

# The Pension Regulator's and Scheme Advisory Board Compliance Checklist

Date of Completion: 04/09/2018

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## Introduction

This document outlines how Hackney Council complies with the Pensions Regulator's (TPR) Code of Practice No 14 Governance and administration of public service pension schemes ('the TPR Code') in relation to the management of the London Borough of Hackney Pension Fund which is part of the Local Government Pension Scheme (LGPS). It will be updated regularly by officers of the Fund and reported annually to the Pensions Committee and Pension Board (generally in June/July each year).

This document highlights all the key elements of the TPR Code and then evidences whether Hackney Council meets these areas of best practice. As part of this evidence it shows when the element was last checked and whether, at that point, it was considered fully, partially or not compliant. Where they are partially or not compliant, it also highlights whether the Council have identified actions to be carried out to improve their current practices. Where an element is not yet active, the commentary will generally still highlight where advanced progress is being made.

Those reading this document should be mindful that the TPR Code applies equally to all public service pension schemes and therefore it is generic in nature. There may be a number of elements that are more specifically stipulated within LGPS legislation and it is not the purpose of this compliance checklist to consider that level of detail.

Further, Hackney Council may also incorporate key elements of national guidance from the LGPS Scheme Advisory Board into this compliance checklist. This version contains the checklists included as part of the Shadow Scheme Advisory Boards "Guidance on the creation and operation of Local Pension Boards in England and Wales".

## Key

**Frequency of review and last review date:** Where a process, policy or practice is officially reviewed at a set interval, the actual interval will be shown as well as the last interval date. However, in many circumstances processes and procedures are ongoing and part of the day – to - day operation of the Fund. In these circumstances, an annual check will be carried out to ensure that the ongoing process meets the TPR Code expectations and therefore the date shown will be the date that annual check was carried out and the frequency will be shown as "ongoing (annual check)".

| Completed:       | Compliant:          | Where responsibility relates to employers: |
|------------------|---------------------|--------------------------------------------|
| Fully completed  | Fully compliant     | Employers - Fully compliant                |
| In progress      | Partially compliant | Employers - Partially compliant            |
| Not started      | Non-compliant       | Employers - Non-compliant                  |
| Not yet relevant | Not yet relevant    | Not yet relevant                           |

### Definitions:

|                                |                                                                                                                     |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <i>PSPA13</i>                  | Public Service Pensions Act 2013                                                                                    |
| <i>LGPS</i>                    | Local Government Pension Scheme                                                                                     |
| <i>TPR</i>                     | The Pensions Regulator                                                                                              |
| <i>TPR Code</i>                | The Pensions Regulator's Code of Practice No 14 Governance and administration of public service pension schemes     |
| <i>Scheme Manager</i>          | For the London Borough of Hackney Pension Fund, this is Hackney Council.                                            |
| <i>Administering Authority</i> | The LGPS specific term for Scheme Manager. For the London Borough of Hackney Pension Fund, this is Hackney Council. |
| <i>IDRP</i>                    | Internal Dispute Resolution Procedure                                                                               |
| <i>SAB</i>                     | The national LGPS Scheme Advisory Board                                                                             |
| <i>PC</i>                      | Pensions Committee                                                                                                  |
| <i>PB</i>                      | Pension Board                                                                                                       |

## Summary Dashboard

A dashboard showing the summary of the results of the latest compliance checklist is shown below:

| No.                                | Completed       | Compliant           |
|------------------------------------|-----------------|---------------------|
| <b>Reporting Duties</b>            |                 |                     |
| A1                                 | Fully completed | Fully compliant     |
| A2                                 | In progress     | Fully compliant     |
| A3                                 | Fully completed | Fully compliant     |
| A4                                 | Fully completed | Fully compliant     |
| <b>Knowledge and Understanding</b> |                 |                     |
| B1                                 | In progress     | Fully compliant     |
| B2                                 | Fully completed | Fully compliant     |
| B3                                 | In progress     | Partially compliant |
| B4                                 | Fully completed | Fully compliant     |
| B5                                 | Fully completed | Fully compliant     |
| B6                                 | Fully completed | Fully compliant     |
| B7                                 | Fully completed | Fully compliant     |
| B8                                 | In progress     | Partially compliant |
| B9                                 | Fully completed | Fully compliant     |
| B10                                | In progress     | Partially compliant |
| B11                                | In progress     | Fully compliant     |
| B12                                | Fully completed | Partially compliant |
| <b>Conflicts of Interest</b>       |                 |                     |
| C1                                 | Fully completed | Fully compliant     |
| C2                                 | In progress     | Fully compliant     |
| C3                                 | In progress     | Fully compliant     |
| C4                                 | Fully completed | Fully compliant     |
| C5                                 | Fully completed | Fully compliant     |
| C6                                 | In progress     | Fully compliant     |
| C7                                 | Fully completed | Fully compliant     |
| C8                                 | Fully completed | Fully compliant     |
| C9                                 | Fully completed | Fully compliant     |
| C10                                | Fully completed | Fully compliant     |
| C11                                | Fully completed | Fully compliant     |
| <b>Publishing Information</b>      |                 |                     |
| D1                                 | In progress     | Fully compliant     |
| D2                                 | In progress     | Partially compliant |
| D3                                 | Fully completed | Fully compliant     |
| D4                                 | Fully completed | Fully compliant     |

| No.                                                | Completed       | Compliant                       |
|----------------------------------------------------|-----------------|---------------------------------|
| <b>Risk and Internal Controls</b>                  |                 |                                 |
| E1                                                 | Fully completed | Fully compliant                 |
| E2                                                 | Fully completed | Fully compliant                 |
| E3                                                 | Fully completed | Fully compliant                 |
| E4                                                 | Fully completed | Fully compliant                 |
| E5                                                 | Fully completed | Fully compliant                 |
| E6                                                 | Fully completed | Fully compliant                 |
| E7                                                 | Fully completed | Fully compliant                 |
| E8                                                 | Fully completed | Fully compliant                 |
| <b>Maintaining Accurate Member Data</b>            |                 |                                 |
| F1                                                 | In progress     | Partially compliant             |
| F2                                                 | Fully completed | Fully compliant                 |
| F3                                                 | Fully completed | Fully compliant                 |
| F4                                                 | Fully completed | Fully compliant                 |
| F5                                                 | Fully completed | Fully compliant                 |
| F6                                                 | Fully completed | Fully compliant                 |
| F7                                                 | Fully completed | Fully compliant                 |
| F8                                                 | In progress     | Fully compliant                 |
| F9                                                 | In progress     | Partially compliant             |
| F10                                                | In progress     | Fully compliant                 |
| F11                                                | Fully completed | Partially compliant             |
| <b>Maintaining Contributions</b>                   |                 |                                 |
| G1                                                 | Fully completed | Fully compliant                 |
| G2                                                 | Fully completed | Fully compliant                 |
| G3                                                 | In progress     | Non-compliant                   |
| G4                                                 | Fully completed | Fully compliant                 |
| G5                                                 | Fully completed | Fully compliant                 |
| G6                                                 | Fully completed | Fully compliant                 |
| G7                                                 | Fully completed | Employers - Partially compliant |
| G8                                                 | Fully completed | Fully compliant                 |
| G9                                                 | Fully completed | Fully compliant                 |
| <b>Providing Information to Members and Others</b> |                 |                                 |
| H1                                                 | In progress     | Employers - Non-compliant       |
| H2                                                 | Fully completed | Partially compliant             |
| H3                                                 | Fully completed | Fully compliant                 |
| H4                                                 | Fully completed | Partially compliant             |
| H5                                                 | Fully completed | Fully compliant                 |
| H6                                                 | Fully completed | Fully compliant                 |

