

# Croydon Council

## For General Release

<b>REPORT TO:</b>	<b>PENSION COMMITTEE</b> <b>8 December 2020</b>
<b>SUBJECT:</b>	<b>Breaches Log update</b>
<b>LEAD OFFICER:</b>	<b>Nigel Cook Head of Pensions and Treasury</b>
<b>CABINET MEMBER:</b>	<b>Councillor Callton Young OBE</b> <b>Cabinet Member for Resources &amp; Financial Governance</b>
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</b> Sound Financial Management: This report forms an important component of the governance arrangements for the stewardship of the Pension Fund	
<b>FINANCIAL IMPACT</b> Financial risks relating to the Pension Fund are substantial and can impact on the General Fund of the Council.	

## 1. RECOMMENDATIONS

- 1.1 The Committee is asked to note the contents of the Pension Fund Breaches Log and to comment as appropriate.

## 2. EXECUTIVE SUMMARY

- 2.1 It is a requirement of The Pension Regulator for the Pension Fund to maintain a breaches log detailing incidences where breaches have occurred. In line with the recommendations of the Aon Hewitt Governance Review, on 15 September 2020 the Committee agreed the revised Reporting Breaches of the Law Policy. This included a requirement for the Committee to monitor breaches on a regular basis. This report presents the current log (Appendix A) for the Committee's consideration.

### 3. DETAIL

- 3.1 The Pension Regulator requires that a Breaches Log is maintained by the Fund. In their Governance Review Aon Hewitt recommended that the log was reviewed regularly by the Pension Committee. The current log is attached (Appendix A)
- 3.2 Since the Committee last reviewed the log one breach has been added in relation In relation to the Annual Benefit Statement provision in August 2020.
- 3.3 The Committee is asked to note the contents of the Breaches Log and to Comment.

### 4. CONSULTATION

- 4.1 No consultation is required.

### 5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

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

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

### 6. LEGAL CONSIDERATIONS

- 6.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that the Pension Committees role is to ensure the Fund is properly operated in accordance with the Local Government Pensions Scheme Regulations (“the Regulations”) all other relevant legislation and best practice as advised by the Pensions Regulator, including financial, governance and administrative matters. To adopt Fund specific policies concerning the administration of the Fund, investing of Fund monies and the management of the Fund’s solvency level. In addition, the Committee is responsible for compliance with all financial and regulatory requirements of the Fund. The Pension Committees Terms of Reference (London Borough of Croydon’s Constitution Part 4.N) includes at paragraph 2.3 that it shall: ***Discharge its fiduciary responsibility in the best interest of the Fund, in particular:***
  - d. To approve and monitor compliance of statutory statements and policies required under the Regulations;*
  - f. To ensure that the Council discharges its obligation, as administering authority for the local government pension scheme, to other scheme employers;*

**Approved by:** Sandra Herbert, Head of Litigation and Corporate Law on behalf

of the Director of Law and Governance and Deputy Monitoring Officer.

## **7. HUMAN RESOURCES IMPACT**

- 7.1 There are no direct workforce implications arising from the recommendations within this report but the improvement to practice is welcomed as the pension scheme is a key employee benefit to employees.

**Approved by:** Sue Moorman, Director of Human Resources

## **8. EQUALITIES IMPACT**

- 8.1 There are no equalities impacts arising from this report.

## **9. ENVIRONMENTAL IMPACT**

- 9.1 There are no environmental impacts arising from this report.

## **10. CRIME AND DISORDER REDUCTION IMPACT**

- 10.1 There are no crime and disorder impacts arising from this report.

## **11. DATA PROTECTION IMPLICATIONS**

- 11.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

**NO**

The Director of Human Resources comments that this report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

**Approved by:** Sue Moorman, Director of Human Resources

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**CONTACT OFFICER:** Nigel Cook – Head of Pensions and Treasury ext. 62552

**BACKGROUND DOCUMENTS:** None

**APPENDICES:** Appendix A, Breaches Log