

3.0 COMPLYING WITH TPR CODE OF PRACTICE No. 14

It is crucial that the people responsible for the LGPS know how to govern it as effectively and efficiently as possible. At the most basic level scheme managers need to understand how the LGPS works.

In Berkshire we have 3 Committees, the Pension Fund Panel (which acts as the administering authority (scheme manager) for the Royal County of Berkshire Pension Fund), the Pension Fund Advisory Panel (which advises the Pension Fund Panel) and the Pension Board (which assists the Pension Fund Panel to comply with scheme regulations, and other legislation relating to the governance and administration of the scheme and any requirements imposed by the Pensions Regulator).

A code of conduct for members of the Pension Fund Panel is included in Part 7A of the [Council's Constitution](#)¹ which can be found at Appendix 1 to this handbook and should be referred to by all members undertaking any role as a result of their appointment to or ongoing membership of either the Pension Fund Panel, the Pension Fund Advisory Panel or the Pension Board (the '3 Committees'). Members of the '3 Committees' are required to complete and sign a register, as part of the code of conduct, declaring any interests that may impact upon their ability to be involved in any decisions to be taken by any of the '3 Committees'.

Members of the Pension Fund Panel and Pension Fund Advisory Panel are mainly concerned with the investment strategy for the Pension Fund and that it is maintained in accordance with 'the Investment Regulations', although they also have a role to play in assuring the LGPS is governed and administered appropriately in accordance with the wider LGPS regulations and associated legislation. For example they are responsible for ensuring that certain policies required under the regulations are formulated, published and kept under review.

Members of the Pension Board, however, need to be particularly aware of the requirements set out in the Pensions Regulator's [code of practice number 14](#)² entitled 'Governance and administration of public service pension schemes' although members of both the Pension Fund Panel and Pension Fund Advisory Panel should familiarise themselves with this code of practice.

The Pensions Regulator has issued '[The essential guide to the public service code](#)'³ which contains information for both scheme managers and Pension Board members. This document provides an 8-page summary of the code of practice number 14.

In addition the Pensions Regulator has issued its '[Regulatory strategy](#)'⁴ for public service pension schemes. This document sets out the strategic aim for regulating public service schemes, assessing the risks, defining outcomes and taking action concerning education, enablement and enforcement.

The Pensions Regulator's code of practice number 14 is a 67-page document set out into 5 parts:

- Introduction;
- Governing your Scheme;
- Managing risks;
- Administration; and

¹ http://www3.rbwm.gov.uk/info/200110/about_the_council/910/council_constitution

² <http://www.thepensionsregulator.gov.uk/codes/code-governance-administration-public-service-pension-schemes.aspx>

³ <http://www.thepensionsregulator.gov.uk/docs/essential-guide-public-service-code.pdf>

⁴ <http://www.thepensionsregulator.gov.uk/docs/regulatory-strategy-public-service-pension-schemes.pdf>

- Resolving issues.

All members of the Pension Board should familiarise themselves with the code of practice number 14. Across the 67 pages there are 275 sections some of which are explanatory others set out certain requirements made of scheme managers and Pension Boards by the Pensions Regulator in accordance with the code of practice.

The Pensions Regulator's powers are established under [Part 1 of The Pensions Act 2004](#)⁵. However, as explained in section 4 of the code of practice number 14 "*Codes of practice provide practical guidance in relation to the exercise of functions under relevant pensions legislation and set out the standards of conduct and practice expected from those who exercise those functions.*"

It should be noted that the Pensions Regulator has a range of enforcement powers under the Public Service Pensions Act 2013 including the power to:

- Appoint a person to assist a Pension Board in the discharge of its functions if the Pensions Regulator considers it desirable for the purpose of ensuring compliance with relevant pension legislation;
- Issue an improvement notice to an administering authority or to a member or members of a Pension Board directing them to take, or refrain from taking, such steps as are specified in the notice in order to remedy or prevent a recurrence of a contravention of pensions legislation;
- Issue a third party notice directing a third party to take, or refrain from taking, such steps as are specified in the notice in order to remedy or prevent recurrence of a contravention of pensions legislation;
- Issue a report notice to an administering authority or to a member or members of a Pension Board requiring them to provide a report on a specified matter or matters which are relevant to the exercise of the Pensions Regulator's functions;
- Require an administering authority and members of a Pension Board to produce documentation and information;
- Inspect premises;
- Apply for an injunction;
- Apply for restitution where there has been a misuse or misappropriation of Pension Fund assets;
- Recover unpaid contributions on behalf of an administering authority;
- Impose civil penalties for breaches of certain pensions legislation including the duty for an administering authority and members of a Pension Board to report breaches of the law, the duty of an administering authority to report the late payment of employer contributions and the failure to comply with an improvement notice or a report notice.

In this section of the handbook we will look at those sections of the code of practice (hereinafter referred to as '*Code 14*') that place a responsibility on the scheme manager and/or the Pension Board of the Royal County of Berkshire Pension Fund and set out how compliance with those requirements is achieved. Where any section of '*Code 14*' is referred to in this section of this handbook it will be written in bold italics and the following font colour e.g. ***Section 1***.

Before proceeding further it is useful to clarify the following terms used in Part 1 of '*Code 14*':

⁵ <http://www.legislation.gov.uk/ukpga/2004/35/part/1>

PART 1 OF 'CODE 14' – INTRODUCTION (Sections 1 to 32)

Section 20: Responsible authority – the Public Service Pensions Act 2013 identifies secretaries of state/ministers, each being the responsible authority for their schemes, who have power to make the scheme regulations for the relevant schemes. Therefore, the responsible authority for the LGPS is the Secretary of State for the Department for Communities and Local Government (DCLG).

Section 22: Scheme manager – each public service pension scheme has one or more persons responsible for managing or administering the scheme. In the case of the LGPS in Berkshire the scheme manager is the Royal Borough of Windsor & Maidenhead as the administering authority to the Royal County of Berkshire Pension Fund. This role is delegated to the Pension Fund Panel in accordance with Part 5 Section A of the Council's Constitution.

Section 23: Pension Board – the scheme manager for a scheme has a Pension Board with responsibility for assisting it to comply with the scheme regulations and other legislation relating to the governance and administration of the scheme and any requirements imposed by the Pensions Regulator. The Pension Board must also assist the scheme manager with such other matters as the scheme regulations may specify. It will be for scheme regulations and the scheme manager to determine precisely what the Pension Board's role, responsibilities and duties entail.

