

# Public Document Pack

## NOTICE OF MEETING

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# BERKSHIRE PENSION BOARD

will meet on

**WEDNESDAY, 20TH NOVEMBER, 2019**

**At 11.30 am**

in the

**MINSTER COURT - MAIDENHEAD**

TO: MEMBERS OF THE BERKSHIRE PENSION BOARD

NIKKI CRAIG, ALAN CROSS (CHAIRMAN), JEFF FORD, TONY PETTITT AND NEIL WILCOX (VICE-CHAIRMAN)

Karen Shepherd – Head of Governance - Issued: 12/11/2019

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](http://www.rbwm.gov.uk) or contact the Panel Administrator **Andy Carswell** 01628 796319

**Fire Alarm** - In the event of the fire alarm sounding or other emergency, please leave the building quickly and calmly by the nearest exit. Do not stop to collect personal belongings and do not use the lifts. Do not re-enter the building until told to do so by a member of staff.

**Recording of Meetings** –In line with the council's commitment to transparency the meeting will be audio recorded, and filmed and broadcast through the online application Periscope. The footage can be found through the council's main Twitter feed @RBWM or via the Periscope website. The audio recording will also be made available on the RBWM website, after the meeting. Filming, recording and photography of public Council meetings may be undertaken by any person attending the meeting. By entering the meeting room you are acknowledging that you may be audio or video recorded and that this recording will be in the public domain. If you have any questions regarding the council's policy, please speak to the Democratic Services or Legal representative at the meeting.

## AGENDA

### PART I

#### STANDING ITEMS

| <u>ITEM</u> | <u>SUBJECT</u>   | <u>PAGE NO</u> |
|-------------|--|----------------|
| 1.          | <u>INTRODUCTION AND APOLOGIES</u><br>To receive any apologies for absence.                           | -              |
| 2.          | <u>DECLARATION OF INTEREST</u><br>To receive any declarations of interest.                           | 5 - 6          |
| 3.          | <u>MINUTES</u><br>To approve the Part I minutes of the meeting held on October 8 <sup>th</sup> 2019. | 7 - 12         |
| 4.          | <u>ACTION TRACKER</u><br>To report on any actions.   | 13 - 14        |
| 5.          | <u>SCHEME AND REGULATORY UPDATE</u><br>To receive a verbal update.                                   | Verbal Report  |
| 6.          | <u>ADMINISTRATION REPORT</u><br>To consider the report.  | 15 - 26        |

#### WORK PROGRAMME

| <u>ITEM</u> | <u>SUBJECT</u>  | <u>PAGE NO</u> |
|-------------|---|----------------|
| 7.          | <u>LOCAL PENSION BOARD WORKPLAN 2019-20</u><br>To consider the following items:<br>a. Breaches of the Law Policy<br>b. SLA Between RBWM and RCBPF | 27 - 50        |
| 8.          | <u>TRAINING ITEM - FEEDBACK FROM ANNUAL MEETING</u><br>To receive a verbal update.  | Verbal Report  |

**PART II - PRIVATE MEETING**

| <u>ITEM</u> | <u>SUBJECT</u>  | <u>PAGE<br/>NO</u>                        |
|-------------|---|---|
| 9.          | <p><u>LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC</u></p> <p>To consider passing the following resolution:-</p> <p>"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 items 8 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act"</p> <p>i.       <u>REVIEW OF PANEL PAPERS</u></p> <p>To consider the report.</p> <p><b><i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Governmet Act 1972)</i></b></p> <p>i.       <u>RISK ASSESSMENT REGISTER - EXCEPTIONS</u></p> <p>To consider the report.</p> <p><b><i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Governmet Act 1972)</i></b></p> | <p>To<br/>Follow</p> <p>To<br/>Follow</p> |

**EMERGING ISSUES**

| <u>ITEM</u> | <u>SUBJECT</u>   | <u>PAGE<br/>NO</u>       |
|-------------|--|--------------------------|
|             | <p>i.       <u>TRIENNIAL VALUATION UPDATE</u></p> <p>To receive a verbal update.</p> <p><b><i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Governmet Act 1972)</i></b></p> <p>i.       <u>EMPLOYER COVENANT REVIEW UPDATE</u></p> <p>To receive a verbal update.</p> <p><b><i>(Not for publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Governmet Act 1972)</i></b></p> | <p>Verbal<br/>Report</p> |

14.

ANY OTHER BUSINESS

To discuss any other items of business.

Verbal  
Report

## MEMBERS' GUIDANCE NOTE

### DECLARING INTERESTS IN MEETINGS

#### **DISCLOSABLE PECUNIARY INTERESTS (DPIs)**

DPIs 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 license 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.

#### **PREJUDICIAL INTERESTS**

This is an interest which a reasonable fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs your ability to judge the public interest. That is, your decision making is influenced by your interest that you are not able to impartially consider only relevant issues.

#### **DECLARING INTERESTS**

If you have not disclosed your interest in the register, you **must make** the declaration of interest at the beginning of the meeting, or as soon as you are aware that you have a DPI or Prejudicial Interest. If you have already disclosed the interest in your Register of Interests you 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 discussion or vote at a meeting.** The term 'discussion' has been taken to mean a discussion by the members of the committee or other body determining the issue. You should notify Democratic Services before the meeting of your intention to speak. In order to avoid any accusations of taking part in the discussion or vote, you must move to the public area, having made your representations.

If you have any queries then you should obtain advice from the Legal or Democratic Services Officer before participating in the meeting.

If the interest declared has not been entered on to your Register of Interests, you must notify the Monitoring Officer in writing within the next 28 days following the meeting.

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# Agenda Item 3

## BERKSHIRE PENSION BOARD

TUESDAY, 8 OCTOBER 2019

PRESENT: Councillors Cross (Chairman), Jeff Ford, Tony Pettitt and Nikki Craig

Officers: Shilpa Manek and Kevin Taylor

### INTRODUCTION AND APOLOGIES

Nominations for Chairman and Vice Chairman were requested. Tony Pettitt proposed Alan Cross as Chairman. This was seconded by Jeff Ford. Alan Cross proposed that Neil Wilcox remained Vice Chairman, this was seconded by Tony Pettitt.

Apologies for absence were received from Neil Wilcox.

### DECLARATION OF INTEREST

No Declarations of Interest were received.

### MINUTES

The Chairman highlighted that the Agenda pack had missing pages.

**ACTION: Clerk to add full set of agenda papers to the public website.**

**RESOLVED Unanimously: The minutes of the last meeting of 20 February 2019 were agreed as a true and accurate record.**

### ACTION TRACKER

Both Alan Cross and Jeff Ford had both attended the in-house training. Both had found the training sessions very useful. They thanked Kevin Taylor for organising.

**RESOLVED UNANIMOUSLY: The Board noted the contents of the Action Tracker.**

### SCHEME AND REGULATORY UPDATE

Kevin Taylor informed the Board that The Pensions Regulator had issued a report called Governance and Administration Risks in Public Service Pension Schemes: An Engagement Report. Ten local authority funds had been put forward to engage with the TPR. The Berkshire Pension Fund was not one of the ten put forward.

