

Bath & North East Somerset Council		
MEETING:	LOCAL PENSION BOARD	
MEETING DATE:	25 February 2016	AGENDA ITEM NUMBER
TITLE:	Breaches Procedure	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1: Avon Pension Fund: Breaches Procedure		
Appendix 2 – Reporting Templates		

1 THE ISSUE

- 1.1 The purpose of this item is to report to the Pension Board the proposed procedure for dealing with and reporting breaches of the law.
- 1.2 This procedure takes into account guidance received from the Pensions Regulator (tPR) as set out in its Code of Practice 14.
- 1.3 The procedure affects all those who are subject to the reporting requirements as determined by the Pensions Regulator.

2 RECOMMENDATION

That the Pension Board:

- 2.1 Reviews the Breaches Procedure for Avon Pension Fund to adopt as outlined in this report and recommend to the Pensions Committee for approval

3 BREACHES PROCEDURE – BACKGROUND

- 3.1 There is a legal requirement on all Pension Fund Committee Members, LPB Members, officers, employers and advisors to report any significant breaches of the law to the pensions Regulator (tPR) where they are likely to be of material significance to them.

- 3.2 TPR Code of Practice 14 (Governance and administration of public service pension schemes) states there should be a procedure in place within each fund to identify and assess these breaches as they occur.
- 3.3 The attached Breaches Procedure sets out these responsibilities and provide a framework for the Fund to identify, manage and where necessary report breaches of the law applying to the management and administration of the Fund.
- 3.4 Where a breach of law is identified action will be undertaken in accordance with the significance of the breach as set out in the attached procedure.
- 3.5 A summary of breaches reported will be included with future administration reports to both Pensions Committee and LPB.
- 3.6 The breaches procedure will be reviewed on a regular basis and any amendments put forward for approval.

4 FINANCIAL IMPLICATIONS

- 4.1 There are no specific financial implications.

5 Breaches Procedure - Background

- 5.1 Whenever a decision is made or in some cases not made, there are provisions for any disagreements that arise to be dealt with under Regulations 74 – 80 of the LGPS Regulations 2013.
- 5.2 The Pension Regulator has set out in its Code of Practice 14 the requirements of the legislation to have an Internal Dispute Resolution Procedures [IDRP] to be followed.
- 5.3 Annex 1 incorporates the requirements of both the regulations and Code of Practice to set out how cases of disagreement are to be processed within the Avon Pension Fund.
- 5.4 Annex 2 sets out a timeline of the process and gives details of who within the administering authority will be responsible for decisions made at different stages of the process.
- 5.5 Employers have responsibilities within the IDRP and once the procedures are approved will need to be instructed on their role and how the relationship between decisions made and potential disagreements works and how disputes are to be managed.
- 5.6 A similar exercise will be required for officers responsible for Fund administration.
- 5.7 The procedures will be kept under review and guidance will be sought from the Pension Board in the event of any changes.

6 RISK MANAGEMENT

- 6.1 The implementation of this procedure will mitigate the risk of the Fund breaching the regulations and failing to report this or taking appropriate remedial action.

7 EQUALITIES

7.1 An equalities impact assessment is not necessary as the report is primarily for information only.

8 CONSULTATION

8.1 This report is primarily for information and therefore consultation is not necessary.

9 ISSUES TO CONSIDER IN REACHING THE DECISION

9.1 The issues to consider are contained in the report.

10 ADVICE SOUGHT

10.1 The Council's Monitoring Officer (Divisional Director – Legal & Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

Contact person	Geoff Cleak – Acting Pensions Manager (Tel: 01225 395277)
Background papers	<i>The Pension Regulator: Code of Practice no 14</i>
Please contact the report author if you need to access this report in an alternative format	