Section 24: Scheme advisory board – each defined benefit public service pension scheme (of which the LGPS is one) has a scheme advisory board with responsibility for providing advice on the desirability of changes to the scheme, when requested by the responsible authority (or otherwise, in accordance with scheme regulations). Where there is more than one scheme manager (as with the LGPS) the scheme regulations may also provide for the scheme advisory board to provide advice (on request or otherwise) to the scheme managers of the scheme's Pension Boards on the effective and efficient administration and management of the scheme or any pension fund of the scheme.

Let's take a look at the 4 major sections of 'Code 14' and identify how compliance with the Pensions Regulator's requirements as set out in the code is achieved on behalf of the Royal County of Berkshire Pension Fund. Each statement of compliance is listed with a pink background.

PART 2 OF 'CODE 14' – GOVERNING YOUR SCHEME (sections 33 to 99)

Knowledge and understanding required of Pension Board members

Sections 34 to 36 of 'Code 14' cover the legal requirements for members of the Pension Board. Board members are required to be conversant with the rules of the LGPS and any document recording policy about the administration of the Scheme. In addition a member of the Board must have a knowledge and understanding of the law relating to pensions and of any other matters which are prescribed in regulations.

Section 38 states that schemes (*the scheme manager*) should establish and maintain policies and arrangements for acquiring and retaining knowledge and understanding to support their Pension Board members.

Individual members of the '3 Committees' must be satisfied that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the 'Committee' to which they belong.

All members of the '3 Committees' should be able to challenge any failure to comply with the Scheme rules and legislation relating to the governance and administration of the Scheme and/or any failure to meet the standards and expectations set out in any relevant codes of practice issued by the Pensions Regulator. They should also be able to challenge any information or advice they are given and understand how that information or advice impacts on any decision for which they are legally responsible.

Section 40 defines that being 'conversant' means having a working knowledge of the LGPS regulations and policies so that Pension Board members can use them effectively when carrying out their duties.

As the LGPS is a funded Scheme, members of the '3 Committees' should ensure that they have the appropriate degree of knowledge and understanding of funding and investment governance matters in relation to the 'Committee' upon which they sit although this is particularly relevant to members of the Pension Fund Panel and Pension Fund Advisory Panel.

The members of the Pension Board need to invest sufficient time in their learning and development alongside their other duties and be aware that their legal responsibilities begin from the date that they take up their post, so they should immediately start to familiarise themselves with the scheme regulations, documents recording policy about the governance and administration of the scheme and relevant pensions law.

Compliance

Members of the Pension Board are required to commit to a training policy and framework as set out in Appendix 5 to this handbook. This requires a member of the Board to undertake an induction course upon appointment and to complete the Pensions Regulator's e-learning Public Service toolkit. In addition further training sessions are provided by officers of the Pension Fund and independent advisors as appointed by the Scheme Manager. Records of all training undertaken by any member of the '3 Committees' are kept as part of the training framework found in Appendix 5 to this handbook. Members of all '3 Committees' are required to undertake a personal training needs analysis and to regularly review their skills, competencies and knowledge to identify any gaps or weaknesses.

Section 42 of 'Code 14' provides examples of administration policies which the Pensions Regulator would expect to be documented and with which Pension Board members would be expected to be conversant. These are:

- Scheme approved policies relating to:
 - Conflicts of interest and the register of interest.

Compliance – see Schedule B to Appendix 2 of this handbook with regard to managing conflicts of interest and Schedule C to Appendix 2 for the register of Board members' interests.

- Record-keeping.

Compliance – see paragraph 10.1 of this handbook for information concerning record-keeping in line with Scheme Regulations. Scheduled reports are run to ensure that we meet tPR requirements with regard to common and conditional data.

- Internal dispute resolution.

Compliance – see paragraph 10.8 of this handbook and the [guide to IDRP \(Internal Dispute Resolution Procedure\)](#)⁶.

- Reporting breaches.

Compliance – the scheme manager has produced a [guide to reporting breaches of the law](#)⁷ which includes the procedures to be adopted along with a register of breaches of the law and a traffic light framework.

- Maintaining contributions to the scheme

Compliance - see paragraph 9.3 of this handbook and the [scheme employer guide to completing contribution returns](#).⁸

- The appointment of Pension Board members.

Compliance – see paragraph 4.6 of this handbook.

- Risk assessments/management and risk register policies.

Compliance – the scheme manager has produced a [guide to managing risks](#)⁹ which includes a risk assessment register and a traffic light framework.

- Scheme booklets, announcements and other key member and employer communications, which describe scheme policies and procedures.

Compliance – copies of all current scheme booklets, employer communications and scheme policies can be found on the Pension Fund's website. [A Statement of Policy Concerning Communications](#)¹⁰ is also available from the Pension Fund's website.

- The roles, responsibilities and duties of the scheme manager, Pension Board and individual Board members.

Compliance – see section 4.0 of this handbook and the codes of conduct contained within Appendix 1 and Appendix 2 of this handbook.

- Terms of reference, structure and operational policies of the Pension Board and/or any sub-committee.

Compliance – see paragraph 4.1 of this handbook for the terms of reference for the scheme manager, paragraph 4.2 for terms of reference for Pension Board members, paragraph 4.3 for the scheme of delegation for the scheme manager, paragraph 4.4 for the scheme of delegation

⁶ http://www.berkshirepensions.org.uk/bpf/info/7/about_the_fund/54/complaints_procedure

⁷ http://www.berkshirepensions.org.uk/bpf/downloads/download/1/pension_fund_policies

⁸ <http://www.berkshirepensions.org.uk/bpf/downloads/2/employers>

⁹ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

¹⁰ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

for Pension Board members. The Pension Board structure is explained in paragraph 5.6 of this handbook.

- Statements of policy about the exercise of discretionary functions.

Compliance – see section 6.0 of this handbook and the [employers guide to completing a policy statement](#)¹¹. Also see Table 3 in paragraph 2.3 (administering authority discretions) and Table 9 in paragraph 10.3 (scheme employer decisions).

- Statements of policy about communication with members and scheme employers.

Compliance – see [statement of policy concerning communications](#)¹².

- The pension administration strategy or equivalent.

Compliance – see [pension administration strategy](#)¹³.

- Any admission body policies.

Compliance – see paragraph 10.9 of this handbook and [scheme employers guide to admission bodies](#)¹⁴.

Section 43 – For Pension Board members of funded pension schemes (of which the LGPS is one) documents which record policy about the administration of the scheme will include those relating to funding and investment matters and Board members must be conversant with these policies including the statement of investment principles and the funding strategy statement.

