCTION

The Local Government Pension Scheme (LGPS) is a public service pension scheme which is highly regulated not only by scheme regulation but also by wider-reaching legislation.

In Berkshire the LGPS is governed by the Royal Borough of Windsor & Maidenhead as the administering authority (scheme manager) to the Royal County of Berkshire Pension Fund. The general powers and duties of the administering authority lie with the Pension Fund Panel as set out in Part 6 Section D of the Council's Constitution. The Pension Fund Panel is assisted by the Pension Fund Advisory Panel and also the Pension Board established in accordance with the Public Service Pensions Act 2013 and Regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).

A Local Government Pension Fund has a different legal status when compared to trust based schemes in the private sector and so the Royal County of Berkshire Pension Fund does not have, in the strictest meaning, trustees. However, those making decisions on behalf of the administering authority are required, in many ways, to act as if they were trustees in terms of their duty of care.

Following a review of public service pension provision by Lord Hutton of Furness in 2011, a number of recommendations were made to the Government on how to ensure that public service pension schemes remain sustainable and affordable in the future. These recommendations were carried forward into the Public Service Pensions Act 2013 resulting in changes to the LGPS regulations with effect from 1 April 2014.



The result of all of this is that the LGPS, and public service pension schemes in general, are now under greater scrutiny than ever before. The Public Service Pensions Act 2013 introduced the framework for the governance and administration of public service pension schemes and provided an extended regulatory oversight to the Pensions Regulator.

2 THE REQUIREMENT TO REPORT BREACHES OF THE LAW

Under Section 70 of the Pensions Act 2004 (see below), certain people are required to report breaches of the law to the Pensions Regulator where they consider that they have a 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 that failure to comply is likely to be of material significance to the Pensions Regulator in the exercise of its functions.

Not all breaches need to be reported to the Pensions Regulator, only those where there is likely to be a material significance, but all breaches should be recorded and retained for future reference.

70. Duty to report breaches of the law.

- (1) Subsection (2) imposes a reporting requirement on the following persons—
- (a) a trustee or manager of an occupational or personal pension scheme;
 - (aa) a member of the pension board of a public service pension scheme;
 - (b) a person who is otherwise involved in the administration of an occupational or personal pension scheme;
 - (c) the employer in relation to an occupational pension scheme;
 - (d) a professional adviser in relation to such a scheme;
 - (e) a person who is otherwise involved in advising the trustees or managers of an occupational or personal pension scheme in relation to the scheme.

- (2) Where the person has reasonable cause to believe that—
- (a) a duty which is relevant to the administration of the scheme in question, and is imposed by or by virtue of an enactment or rule of law, has not been or is not being complied with, and
 - (b) the failure to comply is likely to be of material significance to the Regulator in the exercise of any of its functions,
- he must give a written report of the matter to the Regulator as soon as reasonably practicable.
- (3) No duty to which a person is subject is to be regarded as contravened merely because of any information or opinion contained in a written report under this section. *(i.e. Duty to report overrides other obligations like duty of confidentiality, except where legal professional privilege applies)* This is subject to section 311 (protected items). *(Deals with exemption for legal professional privilege)*.
- (4) Section 10 of the Pensions Act 1995 (c. 26) (civil penalties) applies to any person who, without reasonable excuse, fails to comply with an obligation imposed on him by this section.

3 WHO IS REQUIRED TO REPORT BREACHES OF THE LAW?

Those people who are subject to the reporting requirement ('reporters') for public service pension schemes is set out in Section 70 of the Pensions Act 2004 but in practical terms it is necessary for a senior officer of the administering authority to have responsibility for the management and execution of these procedures. Whilst any suspected breach should, where appropriate, be reported to a Senior Officer of the Pension Fund for escalation, the designated officer with overall responsibility for reporting breaches to the Pensions Regulator is the s.151 Officer for the administering authority or where the s.151 Officer is unavailable (or in the unlikely event of being implicated in the breach) the Monitoring Officer for the administering authority.

All reporters need to take due consideration as to who could be implicated in the perceived breach of the law when reporting their findings and ensure that the perceived breach is not worsened by making any individual or individuals who may be implicated in the breach of the law aware that a report is to be made.

4 WHAT MUST BE REPORTED?

Those responsible for reporting breaches of the law to the Pensions Regulator will need to consider when they have reasonable cause to believe there has been a breach that is likely to be of material significance to the Pensions Regulator.

Reasonable Cause

Having reasonable cause means more than merely having a suspicion that cannot be substantiated. For example, a suspicion that scheme assets may have been misappropriated may in fact be a direct result of something out of the Fund manager's control such as drop in the stock market leading to investment returns being lower than anticipated.

Any reporter must ensure that they know the full facts of the suspected breach and may need to check with members of the Pension Board, the Scheme Manager or anyone else they consider to be in a position to confirm the events leading up to the suspected breach of the law. However, reporters need to take care as to who they discuss their suspicions with where they have a cause to believe that theft, fraud or other serious offences may have occurred as they would not want to alert those potentially implicated or hinder the actions of the police or a regulatory authority. In such cases the Pensions Regulator should be contacted without delay.

Whilst a reporter should endeavour to fully understand the legal position regarding a suspected breach, they do not have to gather all of the evidence that the Pensions Regulator may require before taking legal action especially where a delay in reporting the breach could exacerbate or increase the risk of the breach.

Material significance

What is of material significance can be considered from four aspects:

1. Cause – dishonesty, poor governance or administration, poor advice, acting (or failing to act) in deliberate contravention of the law;
2. Effect – if the matter appears to be the effect of non-compliance with the Public Service Pensions Act 2013, the Local Government Pension Scheme Regulations, poor administration, inaccurate payments or theft;
3. Reaction to the breach – if no prompt and effective action has been taken to deal with the breach and to identify and tackle the causes so as to minimise the risk of recurrence;
4. Wider implications – if the breach suggests wider undetected problems.

To be able to consider these aspects all people who have a legal requirement to report breaches of the law, as set out in section 3, will need to ensure that they have sufficient knowledge and understanding of the pension law and regulations that govern the LGPS.

In forming a view as to whether or not the breach is of material significance reporters will need to consider other breaches of which they are aware but be careful to ensure that any such breaches have not already been addressed and resolved.

The aim of the Pensions Regulator is to protect the benefits of pension scheme members, reduce calls upon the Pension Protection Fund and to promote good administration of work-based pension schemes. Therefore, the following are important elements that the Pensions Regulator may consider to be of material significance:

- The right money is paid into the Scheme at the right time;
- Assets are appropriately safeguarded;
- Payments out of the Scheme are legitimate, accurate and paid at the right time to the right person(s);
- The Scheme Manager is complying with the legal requirements of Scheme funding;
- The Scheme Manager is properly considering their investment policies and investing in accordance with them;
- The Scheme is being administered properly in accordance with Scheme regulations;
- Appropriate records are maintained and are accurate;
- Scheme members receive accurate, clear and impartial information without delay.

The Pensions Regulator will not normally regard a breach as material if the Scheme Manager has taken prompt and effective action to investigate and resolve a breach and put in place the necessary procedure to ensure that such a breach will not reoccur.

However, the Pensions Regulator will be concerned where the Scheme Manager has failed to act promptly and effectively to identify, resolve and remedy the causes for the breach. If the proper corrective action has not been taken the Pensions Regulator is likely to deem the impact as material.

The wider implications of a breach are the concern of the Pensions Regulator where the fact that the breach has occurred in the first place will make it more likely that future breaches will arise because the Scheme Manager lacks the appropriate skills and knowledge needed to fulfil the requirements of their role.

