

Report to: Pension Board

Date of meeting: 9 February 2017

By: Interim Chief Finance Officer

Title: Reporting Breaches Policy

Purpose: To update the Board on the Reporting Breaches Policy

RECOMMENDATIONS

The Board is recommended to consider and note the updated reporting breaches policy.

1. Background

1.1 There is a legal requirement on all Pension Fund Committee Members, Pension Board Members, officers of the Fund, employers, and advisers to report any significant breaches of the law to the Pensions Regulator where they are likely to be of material significance to them. The Pensions Regulator Code of Practice no 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.

2. Supporting Information

2.1 The policy and procedure set out in Appendix 1 details how individuals responsible for reporting and whistleblowing can identify, assess and report (or log/record if not reported) a breach of law relating to the Fund. It aims to ensure individuals responsible are able to meet their legal obligations, avoid placing any reliance on others to report. The procedure will also assist in providing an early warning of possible malpractice and reduce risk.

2.2 Where a breach of the law is identified both the Pension Committee and the Pension Board will need to take all necessary steps to consider the breach and if necessary report to the Pensions Regulator. It is stressed that, as set out in the breaches policy, only material breaches are required to be reported to the Pensions Regulator.

2.3 The Committee and Board are required to monitor all breaches and ensure that adequate resources are allocated to managing and administering this process. Officers will effectively be responsible for the management and execution of this policy and for ensuring that training is conducted for all relevant officers, elected members, Members of the Committee and Pension Board on an ongoing basis.

2.4 The identification, management and reporting of breaches is important. It is a requirement of the Pensions Regulator's Code of Practice; failure to report a breach without "reasonable excuse" is a civil offence that can result in civil penalties. Details of significant breaches will be published in the Fund's Annual Report.

3. Conclusion and reasons for recommendations

3.1 Where a breach has occurred and has been identified it should be recorded, assessed and where necessary reported as soon as reasonably practicable. If any breach is considered significant or it is not clear as to whether it is significant, then it will be reported to Committee and the Pension Board to consider. The Council Monitoring Officer will make the final determination as to whether it is materially significant having regard to the guidance set out in the Code and after consultation with the Section 151 Officer.

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Background Documents
None