Compliance – the [statement of investment principles](#)¹⁵ and [funding strategy statement](#)¹⁶ along with all other [statements of policy](#)¹⁷ can be found on the Pension Fund's website.

Section 44 – Pension Board members must be conversant with any other documented policies relating to the administration of the scheme. For example:

- The contribution rates or amounts payable by the employers participating in the scheme.

Compliance – see paragraph 9.3 of this handbook. A [rates and adjustment certificate](#)¹⁸ is issued at Appendix 4 to the Actuary's triennial valuation report.

¹¹ http://www.rbwm.gov.uk/berks-pension/employers_policy_statements.htm

¹² http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

¹³ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

¹⁴ <http://www.berkshirerpensions.org.uk/bpf/downloads/2/employers>

¹⁵ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

¹⁶ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

¹⁷ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

¹⁸ http://www3.rbwm.gov.uk/bpf/downloads/download/2/pension_fund_reports

- Statements of assurance.

Compliance – Internal and external audit reports are provided annually and presented to members of the ‘3 Committees’. In addition, a stewardship report is presented at all meetings of the ‘3 Committees’ setting out performance standards and key performance statistics.

- Third party contracts and service level agreements.

Compliance – Performance levels of third party contractors are monitored and key performance indicators reported to the Pension Fund Panel and the Pension Board as part of a Stewardship report. A [pension administration service level agreement](#)¹⁹ along with a [service level agreement between the administering authority](#)²⁰ (scheme manager) and the pension administration team have been produced. Key performance indicators and standards of achievement are recorded and presented to members of the ‘3 Committees’ as part of a stewardship report.

- Stewardship reports from outsourced providers.

Compliance – The performance of third party contractors is monitored and key performance indicators are included as part of a Stewardship report provided to the Pension Fund Panel and Pension Board.

- Scheme annual reports and accounts.

Compliance – Scheme annual reports and accounts are available from the [Pension Fund reports](#)²¹ section of the Pension Fund website.

- Accounting requirements relevant to the scheme.

Compliance – The administering authority is required to provide audited financial statements of the local government pension fund. The financial reporting framework applied in the preparation of the financial statements is the relevant applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. A full audit statement can be found on page 28 of the Pension Fund’s annual report and accounts which can be viewed on the [Pension Fund website](#)²².

- Audit reports, including from outsourced providers.

Compliance – copies of all internal and external audit reports are provided to members of the Pension Fund Panel and the Pension Board.

- Other scheme-specific governance documents.

¹⁹ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

²⁰ http://www.berkshirerpensions.org.uk/bpf/info/2/employers/47/service_level_agreements

²¹ http://www3.rbwm.gov.uk/bpf/downloads/download/2/pension_fund_reports

²² http://www3.rbwm.gov.uk/bpf/downloads/download/2/pension_fund_reports

Compliance – all governance documents can be found on the [Pension Fund Policies](#)²³ page of the Pension Fund’s website.

Section 45 – Additional Voluntary Contributions (AVCs) – a Pension Board should be familiar with the requirements for the payment of member contributions to the provider, the principles for the operation of those arrangements, the choice of investments offered to members, the provider’s investment and fund performance report and the payment schedule for such arrangements.

Compliance – see paragraph 9.13 of this handbook.

Section 46 – Schemes should prepare and keep an updated list of the documents with which they consider Pension Board members need to be conversant. Both the list and the documents themselves should be made easily accessible.

Compliance – see tables 1 and 2 in paragraph 1.2 of this handbook. All relevant documents can be found on the [Berkshire Pension Fund website](#)²⁴.

Sections 47 to 59 of ‘Code 14’ explains the degree of knowledge and understanding required of Pension Board members. Pension Board members will need to be able to identify and where relevant challenge any failure to comply with scheme regulations, other legislation relating to governance and administration of the scheme and the requirements imposed by the Pensions Regulator.

The breadth of knowledge and understanding should be sufficient to allow Board members to understand fully or challenge any information or advice they are given.

Pension Board members (and members of the Pension Fund Panel and Pension Fund Advisory Panel) should undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses.

Section 60 deals with Pension Board members’ ability to demonstrate their knowledge and understanding.

Compliance - the training policy and framework set out in Appendix 5 of this handbook sets out how Pension Board members will achieve the required level of knowledge and understanding. The scheme manager, and delegated officers, work continually with Board members to develop their training needs alongside those methods offered by the Pensions Regulator and independent advisors.

Conflicts of interest and representation

In **Section 61** of ‘Code 14’ a conflict of interest is defined as a financial or other interest which is likely to prejudice a person’s exercise of functions as a member of the Pensions Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the LGPS for which the Board is established.

The administering authority must be satisfied that a person appointed to any of the ‘3 Committees’ does not have a conflict of interest and that from time to time none of the members

²³ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

²⁴ <http://www.berkshirerpensions.org.uk/>

of any of the '3 Committees' has a conflict of interest and members of the '3 Committees' will be required to provide such information as may be reasonably required by the administering authority to meet this requirement.

Sections 62 to 89 of 'Code 14' go into considerable detail regarding conflicts of interest, the scheme manager's responsibility in assuring no conflicts of interest exist, the requirement for all Board members to provide information to the scheme manager as required to ensure that no conflicts of interest exist, the seven principles of public life to be adopted by Pension Board members, the conflicts policy and procedure that should be documented and the need to identify, manage and monitor potential conflicts of interest.

Compliance – a policy on conflicts of interest can be found in section 7 of Appendix 2 to this handbook (code of conduct for Pension Board members) with further guidance being provided in Schedule B to Appendix 2. A register of Board member's interests can be found at Schedule C to Appendix 2. In addition the seven principles of public life as referred to in **Section 70** of 'Code 14' can be found at Schedule A to Appendix 2.

Sections 90 and 91 of 'Code 14' consider representation on Pension Boards. A Board must have equal scheme member and employer representation but be flexible to meet its requirements. Arrangements should be designed so as to be proportionate, fair and transparent with the aim of having a good blend of skills and experience.

