

Croydon Council

REPORT TO:	Pension Committee 15 September 2020
SUBJECT:	Reporting Breaches of the Law
LEAD OFFICER:	Nigel Cook Head of Pensions and Treasury
CABINET MEMBER	Councillor Simon Hall Cabinet Member for Finance and Resources
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: Sound Financial Management: This report recommends that the Pension Committee agree revisions to the Fund's "Reporting Breaches of the Law Policy" and note the update of the Fund's Breaches of the Law log.	
FINANCIAL SUMMARY: There are no direct financial implications associated with this report but it should assist in the efficient management of the Fund which could have an impact on the General Fund of the Council.	

1. RECOMMENDATION

- 1.1 The Committee are asked to agree 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 Committee of the existing procedure for reporting breaches of the law in the administration of the Fund and asks them to agree revisions to the Policy attached as Appendix E and note the Log attached as Appendix F.

3. DETAIL

- 3.1. On 2 July 2015 the Pension Board considered 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 revised 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; and
 - 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 (i.e. Committee and senior officers)*
- 3.4 A revised Policy is now presented to the Committee as Appendix E (with proposed changes in red).
- 3.5 The current procedure does not require that the Committee or 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 Committee are invited to comment and to note.

4 FINANCIAL CONSIDERATIONS

- 4.1 There are no financial considerations arising from this report.

Approved by: Lisa Taylor, Director of Finance, Investment and Risk, S. 151 Officer.

5. OTHER CONSIDERATIONS

- 5.1 There are no Customer Focus, Equalities, Environment and Design, Crime and Disorder or Human Rights considerations arising from this report

6. LEGAL CONSIDERATIONS

- 6.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that there are no direct legal implications arising from the recommendations within this report.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer.

7. FREEDOM OF INFORMATION

7.1 This report contains only information that can be publicly disclosed.

8 DATA PROTECTION IMPLICATIONS

8.1 Will the subject of the report involve the processing of 'personal data'?

No.

Has a data protection impact assessment (DPIA) been completed?

No. This report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

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

9.0 HUMAN RESOURCES CONSIDERATIONS

9.1 There are no direct workforce impacts arising from this report but the pension scheme is an important staff benefit for recruitment and retention.

Approved by: Sue Moorman, HR Director

CONTACT OFFICER:

Nigel Cook, Head of Pensions and Treasury,
Resources Department, ext. 62552.

BACKGROUND DOCUMENTS:

None.

APPENDIX:

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