

Pension Fund Committee

Meeting to be held on Friday, 10 March 2023

Electoral Division affected: N/A;

Lancashire County Pension Fund - Breaches Policy Review

Appendices 'A' and 'B' refer

Contact for further information:

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Brief Summary

Under the Pensions Act 2004, the Fund must report breaches of the law relating to the administration of the Pension Fund to the Pension Regulator and where data breaches occur to the Information Commissioner.

The Fund's current Breaches Policy (Appendix A) has been reviewed to simplify and improve the presentation and clarify the roles and responsibilities of key stakeholders. It also reflects the introduction of new eForms for use by stakeholders when reporting breaches to the Fund.

Recommendation

The Pension Fund Committee is asked to approve the revised Breaches Policy as set out at Appendix 'B' to this report.

Detail

Breaches can occur in relation to a wide variety of tasks associated with a pension fund. In the main, breaches are normally associated with the administrative function of a scheme such as keeping records, internal controls, calculating benefits and making investment or investment-related decisions.

The Breaches Policy forms part of the internal controls for the purpose of ensuring that the Fund is administered and managed in accordance with the scheme rules and within the requirements of the law.

The policy has been redrafted and the revised policy (Appendix B) aims to –

- clarify the legal and regulatory guidance to consider when reporting a breach;
- provide guidance on whether a breach is likely to be of material significance;



- set out a clear pathway for recording and reporting a breach;
- include two eForms for reporting breaches which replace the existing reporting documentation;
- outline the role and responsibilities of key stakeholders;
- clearly describe how a breach of material significance is to be reported to the Pension Regulator or Information Commissioner.

The revised policy has been developed in consultation with the Lancashire Local Pension Board and the County Council's Information Governance Team. At the end of March 2023, the policy will be updated to reflect the appointment of the Director of Law & Governance following the retirement of the current Director of Corporate Services.

The Pension Fund Committee is asked to approve the revised Breaches policy in their role as Scheme Manager and to exercise their responsibility for the management of the Fund which includes administration of benefits.

Consultations

Lancashire Local Pension Board
 LCC Legal Services
 LCC Information Governance Manager
 Head of Risk & Compliance, Local Pensions Partnership Administration Ltd (LPPA)

Implications:

This item has the following implications, as indicated:

Risk management

This Breaches Policy gives a framework for appropriate consideration and decision making where breaches of the law arise. Having a robust policy in place will ensure that occurrences are effectively managed, and decisions are reasonable and consistent.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
N/A		
Reason for inclusion in Part II, if appropriate		
N/A		

