

PENSION FUND COMMITTEE – 6 SEPTEMBER 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) **Note the Knowledge & Skills update.**
 - iii) **Review and note the latest quarter's breaches for the fund.**
 - iv) **Note the communications update.**

General Code of Practice

2. 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).
3. 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.
4. 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**.
5. Summary of the progress this quarter regarding the General Code of Practice:
 - i) The fund has re-prioritised the action plan to ensure that modules are reviewed based on the following criteria:
 - (1) Regulatory requirements;

- (2) TPR expectations;
 - (3) Best practice.
- ii) A further review of the following modules has been undertaken:
- (1) Managing advisers and service providers (Contract monitoring);
 - (2) Assurance of governance and internal controls (audit).
- Both modules will be complete and green after the completion of a couple of minor actions.
- iii) Review meeting for modules scheduled for September and October have been setup and the relevant staff members have been invited.

Knowledge and Skills – Pension Fund Committee & Local Pension Board

6. The fund is once again participating in the LGPS National Knowledge Assessment 2024. The assessment scheduled for mid-September will be similar to what was undertaken in 2022 and will provide a benchmark assessment of the knowledge and skills of our Committee and Board members. The assessment will help identify future training needs. It will also provide a benchmark of current knowledge levels against other LGPS funds' Committee and Boards – together with a comparator against our 2022 National Knowledge Assessment results.
7. A request was made at the last committee meeting to set out all the training that has been undertaken by committee and the board. **APPENDIX 2** sets out whether the mandatory training has been carried out, together with any other training during 2024/25. Note that it does not include the online training done through the Hyman's LOLA (LGPS Online Learning Academy) system.

Breaches for the period January to March 2024

8. 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.
9. The following table shows the number of breaches in the last quarter – April to June 2024.

| Breach Type | 2023/4 | | | 2024/5 | Total |
|----------------------------|--------------|--------------|--------------|--------------|-------|
| | Jul-Sep (Q2) | Oct-Dec (Q3) | Jan-Mar (Q4) | Apr-Jun (Q1) | |
| Contribution - GCOP | 17 | 16 | 8 | 18 | 59 |
| Data - GCOP | 15 | 42 | 30 | 32 | 119 |
| Other - GCOP | 0 | 1 | 0 | 0 | 1 |
| Data - GDPR | 9 | 1 | 2 | 1 | 13 |
| Total | 41 | 60 | 40 | 51 | |

10. The following table shows the number of escalations by category for the first quarter of 2024/5.

| Escalations in Q1 | | | | | |
|-------------------------------------|---------------------|-------------|--------------|-------------|-------|
| Type of Breach | Contribution (GCOP) | Data (GCOP) | Other (GCOP) | Data (GDPR) | Total |
| Number escalated | 1 | 5 | 0 | 0 | 6 |
| Number resolved | 1 | 5 | 0 | 0 | 6 |
| Number carried over to next quarter | 0 | 0 | 0 | 0 | 0 |

Code of Practice Breaches

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.

In Q1, four cases were escalated to a Team Leader and two cases was escalated to the Pensions Manager. All Code of Practice breaches, including those escalated, have been resolved.

Data Breaches

One minor data breach occurred in Q1, which was assessed and closed by the Information Management Team.

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

11. As well as business as usual, the Communications Team is working on the following activities:
- a) Preparation for the Employer meeting in September – the agenda will focus on data quality;
 - b) Ongoing review of the website;
 - c) Recruitment of a new member of the Local Pension Board;
 - d) Preparation for a series of member talks in the autumn;
 - e) Revamp and relaunch of the Introduction to the LGPS training for employers.

Please note, the Communications Manager will be on a planned period of absence during autumn 2024, for health reasons. Contingency plans are being put in place to ensure minimum communications requirements continue to be met.

Lorna Baxter
Executive Director of Resources & Section 151 Officer

Contact Officer: Mukhtar Master Tel: 07732 826419

August 2024