A number of key risk areas had been reviewed including record-keeping, administration, internal controls and dispute procedures. A number of recommendations resulted from the review and the Board considered the findings.

Kevin Taylor reported to the Board that in general the Berkshire Pension Fund was in a good position but would consider ways in which to improve the service further in light of some of the recommendations made in the report.

One issue that had been recognised was that the Chairman of the Panel and the Chairman of the Board could increase their interaction. Kevin Taylor explained that this had been

discussed at a recent training day and that he would confirm with the Chairman that Members of the Pension Panel had previously agreed that the Chairman of the Board could attend Panel meetings.

**ACTION: Kevin Taylor to send evidence of Panel approval to the Chairman.**

Kevin Taylor informed the Board that a pension administration strategy was already in place and reviewed regularly by the Berkshire Pension Fund Panels.

The Chairman noted from the risk register that the loss of key staff had been identified as a key risk. Nikki Craig informed the Board that this risk had been recognised by the RBWM MD across other areas of the Borough staffing and that appropriate succession planning was being considered.

Kevin Taylor informed the Board that at the last meeting of the Pension Panel it had been agreed that an exceptions report would be provided at each meeting with the full risk policy and assessment register being taken once a year to Panel for review.

The Chairman raised a question concerning access to the Pension Fund's website and whether or not the number of hits was recorded. Kevin Taylor explained that this was reported in the administration report each quarter and that he would seek to find out if it was possible to identify whether individuals were accessing the website on multiple occasions.

**ACTION: Kevin Taylor to find out if it is possible to identify if individuals access the website on multiple occasions (i.e. both "hits" and "unique hits").**

The Board discussed carrying out a survey for the Fund's members. Nikki Craig suggested having five simple questions on Survey Monkey aimed at scheme Members across each scheme type. The sample would not have to be very large. Members could be targeted by having to answer the survey questions as they were trying to log in. Kevin Taylor explained that the Fund has been considering how best to survey its members and that this was ongoing.

The Pension Panel had identified that cyber security was not included in the risk register. Kevin Taylor did inform the Panel and the Board that there were many firewalls in place but that he will take action to evidence the pension systems are secure and include this risk in the register.

The Board were interested to know what proportion of members were not resident in the UK and what the effects of leaving the EU would be. Kevin Taylor informed the Board that the Fund undertook a monthly mortality screening exercise, took part in the National Fraud Initiative and had signed up to Tell Us Once.

**ACTION: Kevin Taylor to provide further details to Board members regarding pensioners living overseas and actions taken to ensure payments made are legitimate.**

The Board discussed the matter of 'separation'. Kevin Taylor explained that at a national level the idea of separating Pension Funds from their administering authorities was being considered thereby providing Funds with a level of autonomy. One particular area of concern had been the potential conflict of interest placed upon s151 officers responsible for both the finances of the Authority and the Pension Fund.

**ACTION: Kevin Taylor to send Members details relating to the separation concept.**

The Chairman commented that the TPR report was good and that there were many points to reflect on. Kevin Taylor reassured the Board that all internal controls were in place which were all robust and all third party contracts were reviewed regularly. The two points that had been



highlighted from this report were that there needed to be better communication between the Panel and the Board and the importance of carrying out the survey to scheme Members.

Jeff Ford asked what was the link between the Pension Board and the Pension Fund Panel. The Board were informed that the Borough acts as the administering authority to the Pension Fund but that the Fund's assets were kept entirely separately from those of the Borough. Members were told that the Pension Fund had its own bank account. The staff working for the Pension Fund are employed by the Royal Borough and therefore use certain services provided by the Borough such as ICT and HR. However, the pension administration and pension payroll software was a separate bespoke system hosted off-site by a third party provider, Heywoods.

The Chairman pointed out that two of the four pages were missing from the website version of the fair deal letter.

**ACTION: Democratic Services to ensure the correct versions are available on the website.**

The Board then discussed Fair Deal. Kevin Taylor informed the Board that Fair Deal covered most other public sector pension schemes but not the LGPS. It was explained that under current rules when a scheme employer outsources a service the chosen third party service provider has to either provide for the transferring employees a broadly comparable pension scheme to the LGPS or ongoing access to the LGPS via an admission agreement. The Fair Deal consultation put forward the idea of the outsourcing employer being treated as a deemed employer meaning that the outsourcing employer would retain all pension liabilities with the party service provider simply ensuring contributions are deducted from the employees and paid over to the Fund. No admission agreement would be needed. The outcome of the consultation had yet to be published with any procedural changes requiring amendments to the scheme regulations.

**ACTION: Place on next agenda**

**RESOLVED UNANIMOUSLY: The Board noted the update**

## ADMINISTRATION REPORT

Kevin Taylor informed the Board that:

- The number of contributing members was now lower than the number of deferred members.
- All Unitary Authorities and around 80% of the membership were now using i-Connect with a plan to have all employers using the system by March 2021.
- The Pension Panel had suggested looking key performance indicators used by CIPFA and the Fund had agreed to revise its targets in line with CIPFA guidance.
- Pension surgeries continue to be well received and popular with events being held twice a year at each Unitary Authority.
- All year end submissions had been completed well in advance of the 31 August deadline in part due to iConnect.
- Membership data continues to be of a high standard as evidenced by the data quality reports presented to the Board.
- The member data extract required by the Actuary for valuation purposes had been sent well in advance of the deadline with further online data checking taking place.
- A private meeting had been scheduled in November with the Actuary to discuss the initial results of the triennial valuation process. The Actuary will report publicly to Panel on 16 December 2019.

**RESOLVED UNANIMOUSLY: The Board noted the report and all the key areas of governance and administration and all key performance indicators.**

#### LOCAL PENSION BOARD WORKPLAN 2019-20

Kevin Taylor informed the Board that the workplan had been revamped to align with the Pension Panel meetings. The Board had no further dates in the diary for meetings but it was suggested that the Board met three to four weeks before the Panel in order to be able to advise them. The Chairman would like to see that in the future the Board comments be submitted to the Panel.

#### **ACTION: Arrange Board meetings 3/4 weeks before the Panel meetings**

Tony Pettitt suggested that the Board could see an initial draft of a report and be able to make comments prior to it going to the Panel Chairman for his review and sign off. It was agreed that the Board should be looking at everything that was going to the Panel.

Kevin Taylor informed the Board that there should be no changes to the breaches of the law report and the SLA between RBWM and the Pension Fund.

Kevin Taylor informed the Board that there would be an annual meeting at which the Actuary would be attending on 14 November at 12.30 at the Town Hall. The Chairman of the Board would attend.

The Board arranged its next meeting on Wednesday 20 November at 11.30am till 2.30pm. All of next year's Board meetings would need to be three weeks ahead of the Panel meetings. This could be revised if the workload was unmanageable for Kevin Taylor.

#### TRAINING ITEM - OVERVIEW OF SCHEME GOVERNANCE AND LGPS BENEFITS

Kevin Taylor informed the Board that the slides were a refresher and a high level overview. Kevin Taylor went through the slides in the agenda pack.

Jeff Ford asked why additional staff were required if iConnect was assisting so well. Kevin Taylor advised the Board that when compared to other funds and local authorities the Berkshire Fund had always had a high ratio of records to administer per member of staff. It had been identified that administration had become more complex and that there was always a shortage of experienced administrators so recruitment was normally restricted to trainee level.

