

Action Plan

TPR Supervisory Report

Introduction

WYPF were chosen for supervisory engagement with the Pensions Regulator (TPR) along with nine other LGPS Funds in England and Wales.

The purpose of the engagement was for TPR to gain an understanding of, and to provide comments to the scheme manager and pension board, on how the Fund operates and the management and governance controls in place.

The review provided the opportunity for TPR to understand how the scheme manager and pension board ensures compliance with legislation; adherence to codes of practice; and the application of good industry practice.

Appendix A is the TPR supervisory report which has an overall rating of green (good) for both areas of engagement, Management and Governance & Systems and Processes and includes recommendation for further improvement

Background

In 2019 The Pensions Regulator (TPR) announced they wanted to understand the LGPS and its administration better and intended to work closer with a selected number of Administrating Authorities. The process, however, was paused due to the pandemic and did not recommence until January 2023.

The Authorities were selected to represent a cross section of the differing administration models in the LGPS and were based on size of membership, numbers of employers, and commercial complexity.

WYPF was chosen for the supervisory engagement as it is one of the largest LGPS Funds and also because it has a shared administration partnership with LB Barnet, LB Hounslow and Lincolnshire County Council, as well as more than half of the Fire authorities in England and Wales who are responsible for the Firefighters' Pension Scheme.

Summary

In January 2023 TPR contacted WYPF to recommence the supervisory engagement.

Officers of WYPF, Euan Miller, Yunus Gajra, Tracy Weaver and Matt Mott met with TPR officials over a series of six meetings. An introduction to the purpose and process of the engagement, a summary of the supervisory report produced by TPR and four main meetings to discuss the two key areas of Management & Governance and Systems & Processes.

Discussions between TPR and WYPF were two way, honest and useful. Information and documentation was shared with TPR who in turn gave guidance and advice, some of which WYPF was able to act upon immediately, such as appropriate updates to the WYPF website.

It was pleasing, therefore, to receive the supervisory report on 16 June, which had an overall green (good) rating for both areas.

Below is WYPFs action plan based on the recommendations made by TPR in their Supervisory Report.

Management and Governance

TPR Recommendation	Objective	Outcome	Implementation Date
Update Pension Board Terms of Reference	To be current and effective	Reviewed/revised Terms of reference provided to all PB and published on WYPF website	September PB
Update TPR of Governance Review	Inform TPR of appointment		August 2023
Review Conflicts of Interest register	Update document and include on every PB agenda	Types of conflict broadened and provided to PB. Register to be included at all PB meetings	December PB
Policy for wet signatures	Consider WYPF approach to continue to insist upon wet signature for scheme member elections	Draft, publish on website and communicate internally the policy	December 2023
TPR Toolkit sooner than 1 year	6 months from PB appointment or date of review	Update training strategy and notify PB	September PB for all PB completion by 31 March 2024
Pension Board Training Record	Record all training undertaken including TPR toolkit, LOLA external training and conferences.		Part of Governance Review – completed by 31 January 2024
PB annual performance discussion	PB/WYPF to reflect and assess the PB performance over the last 12 months		Part of Governance Review – completed by 31 January 2024
PB annual effectiveness review	PB/WYPF to reflect and assess the PB effectiveness over the last 12 months to		Part of Governance Review – completed by 31 January 2024
Review risk register and include at all PB	Review risks and discuss regularly with PB	Add as standing item on PB agenda and discuss at all PB meetings	Wef September PB
Consider EDI	Ensure PB meets the expectations of TPR for EDI and PB, BMDC and WYPF satisfied PB has effective/inclusive representation		Part of Governance Review – completed by 31 January 2024

Systems and Processes

TPR Recommendation	Objective	Outcome	Implementation Date
Reporting payment failures	Inform TPR of employers who have not paid contributions for 90 or more	Review existing process, amend/implement policy. Communicate with employers and publish on website	December 2023
Data improvement plan clear end and targets dates	To add clear dates for review and end dates to enable clear measurement	Review existing plan, where appropriate add checkpoint for data review and end dates for measurement of achievement.	December 2023

