

Report of the Director, West Yorkshire Pension Fund to the meeting of West Yorkshire Pension Fund Pension Board to be held on 17 December 2019

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Subject: The Pensions Regulator Governance and Administration survey and engagement.

Summary statement:

The Public Service Pensions Act 2013 introduced new requirements for the governance and administration of public service pension schemes. Scheme managers must run their schemes according to these legal requirements.

A survey was undertaken in 2015 to assess how schemes were meeting the new requirements and the standard to which they were being run. Surveys were run in 2016, 2017 and 2018 to provide a further assessment of performance, understand barriers to improvement and delve deeper into the top risks of governance, record keeping and communications.

A summary of the 2018 results has now been produced by the Pensions Regulator (tPR), and can be found in the report Governance and Administration survey 2018: Research Report

TPR has also produced a report Governance and Administration risks in Public Sector Pension Schemes .

Recommendation

It is recommended that the Local Pension Board note this report.

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Portfolio:

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Overview & Scrutiny Area:

1. BACKGROUND

- 1.1 The Public Service Pensions Act 2013 introduced a new requirement for the governance and administration of public service pension schemes. Scheme managers must run their schemes according to these legal requirements.
- 1.2 A survey was undertaken in 2015 to assess how schemes were meeting the new requirements and the standard to which they were being run. Surveys were run in 2016, 2017 and 2018 to provide a further assessment of performance, understand barriers to improvement and delve deeper into the top risks of governance, record keeping and communications.

2. GOVERNANCE AND ADMINISTRATION SURVEY 2019

- 2.1 WYPF has responded to the Public Service and Governance survey 2019, in consultation with the Chair of the Pension Board.
- 2.2 A copy of the submission can be found at Appendix A
- 2.3 WYPF has responded positively to all the questions where documented policies and procedures are required.

3. GOVERNANCE AND ADMINISTRATION SURVEY 2018: RESEARCH REPORT

- 3.1 A summary/ research report prepared by the Pensions Regulator named “ Public service governance and administration survey 2018” has now been published and can be found at Appendix B. This report summarises the results for all the public sector pension scheme responses from the 2018 survey.

4. GOVERNANCE AND ADMINISTRATION RISKS IN PUBLIC SERVICE PENSION SCHEMES : AN ENGAGEMENT REPORT

- 4.1 Following the results from the annual governance and administration survey 2018 tPR engaged with 10 local government funds, selected from across the UK, to understand scheme managers’ approaches to a number of key risks.
- 4.2 Engagement took place between October 2018 and July 2019 following the results of our annual governance and administration survey, in which we identified that improvements being made across the Local Government Pension Scheme (LGPS) had slowed down. TPR noted that scheme managers were already sharing good practice with their LGPS peers and hope that working with them could offer scheme managers a new perspective on their funds.
- 4.3 An engagement report following the reviews undertaken by tPR has been produced and can be found at Appendix C.
- 4.4 WYPF was not one of the Funds selected for engagement, however the engagement report has been reviewed and WYPF has policies and procedures in place to address all the areas raised.

5. RECOMMENDATION

5.1 It is recommended that the Local Pension Board note this report.