| No.                                       | Completed       | Compliant                   |
|-------------------------------------------|-----------------|-----------------------------|
| H7                                        | Fully completed | Employers - Fully compliant |
| H8                                        | Fully completed | Partially compliant         |
| H9                                        | Fully completed | Fully compliant             |
| H10                                       | Fully completed | Fully compliant             |
| H11                                       | Fully completed | Partially compliant         |
| H12                                       | Fully completed | Fully compliant             |
| H13                                       | Fully completed | Fully compliant             |
| <b>Internal Dispute Resolution</b>        |                 |                             |
| I1                                        | Fully completed | Fully compliant             |
| I2                                        | Fully completed | Fully compliant             |
| I3                                        | Fully completed | Fully compliant             |
| I4                                        | Fully completed | Fully compliant             |
| I5                                        | Fully completed | Fully compliant             |
| I6                                        | Fully completed | Fully compliant             |
| I7                                        | Fully completed | Fully compliant             |
| I8                                        | Fully completed | Fully compliant             |
| I9                                        | Fully completed | Fully compliant             |
| <b>Reporting Breaches</b>                 |                 |                             |
| J1                                        | Fully completed | Fully compliant             |
| J2                                        | Fully completed | Fully compliant             |
| J3                                        | Fully completed | Partially compliant         |
| <b>Scheme Advisory Board Requirements</b> |                 |                             |
| K1                                        | Fully completed | Fully compliant             |
| K2                                        | Fully completed | Fully compliant             |
| K3                                        | Fully completed | Fully compliant             |
| K4                                        | Fully completed | Fully compliant             |
| K5                                        | Fully completed | Fully compliant             |
| K6                                        | Fully completed | Fully compliant             |
| K7                                        | Fully completed | Partially compliant         |
| K8                                        | Fully completed | Fully compliant             |
| K9                                        | Fully completed | Partially compliant         |
| K10                                       | Fully completed | Fully compliant             |
| K11                                       | Fully completed | Fully compliant             |
| K12                                       | In progress     | Partially compliant         |
| K13                                       | Fully completed | Fully compliant             |
| K14                                       | Fully completed | Fully compliant             |
| K15                                       | Fully completed | Fully compliant             |

## A - Reporting Duties

Note the requirements in this section are not included in the TPR Code but they are a fundamental to the relationship with TPR.

### Legal Requirements

All public service pension schemes have to be registered with TPR. In addition, all schemes must provide a regular scheme return to TPR, containing prescribed information. A return is required when the scheme receives a scheme return notice from the regulator. The scheme manager must also keep the regulator informed of any changes to registrable scheme details.

Note the requirements in this section are not included in the TPR Code but are a requirement for all schemes.

| No. | TPR Requirement                                                                          | London Borough of Hackney Approach / Evidence                                                                                                                       | Frequency of Review             | Last Review Date | Review Completed | Compliant       | Notes                                                      | Action |
|-----|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------|------------------|-----------------|------------------------------------------------------------|--------|
| A1  | Is your scheme registered with the Pension Regulator?                                    | New registration will only be required if a new LGPS is created that is deemed to be a separate scheme<br><br>Check annually to see if new registration is required | Annual (Jul)                    | 31/07/2018       | Fully completed  | Fully compliant |                                                            |        |
| A2  | Is the information held on the Pensions Regulator's website about the scheme up-to-date? | Update as employers join or leave the scheme and check annually for overall accuracy.                                                                               | Ongoing (annual check - August) | 31/08/2018       | In progress      | Fully compliant | Annual check in progress in conjunction with scheme return |        |

| No. | TPR Requirement                                                                           | London Borough of Hackney Approach / Evidence                                                | Frequency of Review   | Last Review Date | Review Completed | Compliant       | Notes                                                                                                                                                                                                                                                                                           | Action |
|-----|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------|------------------|------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| A3  | Have you completed this latest Scheme Return in the required timescale?                   | TPR return to be submitted as and when needed                                                | As and when received  | 31/07/2018       | Fully completed  | Fully compliant | Last scheme return submitted to TPR September 2017<br>Scheme return 2018 due from tPR in September 2018, likely deadline October.                                                                                                                                                               |        |
| A4  | Have you responded to the latest TPR public service pension scheme survey /questionnaire? | Intention is to respond to any such survey that is received, including on a voluntary basis. | As and when received. | 31/07/2018       | Fully completed  | Fully compliant | Last survey received and completed (November 2017)<br><br>(Summary of results can be found online:<br><a href="http://www.thepensionsregulator.gov.uk/docs/public-service-research-summary-2017.pdf">http://www.thepensionsregulator.gov.uk/docs/public-service-research-summary-2017.pdf</a> ) |        |

## B - Knowledge and Understanding

### Legal Requirements

A member of the pension board of a public service pension scheme must be conversant with:

- the rules of the scheme, and
- any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme.

A member of a pension board must have knowledge and understanding of:

- the law relating to pensions, and
- any other matters which are prescribed in regulations.