It was pointed out that it was the contractual right of an employee to be part of the scheme if under 75 years and if they had a contract of at least three months duration. An employee could opt out but would be re-enrolled under the auto-enrolment procedures at the relevant point.

#### PENSION FUND ANNUAL REPORT AND ACCOUNTS

Kevin Taylor informed the Board that the Pension Fund annual report and accounts had been substantively agreed by the Pension Panel. The Panel had been advised that some of the figures may change. The accounts could not be signed off until the report and accounts were complete.

The Board were advised that the auditors had queried the mortality factors with respect to life expectancy.

The accounts would be signed off by 1 December 2019. The Chairman requested the

corrections of the Vice Chairman to be amended at page 10 of the report to reflect the position during the 2018/19 year.

The Chairman suggested a change on page 106 of the report which Kevin Taylor was already aware of.

**RESOLVED UNANIMOUSLY: The Board noted the annual report and accounts and that some changes would be made before sign-off before 1 December 2019.**

#### INTERNAL AUDIT REPORT

Kevin Taylor informed the Board that five concerns had been identified in the audit report, all of which were of moderate concern. All concerns had been resolved before the report was issued.

**RESOLVED UNANIMOUSLY: The Board noted the report findings and that all concerns had been resolved.**

#### RISK MANAGEMENT POLICY

Kevin Taylor informed the Board that the Panel had recognised that there was no risk in the policy to do with cyber security. The Panel had asked this to be considered and added.

**RESOLVED UNANIMOUSLY: The Board noted the policy and the Panels comments and were in agreement.**

#### RISK ASSESSMENT REGISTER

Kevin Taylor informed the Board that the register had identified four medium risks to be of concern. They (and their mitigations) were as follows:

- PEN 004 – Inaccuracy of employer data - all employers to be using iConnect by March 2021.
- PEN 011 – Loss of key staff – succession planning under consideration
- PEN 017 – Funding level below 100% - Nikki Craig pointed out this was a fact as opposed to a risk and that the risk should really be what would happen if the Fund does not return to being 100% funded – Actuarial review has a plan to get to 100%
- PEN 025 – Inability of scheme employer to meet their obligation – currently an employer covenant review is underway.

It was suggested that the Board had regular updates on loss of staff and the associated risks and the impact of funding levels below 100%.

**ACTION: Kevin Taylor to look at the wording of the risk and the date of the next review.**

#### IDENTIFIED OR REGISTERED BREACHES

Kevin Taylor informed the Board that there was no identified or registered breaches.

#### FEEDBACK FROM RECENT BARNETT WADDINGHAM/CIPFA SEMINAR

Jeff Ford and the Chairman had attended the seminar and had found it a very useful day. The next annual one was on 24 June 2020 (with other CIPFA sessions in the interim).

**ACTION: Kevin Taylor to circulate brief to Board Members.**

ANY OTHER BUSINESS

It was raised that the timing of the meeting be considered and scheduled for three hours as it always overran.

The meeting, which began at 12.30 pm, finished at 3.20 pm

CHAIRMAN.....

DATE.....

**Pension Board Meetings - Action Tracking Schedule**

| <b>Action No.</b> | <b>Date of meeting</b> | <b>Minute Item</b> | <b>Action Item Description</b> | <b>Comments</b>   | <b>Assigned To</b> | <b>Status</b> | <b>Date</b> |
|-------------------|------------------------|--------------------|--------------------------------|---|--------------------|---------------|-------------|
| 12                |                        |                    | b) Adoption of Training Plan.  | Board members to inform the DPFM of any training completed. | Board Members      | Ongoing.      |             |

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|  |  |
|--|--|
| Report Title:                                | <b>Administration Report</b>   |
| 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, Deputy Pension Fund Manager, Philip Boyton, Pension Administration Manager |
| Wards affected:                              | None   |

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## 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)**

