

Croydon Council

REPORT TO:	Pension Board 15 October 2020
SUBJECT:	Reporting Breaches of the Law
LEAD OFFICER:	Nigel Cook Head of Pensions Investment and Treasury

1. RECOMMENDATION

- 1.1 The Board are asked to note revisions to the Fund’s “Reporting Breaches of the Law Policy” and to note the Fund’s Breaches of the Law log.

2. EXECUTIVE SUMMARY

- 2.1 This report advises the Board that on 15 September 2020 the Pension Committee considered a report on the existing procedure for reporting breaches of the law in the administration of the Fund and were asked to agree revisions to the Policy and note the log. The Committee agreed the revisions and noted the log and the Board are asked to note the revisions (Appendix E) and the log (Appendix F).

3. DETAIL

- 3.1. On 2 July 2015 the Board received a draft Policy entitled “Reporting Breaches of the Law” and resolved as follows:

Approve the Breaches of Law policy, subject to stronger wording being inserted at page 4 asserting the right of the Board to report breaches directly to the Pensions Regulator. Such wording to be approved by the Chair.

- 3.2 The finalised Policy is attached as Appendix A. Appendices B, C and D detail the reporting process as follows:

- Appendix B Breaches Reporting Form – to be completed by anyone wishing to report a breach;
- Appendix C Breaches Flowchart – the process of investigation
- Appendix D Breaches Risk Process – how the seriousness of a breach is evaluated

- 3.3 In their Governance Review of the Fund Aon Hewitt note that the current procedure “appears to be focussed on Local Pension Board members” and the agreed action arising from the Review is:

Review current Pension Board breaches procedure but, in doing so, expand to cover all of those involved with the management of the Fund (ie Committee and senior officers).

- 3.4 A revised Policy was presented to the Committee on 15 September as Appendix E (with proposed changes in red).

- 3.5 The current procedure does not require that the Committee or the Board be advised of a record of reported breaches but the action agreed arising from the Aon Hewitt Review is that the Fund “Introduce a system to record and monitor breaches and introduce reporting of these to Committee and Board via a clear and regular updates breaches log.”. The recommended new Policy includes such a process.
- 3.6 Attached as Appendix F is a log on which the Board are invited to comment and to note.

4 DATA PROTECTION IMPLICATIONS

- 4.1 Will the subject of the report involve the processing of ‘personal data’?

No.

Approved by: Lisa Taylor, Director of Finance, Investment and Risk, S151 Officer

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BACKGROUND DOCUMENTS:

None.

APPENDICES:

Appendix A: Reporting Breaches of the Law
Appendix B: Breaches Reporting Form
Appendix C: Breaches Flowchart
Appendix D: Breaches Risk Process
Appendix E: Reporting Breaches of the Law (revised)
Appendix F: Breaches Log