The degree of knowledge and understanding required is that appropriate for the purposes of enabling the individual to properly exercise the functions of a member of the pension board.

| No. | TPR Requirement                                                                                                                       | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                          | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                                                                                                | Action                                                                                          |
|-----|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| B1  | Are there policies and arrangements in place to support pension board members in acquiring and retaining knowledge and understanding? | Pension Fund Training Policy with appropriate objectives and measurements in place.                                                                                                                                                                                                                                                                                                                                                                                                    | Annual (Jun)                 | 30/08/2018       | In progress      | Fully compliant     | Adopted by Pension Board at its first meeting in July 2015. Training policy currently under review by Pensions Committee                                                             | Review Training Policy (during Sept 2018)                                                       |
| B2  | Has a person been designated to take responsibility for ensuring the framework is developed and implemented?                          | In training policy. Responsibility delegated to the Group Director of Finance and Corporate Resources.                                                                                                                                                                                                                                                                                                                                                                                 | Ongoing (annual check - Jun) | 31/07/2018       | Fully completed  | Fully compliant     |                                                                                                                                                                                      |                                                                                                 |
| B3  | Is the Fund providing assistance to pension board members to determine the degree of knowledge and understanding required?            | Dedicated induction training will be provided based on CIPFA requirements and TPR Toolkit also incorporated – final details to be determined. Also all new members will be provided with key documents as per Training Policy<br><br>Ongoing PB members will be required to go to the training for Pension Committee in addition to carrying out additional ad - hoc training as other needs arise.<br><br>Annual self -assessment will be completed through the effectiveness survey. | Ongoing (annual check - Jun) | 31/07/2018       | In progress      | Partially compliant | Training session currently provided at PB meetings but need to establish annual in depth training day or equivalent                                                                  | Consider outcome of review by Pensions Committee - take to Board Oct 2018 to review and discuss |
| B4  | Are the roles and responsibilities of pension boards and members of pension board clearly set out in scheme documentation?            | Including in the PB Terms of Reference.                                                                                                                                                                                                                                                                                                                                                                                                                                                | Ongoing (annual check - Jun) | 31/07/2018       | Fully completed  | Fully compliant     |                                                                                                                                                                                      |                                                                                                 |
| B5  | Are pension board members aware of their legal responsibility in terms of Knowledge and Understanding?                                | Articulated in Training Policy and part of Induction Training. All members to be provided with copy of Training Policy as part of induction pack and reminded of Policy on an annual basis.                                                                                                                                                                                                                                                                                            | Ongoing (annual check - Jun) | 31/07/2018       | Fully completed  | Fully compliant     | 3 new board members made aware when recruited [completed during application process]<br><br>1st meeting with all 3 new members on 20th March 2017 - Discussed legal responsibilities | Legal responsibilities to be reviewed annually                                                  |
| B6  | Have all pension board members got access to copies of the scheme rules and relevant Fund documentation?                              | Will be part of induction training including welcome pack with key documents included. Ongoing training part of normal Committee business (which PB members be given access to).                                                                                                                                                                                                                                                                                                       | Ongoing (annual check - Jun) | 31/07/2018       | Fully completed  | Fully compliant     | PB Members expected to attend training at PC and also to attend other relevant training when available<br><br>Documents sent to new Board members during March 2017 Board meeting    |                                                                                                 |
| B7  | Is there an up-to-date list of the Fund specific documents with which pension board members need to be conversant in?                 | Induction list in Training Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Ongoing (annual check - Jun) | 31/07/2018       | Fully completed  | Fully compliant     |                                                                                                                                                                                      |                                                                                                 |

| No. | TPR Requirement                                                                                                                                                                | London Borough of Hackney Approach / Evidence                                                                                                                                                                                               | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                                                                        | Action                                                                |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| B8  | Are all pension board members investing sufficient time in their learning and development?                                                                                     | Training plans are agreed each June as part of the PC business plan. Monitoring of attendance at training is undertaken in accordance with Training Policy and recorded annually in governance update in annual report and accounts.        | Ongoing (annual check - Jun) | 31/07/2018       | In progress      | Partially compliant | As per B2 and B3 - training policy agreed but under development re: individual training plans                                                                | Set up individual plan documentation with Aon                         |
| B9  | Does the Fund offer pre-appointment training for new pension board members or mentoring by existing members?                                                                   | Induction process in Training Policy including providing all with copies of key documents.                                                                                                                                                  | Ongoing (annual check - Jun) | 31/07/2018       | Fully completed  | Fully compliant     | Now offered to Committee members - no new Board members since introduced but will follow same process of attendance at relevant specialist external training | Note courses offered by diff organisations at different time sof year |
| B10 | Is there a process in place for regularly assessing the pension board members' level of knowledge and understanding is sufficient for their role, responsibilities and duties? | There is a Training Plan (annual) which is focussed at whole PC/PB level. Annual self-assessment already carried out for PC members and will be extended to PB going forward.                                                               | Ongoing (annual check - Jun) | 31/07/2018       | In progress      | Partially compliant | As per B8 - introduction of individual plans under review by Committee, to be introduced using Aon model                                                     | Set up individual plan documentation with Aon                         |
| B11 | Are records of learning activities being maintained?                                                                                                                           | This is included in the annual report and accounts at whole PC/PB level.                                                                                                                                                                    | Ongoing (annual check - Jun) | 31/07/2018       | In progress      | Fully compliant     | Records are maintained but improvements to individual records required to allow easy monitoring on an ongoing basis                                          | Set up individual plan documentation with Aon                         |
| B12 | Have the pension board members completed the Pension Regulator's toolkit for training on the Code of Practice number 14?                                                       | It is the intention that all PB and PC members will carry this out. Initially it will be incorporated into training as part of meetings. Meeting 1 of the Pension Board will include the conflicts of interest and breach module questions. | Ongoing (annual check - Jun) | 30/06/2017       | Fully completed  | Partially compliant | Pension Board provided with information on TPR toolkit - completed in some cases                                                                             | TPR toolkit to be re-sent for October PB meeting                      |

## C - Conflicts of interest

### Legal Requirements

The Public Service Pensions Act 2013 sets out the legal requirements for scheme managers and pension boards for conflicts of interest.

In relation to the pension board, scheme regulations must include provision requiring the scheme manager to be satisfied:

- that a person to be appointed as a member of the pension board does not have a conflict of interest and
- from time to time, that none of the members of the pension board has a conflict of interest.

Scheme regulations must require each member or proposed member of a pension board to provide the scheme manager with such information as the scheme manager reasonably requires for the purposes of meeting the requirements referred to above.