Compliance – the terms of reference for membership of the Pension Board are found in Part 6 Section D of the Council's Constitution as found in Appendix 1 of this handbook. Further details are contained in Appendix 3 of this handbook. The process of appointing suitable candidates to the Pension Board can be found in paragraph 4.6. Paragraph 4.5 of this handbook refers to a governance compliance statement which details the terms, structure and operational procedures relating to Pension Boards in accordance with Regulation 106 of the Local Government Pension Scheme Regulations as inserted by [The Local Government Pension Scheme \(Amendment\) \(Governance\) Regulations 2015 \(S.I. No. 57\)](#).²⁵

Publishing information about schemes

Sections 92 and 93 of 'Code 14' explains that the scheme manager must publish information about Pension Board members and keep that information up to date including:

- a) Who the members of the Pension Board are;
- b) Representation on the Board of members of the Scheme; and
- c) The matters falling within the Pension Board's responsibility.

Compliance – this information is contained on the [governance page](#)²⁶ of the Pension Fund website.

Sections 94 to 98 of 'Code 14' provides practical guidance as to how a scheme manager should publish Pension Board information.

Compliance – documents relating to the publication of Pension Board information are published on the Pension Board section of the Berkshire Pension Fund website some of which are contained within this handbook:

- a) The full terms of reference for the Pension Board, including details of how it will operate;

²⁵ <http://www.legislation.gov.uk/ukxi/2015/57/contents/made>

²⁶ http://www.berkshirerpensions.org.uk/bpf/info/4/pension_board

(see Appendix 3 of this handbook)

- b) The Pension Board appointment process; (see paragraph 4.6)
- c) Who each individual Pension Board member represents; (see paragraph 4.4) and
- d) Any specific roles and responsibilities of individual Pension Board members.

Pension Board papers, agendas and minutes are also published (redacted as necessary to the extent they contain confidential information and/or data covered by the [Data Protection Act 1998](#))²⁷ on the [Pension Board section](#)²⁸ of the Pension Fund's website and requests for additional information to be published is considered to encourage scheme member engagement and to promote a culture of transparency.

Information to be published about the Pension Fund Panel & Pension Fund Advisory Panel

The administering authority must publish information about Pension Fund Panel and Pension Fund Advisory Panel members and keep that information up to date including:

- a) Who the members of the Pension Fund Panel and Pension Fund Advisory Panel are;
- b) Representation on either Panel of members of the Scheme; and
- c) The matters falling within the Pension Fund Panel's and Pension Fund Advisory Panel's responsibility.

Other information to be published includes:

- d) The full terms of reference for both Panels, including details of how they will operate; (see Appendix 1 Part 6)
- e) Who each individual Pension Fund Panel and Pension Fund Advisory Panel member represents. (see paragraphs 5.1 and 5.2).

Part 1 Pension Fund Panel papers, agendas and minutes should also be published and made available to the public. Under [Section 100\(A\)\(4\) of the Local Government Act 1972](#),²⁹ the public are excluded from Part 2 of Pension Fund Panel meetings on the grounds that discussions will involve the likely disclosure of exempt information as defined in [Paragraph 3 of Part 1 of Schedule 12A](#)³⁰ of that Act.

PART 3 OF 'CODE 14' – MANAGING RISKS (Sections 100 to 120)

Internal controls

Sections 101 and 102 of 'Code 14' concern the legal requirements around the internal controls that a scheme manager must establish and operate. For these purposes internal controls mean:

- Arrangements and procedures to be followed in the administration and management of the scheme;
- Systems and arrangements for monitoring that administration and management; and
- Arrangements and procedures to be followed for the safe custody and security of the assets of the scheme.

²⁷ <http://www.legislation.gov.uk/ukpga/1998/29/contents>

²⁸ http://www.berkshireremissions.org.uk/bpf/info/4/pension_board

²⁹ <http://www.legislation.gov.uk/ukpga/1972/70/section/100A>

³⁰ <http://www.legislation.gov.uk/ukpga/1972/70/schedule/12A>

Sections 103 to 120 of 'Code 14' provide practical guidance to scheme managers on how to meet the requirements set out in **sections 101 and 102**. The relevant sections and how the scheme manager is compliant with the requirements of those sections are looked at in this part of the handbook.

Section 103 states that the internal controls established by the scheme manager should include a clear separation of duties, processes for escalation and decision making and documented procedures for assessing and managing risk, reviewing breaches of law and managing contributions to the scheme.

Compliance – there is a clear separation of duties between the Pension Fund Panel, Pension Fund Advisory Panel and Pension Board as set out in the terms of reference contained in the Council Constitution and as set out in section 4.0 of this handbook. The processes for escalation and decision making is contained within the Council's Constitution, see Appendix 1 to this handbook, and Appendix 2 for a code of conduct for Pension Board members. The documented procedures for assessing and managing risk can be found in section 8.0 and the [managing risks policy](#)³¹. The management of scheme contributions is found in paragraph 9.3 of this handbook and in the [scheme employer's guide to completing contribution returns](#)³².

Section 105 of 'Code 14' requires a scheme manager to employ a risk-based approach to their internal controls so that sufficient time is spent on identifying, evaluating and managing risks.

Compliance – see [risk assessment and risk evaluation document](#)³³.

Sections 106 to 112 of 'Code 14' deal with identifying risks including:

- The setting of scheme objectives.

Compliance – see paragraph 8.1 of this handbook and the [managing risks policy](#)³⁴.

- Determining the various functions and activities carried out in the running of the scheme.

Compliance – see key objectives in paragraph 8.1 of this handbook but also refer to the [pension administration service level agreement](#)³⁵.

- Identify the main risks associated with those objectives, functions and activities.

Compliance – see [risk assessment and risk evaluation document](#)³⁶.

- Assess the effectiveness of investment-related decision making.

Compliance – an investment performance and asset allocation report is taken to the Pension Fund Panel and Pension Fund Advisory Panel as part of a stewardship report every time that it meets. Included in this report is a table of all investments and a traffic light framework showing the status of all investments, highlighting those at risk where further consideration to their appropriateness should be given. Copies of all Pension Fund Panel minutes are provided to

³¹ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

³² <http://www.berkshirerpensions.org.uk/bpf/downloads/2/employers>

³³ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

³⁴ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

³⁵ http://www.berkshirerpensions.org.uk/bpf/info/2/employers/47/service_level_agreements

³⁶ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

members of the Pension Board.

- Assess the effectiveness of data management and record-keeping.

Compliance – within the *altair* system it is possible to run many reports some of which are scheduled to run at specific intervals, others can be requested to run as and when required. A processes calendar has been developed which sets out all of the reports run and the frequency with which they are produced.

Sections 113 to 118 of ‘Code 14’ deals with monitoring controls effectively. These sections provide guidance as to the actions that can be taken to ensure that a risk assessment is continually reviewed and that the internal controls are adequate to ensure that any risks are mitigated.

