

	<p style="text-align: center;">Local Pension Board</p> <p style="text-align: center;">3 February 2022</p>
<p style="text-align: right;">Title</p>	<p>The Pensions Regulator (TPR) Code of Practice 14 (COP14) Compliance Report</p>
<p style="text-align: right;">Report of</p>	<p>Director of Finance</p>
<p style="text-align: right;">Wards</p>	<p>N/A</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix 1 – Review of COP14 compliance</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>George Bruce, Head of Pensions george.bruce@barnet.gov.uk 02083597126</p>
<p style="text-align: center;">Summary</p>	
<p>Compliance with The Pension Regular's Code of Practice 14 is a key pillar of the governance of the Barnet Pension Fund. This paper reports on the latest review of the fund's compliance with the code of practice.</p>	
<p style="text-align: center;">Recommendations</p>	
<p>The Local Pension Board is asked to note the outcome of the review.</p>	

1. WHY THIS REPORT IS NEEDED

- 1.1 The Public Services Pensions Act 2013 brought oversight of the administration of certain elements of the Local Government Pension Scheme (LGPS) within the purview of The Pensions Regulator (TPR). Those elements that fall under the scrutiny of TPR, and the associated legal requirements, are set out in Code of Practice 14 (COP14), which came into force in April 2015.
- 1.2 LGPS administering authorities must be able to demonstrate to the satisfaction of TPR their compliance with COP14. Whilst failure to do so does not in itself constitute a breach of the law, TPR can issue improvement notices where failures to meet the underlying statutory requirements referred to in the COP14 occur. It is therefore prudent for an LGPS administering authority to periodically review its systems and processes to ensure that it is acting in accordance with the law.
- 1.3 A compliance review was presented to the Local Pension Board June 2021 that indicated areas in which full compliance has not been achieved. A review of progress since that date has been undertaken and the findings are summarised on appendix 1.
- 1.5 TPR have consulted during 2021 on a new code that consolidates ten previous codes, including the public sector code, into one. This has been argued as confusing for LGPS as the scope of the TPR powers are more limited compared to private sectors schemes. A revised proposed code is awaited and will be reviewed when available. It is not expected to become effective until the second half of 2022. As with most such reviews, the focus of the new code will be on documentation of procedures.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Not applicable in the context of this report.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable in the context of this report.

4. POST DECISION IMPLEMENTATION

- 4.1 Officers will continue to monitor the progress of the transition and report back to the Board.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Local Pension Board supports the delivery of the Council's strategic objectives and priorities as expressed through the Corporate Plan, by assisting in maintaining the integrity of the pension Fund by monitoring the administration and compliance of the Fund.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 It is not expected that any costs will arise as a consequence of actions taken to comply with either the existing or new codes.

5.3 Social Value

- 5.3.1 Not applicable in the context of this report.

5.4 Legal and Constitutional References

- 5.4.1 The LGPS Regulations 2013 place responsibility for the local administration of pensions and other benefits under these Regulations on the administering authority, which is the London Borough of Barnet. The Local Government (Amendment) (Governance) Pension Scheme Regulations 2015 inserts regulation 106 into the Local Government Pension Scheme Regulations 2013 which requires the Council to establish a Pension Board, whose role is to assist the Council in securing compliance with legislation, regulation and best practice, including as set out in the Pension Regulator's Code of Practice to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.
- 5.4.2 This paper considers the governance arrangement of the LGPS pension scheme that form part of the remit of the Local Pension Board.

5.5 Risk Management

- 5.5.1 Risk management is central to the LGPS. LGPS pension funds are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met. Good governance is essential to managing the risks of the pension fund. This project forms part of that good governance.

5.6 Equalities and Diversity

- 5.6.1 Pursuant to the Equality Act 2010, the Council is under an obligation to have due regard to 1) eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; 2) advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and 3) fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation. The Council also has regard to the additional protected characteristic of marriage and civil partnership even though this does not apply to parts 2) and 3) (above) of the public-sector equality duty.

5.6.2 The rules governing admission to and participation in the Pension Fund are in keeping with the public-sector equality duty. The Public Sector Equality Duty requires public authorities in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. Good governance arrangements will benefit everyone who contributes to the fund.

5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

5.8 Consultation and Engagement

5.8.1 Where relevant, consultation and engagement is discussed in the paper.

5.9 Insight

5.9.1 Not applicable in the context of this report.

6. ENVIRONMENTAL IMPACT

6.1 N/A

7. BACKGROUND PAPERS

7.1 See Local Pension Board 24 June 2021, agenda item 13.

[HTTPS://BARNET.MODERNGOV.CO.UK/IELISTDOCUMENTS.ASPX?CID=753&MI
D=10907&VER=4](https://barnet.moderngov.co.uk/ielistdocuments.aspx?cid=753&mid=10907&ver=4)