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





THE ROYAL COUNTY OF  
**BERKSHIRE**  
PENSION FUND

**ADMINISTRATION REPORT**

**QUARTER 2 – 2019/20**

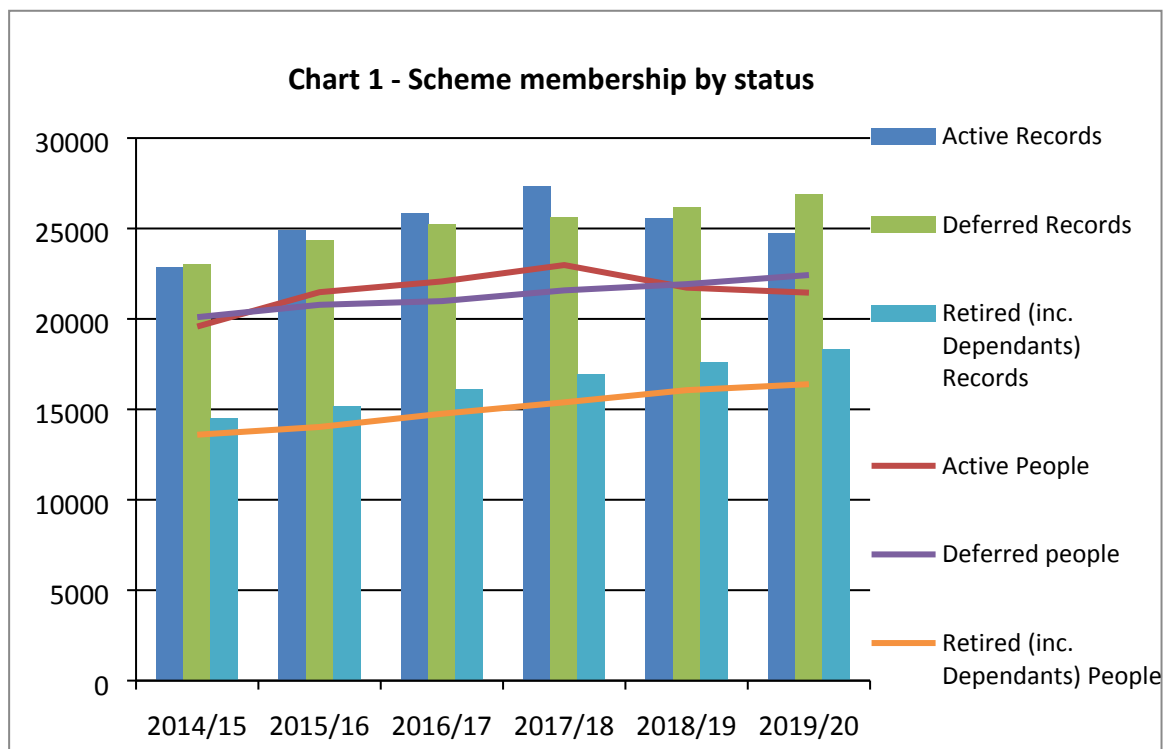
**1 July 2019 to 30 September 2019**

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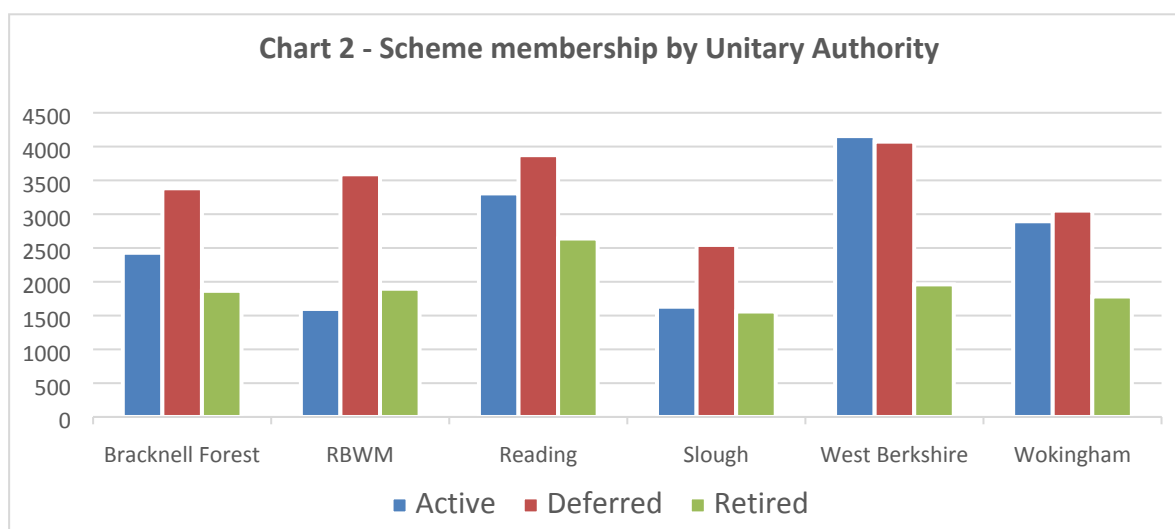
# 1. ADMINISTRATION

## 1.1 Scheme Membership



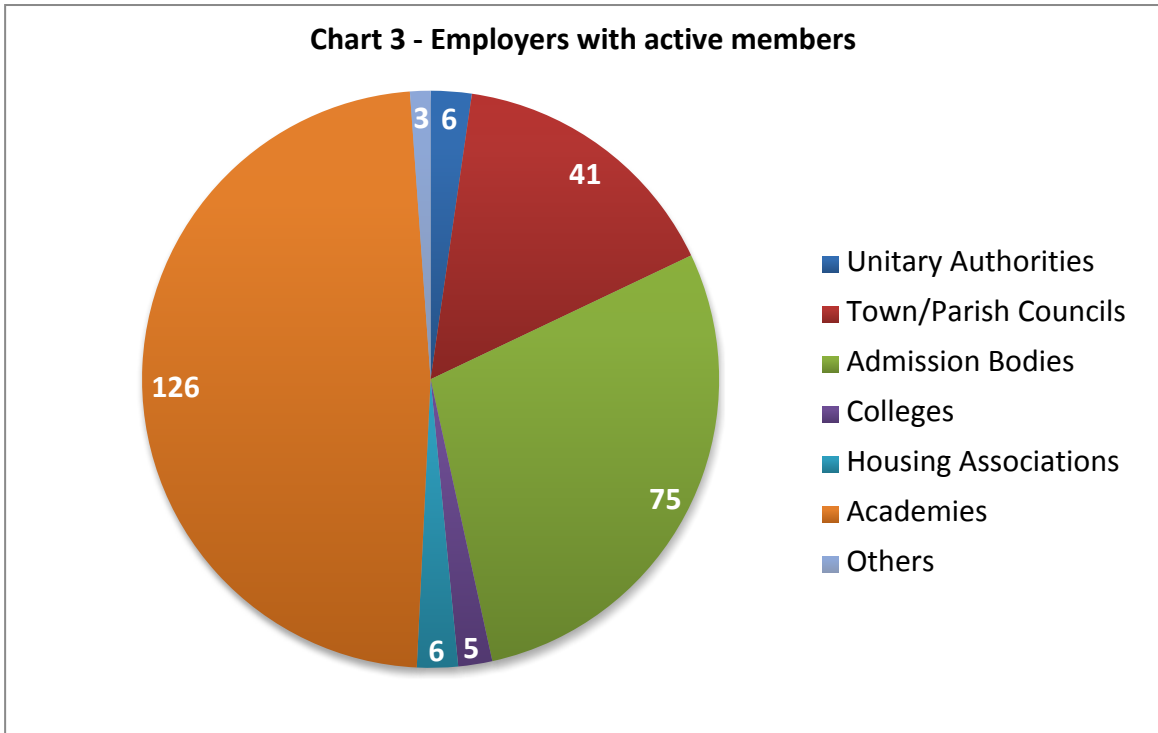
| TOTAL MEMBERSHIP |               |                 |               |
|------------------|---------------|-----------------|---------------|
| Active Records   | 24,749        | Active People   | 21,451        |
| Deferred Records | 26,883        | Deferred People | 22,427        |
| Retired Records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

## 1.2 Membership by Employer



| Membership movements in this Quarter (and previous Quarter) |                    |                   |                     |                    |                   |                    |
|---|--------------------|-------------------|---------------------|--------------------|-------------------|--------------------|
|   | Bracknell          | RBWM              | Reading             | Slough             | W Berks           | Wokingham          |
| Active  | <b>+45</b><br>-221 | <b>-6</b><br>-57  | <b>+103</b><br>-346 | <b>-97</b><br>-230 | <b>-5</b><br>-188 | <b>+29</b><br>+171 |
| Deferred  | <b>+3</b><br>-3    | <b>-3</b><br>-22  | <b>+91</b><br>-20   | <b>-26</b><br>+39  | <b>-2</b><br>+92  | <b>+4</b><br>+99   |
| Retired   | <b>+38</b><br>+56  | <b>+39</b><br>+46 | <b>+21</b><br>1982  | <b>+24</b><br>+46  | <b>+29</b><br>+82 | <b>+23</b><br>+86  |

