

**PENSION FUND COMMITTEE – 1 MARCH 2024**  
**GOVERNANCE & COMMUNICATIONS REPORT**

Report by the Executive Director of Resources & Section 151 Officer

**RECOMMENDATION**

1. The Committee is **RECOMMENDED** to:
  - i) Note the Fund's update on the Pension Regulator's General Code of Practice.
  - ii) Review and note the latest quarter's breaches for the fund.
  - iii) Note the communications update regarding the McCloud Disclosure requirements and Member Engagement.

**General Code of Practice**

2. The Pensions Regulator published a draft General Code of Practice document in March 2021 which will replace the existing 15 codes of practice. The reason behind implementing the single General Code of Practice was the ability to clarify, modernise and simplify the disparate sets of codes of practice.
3. The Local Government Pension Scheme (LGPS) currently assesses compliance against the Code of Practice 14 (CoP14) which will be superseded by the General Code of Practice, when the final document comes into force.
4. The draft code consisted 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
5. Not all the 51 modules apply to LGPS funds. As such, the Fund has carried out a high-level review of each module which was deemed to be relevant. **APPENDIX 1** shows the full results of this review. Fund officers assessed Oxfordshire Pension Fund's compliance for each module and applied a Red/Amber/Green rating. Green shows the fund is fully compliant with the requirements in the relevant module; amber indicates the fund is compliant with over 75% of the requirements in the module; red indicates the fund is compliant with less than 75% of the requirements.

6. The initial results indicated no Red ratings, with 19 modules rated as Green and 19 as Amber. The majority of the Amber ratings were in the Administration modules, where Officers took a very prudent approach in advance of a review of current processes and procedures. It is expected that action already underway will address many of the Amber areas.
7. Since carrying out the compliance review, the Pensions Regulator has laid the final version of the General Code of Practice with Parliament. The code is due to come into force by the end of March 2024. A comparison of the final version of the code against the draft code from 2021 has been carried out. The comparison can be seen at **APPENDIX 2** and indicates no material differences.
8. The Governance & Communications Team will ensure that Oxfordshire Pension Fund is fully compliant to the new General Code of Practice during 2024/25. To this end, the following tasks will be scheduled and carried out:
  - i) Development of an implementation Action Plan
  - ii) Review and agree which modules apply
  - iii) Review compliance against each module
  - iv) Develop practices and procedures to meet the gaps in compliance.

#### **Breaches for the period October to December 2023**

9. 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 the Pension Regulator's Code of Practice 14.
10. The following table shows the number of breaches in the last quarter – October to December 2023.

Note – The breaches policy has been revised and new improved systems were implemented for identifying breaches in August 2023. Consequently, Q3 sees another increase in breaches being identified and reported compared to the previous quarter. However, Q3 is the first complete period being reported to the Committee that reflects the fund's new approach to breach reporting.

<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		35
<b>Data - COP</b>	0	15	42		57
<b>Other - COP</b>	0	0	1		1
<b>Data - GDPR</b>	2	9	1		12
<b>Total</b>	4	41	60		105
<b>Number escalated</b>	2	1	4		
<b>Number resolved</b>	4	41	56		
<b>Number carried over to next quarter</b>	Nil	Nil	4		

## **Code of Practice Breaches**

11. A breach is recorded every time a contributions payment or data return is submitted after the 19th 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.
12. In Q3, three cases were escalated to a Team Leader and one case was escalated to the Pensions Manager. There are two cases which are still ongoing. All other Code of Practice breaches have been resolved.
13. The 'Other-COP' breach was where the Fund failed to send Pensions Savings Statements to six members by the 6 October 2023 deadline. They were sent on 25 October 2023. This was not deemed to be a materially significant breach.

## **Data Breaches**

14. One data breach occurred this quarter. A letter was sent to an incorrect address, opened by the new occupant, and then returned to us. The case was escalated to the Team Leader, our records were updated, and the case is now closed.
15. None of the breaches were materially significant and as such were not reported to either The Pensions Regulator or the Information Commissioner.

## **Communications Update: McCloud Disclosure Requirements and Member Engagement**

16. A project to ensure that disclosure requirements under The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, relating to the McCloud project, has been completed. A total of 18,300 letters and 25,500 emails were sent to the membership by the statutory deadline of 31 December 2023.
17. An update on Member engagement was given to the Local Pension Board in January 2024 and the following priorities were identified for 2024:
  - i) A rolling schedule of quarterly member surveys.
  - ii) Use the reports rolled out in November 2023 to segment and target specific member cohorts with relevant communications.
  - iii) The possibility of a new website built to our own specification.
  - iv) Make good progress on collecting member email and mobile numbers as a matter of process, as well as postal addresses.
  - v) Focus on expanding our use of webinars and videos to engage members.
  - vi) Use the roll out of new technology by Heywood (the new 'TME' or Transformational Member Experience) to measure the usage of My Oxfordshire Pension.

vii) Write a plan for the use of upgraded newsletter software which will enable us to track its success.

viii) Continue to promote and run face to face member talks.

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