

CAMBRIDGESHIRE PENSION FUND

Pension Fund Board

1 July 2022

Report by: Head of Pensions

Subject:	Governance and Compliance Report
Purpose of the Report:	To provide the Pension Fund Board with information on: 1) Scheme Advisory Board – Prudential performance update 2) Pensions Dashboard Programme – April 2022 update 3) Fund policy/strategy updates 4) Skills and knowledge opportunities
Recommendations:	The Pension Fund Board are asked to note the Governance and Compliance Report.
Enquiries to:	Jo Kent, Governance and Regulations Manager joanne.kent@westnorthants.gov.uk

1. Background

1.1 This is a standing report that identifies issues concerning the governance of the Local Government Pension Scheme (LGPS) and potential, new, amending and overriding legislation that will have an impact on how the Scheme is managed and on members' benefits.

2. Scheme Advisory Board (SAB)

2.1 Prudential performance update

2.1.1 Representatives from Prudential attended the SAB meeting in December 2021 to discuss the performance issues experienced by administering authorities since November 2020. At that meeting, Prudential agreed to produce a communication to explain:

- The issues that have arisen;
- The steps that have and are being taken to resolve the situation; and
- The expected timescales for normal service to be resumed.

2.1.2 Prudential have now written to Jo Donnelly, Head of Pensions at the LGA, to provide this update. Robert Holloway shared the letter with pension managers by email on 13 May 2022. This was subsequently shared with the Chairs of both the Pension Fund Committee and Pension Fund Board on 17 May 2022 as requested by SAB.

2.1.3 A copy of the letter can be found at [Prudential letter](#).

2.2 Pensions Dashboards Programme (PDP), April 2022 update

2.2.1 The PDP published its [April 2022 progress update report](#) on 27 April 2022. On 29 April 2022 Chris Curry, PDP Principal, published a blog covering that report and hosted a webinar expanding on its content. You can read the [Pensions dashboards progress insights](#) on the PDP website.

2.2.2 The blog covers:

- The need for pension schemes to act now to prepare for dashboards;
- Timelines and what to expect from Department of Work and Pensions and the Pensions Dashboards Programme;
- Integrated Service Provider market development;
- Data matching and the need for improved data quality; and
- The process for partial matches.

2.3 Fund Policy/Strategy Updates

2.3.1 The Data Improvement Policy and Plan was approved by the Pension Fund Committee on 10 June 2022 and is an agenda item for this meeting.

2.3.2 The Reporting Breaches of the Law to the Pensions Regulator Policy is to be considered under a separate agenda item for this meeting.

2.3.3 Please find the full Policy/Strategy Review Cycle in Appendix 1.

2.4 Skills and knowledge opportunities

2.4.1 The Public Services Pensions Act 2013 and the Pensions Regulator's Code of Practice (Governance and administration of public service pension schemes) require all members of the Pension Fund Committee to maintain the necessary skills and knowledge to undertake their role effectively.

2.4.2 In order to facilitate the acquisition of skills and knowledge for members of the Pension Fund Board, Appendix 2 lists the main events that are deemed useful and appropriate.

2.7.3 If members of the Pension Fund Board would like to attend any of the events listed in Appendix 1 please contact a member of the Fund's governance team who will make the necessary arrangements if an invitation has not already been sent.

3. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. <i>Objective 1</i>
Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers. <i>Objective 2</i>
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment. <i>Objective 3</i>
To continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate.

4. Risk Management

4.1 The mitigated risks associated with this report has been captured in the Fund's risk register as detailed below -

Risk	Residual risk rating
Those charged with governance are unable to fulfil their responsibilities effectively	Green
Failure to administer the scheme in line with regulations and guidance.	Green
Failure to provide relevant information to the Pension Fund Committee/Pension Board to enable informed decision making	Green

4.2 The Fund's risk register can be found on the Pensions website: [Cambridgeshire Pension Fund Risk Register](#).

5. Communication Implications

5.1 Training - All staff involved in the administration of the LGPS are aware of the new legislation and the impact on the calculation and payment of benefits from the scheme.

5.2 Employers - All relevant items are communicated to scheme employers via website updates.

6. Finance & Resources Implications

6.1 There are no financial and resource implications associated with this report.

7. Legal Implications

7.1 Not applicable

8. Consultation with Key Advisers

8.1 Consultation with the Fund's advisers was not required for this report.

9. Alternative Options Considered

9.1 Not applicable

10. Background Papers

10.1 Not applicable

11. Appendices

11.1 Appendix 1 Policy/Strategy review cycle.

Appendix 2 Schedule of training events.

Checklist of Key Approvals	
Has this report been cleared by Head of Pensions?	Mark Whitby – 8 June 2022