Scheme regulations must include provision requiring the pension board to include employer representatives and member representatives in equal numbers.

| No. | TPR Requirement                                                                                                                                                                | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                  | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes                                                                                                  | Action                                                                                                                                |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| C1  | Does the Fund have a conflict of interest policy and procedure, which include identifying, monitoring and managing potential conflicts of interest?                            | Pension Fund Conflict Policy with appropriate objectives and measurements in place which includes procedures to identify, monitor and manage potential conflicts of interest.<br><br>Conflicts of interest register records conflicts of interest declared by PB & PC members                                                                                                                                  | Annual (Jan)                 | 30/07/2018       | Fully completed  | Fully compliant | Adopted by Pensions Board at first meeting                                                             |                                                                                                                                       |
| C2  | Do pension board members have a clear understanding of their role, the circumstances in which they may have a conflict of interest and how to manage potential conflicts?      | PC & PB members must complete a declaration which requires them to sign that they understand the requirements.<br><br>Declarations must be completed by all PB members and reaffirmed annually. In addition, opportunity for new declarations is provided at the start of each meeting.<br><br>Training on conflicts planned for first PB meeting and they will adopt the conflicts policy at first PB meeting | Annual (Sep)                 | 30/07/2018       | In progress      | Fully compliant |                                                                                                        | New declaration forms are due to be sent out to all PB members for Oct 2018 meeting. Request return from PC members not yet submitted |
| C3  | Have all Pension Board members provided appropriate information for the Administering Authority to determine whether a conflict exists (on appointment and from time to time)? | Policy requires each PC & PB member to complete a declaration on appointment and annually.<br><br>The Head of PF Investments will ensure that all are received and collated within six weeks of the first meeting.<br><br>The register is reviewed annual to ensure conflicts are being registered at the earliest opportunity.                                                                                | Annual (Sep)                 | 30/07/2018       | In progress      | Fully compliant | All PB and PC members complete declarations on appointment and update each year                        | Review conflict of interest register once forms returned                                                                              |
| C4  | Does the appointment process for pension board members require disclosure of interests and responsibilities which could become conflicts of interest?                          | The Policy and procedures and the declarations require PB members to highlight potential, as well as actual, conflicts.<br><br>The procedure requires declaration at interview, annually and at each meeting (if not already declared).<br><br>The Head of PF Investments has responsibility for ensuring the procedure is followed.                                                                           | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant | Both actual and potential conflicts of interest have been highlighted by members of the Pensions Board |                                                                                                                                       |
| C5  | Is the conflicts policy regularly reviewed?                                                                                                                                    | Every three years or earlier if considered appropriate                                                                                                                                                                                                                                                                                                                                                         | Triennially                  | 31/03/2018       | Fully completed  | Fully compliant | Next review of Conflicts Policy due March 2021                                                         |                                                                                                                                       |



| No. | TPR Requirement                                                                                          | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                           | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes                                                                                                                                                                                          | Action                                                   |
|-----|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| C6  | Does the Fund have a conflicts register and it is circulated for ongoing review and published?           | <p>There is a register of interests which is updated on an ongoing basis based on information in individual declarations and provided to the Chair prior to each meeting.</p> <p>The information is incorporated in annual report and accounts and available on request.</p> <p>All declarations made at meetings will be recorded in the minutes which are public.</p> <p>Refer to policy – regularly reviewed (annual basis etc).</p> | Ongoing (annual check - Jan) | 30/07/2018       | In progress      | Fully compliant |                                                                                                                                                                                                | Review conflict of interest register once forms returned |
| C7  | Is appropriate information included in the register?                                                     | <p>Register of interests updated on an ongoing basis but this will be reviewed annually to ensure it is being used correctly.</p> <p>Register includes all this information and is included as an appendix to the Conflicts policy.</p>                                                                                                                                                                                                 | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                                                                                |                                                          |
| C8  | Is there a standing item on the agenda for declaring conflicts of interest?                              | Part of standard PC meeting agenda and intention to be part of PB meeting agenda too.                                                                                                                                                                                                                                                                                                                                                   | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant | Declarations are part of standard agenda for PB and PC                                                                                                                                         |                                                          |
| C9  | Do those involved know how to report a conflict of interest?                                             | Members trained on appointment and provided with copy of Conflicts Policy annually. Also Policy referred to at start of each meeting                                                                                                                                                                                                                                                                                                    | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant | Pension Board provided with background on Conflicts Policy and referred to in meetings                                                                                                         |                                                          |
| C10 | Is the number of employer and member representatives on the board in line with legal requirements?       | Outlined in the terms of reference.                                                                                                                                                                                                                                                                                                                                                                                                     | Ongoing (annual check - Sep) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                                                                                |                                                          |
| C11 | Is the board made up of the appropriate mix of representatives in order to minimise potential conflicts? | <p>To be completed as part of appointment process and then reviewed annually to ensure this continues.</p> <p>Appointment Process completed including appointments panel interview to assess capacity of individuals to fulfil role as Pension Board Member.</p>                                                                                                                                                                        | Ongoing (annual check - Sep) | 30/06/2017       | Fully completed  | Fully compliant | <p>Pension Board members were required to submit statement outlining skills appropriate to their role on the Board.</p> <p>Interviews were conducted to select most suitable Board Members</p> |                                                          |

## D - Publishing information about schemes

### Legal Requirements

The scheme manager for a public service scheme must publish information about the pension board for the scheme(s) and keep that information up-to-date.

The information must include:

- who the members of the pension board are
- representation on the board of members of the scheme(s), and
- the matters falling within the pension board's responsibility

| No. | TPR Requirement                                                                                    | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                       | Action                                                                                                                        |
|-----|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| D1  | Does the Administering Authority publish information about the pension board?                      | See - <a href="http://hackney.xpmemberservices.com/Scheme/Pensions-Board.aspx">http://hackney.xpmemberservices.com/Scheme/Pensions-Board.aspx</a>                                                                                            | Ongoing (annual check - Jan) | 30/07/2018       | In progress      | Fully compliant     | Details published but hard to find on website                                               | Ensure more prominent as part of move to new static website                                                                   |
| D2  | Does the Administering Authority publish other useful related information about the pension board? | See - <a href="http://hackney.xpmemberservices.com/Scheme/Pensions-Board.aspx">http://hackney.xpmemberservices.com/Scheme/Pensions-Board.aspx</a><br><br>Already has appointment process, terms of reference and roles and responsibilities. | Ongoing (annual check - Jan) | 30/07/2018       | In progress      | Partially compliant | Only names published at present - Terms of Reference in Concil constitution not PF website. | Double check who has permitted publication of employment details - ensure full Terms of Reference published on new PB website |
| D3  | Is all the information about the Pension Board kept up-to-date?                                    | Information regularly checked.                                                                                                                                                                                                               | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     | Review of info available currently underway                                                 |                                                                                                                               |
| D4  | Does the Administering Authority public information about pension board business?                  | All pension board meetings are public meetings and information will be contained on the Hackney Council website.                                                                                                                             | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     | Pension Board Agenda and papers are published on Council website                            |                                                                                                                               |

## E - Managing risk and internal controls

### Legal Requirements

The scheme manager must establish and operate internal controls which adequately ensure the scheme is administered and managed in accordance with the scheme rules and the requirements of the law.