A traffic light framework, as supplied by the Pensions Regulator, has been set up as a reference tool for reporters considering whether breaches of the law have a material significance and so should be reported to the Pensions Regulator. This framework document should be used by all reporters and continually updated as breaches are identified. It provides possible investigation outcomes and requires the reporter to consider the content of the red, amber and green sections for each of the cause, effect, reaction and wider implications of the breach being considered. This document will be made available to all persons responsible for reporting breaches of the law as part of Pension Board meetings.

A breach will be in the red category and therefore must always be reported to the Pensions Regulator, because one or more of the following apply:

- It was caused by dishonesty, poor scheme governance, poor advice or by deliberate contravention of the law;
- Its effect is considered to be significant;
- Inadequate steps have been taken to put matters right;
- It has wider implications.

A breach will be in the green category, and will not need to be reported to the Pensions Regulator but should be recorded, because one or more of the following apply:

- It was not caused by dishonesty, poor scheme governance, poor advice or by deliberate contravention of the law;
- Its effect is NOT significant;
- Proper steps are being taken to put matters right;
- It does NOT have wider implications.

A breach will be in the amber category when it is not obviously either red or green. The decision whether or not to report will require a balanced judgement based on the cause, effect, reaction and wider implication of the case under consideration. Other previous reported or unreported cases may be relevant when coming to a decision whether to report or not and consideration needs to be given to the adequate oversight and controls adopted by the scheme manager.

Examples of red, amber and green breaches are set out in the traffic light framework and must be referred to each time a breach of the law is suspected.

5 PROCEDURES FOR REPORTING BREACHES OF THE LAW

Anyone who has a responsibility to report breaches of the law during the course of their association with the Scheme should be alert to the potential for breaches to occur and to have properly established procedures in place to enable them to evaluate any potential breaches and the need to report them.

The Pension Fund keeps a 'register of breaches of the law' in which all breaches must be recorded regardless of whether or not they are or ever have been reported to the Pensions Regulator. This register is available to all responsible persons and forms part of the agenda for meetings of the Pension Board.

The flowchart at Annex 1 to this guide sets out the steps to be taken when considering breaches of the law but the details are also described in this section of the guide.

The following steps should be taken:

1. If the person suspecting the breach is not designated to deal with breaches they should inform a designated person immediately taking due consideration of who could be implicated in the case. The designated person is the s.151 officer for the administering

authority or in the event that the s.151 is not available or indeed is implicated in the breach, the Monitoring Officer for the administering authority.

2. A designated person should investigate if there is a reasonable cause to believe a breach has occurred by firstly checking the register and the traffic light framework by contacting a Senior Officer of the Pension Fund.
3. If the designated person has no reasonable cause to believe that a breach has occurred there is no duty to report the case to the Pensions Regulator.
4. The designated person should clarify the facts around the suspected breach and obtain any clarification of the law that may be required, liaising with other appropriate people as considered necessary with due regard to who could be implicated in the case.
5. Consider whether the breach is likely to be of material significance to the Pensions Regulator. If it is considered to be very serious it must be reported immediately to the Pensions Regulator. If this is the case a written report can be preceded by a telephone call to the Pensions Regulator on 0870 6063636. Any breach that is so serious that it must always be reported to the Pensions Regulator will always be recorded as a red category breach in the register. If the breach is considered not to be of material significance to the Pensions Regulator and is a clear cut green breach then it does need to be reported to the Pensions Regulator but should be recorded as a green category breach in the register.
6. If the breach is considered to be red, but not so serious that it needs to be notified to the Pensions Regulator immediately, a report should be sent to the Pensions Regulator as soon as is reasonably practicable ensuring that any delay will not result in the breach becoming more serious thereby incurring the risk of the Pensions Regulator issuing a civil penalty (see section 7 of this guide). Good practice would provide that such a case is reported within 10 working days.
7. If the breach is considered to be an amber breach (not a clear cut red or green breach) further consideration needs to be given to the case by further considering the context of the case and how it relates to the principles of cause, effect, reaction and wider implication. Good practice would provide that such a case is dealt with within 20 working days.
8. It may be that the breach needs to be referred to the appropriate level of seniority at which decisions can be made on whether to report to the Pensions Regulator but consider who may be implicated in the breach of the law when discussing your suspicions with other individuals.
9. If the breach is a particularly difficult case seek input from relevant experts. This may require a sub-committee of the Pension Board to be appointed to discuss the events leading up to the reporter's suspicion that a breach of the law may have occurred.
10. Keep in mind the appropriate timeframe for submitting a report to the Pensions Regulator (i.e. green cases do not need reporting, red cases should be reported immediately or if not within 10 working days and amber cases should be considered and acted upon within 20 working days and where ultimately deemed to be in the red category, reported immediately or within 10 working days, at the point within that timeframe, that a decision has been made).
11. Once the decision has been made that the breach falls into the red category, submit a report on the breach to the Pensions Regulator in accordance with the guidance provided in section 6.

12. If it is decided that the breach is not of material significance and so should not be reported to the Pensions Regulator update the register and close the case.
13. Where a report has been submitted to the Pensions Regulator, the reporter must ensure that they receive an acknowledgement from the Pensions Regulator within 5 working days of submitting the report. If not, the reporter should contact the Pensions Regulator to ensure that the report has been received.
14. Ensure that the register is updated at each stage of the process so that the case can be monitored and dealt with effectively and efficiently.

NOTE: The register is held by the Pension Fund. All updates to the register should be made by the reporting officer in conjunction with a Senior Officer of the Pension Fund taking into account who may be implicated in the breach.

6 HOW SHOULD REPORTS BE MADE?

All reports of material breaches must be made in writing to the Pensions Regulator as soon as is reasonably practicable. They should be sent preferably to the Pensions Regulator via its online system, 'Exchange' at www.tpr.gov.uk/exchange, but can be sent by post to The Pensions Regulator, Napier House, Trafalgar Place, Brighton, BN1 4DW, or electronically to customersupport@thepensionsregulator.gov.uk or by fax to 0870 2411144.

The report should be dated and include as a minimum the following details:

- Full name of the scheme;
- Description of the breach or breaches;
- Any relevant dates;
- Name of the Scheme employer and/or Scheme Manager (where known);
- Name, position and contact details of the person reporting the breach;
- The role of the person reporting the breach in relation to the Scheme.

Further information should be supplied wherever possible including for example:

- The reason the breach is thought to be of material significance;
- The address of the Scheme;
- The contact details of the Scheme Manager (The Royal Borough of Windsor & Maidenhead);
- Whether the concern has been reported before.

If the matter of concern is considered to be particularly serious a phone call (0870 6063636) can be made to the Pensions Regulator prior to the submission of a written report.

7 FAILURE TO REPORT A BREACH OF THE LAW

Failure by any person to comply with their obligation to report breaches of the law to the Pension Regulator is a 'civil offence' unless a 'reasonable excuse' can be given.