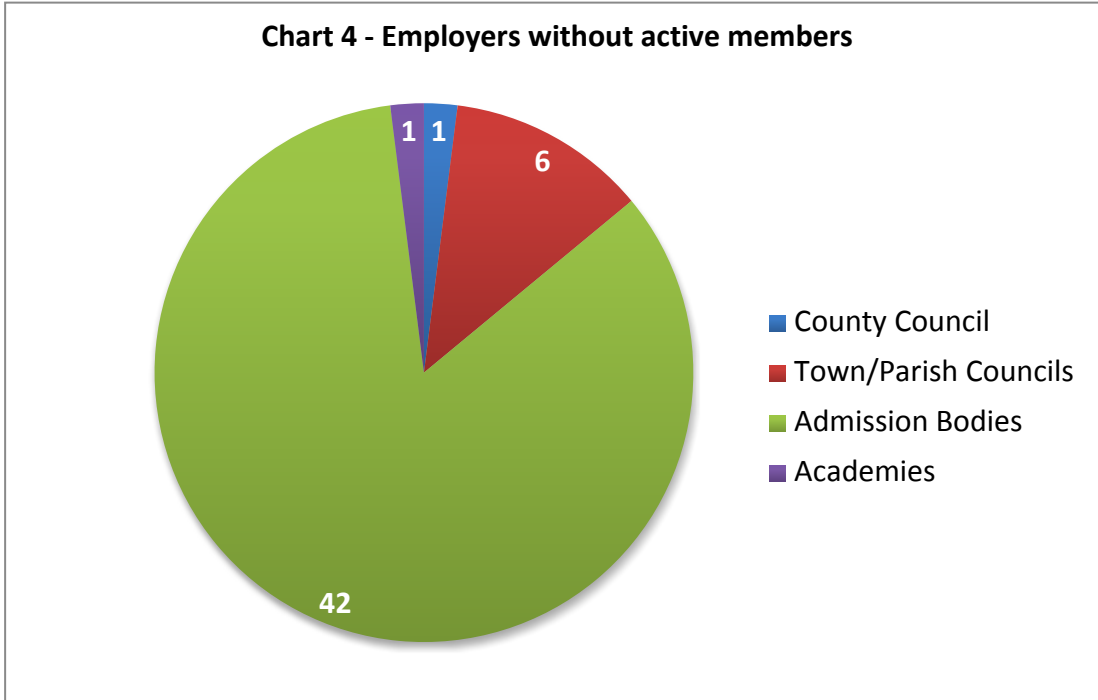
1.3 Scheme Employers



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

| 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%        |
| <b>Totals</b>         | <b>1464</b> | <b>1141</b> | <b>4104</b> | <b>6709</b> | <b>96.72%</b> |

**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.

### Exception report – less than 90% achieved

None

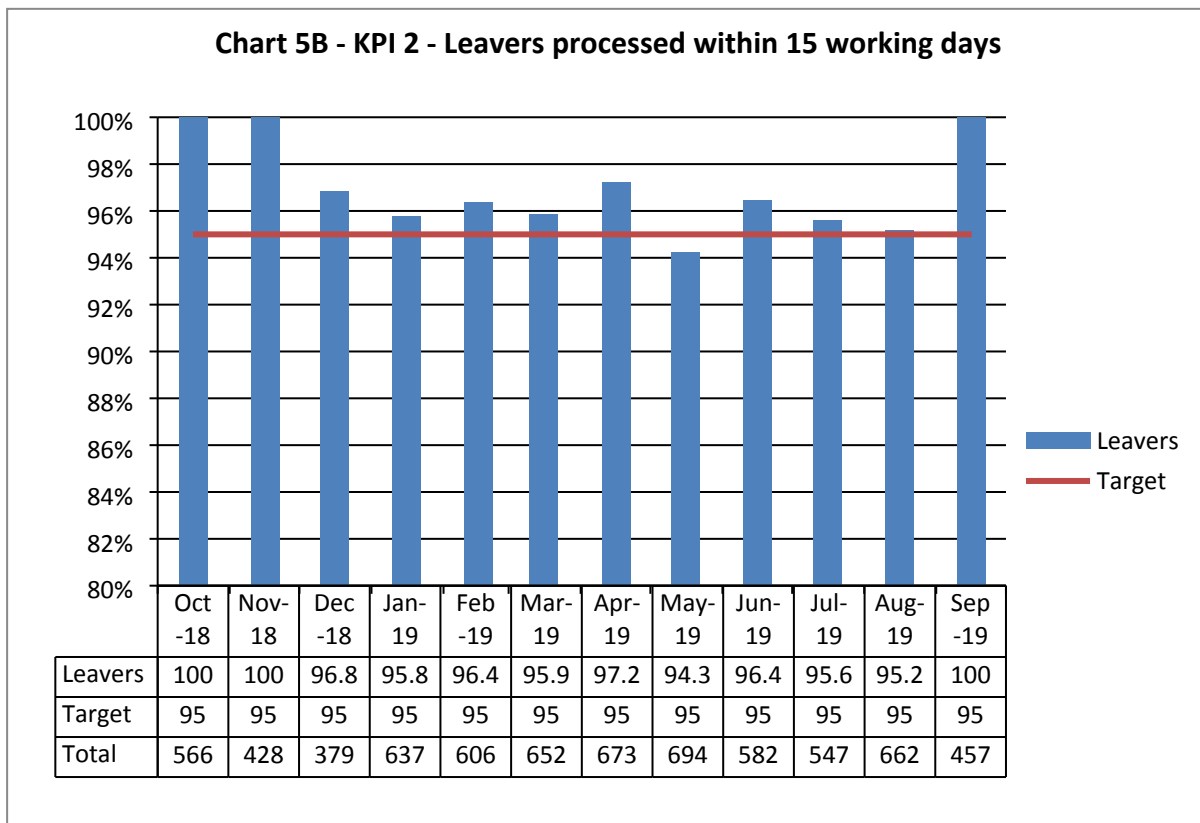
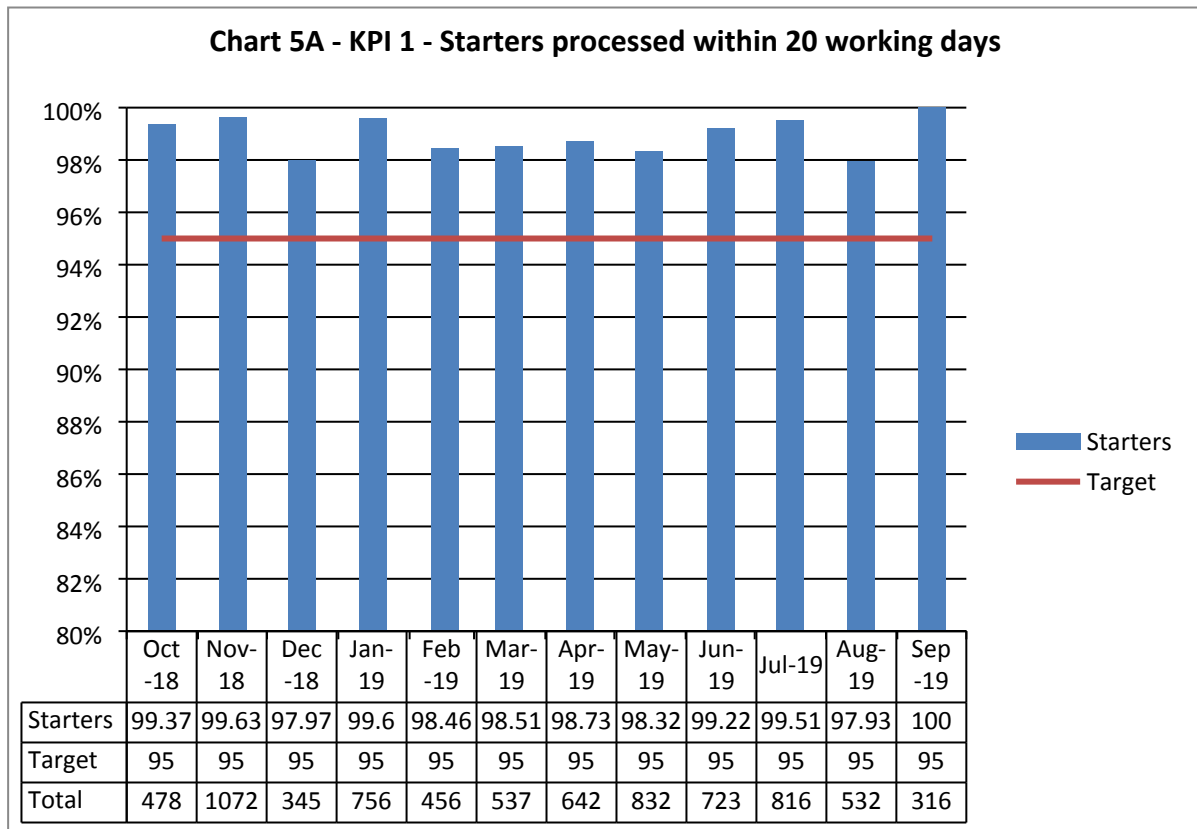
| Employer      | Starters     | Leavers        | Total          | This Quarter  | Trend         |               |               |
|---------------|--------------|----------------|----------------|---------------|---------------|---------------|---------------|
|               |              |                |                |               | Quarter <1    | Quarter <2    | Quarter <3    |
|               | In/Out       | In/Out         |                |               |               |               |               |
| Bracknell     | 0/1          | 128/165        | 128/165        | <b>43.68%</b> | 47.06%        | 38.84%        | 41.10%        |
| RBWM          | 0/2          | 40/72          | 40/74          | <b>35.09%</b> | 21.59%        | 41.18%        | 51.13%        |
| Reading       | 0/0          | 42/105         | 42/105         | <b>28.57%</b> | 9.55%         | 20.90%        | 6.01%         |
| Slough        | 0/0          | 40/67          | 40/67          | <b>37.38%</b> | 18.18%        | 61.29%        | 56.32%        |
| W Berkshire   | 1/2          | 106/103        | 107/105        | <b>50.47%</b> | 14.29%        | 14.55%        | 6.28%         |
| Wokingham     | 1/1          | 18/12          | 19/13          | <b>59.38%</b> | 25.64%        | 71.05%        | 38.64%        |
| WBC Schs.     | 2/8          | 97/124         | 99/132         | <b>42.86%</b> | 5.38%         | 13.49%        | 5.61%         |
| Academies     | 37/46        | 124/187        | 161/233        | <b>40.86%</b> | 12.36%        | 23.32%        | 33.28%        |
| Colleges      | 5/7          | 10/11          | 15/18          | <b>45.45%</b> | 19.44%        | 66.67%        | 37.84%        |
| Others        | 5/3          | 75/68          | 80/71          | <b>52.98%</b> | 18.59%        | 51.20%        | 41.99%        |
| <b>Totals</b> | <b>51/70</b> | <b>680/914</b> | <b>731/984</b> | <b>42.62%</b> | <b>15.28%</b> | <b>28.95%</b> | <b>27.30%</b> |