Internal controls are defined in the legislation as:

- arrangements and procedures to be followed in the administration and management of the scheme
- systems and arrangements for monitoring that administration and management
- arrangements and procedures to be followed for the safe custody and security of the assets of the scheme

The legal requirements apply equally where a scheme outsources services connected with the running of the scheme.

| No. | TPR Requirement                                                                                                            | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Frequency of Review           | Last Review Date | Review Completed | Compliant       | Notes                                                                                               | Action                                    |
|-----|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------------|------------------|-----------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------|
| E1  | Is there an agreed process for identifying and recording scheme risks?                                                     | A risk management policy is in place that outlines the procedure for identifying, managing and recording risk. It covers all the key areas identified by the TPR Code.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Annual (Jun)                  | 30/07/2018       | Fully completed  | Fully compliant | Risk management policy agreed at June 2018 PC; policy is updated every 3 years (next due June 2021) | Review Risk Management Policy in Jun 2021 |
| E2  | Does the Fund have an adequate process to evaluate risks and establish internal controls?                                  | The risk management process includes how risks are to be evaluated and internal controls established. It makes use of a RAG status based on impact and likelihood and the associated control is then shown as part of the risk register. The risk management policy also lists the key internal controls.                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Annual (Jun)                  | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                     |                                           |
| E3  | Does the Administering Authority have a risk register to record all risks identified and action taken?                     | Risk register is in place which includes all internal controls and action taken.<br><br>Risk Register last reviewed at Pensions Committee meeting in January 2017.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Annually (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | Reviewed December 2017                                                                              | Review December 2018                      |
| E4  | Does the Administering Authority review the effectiveness of the risk management and internal control systems of the Fund? | Our risk management and internal controls are continually reviewed for effectiveness as part of a number of processes including:<br>- The ongoing updating of the risk register which includes the control of those risks<br>- Issues identified through regular monitoring reports such as performance monitoring for PC, IDRPs updates, monthly reports from Equiniti and breaches notifications.<br>- The triennial (at least) review of the risk management policy which includes a list of the key controls<br>- Regular internal and external audit reports.<br>- Annual internal control reports from Equiniti, custodian and fund managers.<br>- Annual update of TPR Code compliance checklist.<br>- Periodic ad-hoc reviews (e.g. LGPS2014 audit). | Annually (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                     |                                           |

| No. | TPR Requirement                                                                                                                                                                                  | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Frequency of Review           | Last Review Date | Review Completed | Compliant       | Notes                                                | Action                                                            |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------------|------------------|-----------------|------------------------------------------------------|-------------------------------------------------------------------|
| E5  | Does the Administering Authority regularly review the risk register?                                                                                                                             | <p>Risk management is ongoing and therefore the register can be updated as a result of risk identification through a number of means including:</p> <ul style="list-style-type: none"> <li>- annual review at pensions committee</li> <li>- performance measurement against agreed objectives</li> <li>- monitoring against the Fund's business plan</li> <li>- findings of internal and external audit and other adviser reports</li> <li>- feedback from the local Pension Board, employers and other stakeholders</li> <li>- informal meetings of senior officers or other staff involved in the management of the Fund</li> <li>- liaison with other organisations, regional and national associations, professional groups, etc.</li> </ul> <p>Risk Register last reviewed at Pensions Committee meeting in January 2016</p> | Annually (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | Reviewed December 2017                               | Review December 2018                                              |
| E6  | Is there a standing item on the Pension Board agenda to review scheme risks?                                                                                                                     | It is a standing item on the Pensions Committee each January and, as a matter of course, is then shared with the Pension Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Annually (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant | Risk register discussed December 17 PC / March 18 PB | Note recommendations from Board re: presentation of risk register |
| E7  | Does the Administering Authority have adequate systems, arrangements and procedures (internal controls) in place for the administration and management of the Fund and are they documented ?     | It is considered that there are adequate internal controls in place. These are articulated in the risk register and many of the key ones outlined in the appendix to the Risk Management Policy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Annually (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                      |                                                                   |
| E8  | Do these procedures apply equally to outsourced services, are internal controls reflected in contracts with third party providers and is there adequate reporting in relation to those controls? | <p>The key outsourced services for this purpose are Equiniti (third party administration), HSBC (custodian) and Fund managers.</p> <p>These providers are required to provide annual internal control reports and a control sheet is used to ensure they are received and reviewed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Annually (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                      |                                                                   |

## F - Maintaining accurate member data

### Legal Requirements

Scheme managers must keep records of information relating to:

- member information
- transactions, and
- pension board meetings and decisions.

The legal requirements are set out in the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014 ('the Record Keeping Regulations').

The Data Protection Act 1998 and the data protection principles set out additional requirements for using, holding and handling personal information. Other requirements are set out in the:

- Pensions Act 1995 and 2004
- Pensions Act 2008 and the Employers' Duties (Registration and Compliance) Regulations 2010
- Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996/1715)
- Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997 (SR 1997 No 94)
- Registered Pension Schemes (Provision of Information) Regulations 2006 (SI 2006/567)

| No. | TPR Requirement                                                                                                    | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Frequency of Review                                                      | Last Review Date | Review Completed | Compliant           | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                             | Action |
|-----|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------|------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| F1  | Do member records record the information required as defined in the Record Keeping Regulations and is it accurate? | <p>Scheme member records are maintained by Equiniti our third party administrators. Therefore much of the information here and in later questions relates to the records they hold on Hackney's behalf. However, as the scheme manager, Hackney is required to be satisfied the regulations are being adhered to.</p> <p>Checks were carried out in relation to each of the requirements in the Record Keeping Regulations and all were considered compliant except for in relation to clause 4(3) which relates to information for members who pay AVCs. This is held and maintained by Prudential with an annual update provided to Hackney Council/Equiniti. Hackney are currently investigating gaining access to view these AVC records.</p> <p>Data accuracy and completeness reports are also received via the triennial valuation, which cover some of these elements. In the autumn of 2015, Aon Hewitt carried out a audit of employer provided data. It highlighted a number of issues with the quality of data being provided by employers.</p> <p>Going forward Equiniti will providing an annual statement confirming they are adhering to this requirement on the accuracy and completeness of the data.</p> | <p>Annually (Jul/Aug)</p> <p>Part of actuarial valuation (triennial)</p> | 30/07/2018       | In progress      | Partially compliant | <p>Equiniti were unable to provide complete and accurate annual benefit statements for all scheme members in 2017-18 because they had not received year-end files from the scheme's largest employer (Hackney Council).</p> <p>The Triennial valuation 2016-17 is complete</p> <p>Access to AVC information has been partially gained as the Pru now provides monthly listings of new AVC contracts and any amendments to existing contracts.</p> | #NAME? |