To decide if a report has a reasonable excuse for not reporting a breach, or reporting a breach later than would be expected, The Pensions Regulator may consider the following:

- The legislation, case law and codes of practice issued by the Pensions Regulator;
- The role of the reporter in relation to the Scheme;
- The training provided to the reporter and the level of knowledge that the reporter could reasonably be expected to have;

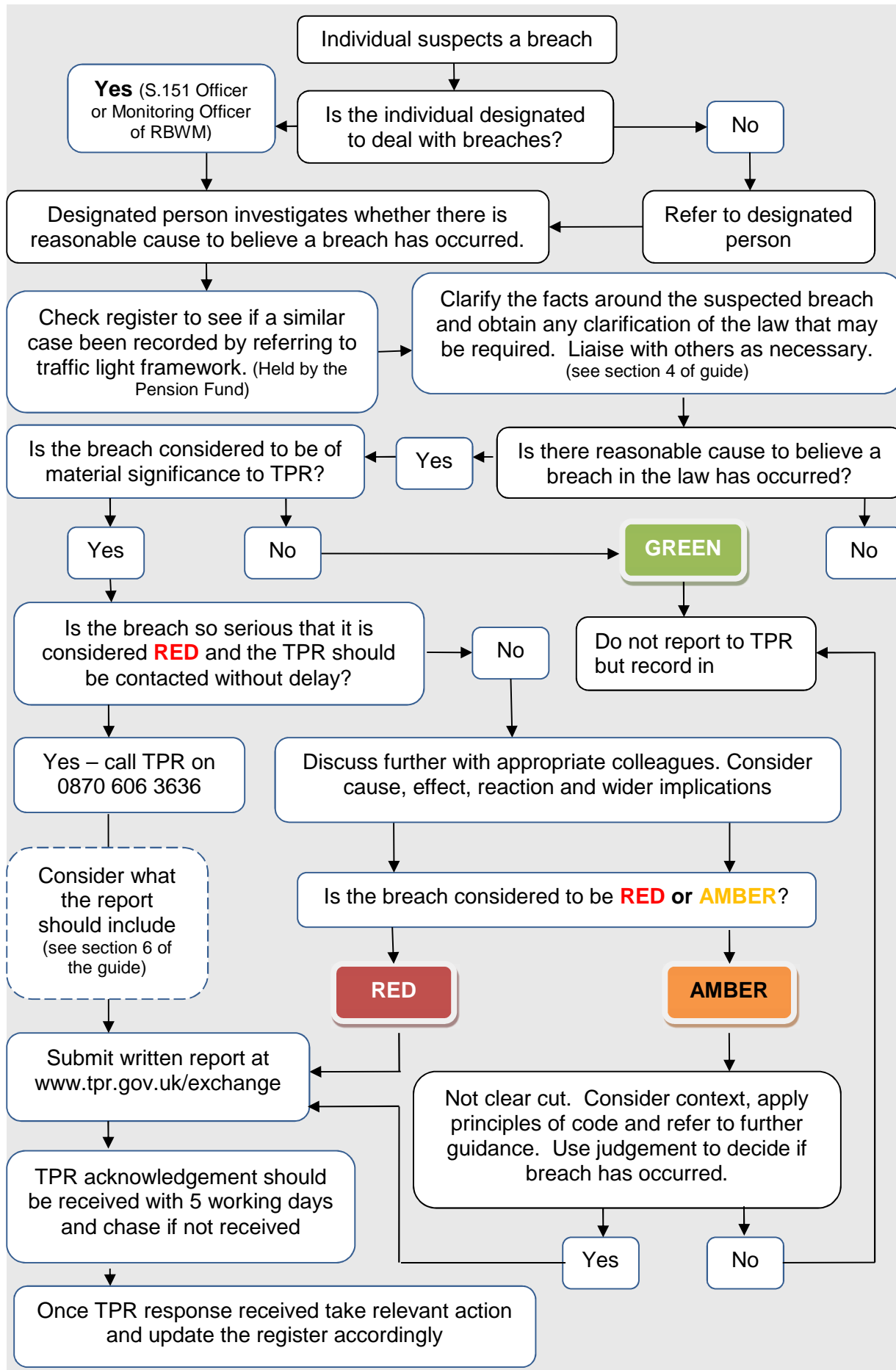
- The procedures put in place to identify and evaluate breaches and whether those procedures have been followed;
- The seriousness of the breach and whether or not the breach should have been reported immediately;
- Any reasons given for a delay in the report;
- Any other relevant considerations relating to the case in question.

If the Pensions Regulator considers issuing a civil penalty a warning notice will be sent to the affected party or parties identifying the alleged breach. In addition the Pensions Regulator may consider it appropriate to make a complaint to the reporters professional or other governing body.

Approved by the Pension Panel: 12 November 2018

Next Review Date: October 2019

ANNEX 1 – FLOWCHART - REPORTING BREACHES OF THE LAW TO TPR



ANNEX 2 – TEMPLATE BREACHES REGISTER

POTENTIAL INVESTIGATION OUTCOMES				
	CAUSE	EFFECT	REACTION	WIDER IMPLICATIONS
BREACH DETAILS				
DATE IDENTIFIED				
RED				
AMBER				
GREEN				
DATE REVIEWED BY RESPONSIBLE PERSON				
OUTCOME AND ACTION TAKEN				
NAME OF REPORTER AND DATE REPORTED TO TPR				
TPR RESPONSE				
ACTION TAKEN				



**SERVICE LEVEL AGREEMENT BETWEEN THE
ROYAL BOROUGH OF WINDSOR & MAIDENHEAD
AS ADMINISTERING AUTHORITY AND THE
THE PENSION ADMINISTRATION TEAM**

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2.0 SCHEME COMMUNICATIONS	6
3.0 COMPLAINTS PROCEDURE.....	6
4.0 GENERAL.....	7

INTRODUCTION

The Royal Borough of Windsor & Maidenhead (RBWM) is the administering authority for the Royal County of Berkshire Pension Fund. As such, RBWM has certain statutory responsibilities for the administration of the Local Government Pension Scheme (LGPS) in Berkshire. This includes the six Unitary Authorities (of which RBWM is one) and around 250 other associated employers who make up the membership of the Pension Fund.

The administering authority has ultimate responsibility for interpreting and implementing statutory LGPS regulations, which includes setting an investment strategy, for receiving monies due to and paying monies owing from the Fund and for making sure that it has robust systems and processes in place to ensure that the scheme is administered in line with scheme regulations and within prescribed levels of performance.

STATUTORY INSTRUMENTS	
2013 No. 2356	
PUBLIC SERVICE PENSIONS, ENGLAND AND WALES	
The Local Government Pension Scheme Regulations 2013	
Made: 2013	
Laid before Parliament: 2013	
Coming into force: 2013	
CONTENTS	
PART I	
Introduction and general provisions	
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5. General provisions	1
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This document has been prepared as a service level agreement between the administering authority and the pension administration team and sets out service standards or 'promises' of the level of service that the team will provide to ensure that the administering authority achieves its statutory responsibilities.

1.0 ADMINISTRATION OF THE LGPS

The pension administration team will:

- 1.1 Maintain a member database of all current, deferred and retired members (including their dependants) of the scheme along with historical data relating to former scheme members who have a right to claim a refund of contributions but have not elected to do so (frozen refunds), former members who no longer have a liability within the Fund (benefits transferred out of the scheme) and employees who have opted out of the Scheme for whom an opting out form must be retained.
- 1.2 Provide an efficient, effective and courteous administration service.



- 1.3 Calculate member benefits in accordance with Scheme regulations.
- 1.4 Provide a pension payroll service to all retired Scheme members and their dependants.
- 1.5 Ensure that pension payments are made on the correct date and that all lump sum payments are made as soon as possible following the retirement of the Scheme member.
- 1.6 Provide current and deferred members with an annual benefit statement.

- 1.7 Ensure that all new Scheme members receive access key to 'my pension ONLINE' with details of how to access a formal notification of membership and other relevant Scheme information.
- 1.8 Notify all retired scheme members of the annual increase to their pension.
- 1.9 Provide a payslip to retired members of the Scheme in April every year and any subsequent month where there is 50 pence variance in net pay.
- 1.10 Provide a P60 to every retired Scheme member within HMRC deadlines.
- 1.11 Perform other administrative tasks in line with the service standards laid down in a service level agreement with Scheme employers.