**NOTES:** Some employers listed in Table 1B above will also be listed in Table 1A. This is because not all employees of a scheme employer are paid through the scheme employer's payroll e.g. some non-teaching staff at Local Authority maintained schools may be paid via a third party payroll provider which is not an i-Connect user although those individuals are employees of the relevant Unitary Authority.

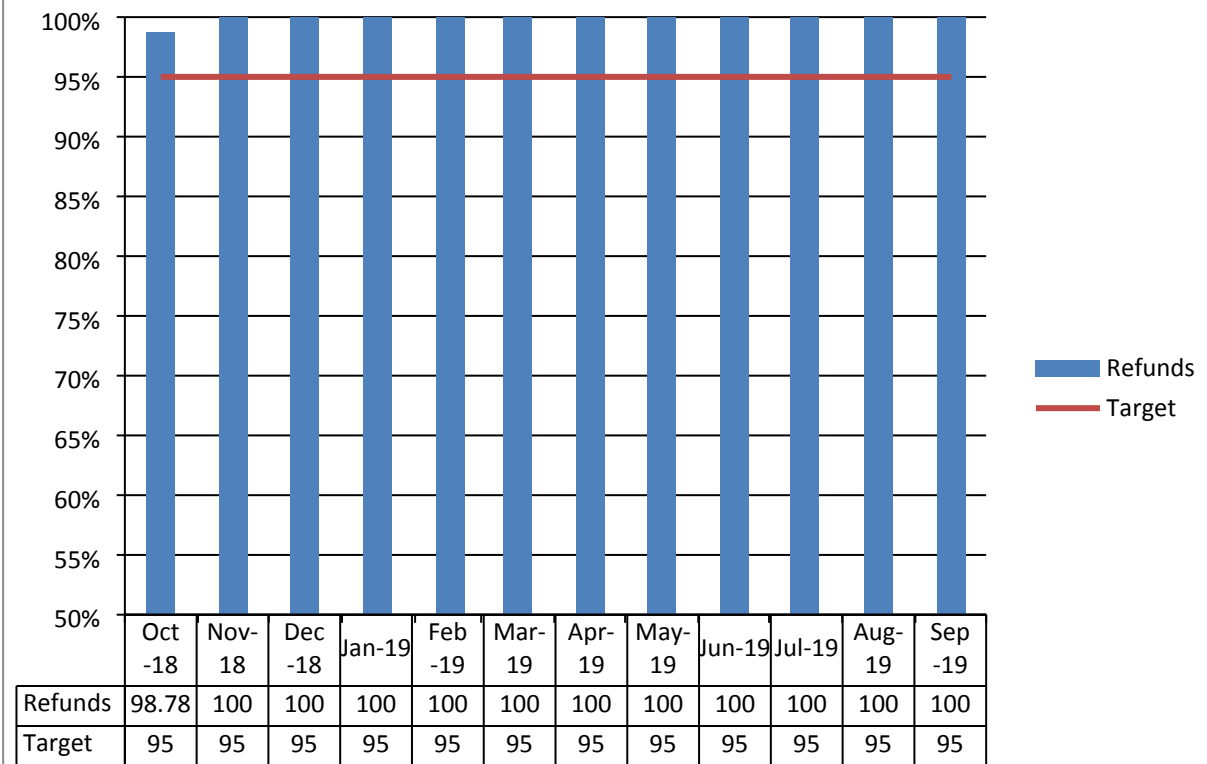
Details of starters and leavers only are recorded by the team. Other pension record changes may or may not have been received by the Pension Fund via payroll or from the scheme member direct. Experience tends to show that individuals may notify payroll of certain data changes but not always pensions and that payroll may not always forward information to the pension team.

Many missing data items are found through the year-end process which can be a long, labour intensive exercise for both the Pension Fund and the scheme employer. Employers using i-Connect do not have a year-end process to deal with as all data is uploaded and verified on a monthly basis.