| No. | TPR Requirement                                                                                                 | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                            | Frequency of Review                       | Last Review Date | Review Completed | Compliant       | Notes | Action |
|-----|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------|------------------|-----------------|-------|--------|
| F2  | Does the Fund have the appropriate processes in place so employers can provide timely and accurate information? | The Fund's Pension Administration Strategy includes a list of all employer responsibilities and duties including timescales. Employer performance is measured against the PAS with appropriate action taken to ensure compliance.                                                                                                                                                                                                                                        | PAS reviewed each January for PC in March | 30/07/2018       | Fully completed  | Fully compliant |       |        |
| F3  | Does the Fund keep records of and reconcile transactions as required by the Record Keeping Regulations?         | All info on scheme records and also on the client cash manager (Lloyds pension fund bank account with Equiniti) that then flows across to the Hackney PF account and all feeds into annual report and accounts. This includes all write offs. There are also some spreadsheets that are used for further checks (e.g. transfers in, overpayments).<br><br>There is reconciliation between actual and expected costs with a quarterly update against budget in PC papers. | Ongoing (annual check - Jun)              | 30/06/2017       | Fully completed  | Fully compliant |       |        |

| No. | TPR Requirement                                                                                                             | London Borough of Hackney Approach / Evidence                                                                                   | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes | Action |
|-----|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|-------|--------|
| F4  | Are records kept of pension board meetings as required by the Record Keeping Regulations?                                   | Full minutes are maintained and published on the Hackney Council website. Annual check to ensure this continues to be the case. | Ongoing (annual check - Sep) | 30/06/2017       | Fully completed  | Fully compliant |       |        |
| F5  | Are records kept of decisions made by the pension board, outside of meetings as required by the Record Keeping Regulations? | We do not expect there to be decisions outside of the PB. The secretary (R Cowburn) will monitor the situation.                 | Ongoing (annual check - Sep) | 30/06/2017       | Fully completed  | Fully compliant |       |        |

| No. | TPR Requirement                                                                                   | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes                                                                                                                                                                                                                                                                    | Action                                                                                    |
|-----|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| F6  | Are records retained for as long as they are needed?                                              | Hackney consider it necessary to retain records for long as is possible due to the number of enquiries from employees relating to periods many decades ago. Accordingly personal records are maintained in addition to other data such as contribution lists, spreadsheets of old cases and pensions increases reports.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Ongoing (annual check - Sep) | 30/06/2017       | Fully completed  | Fully compliant | Fully compliant as appropriate systems are in place.<br><br>Discussions are in progress about the retention of data as the Council transitions payroll system                                                                                                            |                                                                                           |
| F7  | Does the Administering Authority have policies and processes to monitor data on an ongoing basis? | There are a number of separate processes in place to monitor data on an ongoing basis (generally carried out by Equiniti) including:<br><ul style="list-style-type: none"> <li>- Monthly HK221 spreadsheets to check against changes received from employers</li> <li>- Year-end annual returns provide a further opportunity to highlight any data discrepancies</li> <li>- All data entry is checked for input accuracy</li> <li>- Various tolerance checks such as changes in pay</li> <li>- Processes if pensioner payslips are returned (including suspension of pension on second return), using only BACs payments for pensioners and life certificate exercises (overseas and over a certain age annually and then all cases every 2 or 3 years) and national fraud initiative every 2 years.</li> <li>- Triennial valuation highlights data issues. Process exists for warning and charging levies to employers if incomplete monthly data is provided or if provided late</li> <li>- Checks on 'common' data (ad-hoc)</li> </ul> | Ongoing (annual check - Jul) | 31/07/2017       | Fully completed  | Fully compliant | Monthly HK221 & Year end data checks along with the Triennial valuation makes us compliant. In addition to this, Equiniti have confirmed that the common data report has been run for 2017 and the analysis is being worked on to provide Hackney with a written report. | Equiniti will provide LBH with a written report on the common data analysis in due course |



| No. | TPR Requirement                                                                       | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                               | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                        | Action                                                                                                                                                 |
|-----|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| F8  | Does the Administering Authority carry out a data review at least annually?           | Annual year end reconciliations as described above plus for annual report and accounts, pensions increases and benefit statements.<br><br>Equiniti carry out a common data and intend to commence a conditional data review.                                                                                | Ongoing (annual check - Jul) | 30/07/2018       | In progress      | Fully compliant     | Review of how to provide and score conditional data underway | Equiniti will provide LBH with a written report on the conditional data analysis in due course                                                         |
| F9  | Is a data improvement plan in place which is being monitored with a defined end date? | Monthly meeting held between Equiniti and Hackney where some elements of improvement are discussed and actions/timescales agreed. However, a clear statement of all improvement areas with a plan is not currently in place. Employers are charged an administration fee where they fail to meet standards. | Ongoing (annual check - Jul) | 30/07/2018       | In progress      | Partially compliant |                                                              | Formal Data improvement plan is in the process of being developed taking into account the work being carried out the new interface report from Hackney |
| F10 | Are processes and policies in place to reconcile scheme data with employer data?      | Monthly and year end spreadsheets assist with reconciling data.                                                                                                                                                                                                                                             | Ongoing (annual check - Jul) | 30/07/2018       | In progress      | Fully compliant     | Data matching exercise underway for Hackney Council data     |                                                                                                                                                        |

| No. | TPR Requirement                                                                                                                                  | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                                                                                                                                                                                                                    | Action                                                                                                                                    |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| F11 | Do the Administering Authority's member data processes meet the requirements of the Data Protection Act 1998 and the data protection principles? | <p>Ensure all those involved with data understand the DPA:</p> <ul style="list-style-type: none"> <li>- Equiniti get annual training</li> <li>- Hackney staff periodic training but some staff have not received yet received training</li> <li>- DPA officer at both Equiniti and Hackney</li> <li>- Council data protection policy in place and guidance on intranet</li> </ul> <p>Evidence of processes includes:</p> <ul style="list-style-type: none"> <li>- Share file is used for data transfer with all employers, Equiniti and Hackney</li> <li>- Focalpoint used for data transfer with actuary</li> <li>- Actuary – use focalpoint.</li> <li>- Otherwise any sensitive e-mails are generally encrypted unless scheme member insists otherwise.</li> </ul> | Ongoing (annual check - Jul) | 30/07/2018       | Fully completed  | Partially compliant | New GDPR (Data Protection Reform) will have direct effect in May 2018 despite Brexit. LGPS Funds need to demonstrate in a meaningful way that both the overall governance structure for data protection compliance and the individual policies and procedures relating to data processing are compliant. | DPA training to be arranged for all Hackney pension team staff members, including ensuring all understand the process if a breach occurs. |