2.0 SCHEME COMMUNICATIONS

The pension administration team will:

The Royal County of Berkshire Pension Fund

The pages of this website contain information about the Local Government Pension Scheme and how it is administered in Berkshire. It sets out details about your membership of the scheme and the benefits of contributing to a highly regarded, final-salary occupational pension scheme.



2.1 Maintain and update a website for all members of the LGPS and provide a dedicated area for Scheme employers to assist them in administering the scheme on behalf of their employees.

2.2 Inform all scheme members of significant changes to the LGPS by way of a bi-annual newsletter.

2.3 Produce, publish and maintain a suite of scheme guides and fact-sheets to assist scheme members in understanding their pension rights and options.

2.4 Offer pension surgeries, presentations and open days to be held across the County of Berkshire.

2.5 Respond to letters and emails within 10 working days.

3.0 COMPLAINTS PROCEDURE

- 3.1 The pension administration team has a commitment to put things right if they go wrong and will investigate any complaint received within 10 working days.
- 3.2 If the team are unable to resolve a complaint the member has a right to appeal under the Internal Disputes Resolution Procedure (IDRP) which is a 3-stage appeal process set out in the regulations.

4.0 GENERAL

The pension administration team will:

- 4.1 Deal with member enquiries in a professional, polite and friendly way and offer guidance to scheme members as appropriate without giving financial advice.
- 4.2 Make available confidential interview facilities as required.
- 4.3 Maintain and report on performance statistics.
- 4.4 Provide information for completion of an administration report to be presented to members of the Pension Fund Panel, Pension Fund Advisory Panel and Pension Board.
- 4.5 Provide information for the Annual Report and Accounts of the Pension Fund.
- 4.6 Maintain the member database in accordance with the General Data Protection Regulations 2018 and issue a Privacy Notice explaining how the Pension Fund collects data, what the data is used for, with whom the data is shared and the rights of individuals with regard to their data.

Approved by the Pension Fund Panel: 17 September 2018

Next review date: September 2019

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Report Title:	Administration Report
Contains Confidential or Exempt Information?	YES - Part I
Member reporting:	Councillor Sharpe, Chairman Berkshire Pension Fund and Pension Fund Advisory Panels
Meeting and Date:	Berkshire Pension Fund and Pension Fund Advisory Panels – 16 December 2019
Responsible Officer(s):	Kevin Taylor, Pension Services Manager, Philip Boyton, Pension Administration Manager
Wards affected:	None

www.rbwm.gov.uk



REPORT SUMMARY

1. This report deals with the administration of the Pension Fund for the period 1 July 2019 to 30 September 2019
2. It recommends that Members (and Pension Board representatives) note the Key Administrative Indicators throughout the attached report.
3. Good governance requires all aspects of the Pension Fund to be reviewed by the Administering Authority on a regular basis
4. There are no financial implications for RBWM in this report

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That Panel notes the report and:

- All areas of governance and administration as reported
- All key performance indicators

Please note that Administration Reports are provided to each quarter end date (30 June, 30 September, 31 December and 31 March) and presented at each Panel meeting subsequent to those dates.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

The Pension Panels have a duty in securing compliance with all governance and administration issues.

3. KEY IMPLICATIONS

Failure to fulfil the role and purpose of the Administering Authority could lead to the Pension Fund and the Administering Authority being open to challenge and intervention by the Pensions Regulator.

4. FINANCIAL DETAILS / VALUE FOR MONEY

Not applicable.

5. LEGAL IMPLICATIONS

None.

6. RISK MANAGEMENT

None.

7. POTENTIAL IMPACTS

None.

8. CONSULTATION

Not applicable.

9. TIMETABLE FOR IMPLEMENTATION

Not applicable.

10. APPENDICES

None.

11. BACKGROUND DOCUMENTS

None.

12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date issued for comment	Date returned with comments
Cllr. Julian Sharpe	Chairman – Berkshire Pension Fund Panel		
Terry Neaves	Interim Section 151 Officer		



ADMINISTRATION REPORT

QUARTER 2 – 2019/20

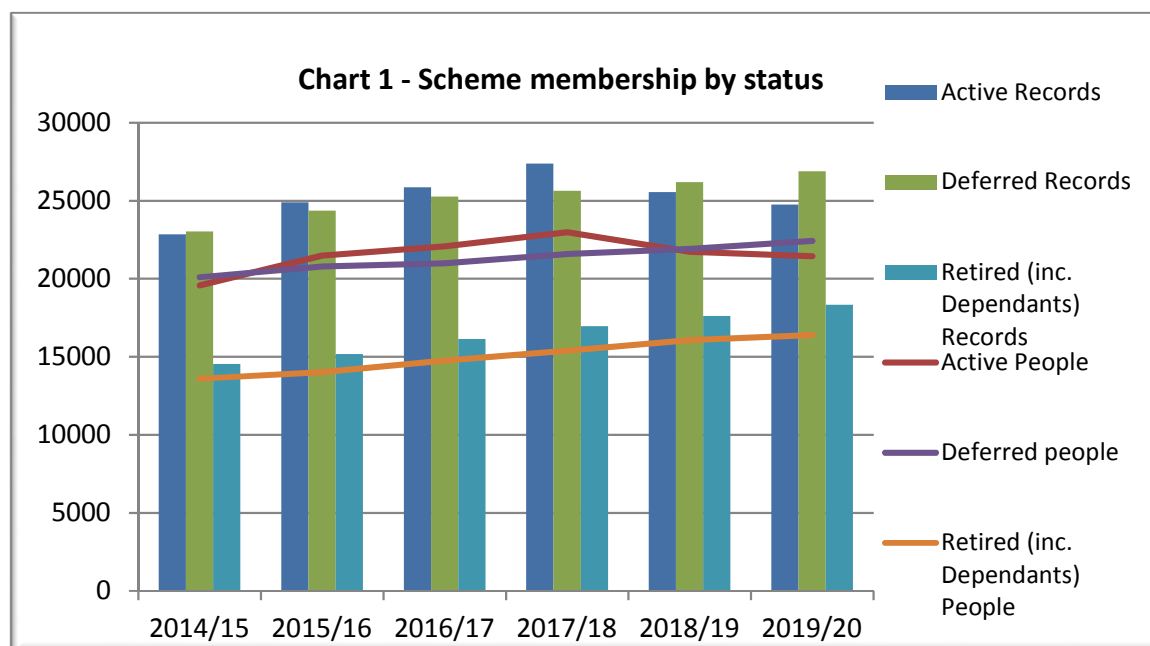
1 July 2019 to 30 September 2019

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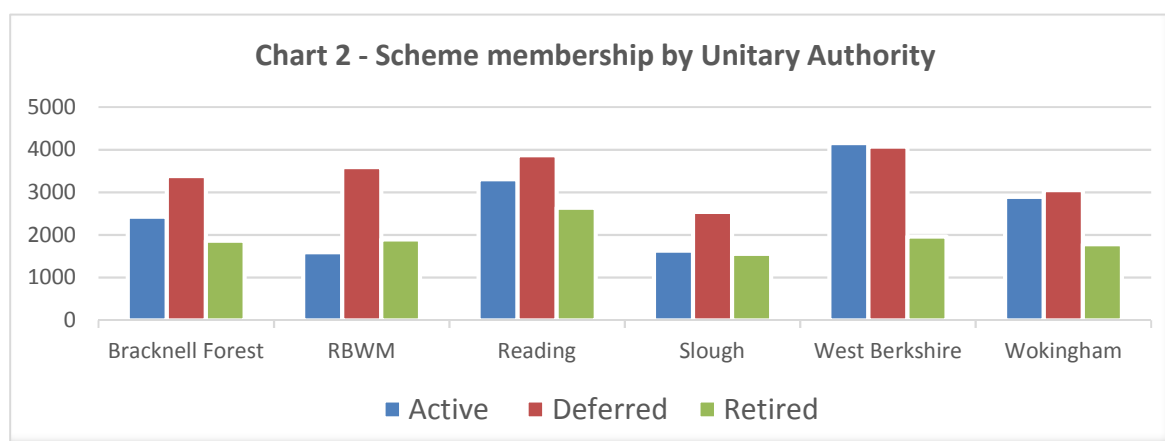
1. ADMINISTRATION