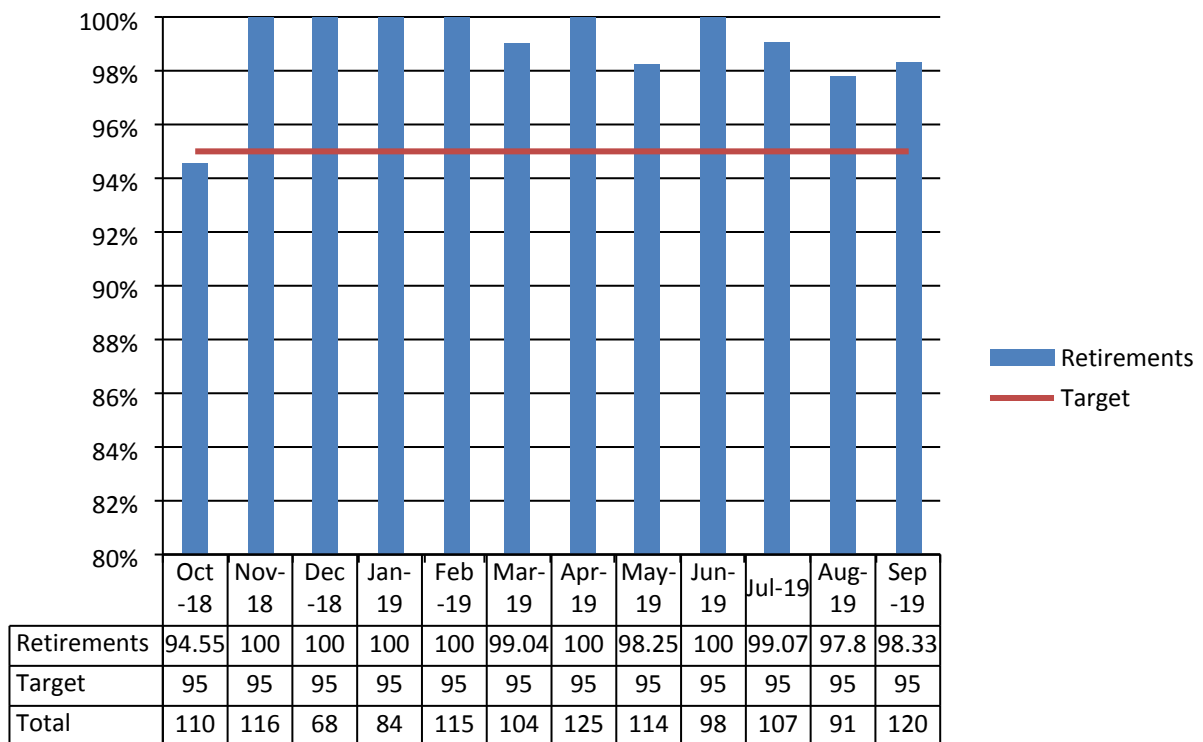
1.5 Key Performance Indicators



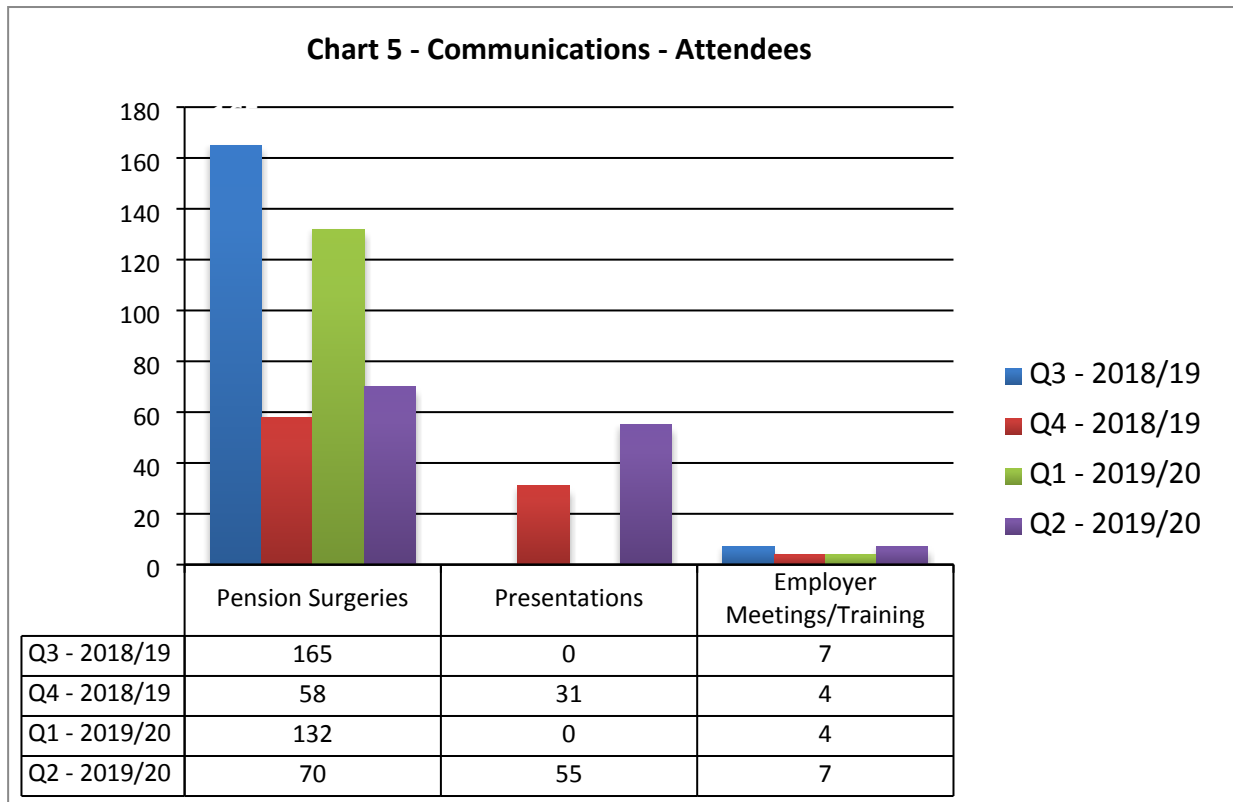
**Chart 5C - KPI 3 - Refunds processed within 10 working days**