## G - Maintaining contributions

### Legal requirements

Contributions must be paid as detailed below, and where not done, they should be reported to TPR in circumstances where the scheme manager has reasonable cause to believe that the failure is likely to be of material significance to TPR in the exercise of any of its functions. Reporting must be carried out as detailed below.

| Contribution Type | Contributions must be paid                                                                                                                                                  | When a failure should be reported                       |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Employer          | On or before the due date as defined by the scheme regulations                                                                                                              | To The Regulator: As soon as reasonably practicable     |
| Employee          | Paid within the prescribed period (19 <sup>th</sup> day of the month, or 22 <sup>nd</sup> day if paid electronically) or earlier date if required by the scheme regulations | Regulator: Within a reasonable period – 10 working days |

| No. | TPR Requirement                                                                                                                              | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes                                                                                                                                                                                                                                                                                                                                                                  | Action                                                                                                                                                                                                                             |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| G1  | Does the Fund have procedures and processes in place to identify payment failures?                                                           | <p>There is a master spreadsheet where all contributions received are entered and monitored by Equiniti.</p> <p>All payments are made by electronic transfer to reduce risk of payment failure.</p> <p>Hackney Council and Equiniti hold monthly meetings to determine how to deal with any issues arising.</p>                                                                                                                                                                                                                                                                               | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | There has been an improvement in monitoring contributions by sample testing the data in supporting documents.                                                                                                                                                                                                                                                          | Further communication with employers to submit supporting documents in specified format.                                                                                                                                           |
| G2  | Do those processes and procedures include a contributions monitoring record to determine whether contributions are paid on time and in full? | <p>The spreadsheet highlights where a payment is not received by 19th each month. It also highlights if contributions could be incorrect by comparing salary vs contribution rate to give employee and employer rates. The HK221 detailed information (per employee) is used to cross check the amounts that are coming through correctly to the gross totals.</p> <p>Interest is automatically charged for late contributions in accordance with LGPS regulations and discretionary policy. Details of the charges applied and the interest are provided in the administration strategy.</p> | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | There is a robust monitoring process in place and the capability to receive interest on late contributions in the PAS. The PAS could be more strictly enforced                                                                                                                                                                                                         | New charges within the PAS to be enforced on employers submitting poor data or late payments - awaiting completion of development work on Pension Fund AR system                                                                   |
| G3  | Do those processes and procedures include monitoring payments against the contributions monitoring record on an ongoing basis?               | <p>The process includes reconciliation with the payment received and shown in the financial system.</p> <p>No process is currently in place in relation to reconciling AVC payments with contributions record.</p>                                                                                                                                                                                                                                                                                                                                                                            | Ongoing (annual check - Jun) | 30/07/2018       | In progress      | Non-compliant   | Marked as non-compliant in relation to a significant issue reconciling AVC contributions incorrectly paid to Equiniti, resulting in contribution not being properly invested with Prudential. Only one known member affected but failure occurred over a significant time period and could have had significant financial consequences for the member if not detected. | Ongoing contribution reconciliations needs to be explored so that each member's contributions are rec'd each month. Prudential's processes need to be explored as LBH are not 100% confident all notifications are coming through. |
| G4  | Are these procedures regularly reviewed to ensure they are effective?                                                                        | <p>Payments are generally always on time.</p> <p>Monthly meeting between Equiniti and Hackney consider any late cases.</p> <p>Within Equiniti, the finance team meet every Monday to discuss what is expected, what is coming up, timetables, including highlighting any late payments and escalating to service review meetings.</p>                                                                                                                                                                                                                                                         | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                    |

| No. | TPR Requirement                                                                                                                                                                               | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                            | Frequency of Review          | Last Review Date | Review Completed | Compliant                       | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                           | Action                                                                                  |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| G5  | Do the Administering Authority's processes include managing overdue contributions in line with TPR's suggested approach?                                                                      | For main scheme contributions, monitoring spreadsheet maintained by Equiniti and separately by Hackney Council. Identification and escalation process, however, needs to be formalised.<br><br>Prudential automatically notify the scheme manager if any AVC payments are received late from employers (very few – only 4 or 5 in last 10 years).                        | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                         |
| G6  | Does the Fund maintain a record of any investigations and communications with employers?                                                                                                      | Information is collated in individual records relating to each employer. A summary of late payments is included in annual report and accounts (although employers are not specifically named). Information is also available on the historic monitoring spreadsheets. Equiniti system Compendia stores email and letter communications with employers                    | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                         |
| G7  | Do employers provide sufficient information to monitor contributions and is this in accordance with the LGPS regulations?                                                                     | There is monitoring of the format that employers provide information and this is being checked against the PAS.<br><br>Training is provided to employers but where information is not of sufficient quality employers may be charged or extreme cases reported to the pensions regulator                                                                                 | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Employers - Partially compliant | During 2016/17 there were ongoing issues with employers not providing sufficient information with HK221 spreadsheets. This is all captured on the Equiniti spreadsheet including what action has been taken and whether escalated to the Council.<br><br>Year-end returns have been received from the majority of employers to verify the information, and queries responded to, to enable reconciliation of member contributions with service. | Ongoing work with employers to ensure data is received in accordance with requirements. |
| G8  | Is there a satisfactory process in place to assess the materiality of any payment failures and ensure that those which are material are reported to the Regulator within a reasonable period? | Existing spreadsheets in place identify late payments, the PAS sets out processes in regards to late payments and the use of reporting breaches is available if required to report to the regulator.                                                                                                                                                                     | Annual check - (Jul)         | 30/07/2018       | Fully completed  | Fully compliant                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                         |
| G9  | If the administration of contributions outsourced to a service provider, is there a process in place to obtain regular information on the payment of contributions to the scheme?             | Yes, for main scheme (administered by Equiniti), spreadsheet maintained and shared monthly with Hackney Council and discussed as part of monthly service review meeting. Contribution monitoring is a requirement of service provision by Equiniti.<br><br>In relation to AVCs (administered by Prudential), all late payments are notified directly to Hackney Council. | Ongoing (annual check - Jul) | 30/07/2018       | Fully completed  | Fully compliant                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                         |

