

Cambridgeshire
Pension Fund

Pension Fund Committee

10 June 2022

Report by: Head of Pensions

Subject: Governance and Compliance Report

Purpose of the Report: To provide the Pension Fund Committee with information on:

1. Department for Work and Pensions – Consultation on draft Pensions Dashboards Regulations 2022
2. Fund policy/strategy updates
3. Skills and knowledge opportunities

Recommendations: The Pension Fund Committee are asked to note the Governance and Compliance Report

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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. Department for Work and Pensions (DWP)

2.1 Draft Pensions Dashboards Regulations 2022 Consultation

2.1.1 On 31 January 2022 the DWP published a consultation on the draft Pensions Dashboards Regulations. The consultation closed on 13 March 2022.

2.1.2 Pensions dashboards will allow individuals to see information about all their pensions, including the State Pension, in one place. These draft regulations set the requirements to be met to deliver this and will place a legal duty on pension providers to provide information to the dashboards.

2.1.3 The consultation proposes a staging deadline of the end of April 2024 for public service pension schemes, including the LGPS. This means that LGPS administering authorities will need to be able to connect to the digital architecture by this date and be ready to provide scheme member data to them via the dashboards.

2.1.4 The Local Government Pensions Committee responded to consultation stating that it is their view that the LGPS will not be able to connect and meet its statutory duties by the proposed connection deadline of April 2024 for the following reasons:

- The value data required goes beyond what LGPS administering authorities must currently provide
- LGPS administering authorities will already be under significant pressure at the time because of implementing the McCloud remedy
- The proposed response times for value data mean that funds will need to collect and validate data on a monthly basis (whilst the Cambridgeshire Pension Fund collects data on a monthly basis, not all other LGPS Funds will).
- Recruitment and retention of suitably skilled staff remains a barrier
- A number of other technical issues that are unique to the LGPS.

2.1.5 The LGPC response to the consultation can be found in full [here](#). The Local Pension Board will be kept up to date with developments regarding the Pensions Dashboard.

2.2 Fund Policy/Strategy Updates

2.2.1 Officers have reviewed the Fund's Payment of Employee and Employer Contributions Policy and only non-material changes were made to the policy such as updating job titles and the removal of reference to LGSS. The revised policy can be found on the Fund's website [here](#).

2.2.2 A revised Data Improvement Strategy and Plan is being considered under a separate agenda item at this meeting.

2.3 Skills and knowledge opportunities

2.3.1 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 Committee, appendix 1 lists the main events that are deemed useful and appropriate.

2.4.3 If members of the Pension Fund Committee 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.

Objective 1

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. Objective 2

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. Objective 3

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 how any new developments 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 Schedule of training events.

Checklist of Key Approvals

Has this report been cleared by Section 151 Officer? Sarah Heywood – 22 May 2022

Has this report been cleared by Head of Pensions? Mark Whitby – 5 May 2022

Has the Chair of the Pension Committee been consulted? Councillor Whelan – 22 May 2022

Has this report been cleared by Legal Services? Amy Brown – 23 May 2022