1.1 Scheme Membership



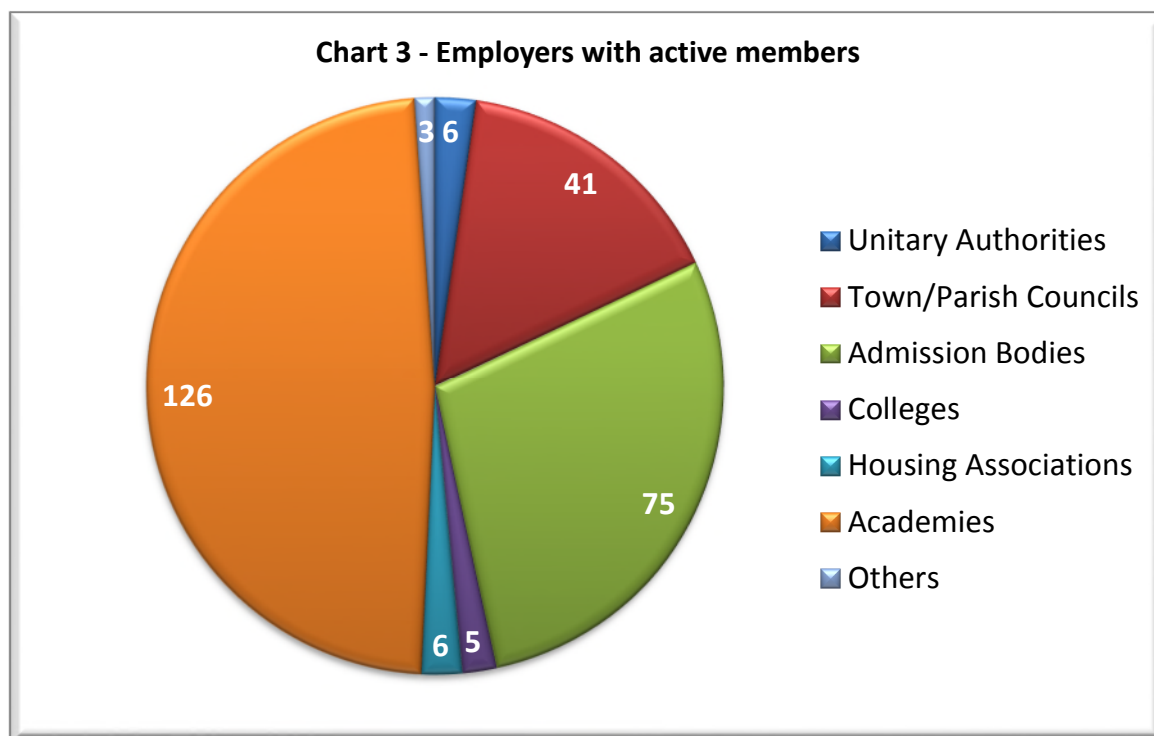
TOTAL MEMBERSHIP			
Active Records	24,749	Active People	21,451
Deferred Records	26,883	Deferred People	22,427
Retired Records	18,333	Retired People	16,391
TOTAL	69,965	TOTAL	60,269

1.2 Membership by Employer



Membership movements in this Quarter (and previous Quarter)						
	Bracknell	RBWM	Reading	Slough	W Berks	Wokingham
Active	+45 -221	-6 -57	+103 -346	-97 -230	-5 -188	+29 +171
Deferred	+3 -3	-3 -22	+91 -20	-26 +39	-2 +92	+4 +99
Retired	+38 +56	+39 +46	+21 +82	+24 +46	+29 +82	+23 +86

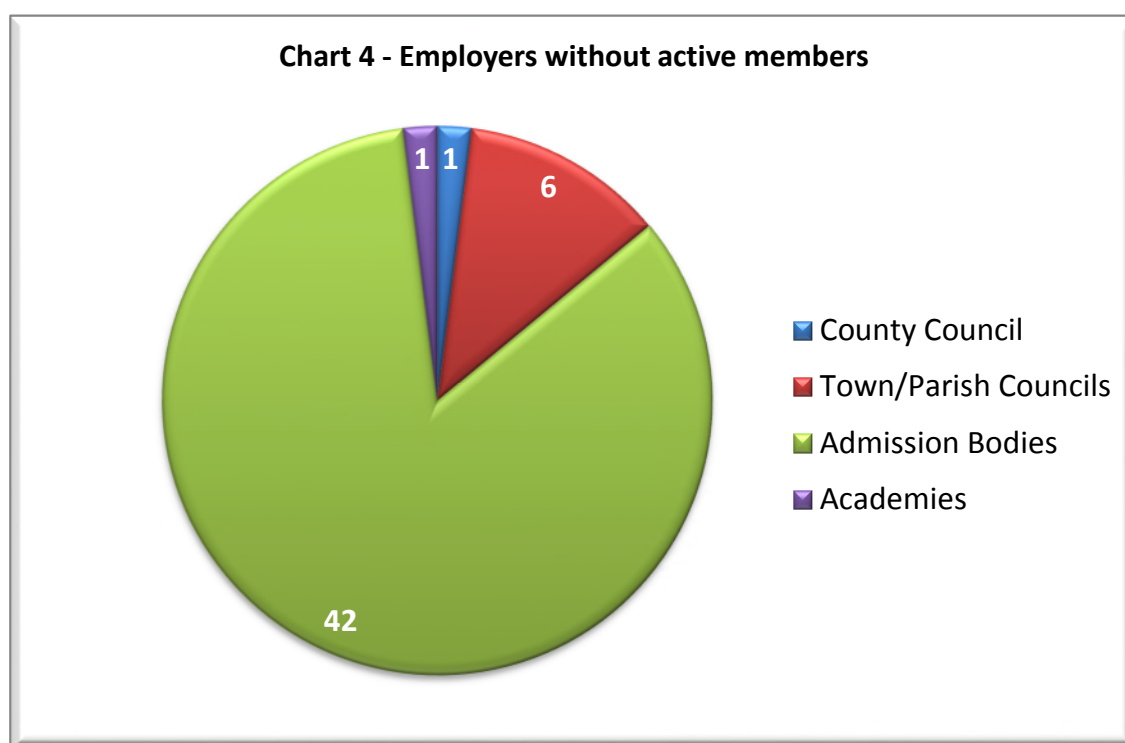
1.3 Scheme Employers



New employers since last report:

Admission Bodies: Go Beans Limited (Reach2 Academy Trust)

Academies: Frays Academy Trust



Exiting employers: South Hill Park Trust

1.4 Scheme Employer Key Performance Indicators

Table 1A – i-Connect users Quarter 2 (1 July 2019 to 30 September 2019)					
Employer	Starters	Leavers	Changes	Total	Achieved
Bracknell Forest Cncl	96	118	196	410	98.75%
RBWM	133	93	243	469	95.26%
Reading BC	312	359	790	1461	99.39%
Slough BC	186	126	267	579	94.26%
West Berks Council	342	182	638	1162	99.36%
Wokingham BC	127	56	98	281	99.72%
Academy/ School	212	175	1542	1929	92.46%
Others	56	32	330	418	94.57%
Totals	1464	1141	4104	6709	96.72%

NOTES: Table 1A above shows all transactions through i-Connect for the second quarter of 2019/20. Changes include hours/weeks updates, address amendments and basic details updates.