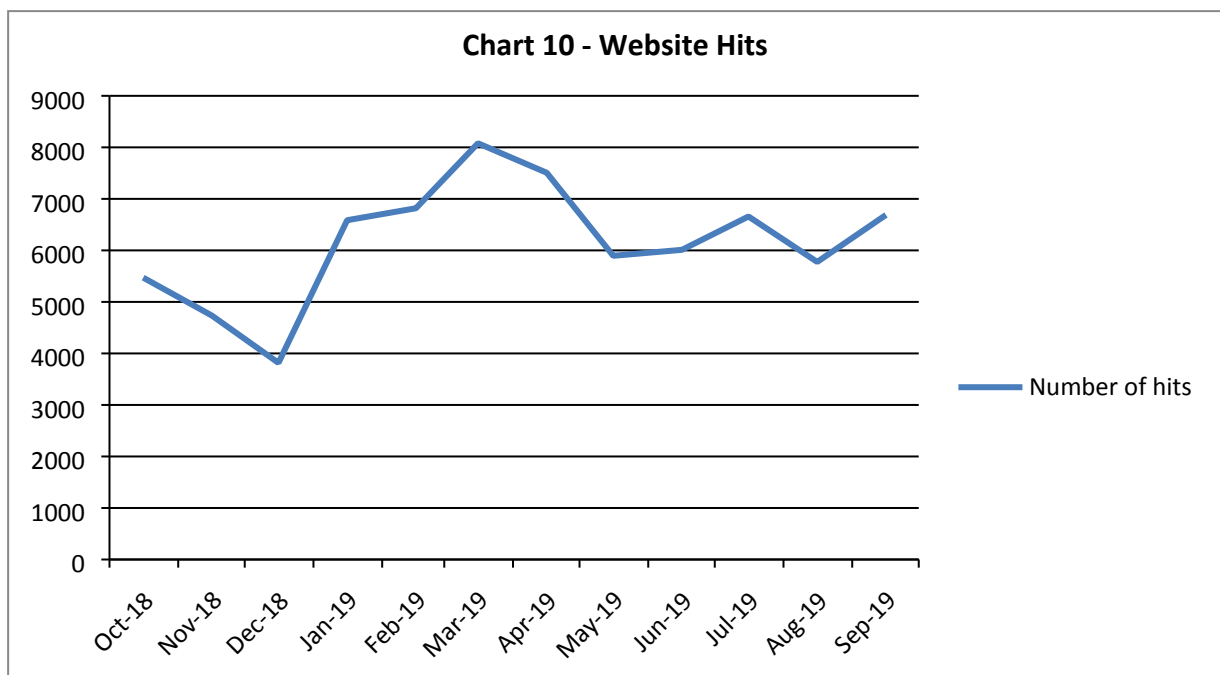
**Chart 5D - KPI 4 - Retirements processed within 5 working days**



## 1.6 Communications



## 1.7 Website Hits



## 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<br>October 2018 | Member<br>Records nil<br>Failure | Total Items<br>October 2019 | Member<br>Records nil<br>Failure |
|----------------------|-----------------------------|----------------------------------|-----------------------------|----------------------------------|
| Conditions<br>Tested | 701,192                     | -                                | 724,640                     | -                                |
| Conditions<br>Passed | 693,139                     | -                                | 717,455                     | -                                |
| Conditions<br>Failed | 8,056                       | -                                | 7,185                       | -                                |
| Pass<br>Percentage   | 98.85%                      | 91.3%                            | 99.0%<br>(+0.15%)           | 92.4%<br>(+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<br>October 2018 | Member<br>Records nil<br>Failure | Total Items<br>October 2019 | Member<br>Records nil<br>Failure |
|----------------------|-----------------------------|----------------------------------|-----------------------------|----------------------------------|
| Conditions<br>Tested | 825,702                     | -                                | 848,269                     | -                                |
| Conditions<br>Passed | 805,339                     | -                                | 835,619                     | -                                |
| Conditions<br>Failed | 20,011                      | -                                | 12,650                      | -                                |
| Pass<br>Percentage   | 97.6%                       | 86.1%                            | 98.51%<br>(+0.91%)          | 91.2%<br>(+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.



## 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](http://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](mailto: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.

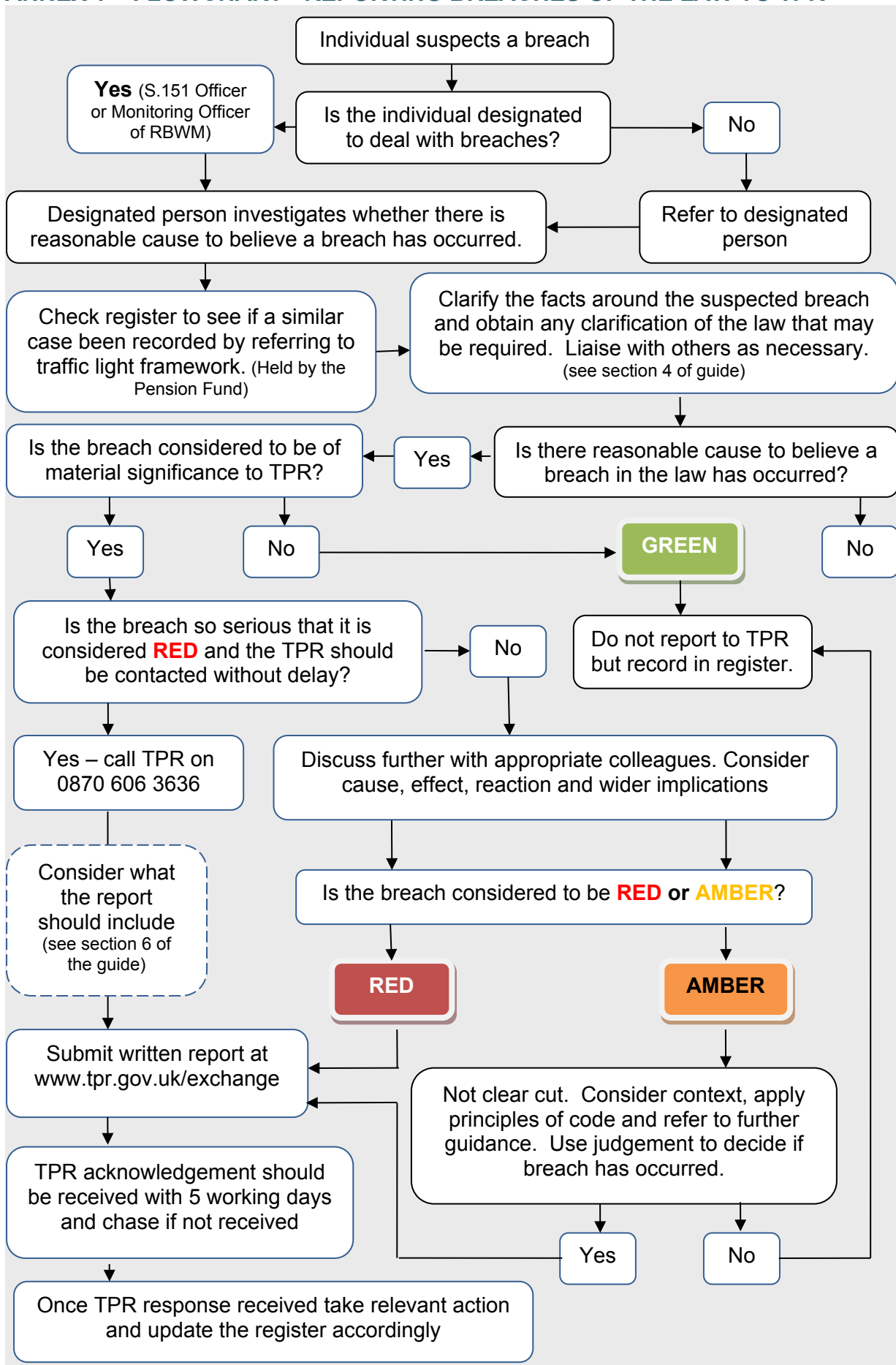
If the Pensions Regulator considers issuing a civil penalty a warning notice will be sent to the affected party or parties identifying the alleged breach. In addition the Pensions Regulator may consider it appropriate to make a complaint to the reporters professional or other governing body.

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**

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

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



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## 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 (Regulation) 2013 |   |
| Made: 15th September 2013                             |   |
| Laid before Parliament: 25th September 2013           |   |
| Commencement: 1st October 2013                        |   |
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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 an 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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