



Committee and date
Pensions Board
10 February 2017
9.30am

Item

Public

Areas to be considered for work plan

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1. Summary

This report provides information to the Pensions Board on areas to be considered for future work planning.

2. Recommendations

Pension Board Members are asked to note the contents of this report and consider the items identified for future work planning.

REPORT

3. Risk Assessment and Opportunities Appraisal

3.1 Risk Management

By ensuring the guidance and legislation mentioned in this report is followed and adhered to risks to the Fund are minimised.

3.2 Human Rights Act Appraisal

The recommendations contained in this report are compatible with the Human Rights Act 1998.

3.3 Environmental Appraisal

There is no direct environmental, equalities or climate change consequence of this report.

3.4 Financial Implications

The Fund must meet its Regulatory requirements as well as following the guidance provided by the Pensions Regulator (TPR) in Code of Practice 14. Any financial implications created whilst performing the required statutory functions will be kept to a minimum and will be met by Shropshire County Pension Fund.

4. Regulatory review

- 4.1** It's important that the administration of the Shropshire County Pension is regularly reviewed to identify any areas that need updating or improving. This is in accordance with the Public Service Pensions Act 2013 and the reason why the Pensions Board was established back on 1 April 2015. Under the Act, the Pensions Board has responsibility for

assisting Shropshire Council, as the Funds Scheme Manager, in relation to the following matters;

- securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and any statutory pension scheme that is connected with it;
- securing compliance with requirements imposed in relation to the scheme and any connected scheme by the Pensions Regulator;
- such other matters as the scheme regulations may specify.

4.2 The Pensions Regulator's guidance expects all schemes to carry out a thorough review of the running of the Scheme against the legal requirements and its guidance in Code of Practice 14. This is a significant piece of work to undertake and the Fund has made an initial assessment on its perceived level of compliance. A TPR Compliance Monitoring Spreadsheet has been developed which will be available for the Board to view.

4.3 Each area specified in the Code of Practice has been given a compliance RAG rating (red, amber or green) to help identify any areas where the Fund is non-compliant. Throughout the Code of Practice the term 'must' is used where there is a legal requirement. The term 'should' is used to refer to practical guidance and the standards expected by the Pensions Regulator. The Fund has prioritised the areas of compliance described in the Code of Practice as 'must' and where these have been RAG rated as either amber or red.

4.4 The assessment identified five priority areas which require improvement. All five are a legal requirement where 'must' has been used in the Code of Practice and have been rated as 'amber' meaning requiring investigation. Any areas identified where the term 'should' has been used will be investigated once the priority areas have been resolved. There are no areas identified in the assessment as being Red. The areas identified are in the following sections within the TPR Code of Practice:

- **Governing your Scheme**
Areas of knowledge and understanding required
- **Administration**
Records of member information
Benefit Statements
When basic Scheme information must be provided
- **Resolving issues**
Internal Dispute Resolution Procedure

4.5 Two of the areas which were identified as requiring further improvement by the Fund are aligned to the findings of the Regulator's own survey of compliance which it undertook with all LGPS Fund's. These areas are record keeping and communications to members.

- 4.6** A summary of the assessment exercise and where the priority areas have been found will be provided to the Board. The next review will be undertaken in July 2017 and the developments will be reported to the Board.

5. The Pensions Regulators Survey

- 5.1** The Fund responded to the Pension Regulators Public Service Governance Survey in November 2016. The responses to the survey have been provided to the Board separately.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet Member (Portfolio Holder)

NA

Local Member

NA

Appendices

NA