The benefits of i-Connect are:

- Pension records are maintained in ‘real-time’;
- Scheme members are presented with the most up to date and accurate information through *mypension* ONLINE (Member self-service);
- Pension administration data matches employer payroll data;
- Discrepancies are dealt with as they arise each month;
- Employers are not required to complete year end returns;
- Manual completion of forms and input of data onto systems is eradicated removing the risk of human error.

Of the 24,749 member records administered 19,552 are currently done so using i-Connect.

16,015 members records administered through i-Connect belong to the 6 Unitary Authorities.

Out of a total of 279 scheme employers, 100 currently use i-Connect.

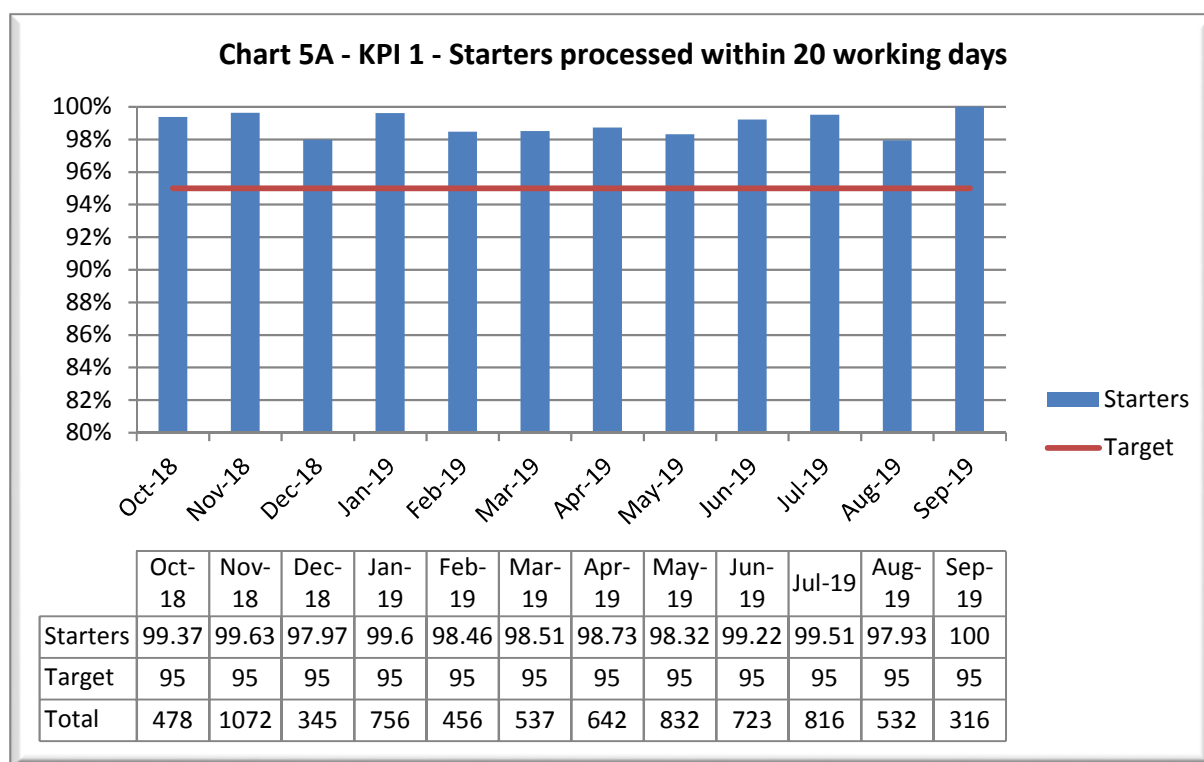
Of the remaining 179 scheme employers, 57 will be uploaded by 31 March 2020 with the remaining 122 by 31 March 2021.

All scheme employers with 50 or more scheme members will be using i-Connect by the end of the 2019/20 financial year.

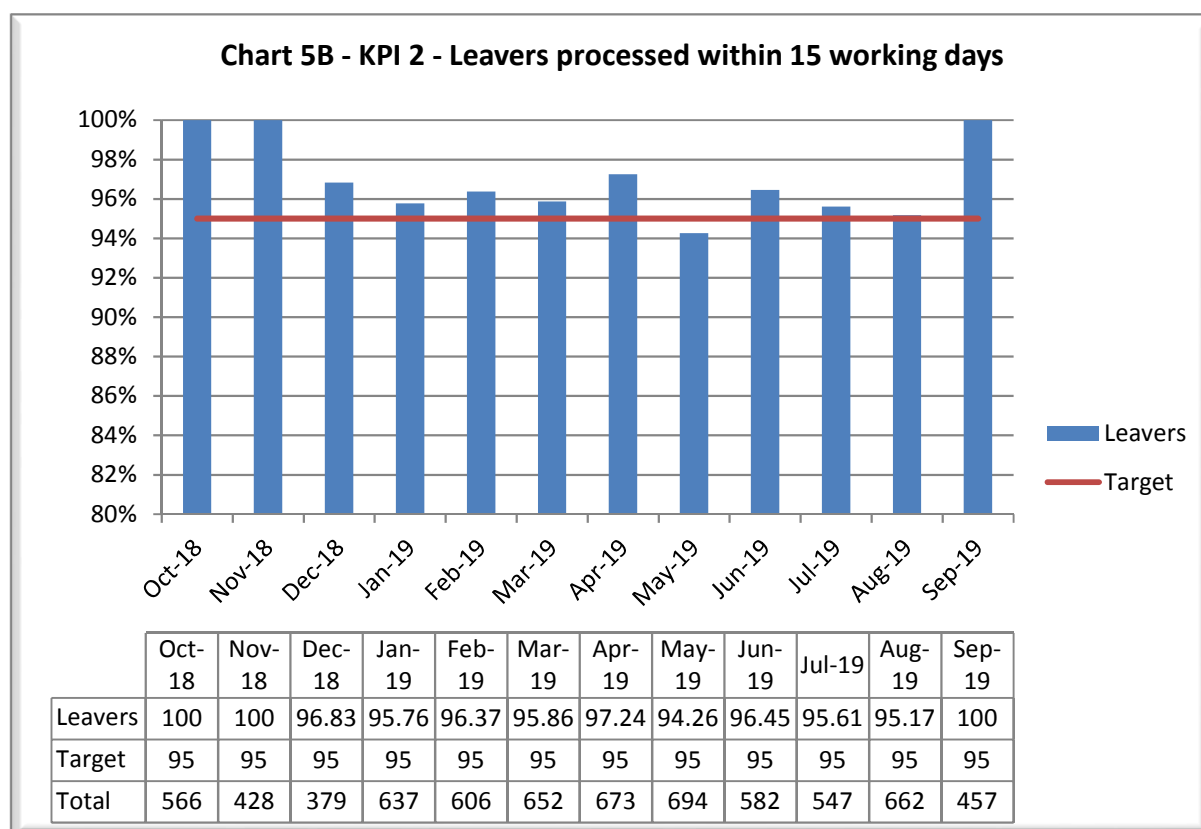
All scheme employers with fewer than 50 and but more than 10 scheme employers will using i-Connect by the end of the 2020/21 financial year

Scheme employers with fewer than 10 scheme members will be given the option of using an on-line portal version of i-Connect by 31 March 2021.

