

**PENSION FUND COMMITTEE – 7 JUNE 2024**  
**GOVERNANCE & COMMUNICATIONS REPORT**

**Report by the Executive Director of Resources & Section 151 Officer**

**RECOMMENDATION**

**The Committee is RECOMMENDED to:**

- a) Note the Fund's update on the Pension Regulator's General Code of Practice.**
- b) Review and note the latest quarter's breaches for the fund.**
- c) Note the communications update regarding the review of the fund website.**

**General Code of Practice**

1. The Pensions Regulator have recently published the final General Code of Practice which replaces the Code of Practice 14 for the Local Government Pension Scheme (LGPS).
2. The new General Code of Practice consists of 51 modules which relate to 5 main areas:
  - i) Governing Body – 18 modules
  - ii) Funding and Investments – 2 modules
  - iii) Administration – 10 modules
  - iv) Communications and Disclosure – 11 modules
  - v) Reporting to TPR – 4 modules.
3. All funds within the Local Government Pension Scheme (LGPS) need to be compliant to the new General Code of Practice by March 2025. To this end, the Oxfordshire Pension Fund have developed a plan to ensure compliance against the 51 modules. A visual plan has been developed which shows progress against the key stages of the plan with a red/amber/green (RAG) rating to show the current status of each key stage of the plan. This plan can be seen at **APPENDIX 1**.
4. Summary of the progress regarding the General Code of Practice:
  - i) The Fund has produced an action plan which has been reviewed and agreed by the Local Pension Board;
  - ii) An evaluation of compliance checker systems which are on the market has been completed and the fund have purchased the Hyman's system;

iii) A detail review of two modules have been undertaken:

- (1) Managing advisers and service providers (Contract monitoring);
- (2) Assurance of governance and internal controls (audit)

### **Knowledge and Understanding – Pension Fund Committee & Local Pension Board**

5. Hymans have made Version 2 of the LGPS Online Learning Academy (LOLA) available now. This has replaced Version 1 which has been completed by Committee and Board Members. Thus far only one member of the Committee and two members of the Local Pension Board have completed all 8 modules of the online training. It is recommended all Committee and Board members undertake all modules of the LOLA training.
6. All new Committee and Board members need to ensure the following training is carried out:
  - i) An induction on the Oxfordshire Pension Funds Policies, and either
  - ii) The 3-day LGA Fundamentals Course, or
  - iii) The 5 Core and 4 DB on-line modules of the Pension Regulators Trustee Toolkit.

### **Breaches for the period January to March 2024**

7. There are various legislative and regulatory requirements for Pension Funds regarding breaches which include the Pensions Act 2004, the UK General Data Protection Regulation (UK GDPR) and now the new General Code of Practice.
8. The following table shows the number of breaches in the last quarter – January to March 2024.

<b>2023/2024</b>					
<b>Breach Type</b>	<b>Apr-Jun (Q1)</b>	<b>Jul-Sep (Q2)</b>	<b>Oct-Dec (Q3)</b>	<b>Jan-Mar (Q4)</b>	<b>Total</b>
<b>Contribution - COP</b>	2	17	16	9	44
<b>Data - COP</b>	0	15	42	31	88
<b>Other - COP</b>	0	0	1	0	1
<b>Data - GDPR</b>	2	9	1	2	14
<b>Total</b>	4	41	60	40	145
<b>Number escalated</b>	2	1	4	6	
<b>Number resolved</b>	4	41	56	41*	
<b>Number carried over to next quarter</b>	Nil	Nil	4	4	

\*figure includes 3 resolved cases carried over from last quarter. 1 case from Q3 and 3 cases from Q4 are outstanding.

## **Code of Practice Breaches**

9. A breach is recorded every time a contributions payment or data return is submitted after the 19<sup>th</sup> of the month following payroll. A breach is also recorded when an employer fails to provide member data or information to the administration team in line with the escalation policy.
10. In Q4 there was one case for the committee to note. An employer has failed on three consecutive months to provide complete i-Connect data and the contributions paid did not balance. An email was sent by Pension Services highlighting the error and gave a proposal for resolution. However, the matter remains unresolved. The escalation policy has been followed and fines have been issued in line with the Administration Strategy, totalling £1,750 and are still accruing. This case has been escalated to the Pension Services Administration Manager. Any further developments will be reported back to the Pension Fund Committee.
11. This quarter a further three cases were escalated to a Team Leader and one case was escalated to the Pension Services Administration Manager and then on to the Head of Pensions. One case is still ongoing from Q3. All other Code of Practice breaches have been resolved.

## **Data Breaches**

12. Two data breaches occurred this quarter. In one case, a letter was sent to an incorrect address. The case was escalated to the Team Leader, our records were updated, however we are awaiting the final closure from the Information Management Team. In the other, a member was migrated from Prudential to Legal and General in error. As a result, all relevant personal information which was required to facilitate the migration was sent to Legal and General. This matter is still outstanding.
13. None of the breaches were materially significant and as such were not reported to either The Pensions Regulator or the Information Commissioner.

## **Communications Update: Review of Fund Website**

14. A project to review the arrangements for the Pension Fund website has recently commenced. This project will review the needs of the service against what the website currently offers, to ensure that the future website is appropriate for the fund. This work will culminate in a business case showing the various options with associated costs, and a recommendation for a way forward.

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