

CURRENT BREACHES OF THE LAW

Reference	09	Date recorded/ updated	27/10/17	Date breach resolved	Ongoing
Category	Administration (Joiner)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	To send a Notification of Joining the LGPS to a scheme member 2 months from date of joining (assuming notification received from the employer), or within 1 month of receiving jobholder information where the individual is being automatically enrolled / re-enrolled. Due to a combination of late notification from employers and untimely action by CPF the legal requirement was not met.				
Quantification	Q1 17/18	Completed cases	547		
		In breach	338	61%	
	Q2 17/18	Completed cases	408		
		In breach	292	72%	
Possible effect and wider implications	Late scheme information sent to member which may result in lack of understanding and/or complaint from member affecting scheme reputation.				
Reaction to breach	Roll out of iConnect where possible to scheme employers including new admitted bodies to ensure monthly notification of new joiners (ongoing). Set up of Employer Liaison Team (ELT) to monitor and provide joiner details more timelessly. Training of new team members to raise awareness of importance of time restraint. Prioritising of task allocation. KPI's shared with team members to further raise awareness of importance of timely completion of task.				
Outstanding actions	I-connect and bedding in of new staff/training. Identifying which employers are causing delays.				

Reference	10	Date recorded/ updated	27/10/17	Date breach resolved	13/11/17
Category	Administration (Deferred)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	To inform members who leave the scheme of their leaver rights and options as soon as practicable and no more than 2 months from date of initial notification (from employer or from scheme member). Of 284 cases completed 1 case (< 1%) was late by 2 days.				
Quantification	Q1 17/18	Completed cases	284		
		In breach	1	<1%	
	Q2 17/18	Completed cases	323		
		In breach	3	<1%	
Possible effect and wider implications	Delayed understanding of options available to member				
Reaction to breach	None.				
Outstanding actions	None. No further action due to small numbers.				

Reference	11	Date recorded/ updated	27/10/17	Date breach resolved	Ongoing
Category	Administration (Transfer In)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	Obtain transfer details for transfer in, and calculate and provide quotation to member 2 months from the date of request. Breach due to late receipt of transfer information from previous scheme and late completion of calculation and notification by CPF. Currently only 2 members of team fully trained to provide transfer details due to new team structure and additional training requirements.				
Quantification	Q1 17/18	Completed cases	59		
		In breach	26	44%	
	Q2 17/18	Completed cases	77		
		In breach	22	29%	
Possible effect and wider implications	Information being provided to scheme members later than hoped. Could have some financial implications. Members may contact the section to enquire as to the progress of the transfer.				
Reaction to breach	Continued training of team members to increase knowledge and expertise to ensure that transfers are dealt with more timely.				
Outstanding actions	Completion of training of team members in transfer and aggregation processes.				

Reference	12	Date recorded/ updated	27/10/17	Date breach resolved	Ongoing
Category	Administration (Transfer out)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	Breach due to late completion of calculation and notification by CPF. Currently only 2 members of team fully trained to provide transfer details due to new team structure and additional training requirements.				
Quantification	Q1 17/18	Completed cases	77		
		In breach	21	27%	
	Q2 17/18	Completed cases	63		
		In breach	5	8%	
Possible effect and wider implications	Information being provided to scheme members/new scheme later than hoped. Could have some financial implications. Members and providers may contact the section to enquire as to the progress of the transfer.				
Reaction to breach	Continued training of team members to increase knowledge and expertise to ensure that transfers are dealt with more timely.				
Outstanding actions	Completion of training of team members in transfer and aggregation processes.				