Compliance – the [risk assessment and risk evaluation document](#)³⁷ is reviewed at meetings of the Pension Board and is a ‘living’ document.

PART 4 OF ‘CODE 14’ – ADMINISTRATION (Section 121 to 211)

Scheme record-keeping

Section 121 of ‘Code 14’ states that this part of the code covers:

- Scheme record-keeping;
- Maintaining contributions; and
- Providing information to members.

Section 122 goes on to say that scheme managers must keep records of information relating to:

- Member information;
- Transactions; and
- Pension Board meetings and decisions.

Section 123 confirms that the legal requirements are set out in the [Public Service Pensions \(Record Keeping and Miscellaneous Amendments\) Regulations 2014 \(SI 2014 No. 3138\)](#).³⁸

The requirements set out in **sections 126 to 132** of ‘Code 14’ are referred to in regulations 4 and 5 of the ‘Record Keeping’ regulations and the scheme manager compliance with those sections is contained within paragraph 10.1 of this handbook. It is, however, important not to under emphasise the comments made by the Pensions Regulator throughout these sections of ‘Code 14’ with regard to the role that scheme employers play to enable the scheme manager to be able to fulfil their legal obligations. **Section 128** of ‘Code 14’ makes note that scheme employers must be required to provide timely and accurate information to the scheme manager and that the scheme manager must establish a process for the transmission of accurate data between the parties.

Compliance – see paragraph 10.1 of this handbook. In addition a [pension administration strategy](#)³⁹ has been prepared and published by the scheme manager which sets out the circumstances under which the scheme manager will issue a scheme employer with a notice of

³⁷ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

³⁸ <http://www.legislation.gov.uk/ukxi/2014/3138/contents/made>

³⁹ http://www.berkshirerpensions.org.uk/bpf/downloads/file/112/pension_administration_strategy

unsatisfactory performance and circumstances under which the scheme manager and/or Pension Board will report the scheme employer to the Pensions Regulator.

Sections 129 and 130 of 'Code 14' specifies the sort of data that scheme employers are expected to supply to the scheme manager and requires the scheme manager to have the appropriate procedures and timescales in place to meet their legal requirements.

Compliance – a [pension administration service level agreement](#)⁴⁰ has been prepared and published which sets out the responsibilities that scheme employers have in administering the LGPS on behalf of their employees and also the timescales to be imposed upon them when supplying data to the scheme manager.

Section 131 requires a scheme manager to be able to trace the flow of funds into and out of the Pension Fund and to be able to reconcile these against contributions and scheme costs.

Compliance – all payments in and out of the Pension Fund are cost coded and entered in to the scheme manager's general ledger system, *Agresso*. Contributions, as an example, are coded to the system but also recorded in a separate control report against which they are reconciled. Further reconciliation can be carried out by the provision of reports from *altair*, the pension administration software solution.

Section 132 deals with maintaining records of transactions made to and from the scheme and any amount due to the scheme that has been written off.

Compliance – records of payments are maintained on the general ledger and pension administration systems. Any decision to write off any payment is taken in line with powers delegated to the s.151 officer of the administering authority. Excessive amounts will be reported to the Pension Fund Panel and recorded in the minutes of the relevant meeting and in a schedule maintained by officers of the Pension Fund.

Sections 133 and 134 of 'Code 14' deal with the records of Pension Board meetings and decisions. Regulation 6 of [The Public Service Pensions \(Record Keeping and Miscellaneous Amendments\) Regulations 2014 \(SI 2014 No. 3138\)](#)⁴¹ sets out the legal requirement for the records to be maintained.

Compliance – see paragraph 4.8 of this handbook and the [Pension Board section](#)⁴² of the Pension Fund's website.

In **Section 138** of 'Code 14' the Pensions Regulator suggests that schemes should continually review their data and carry out a data review exercise at least annually and in **Section 142** it is suggested that member records should be reconciled between the scheme employer and the scheme manager.

Compliance – data is reviewed annually as part of the 'year-end' exercise where scheme employers are required to provide to the scheme manager details of all of their scheme members, in a format specified by the scheme manager (see [scheme employer guide to year end processes](#)⁴³). From this data employee contributions are posted to each active member record and new starter and leaver details not previously supplied by the scheme employer are identified and requested. Other data checks are also undertaken at this time to ensure the accuracy of the member database. The results of this 'data audit' are reported to the Pension Board as part of a stewardship report. In addition it is possible to identify within *altair* those members that are active and, where they have more than one job, which record relates to which post, those members that

⁴⁰ http://www.berkshirerpensions.org.uk/bpf/info/2/employers/47/service_level_agreements

⁴¹ <http://www.legislation.gov.uk/ukxi/2014/3138/contents/made>

⁴² http://www.berkshirerpensions.org.uk/bpf/info/4/pension_board

⁴³ http://www.berkshirerpensions.org.uk/bpf/info/2/employers/49/year-end_procedures

retain deferred benefits, those members that are retired and in receipt of a pension and those members who are dependants for former deceased scheme members (see paragraph 9.4).

In addition common data and conditional data reports are run annually with results being reported to the Pension Fund Panel and Pension Board. The Pension Fund's administration strategy is to move to electronic data transfer thereby ensuring member data is updated in real time.

Sections 143 and 144 of 'Code 14' deals with the [Data Protection Act 1998](#)⁴⁴ and ensuring that scheme managers meet the requirements of that Act as a data controller.

Compliance – the scheme manager adheres to the [data protection policy](#)⁴⁵ published by the Royal Borough of Windsor & Maidenhead. [The Royal Borough has an obligation to comply with the Data Protection Act](#).⁴⁶

Maintaining Contributions

Sections 147 to 172 of 'Code 14' set out the legal requirements and the practical guidance offered to scheme managers in monitoring, recording and managing the receipt of employee and employer contributions from scheme employers.

Compliance – details as to how the scheme manager complies with **sections 147 to 172** of 'Code 14' can be found in paragraph 9.3 of this handbook.

Sections 173 to 186 of 'Code 14' deal with the circumstances under which payment failures should be reported to the Pension Regulator.

Compliance – details as to how the scheme manager complies with these sections of 'Code 14' are dealt with in paragraph 9.3 of this handbook and the [pension administration strategy](#)⁴⁷. Furthermore, a [guide to reporting breaches of the law](#)⁴⁸ has been prepared and published.

Providing information to members

Section 187 of 'Code 14' sets out the legal requirements placed upon scheme managers to disclose information about benefits and scheme administration to scheme members and others, starting with benefit statements.