1.5 Key Performance Indicators

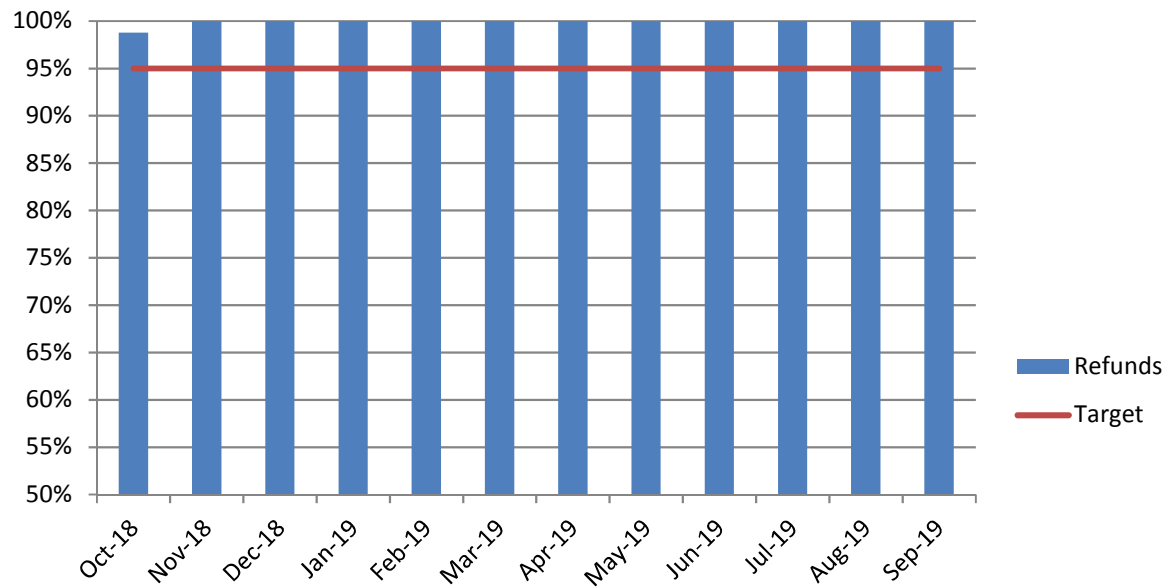


CIPFA Benchmark: Two months from date of joining the scheme or if earlier within one month of receiving jobholder information.



CIPFA Benchmark: As soon as practicable and no more than two months from date of notification from scheme employer.

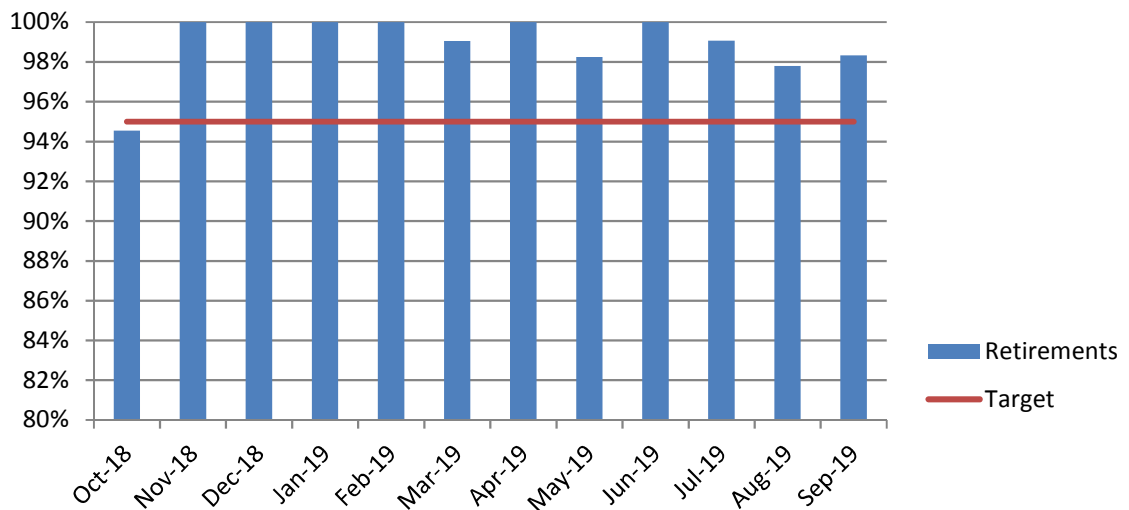
Chart 5C - KPI 3 - Refunds processed within 10 working days



	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Refunds	98.78	100	100	100	100	100	100	100	100	100	100	100
Target	95	95	95	95	95	95	95	95	95	95	95	95

CIPFA Benchmark: To be confirmed.

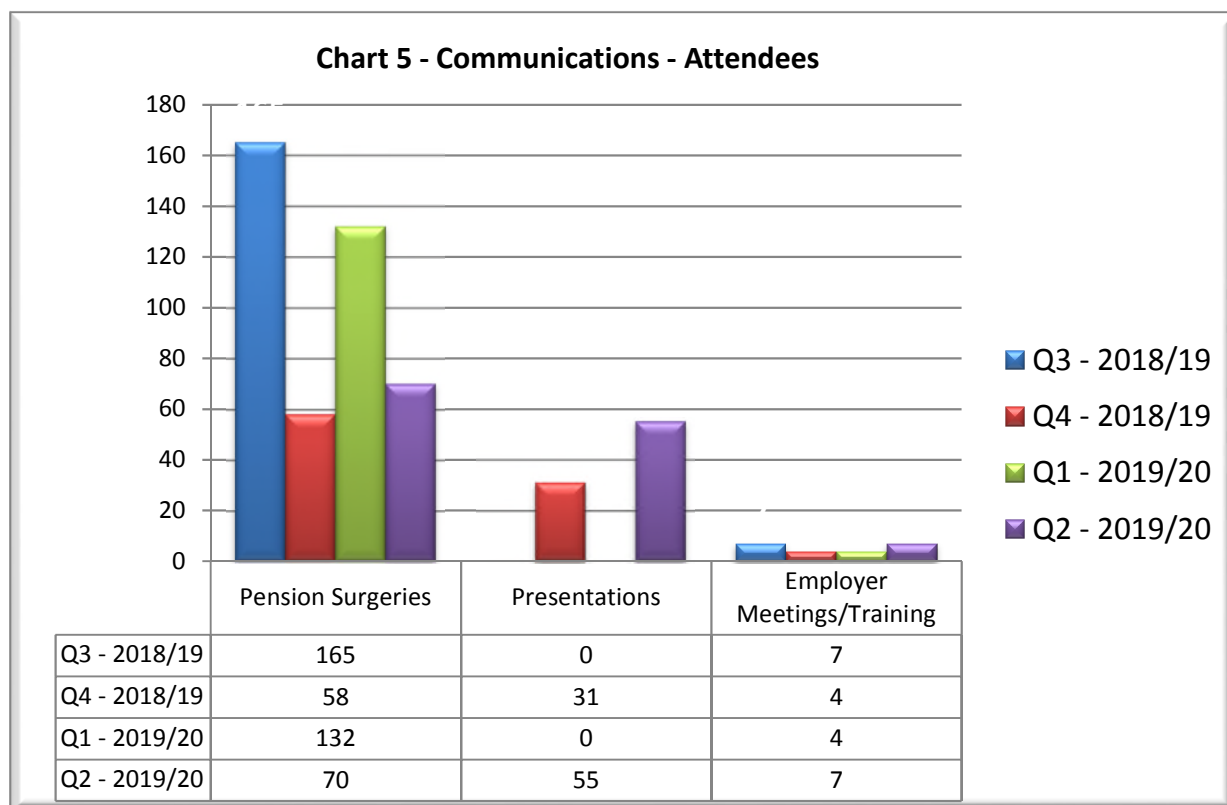
Chart 5D - KPI 4 - Retirements processed within 5 working days