Reference	13	Date recorded/ updated	27/10/17	Date breach resolved	Ongoing
Category	Administration (Retirement benefits)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	Notification of amount of retirement benefits 1 month from date of retirement if on or after Normal Pension Age (NPA) or 2 months from date of retirement if before NPA. Breach due to a combination of late notification by employer and late completion of calculation by CPF. Also, delay in receipt of AVC fund values from AVC provider.				
Quantification	Q1 17/18	Completed cases	284		
		In breach	86	30%	
	Q2 17/18	Completed cases	196		
		In breach	61	31%	
Possible effect and wider implications	Late payment of benefits which may miss payroll deadlines and result in accrual of interest on lump sums/pensions. Members upset about delays.				
Reaction to breach	Roll out of iConnect where possible to scheme employers including new admitted bodies to ensure monthly notification of retirees (ongoing). Set up of ELT to monitor and provide leaver details more timely. Prioritising of task allocation. Set up of new process with one AVC provider to access AVC fund information.				
Outstanding actions	Further training of newly promoted team member to deal with volume of work. Identifying which employers are causing delays.				

Reference	14	Date recorded/ updated	27/10/17	Date breach resolved	Ongoing
Category	Administration (Estimates)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	Providing quotations on request for retirements. As soon as practicable, but no more than 2 months from date of request unless there is a previous request in the last year. Late completion of calculation by CPF and increasing estimate requests being made by members.				
Quantification	Q1 17/18	Completed cases	140		
		In breach	47	34%	
	Q2 17/18	Completed cases	155		
		In breach	65	41%	
Possible effect and wider implications	Late notification of benefits/costs to member/employer resulting in complaints and poor understanding/missed opportunities. Section contacted to check on progress of estimate.				
Reaction to breach	Introduction of MSS should alleviate the volume of requests received as member will be able to calculate own estimate through database. Further training of team members has been recognised. Task allocation reviewed by team leaders. Estimates have been prioritised.				
Outstanding actions	Additional staff training.				

Reference	15	Date recorded/ updated	27/10/17	Date breach resolved	Ongoing
Category	Administration (Deaths)	Owner	H Burnham	Reported to TPR	No
Description and cause of breach	Calculate and notify dependant(s) of amount of death benefits as soon as possible but in any event no more than 2 months from date of becoming aware of death, or from date of request by a third party (e.g. personal representative). Due to late completion by CPF the legal requirement was not met.				
Possible effect and wider implications	Late payment of benefit to dependant, potential to cause further upset to relatives. Reputational damage.				
Quantification	Q1 17/18	Completed cases	41		
		In breach	24	58%	
	Q2 17/18	Completed cases	47		
		In breach	31	66%	
Possible effect and wider implications	Late payment of benefits which may miss payroll deadlines and result in accrual of interest on lump sums/pensions. Beneficiaries upset about delays.				
Reaction to breach	Due to complexity of calculations, currently only 2 members of team are fully trained and experienced to complete the task. Further training of team is required and review of process to improve outcome.				
Outstanding actions	Further staff training required and review of process and task management.				

Reference	7	Date recorded/ updated	19/09/17	Date breach resolved	Ongoing
Category	Contributions	Owner	D Fielder	Reported to TPR	No
Description and cause of breach	Late payments by a small number of employers.				
Possible effect and wider implications	Could expose employers to late payment interest charge. Assumptions regarding funding assume regular monthly payment, not adhering to this regulatory requirement could result in changed actuarial assumptions for the employer.				
Possible effect and wider implications					
Reaction to breach	Issues raised with the employers and determined to be mostly one-off in nature. One employer remains outstanding (July – October).				
Outstanding actions					

Reference	8	Date recorded/ updated	19/09/17	Date breach resolved	Open
Category	Remittance Advice	Owner	D Fielder	Reported to TPR	No
Description and cause of breach	Delays in the provision of remittance advice showing analysis of payments received such as split between employer and employee contributions and pensionable pay.				
Possible effect and wider implications	Reputational.				
Possible effect and wider implications					
Reaction to breach	Communication with the employers concerned has reduced the number outstanding as well as increasing the understanding of employers to the importance of the analysis.				
Outstanding actions	Most now received but continue to follow up with those employers with outstanding remittance advice.				