Sections 188 to 190 state that the benefit statement must meet the requirements of the Public Service Pension Act 2013, comply with HM Treasury Directions or any other information which must be included and that the statement must be issued to members by 31 August each year.

Compliance – the annual benefit statement produced by the scheme manager fulfils the requirements and statements are issued within the required timescales in line with the [pension administration strategy](#)⁴⁹. Failure to meet this requirement will be reported to the Pensions Regulator.

⁴⁴ <http://www.legislation.gov.uk/ukpga/1998/29/contents>

⁴⁵ http://www.rbwm.gov.uk/web/foi_data_protection_policy_2010.htm

⁴⁶ http://www.rbwm.gov.uk/web/foi_data_protection.htm

⁴⁷ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

⁴⁸ http://www.berkshirerpensions.org.uk/bpf/downloads/download/1/pension_fund_policies

⁴⁹ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

Sections 191 to 193 refer to the requirements under [The Occupational and Personal Pension Schemes \(Disclosure of Information\) Regulations 2013 \(SI 2013 No. 2734\)](#)⁵⁰ and the provision of a benefit statement to a member upon request.

Compliance – the annual benefit statement produced by the scheme manager fulfils the regulatory requirements and statements are issued within the required timescales in line with the pension administration strategy.

Section 196 of 'Code 14' sets out details of other information that a scheme manager must provide to members in accordance with The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013. These include:

- Basic scheme information.

Compliance – a scheme guide is available to all scheme members and provided to new scheme members when they join the scheme. All scheme guides can be viewed, downloaded and printed from the [publications page](#)⁵¹ of the Pension Fund website.

- Information about the scheme that has materially altered.

Compliance – active scheme members receive 2 newsletters a year (The Quill) this being the method by which the scheme manager informs active scheme members of changes to the pension scheme. Copies of member newsletters can be viewed, downloaded or printed from the [publications page](#)⁵² of the Pension Fund website. Deferred members receive an annual newsletter (a different version of The Quill) each Autumn. Retired members receive 2 newsletters a year (The Scribe) informing them of changes to the pension scheme and how, if at all, the changes affect their pension.

- Information about the constitution of the scheme.

Compliance – details as to how the LGPS is constituted can be found in section 2.0 (legislation and regulation) of this handbook and on the [Berkshire Pension Fund](#)⁵³ website.

- Annual report.

Compliance – a copy of the annual report and accounts can be viewed, downloaded or printed from the [Pension Fund reports page](#)⁵⁴ of the Pension Fund website.

- Information about funding principles and actuarial valuations.

Compliance – copies of the Statement of Investment Principles and the Funding Strategy Statement can be viewed, downloaded or printed from the [Pension Fund policies page](#)⁵⁵ of the Pension Fund website. The latest actuarial valuation report can also be viewed, downloaded or printed from the [Pension Fund reports page](#)⁵⁶ of the Pension Fund website.

⁵⁰ <http://www.legislation.gov.uk/ukxi/2013/2734/contents/made>

⁵¹ <http://www.berkshirerpensions.org.uk/bpf/info/6/publications>

⁵² http://www3.rbwm.gov.uk/bpf/downloads/download/9/pension_fund_newsletters

⁵³ http://www3.rbwm.gov.uk/bpf/info/7/about_the_fund/52/what_type_of_scheme_is_the_lgps

⁵⁴ http://www3.rbwm.gov.uk/bpf/downloads/download/2/pension_fund_reports

⁵⁵ http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

⁵⁶ http://www3.rbwm.gov.uk/bpf/downloads/download/2/pension_fund_reports

- Information about transfer credits.

Compliance – a scheme factsheet called ‘Transferring Former Pension Rights’ is provided to all new scheme members upon joining the scheme and can be viewed, downloaded or printed from the [publications page](#)⁵⁷ of the Pension Fund website.

- Information about accessing benefits.

Compliance – a scheme factsheet called ‘Retiring From the LGPS’ is available to all scheme members and can be viewed, downloaded or printed from the [publications page](#)⁵⁸ of the Pension Fund website.

- Information about benefits in payment.

Compliance – a scheme member who leaves and draws their pension benefits receives confirmation of the value of those benefits in writing at the point that those benefits become payable. Each April retired members receive a letter confirming the value of their pension following the inflation increase applied to their pension from the first Monday of each year following the commencement of the financial year.

Section 197 of ‘Code 14’ includes a reference to the fact that a scheme manager must provide to scheme members a postal and email address from where further information can be obtained.

Compliance – all letters, factsheets, guides and other publications issued by the Berkshire Pension Fund contain details of the Pension Fund’s postal address, helpdesk email account and helpdesk telephone number.

Sections 198 and 199 go on to explain who is entitled to receive information from the scheme manager. The requirements are set out in [The Occupational and Personal Pension Schemes \(Disclosure of Information\) Regulations 2013 \(SI 2013 No. 2734\)](#)⁵⁹ but in the case of the LGPS the scheme manager must disclose information to:

- Active members (members currently contributing to the scheme).

Compliance – the preferred method of communication with active scheme members is via electronic means. All active members have the opportunity to register for *mypension*ONLINE, a secure internet-based member self-service facility. New employees joining the scheme are sent an activation key and details of how to access the system. Once they have registered they are presented with e-copies of all the relevant scheme information and documents that a new scheme member requires. In addition, copies of all historic annual benefit statements and membership certificates are available for viewing, downloading or printing. Any active member can, as an alternative to registering for *mypension*ONLINE, request a welcome pack in paper format from the pension administration team.

- Deferred members (former contributing members who retain pension rights within the Berkshire Pension Fund for payment at retirement age once attained).

⁵⁷ <http://www.berkshirerpensions.org.uk/bpf/info/6/publications>

⁵⁸ <http://www.berkshirerpensions.org.uk/bpf/info/6/publications>

⁵⁹ <http://www.legislation.gov.uk/uksi/2013/2734/contents/made>

Compliance – as with active members deferred members have access to *mypension*ONLINE with adaptations made to ensure that they have access to all documents and information relating to a deferred member. Any deferred member can request any information in a paper format if preferred.

- Pensioner members (former contributing members now in receipt of a pension, including dependants of deceased pensioner members (spouses, civil partners, children etc.)).

Compliance – as with active and deferred members, pensioner members do have access to *mypension*ONLINE. Again the system is adapted to ensure that they have access to all documents and information relating to retired members of the scheme including a history of payslips, P60s and tax codes. Any retired member (or their dependants) can request any information in a paper format if preferred.

- Prospective members (employees who have yet to join the scheme).