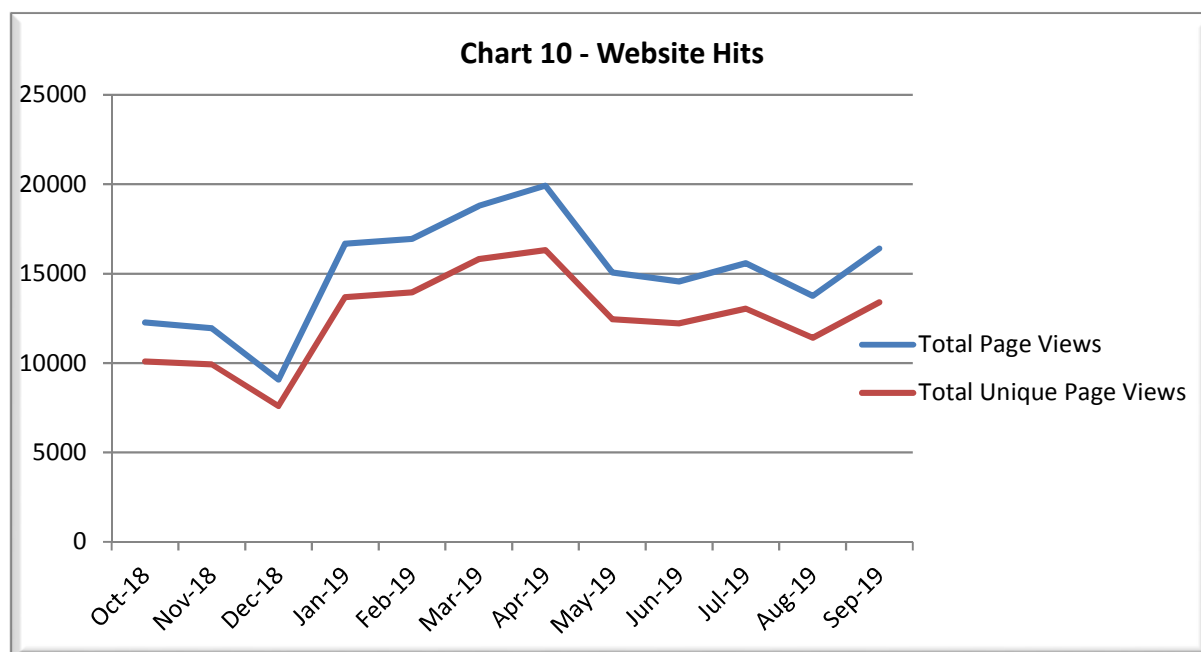
	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Retirements	94.55	100	100	100	100	99.04	100	98.25	100	99.07	97.8	98.33
Target	95	95	95	95	95	95	95	95	95	95	95	95
Total	110	116	68	84	115	104	125	114	98	107	91	120

CIPFA Benchmark: One month from date of retirement if on or after normal pension age or two months from date of retirement if before normal pension age.

1.6 Communications



1.7 Website Page Views



1.8 Stakeholder Feedback

As part of the Pension Fund's aim to achieve Pension Administration Standards Association (PASA) accreditation it is a requirement to report to Members the comments and complaints received from scheme employers and their scheme members on a periodic basis.

There is no feedback to report.

2 SPECIAL PROJECTS

2.1 Data Quality

As Officers communicated to Members during the meeting held on Monday, 23 September 2019 the Pensions Regulator (tPR) expects all UK pension schemes to measure the presence and accuracy of the data they hold, and put plans in place to resolve issues where they find them.

Since April 2018 tPR has placed a particular focus on all public sector pension schemes with the expectation for Scheme Managers (Administering Authority) to measure data at least once a year and whilst enforcement action will not be taken on the basis of scores alone, tPR may, if they have concerns that legal requirements or certain standards are not being met, engage with Scheme Managers and take action where Scheme Managers fail to demonstrate that they are taking appropriate steps to improve their records.

There are two types of data that tPR monitor, Common Data and Scheme Specific Data (formerly known as Conditional Data). Common Data is a subset of member and beneficiary data as set out in regulations whereas scheme-specific data refers to the rest of the data a public service scheme needs to run a scheme i.e. the remaining member and transaction fields.

Officers are pleased to inform Members the results of Year 2 of this project that relate to both types of data were recently received from *heywood* Limited, the software provider to the Pension Fund.

Tests were carried out across 90,580 scheme member records (an increase of 2,931 on 2018). A summary of the results and comparison to Year 1 is set out in the table below:

Common Data

Data Items	Total Items October 2018	Member Records nil Failure	Total Items October 2019	Member Records nil Failure
Conditions Tested	701,192	-	724,640	-
Conditions Passed	693,139	-	717,455	-
Conditions Failed	8,056	-	7,185	-
Pass Percentage	98.85%	91.3%	99.0% (+0.15%)	92.4% (+1.1%)

Since receiving the Common Data results corrections have already been made to 943 scheme member records. The corrections remaining relate to 996 historical temporary National Insurance Numbers held and 5,246 'Gone-Away' or incomplete addresses.

➤ Address Tracing

Officers have already entered into an agreement with ITM Limited in an effort to trace those scheme members we have lost touch with. A file extract has already been provided to ITM Limited with the first phase results pending but due by 1 December 2019.

Scheme Specific

Data Items	Total Items October 2018	Member Records nil Failure	Total Items October 2019	Member Records nil Failure
Conditions Tested	825,702	-	848,269	-
Conditions Passed	805,339	-	835,619	-
Conditions Failed	20,011	-	12,650	-
Pass Percentage	97.6%	86.1%	98.51% (+0.91%)	91.2% (+5.1%)

Since receiving the Scheme Specific Data results corrections have already been made to 2,461 scheme member records, this number does include 364 scheme member records where Officers believe an error does not exist. The corrections remaining relate to a variety of data items that will continue to be pro-actively investigated and corrected.

Officers will prepare a paper specific to this project to be presented at the next meeting, of the Berkshire Pension Fund Panel and meeting of the Pension Board.

2.2 *Guaranteed Minimum Pension (GMP) Reconciliation*

Following the end of contracting out in April 2016, HM Revenue & Customs (HMRC) intended to send during December 2018 a statement to all individuals affected stating the amount of Guaranteed Minimum Pension (GMP) they will receive at State Pension Age and which public or private sector pension scheme is responsible for paying it.

Ahead of this Officers had opportunity to review the GMP values held for scheme members with those calculated by HMRC to ensure that the correct values are being paid and to rectify any instances where discrepancies were identified, the outcome being that going forward the Royal Borough of Windsor & Maidenhead as the Administering Authority for the Royal County of Berkshire Pension Fund (RCBPF) is responsible for making payment of the correct GMP liabilities.

Officers completed the project in respect of pensioner and dependant scheme members in February 2018 and it was acknowledged by the Local Government Association (LGA) that the Pension Fund was the first LGPS Pension Fund to do so.

Due to the volume of queries received by HMRC from UK pension schemes a statement was not issued and unfortunately Officers have experienced significant difficulties receiving responses from HMRC to queries raised in respect of active and deferred scheme members. However, communications are now being received from HMRC that will lead to the conclusion of this project by April 2020.

The completion of this project will resolve many of the Scheme Specific data items highlighted under 2.1 above

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