Compliance – as the vast majority of employees are contractually enrolled into the LGPS from the first day of employment, communications with prospective members is fairly limited. However, the Pension Fund does require a scheme employer to provide to its new employees a brief guide to the LGPS (form LGS1B) which can be found on the [useful forms page](#)⁶⁰ of the Pension Fund website. There is also a [‘Thinking of Joining?’](#)⁶¹ page of the website.

Sections 200 to 202 of ‘Code 14’ sets out in brief what information must be supplied to scheme members by the scheme manager and also certain deadlines for providing that information to members.

Compliance – all requirements are set out in the [pension administration service level agreement](#)⁶². A service standards leaflet has also been produced and can be found on the [service standards page](#)⁶³ of the Pension Fund website. Statistics as to how these standards are maintained and achieved are included as part of a stewardship report presented at meetings of the Pension Fund Panel and the Pension Board.

Sections 203 to 211 sets out how benefit statements and other information must be provided to scheme members. As mentioned previously in this handbook, the Berkshire Pension Fund’s preferred method of communication is via electronic means wherever possible. This is achieved by publishing documents to member records via *mypension*ONLINE. Throughout these sections of ‘Code 14’ the Pensions Regulator makes reference to how schemes must comply with certain regulatory requirements in order to achieve their aims and ensure that certain steps and safeguards are put in place. These issues will be looked at below along with the steps that have been taken by the Pension Fund to meet the requirements laid down in regulations.

- Scheme members and beneficiaries must be given the option to opt out of receiving information electronically by giving written notice to the scheme.

Compliance – throughout 2012 all active, deferred and retired scheme members were written to on 3 separate occasions by the Pension Fund setting out the aim to provide scheme information electronically to as many scheme members as possible. These communications met the requirements laid down in the [The Occupational and Personal Pension Schemes \(Disclosure of](#)

⁶⁰ http://www.berkshirepensions.org.uk/bpf/info/6/publications/76/useful_forms

⁶¹ http://www.berkshirepensions.org.uk/bpf/info/8/non-members/56/thinking_of_joining

⁶² http://www3.rbwm.gov.uk/bpf/downloads/download/1/pension_fund_policies

⁶³ http://www.berkshirepensions.org.uk/bpf/info/7/about_the_fund/51/service_standards

[Information\) Regulations 2013 \(SI 2013 No. 2734\).](#)⁶⁴ Those members who did choose to opt out have an indicator placed on their pension record so that they continue to receive communications in a paper format. . All individuals joining the scheme since 2012 have been provided with an activation key for *mypension*ONLINE but also have the opportunity to opt out and receive documents in a paper format if preferred.

- Scheme managers must be satisfied that the electronic communications have been designed
 - So that the person will be able to access and either store or print the relevant information, and
 - Taking into account the requirements of disabled people.

Compliance – all electronic communications issued by the Pension Fund, whether via *mypension*ONLINE or the Pension Fund website, can be viewed, downloaded or printed. Any communication issued by the Pension Fund can be provided to a scheme member in paper format upon request. All pictures on the website have 'ALT-tags' which, for individuals with sight difficulties who have the necessary equipment, reads the text for them. By providing information on line scheme members have access 24 hours a day for 7 days a week. It is possible for members to adjust the font size and style of the documents they read online. Every effort is made to ensure that information is supplied clearly and in various formats. Any request from a scheme member to receive information in a preferred way to assist them due to disability will be considered by the Pension Fund e.g. in the past documents have been issued in braille upon request.

- Information must be available to view free of charge at a place that is reasonable having regard to the request.

Compliance – copies of all regulations are retained by the scheme manager and can be provided to view at the offices of the Berkshire Pension Fund during normal working hours. The regulations are also available to view on-line at legislation.co.uk.⁶⁵ Any scheme member can arrange to view their own pension records by appointment with the pension administration team at any time during normal office hours or at their place of work by attending an employer-arranged pension surgery.

- Published on a website.

Compliance – all generic information issued by the Pension Fund is made available on the [Pension Fund website](#).⁶⁶ Scheme members can access their own pension information via *mypension*ONLINE from anywhere in the world where they have secure internet access.

- Information must be given for a charge that does not exceed the expense incurred in preparing, posting and packing the information.

Compliance – the Pension Fund makes no administration charges to scheme members (unless allowed to do so by regulation e.g. transfer value requests in cases of divorce).

⁶⁴ <http://www.legislation.gov.uk/uksi/2013/2734/contents/made>

⁶⁵ <http://www.legislation.gov.uk/uksi>

⁶⁶ <http://www.berkshirerpensions.org.uk/bpf/>

- Information must be publicly available elsewhere.

Compliance – all generic information and regulations relating to the LGPS can be found at various websites not least of all [LGPS2014.org](http://www.lgps2014.org).⁶⁷

- Information should be clear and simple to understand as well as being accurate and easily accessible.

Compliance – all generic and specific information supplied by the Berkshire Pension Fund is provided in clear, easy to understand language given the complex nature of the regulations governing the LGPS. All information is easily accessible via the Pension Fund website and *mypensionONLINE*.

- Where a person has made a request for information, schemes should acknowledge receipt if they are unable to provide the information at that stage and provide a likely timescale for providing the information.

Compliance – the service standard set by the Pension Fund requires responses to requests for information to be made within 10 days of receipt although in reality an acknowledgement of a request would be made well within that timeframe where a full response cannot be given at that time. If, for whatever reason, the 10 day deadline cannot be achieved a letter of acknowledgement is sent to the person explaining the reasons why and what action is to be taken to provide a full response by a given date.

- To promote transparency schemes should make information readily available at all times to ensure prospective and existing members are able to access information when they require it.

Compliance – all generic information issued by the Pension Fund is made available on the [Pension Fund website](#).⁶⁸ Scheme members can access their own pension information via *mypensionONLINE* from anywhere in the world where they have secure internet access. Therefore, members have full access to generic and personal information at any given moment in time.

PART 5 OF 'CODE 14' – RESOLVING ISSUES (Sections 212 to 275)

Section 212 of 'Code 14' states that this part covers:

- Internal dispute resolution, and
- Reporting breaches of the law.

Internal dispute resolution

Sections 213 to 240 of 'Code 14' set out comprehensively how an Internal Dispute Resolution Procedure (IDRP) should operate. Reference is made to who can use the IDRP, how the IDRP is communicated to scheme members, how decisions are taken by nominated adjudicators, time limits for making decisions, the role of The Pensions Advisory Service (TPAS) and the role of The

⁶⁷ <http://www.lgps2014.org/>

⁶⁸ <http://www.berkshirerpensions.org.uk/bpf/>

Compliance – a scheme manager must have a disputes process (complaints procedure) set up in accordance with [regulations 72 to 79](#)⁶⁹ of the Local Government Pension Scheme Regulations 2013 (SI 2013 No. 2356). The Berkshire Pension Fund has adopted a 3-stage dispute process as outlined in ‘A guide to the Internal Dispute Resolution Procedure (IDRP)’ which can be found on the [Complaints Procedure page](#)⁷⁰ of the Pension Fund website. The scheme manager is compliant with all of the Pensions Regulator’s codes of practice as follows.

Section 215 of ‘Code 14’ – persons who have an interest in the scheme.

Compliance – all types of scheme member (active, deferred, retired etc) can access the IDRP and any scheme member can ask for a person to act as their representative if preferred (e.g. a trades union representative, next of kin, professional adviser etc.).

Section 216 of ‘Code 14’ – disputes to be referred to a specified person.

Compliance – at stage 1 of IDRP all disputes are referred to an adjudicator appointed by the scheme employer with whom the scheme member was employed at the point the dispute arose. At the second stage, the dispute is referred to an adjudicator appointed by the scheme manager.

Section 217 of ‘Code 14’ – decisions must be taken within a reasonable period of time.

Compliance – the guide to IDRP issued by the scheme manager includes details of time limits to be applied at each stage of the IDRP and can be found on the [Complaints Procedure page](#)⁷¹ of the Pension Fund website.

Section 218 of ‘Code 14’ – the manner in which applications must be made and the timeframe for doing so.

Compliance – the guide to IDRP (see links in previous compliance statement) issued by the scheme manager includes an application form and details of the time limit within which a scheme member should make an application.

Section 219 of ‘Code 14’ – schemes must provide details of their IDRP and include references to The Pensions Advisory Service (TPAS) and the Pensions Ombudsman as certain stages of the process.

Compliance – the scheme manager includes details of how to use the IDRP in all (relevant) communications sent to scheme members along with details of how to contact TPAS and the Pensions Ombudsman.

Sections 229 and 232 of ‘Code 14’ – exceptional circumstances under which disputes may not be resolved within required timescales.

Compliance – the scheme manager will keep in communication with the scheme member and provide updates of the progress being made. All dispute cases are fully documented at all times.

Section 233 of ‘Code 14’ – scheme regulations or other documents recording policy about the administration of the scheme should specify internal dispute resolution arrangements.

⁶⁹ <http://www.legislation.gov.uk/uksi/2013/2356/regulation/72/made>

⁷⁰ http://www.berkshirerpensions.org.uk/bpf/info/7/about_the_fund/54/complaints_procedure

⁷¹ http://www.berkshirerpensions.org.uk/bpf/info/7/about_the_fund/54/complaints_procedure

Compliance – [regulations 72 to 79](#)⁷² of the Local Government Pension Scheme Regulations 2013 (SI 2013 No. 2356) set out the requirements of an IDRPs within the scheme. The ‘Guide to the Internal Dispute Resolution Procedure (IDRP)’ which can be found on the [Complaints Procedure page](#)⁷³ of the Pension Fund website sets out the procedures adopted by the Berkshire Pension Fund.

Section 234 of ‘Code 14’ – schemes should ensure the effectiveness of the arrangements are reviewed regularly and are compliant with scheme regulations. In addition the role of the scheme employer at stage one of IDRPs must operate effectively.

Compliance – the scheme manager keeps all policies under review. Scheme employers are required by regulation to issue an employer policy statement regarding certain matters referred to in the regulations. The Berkshire Pension Fund requires a scheme employer to include as part of their policy statement, details of the person appointed to act as the adjudicator at stage one of the IDRPs.

Section 235 to 240 of ‘Code 14’ – scheme managers should confirm and communicate their arrangements to members in joining booklets and on their website and provide details as required by all member types with clear contact information being given as to how to contact the scheme manager, TPAS and the Pensions Ombudsman.

Compliance – the scheme manager provides details of their IDRPs in new joiner scheme guides and other guides and letters issued by the pension administrators. A [dedicated webpage](#)⁷⁴ is available on the Pension Fund website. Confirmation of all contact details are contained within all relevant documentation and on the website.

Reporting breaches of the law

Section 241 of ‘Code 14’ explains that, in accordance with [Section 70](#)⁷⁵ of the Pensions Act 2004, certain people are required to report breaches of the law to the Pensions Regulator where they believe they have a reasonable cause to believe that a legal duty which is relevant to the administration of the scheme has not been, or is not being, complied with and that failure to comply is likely to be of material significance to the Regulator in the exercise of its functions.

Section 242 then goes on to detail those people who are subject to the reporting requirement (‘reporters’) for public service schemes:

- The scheme manager;
- Members of the Pension Board;
- Any person involved in the administration of the scheme;
- Scheme employers – irrespective of whether the report concerns members in their own employ or employees of another scheme employer;
- Professional advisors including auditors, actuaries, legal advisors and fund managers;
- Any person who is otherwise involved in advising the managers of the scheme in relation to the scheme.

Section 243 expresses the need for any report to be made in writing to the Pensions Regulator as soon as is reasonable practicable.

⁷² <http://www.legislation.gov.uk/ukxi/2013/2356/regulation/72/made>

⁷³ http://www.berkshirerpensions.org.uk/bpf/info/7/about_the_fund/54/complaints_procedure

⁷⁴ http://www.berkshirerpensions.org.uk/bpf/info/7/about_the_fund/54/complaints_procedure

⁷⁵ <http://www.legislation.gov.uk/ukpga/2004/35/section/70>

The remaining **sections 244 to 275** of 'Code 14' go on to cover the implementation of adequate procedures, judging when a breach must be reported, submitting a report to the Regulator and whistleblowing protection and confidentiality.

Compliance – the scheme manager has prepared a guide to 'Reporting breaches of the law'. A traffic light framework has also been produced by The Pensions Regulator and adapted by the scheme manager to assist reporters in dealing with breaches of the law. Whilst this document is a 'living' document with examples being added to it as cases arise, a copy of this framework, along with a flowchart designed to assist reporters in dealing with the procedures for reporting a breach and a register of breaches of the law, is available from the [Pension Fund website](#)⁷⁶.

⁷⁶ http://www.berkshirerpensions.org.uk/bpf/downloads/download/1/pension_fund_policies