## H - Providing information to members and others

### Legal requirements

The law requires schemes to disclose information about benefits and scheme administration to scheme members and others. This includes requirements relating to benefit statements and certain other information which must be provided under the requirements of the 2013 Act, HM Treasury directions and the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 ('the Disclosure Regulations 2013'). In addition to these duties, there are other legal requirements relating to the provision of information to members and others under other legislation.

| No. | TPR Requirement                                                                                     | London Borough of Hackney Approach / Evidence                                                                                                    | Frequency of Review | Last Review Date | Review Completed | Compliant                 | Notes                                                                                                                                                                                            | Action                                                                                                                                                              |
|-----|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------|------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| H1  | Has an annual benefit statement been provided to all active members within the required timescales? | Sent annually. 2018 statements are currently being run                                                                                           | Annual (Sep)        | 30/08/2018       | In progress      | Employers - Non-compliant | Delay in issuing 2017-18 statements was due to Hackney Council payroll information not being submitted within the specified timeframes. Breach to be reported (Sep 18) to the Pensions Regulator | - Ongoing work with Hackney Council to improve data. This will be facilitated by the new payroll interface.<br>- Monitor issue of remaining 2400 active statements. |
| H2  | Do these meet the legal requirements in relation to format?                                         | A compliance review spreadsheet has been set up to monitor all areas under the legislation, which is being reviewed against the new ABS template | Annual (Jan)        | 30/08/2018       | Fully completed  | Partially compliant       | The standard statements have been improved for 2017 but there are still a few areas that are not fully compliant                                                                                 | Further work to be carried out on template for statements ready for 2018                                                                                            |

| No. | TPR Requirement                                                                                                                                 | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Frequency of Review          | Last Review Date | Review Completed | Compliant                   | Notes                                                                | Action                                                                                                                                                                                                                                                                                                        |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| H3  | Has a benefit statement been provided to all active, deferred and pension credit members who have requested one within the required timescales? | Benefit statements are issued automatically to all active and deferred members annually, which is more proactive than this provision (which just relates to issuing them on request). Active statements issued by October 2016. Deferred statements issued August 2016. For 2017 statements are currently being run with target date of 31 August<br><br>Pension credit statements issued within 10 working days. It is monitored that they meet the 10 working day deadline on Equiniti workflow system Pulse.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Annual (Sep)                 | 30/08/2018       | Fully completed  | Fully compliant             |                                                                      |                                                                                                                                                                                                                                                                                                               |
| H4  | Does this meet the legal requirements in relation to format?                                                                                    | The information in the standard active and deferred statements does not fully comply with the disclosure requirements for information to be provided on request. However, it is possible information provided on individual requests is more compliant but this needs further investigated.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Ongoing (annual check - Sep) | 30/08/2018       | Fully completed  | Partially compliant         |                                                                      | Further investigation and discussion required to decide whether to change format of statements to adhere to Disclosure Requirements or just to apply those requirements for individual requests.                                                                                                              |
| H5  | Has an annual benefit statement been provided to all members with AVCs within the required timescales?                                          | The Prudential send annual AVC statements to all AVC members by post                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Annual (Sep)                 | 30/08/2018       | Fully completed  | Fully compliant             | 2015-16 statements sent 26/05/16<br>2016-17 statements sent 31/05/17 |                                                                                                                                                                                                                                                                                                               |
| H6  | Do these meet the legal requirements in relation to format?                                                                                     | Statement provided by Prudential checked against requirements and all appropriate information is included.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Annual (Jun)                 | 30/08/2018       | Fully completed  | Fully compliant             |                                                                      |                                                                                                                                                                                                                                                                                                               |
| H7  | Is basic scheme information provided to all new and prospective members within the required timescales?                                         | New starter information is issued by Equiniti. This is done by issuing a notification of joining with a nomination form, transfer form and a link to the LGPS website. Equiniti aim to provide this information within 10 working days of being notified of joiners by employers (which is the official SLA as part of their contract). However, because the SLA relates to when notified, it does not necessarily mean the legal timescale has been met which is within 2 months of joining the scheme.<br><br>Equiniti often identify cases from contribution spreadsheets and auto-enrolment reports to chase outstanding information from employers with a review to improving this process. Equiniti will also send out the new starter information to members once picked up from the contribution spreadsheets even if they have not yet received a starter form from the employer.<br>From October 2016 the LBH pension team use a monitoring spreadsheet to track all new starters to ensure that the starter forms are going across within the set timescales and that Equiniti have actioned new starter information. | Ongoing (annual check - Jun) | 30/08/2018       | Fully completed  | Employers - Fully compliant |                                                                      | There is ongoing work to improve transfer of information from employers to Equiniti, including developing interfaces and charging administration cost for late notifications.                                                                                                                                 |
| H8  | Does this meet the legal requirements in relation to format?                                                                                    | A check against the requirements has been carried out. In the main the new joiner information is compliant but some areas are excluded or not as explicit as they might be, for example, in relation to the lack of charges for scheme members, what happens when a member leaves and the fact the scheme is registered by HMRC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Ongoing (annual check - Jun) | 30/08/2018       | Fully completed  | Partially compliant         |                                                                      | The joiner information is to be reviewed as part of the quality compliance review which is due to take place under the new administration contract. New members also need to be guided to the LBH Pension website once the improvements have been made to ensure all information is up to date and compliant. |

| No. | TPR Requirement                                                                                                                                                 | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                            | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Action                                                                                                                                             |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| H9  | Is all other information provided in accordance with the legal timescales?                                                                                      | Equiniti are asked to provide an annual statement confirming that they have met these requirements in relation to the main scheme for the previous financial year.<br><br>Prudential (the AVC provider) are asked to provide an annual statement confirming they have met the requirements in relation to lifestyling.<br><br>All standard communications to members from Hackney Council and Equiniti provide the postal contact details and the pensions@hackney.gov.uk email address. | Ongoing (annual check - Sep) | 31/07/2017       | Fully completed  | Fully compliant     | Equiniti have confirmed that Compendia automatically highlights the disclosure dates/requirements. The monthly Equiniti reports now have a statement saying they have not breached disclosure requirements, or if they have what.<br><br>The Pru have confirmed that these requirements have been met for 2016-17 and that they inform members on an annual basis whether they are in the growth or accumulation phase of lifestyle via their annual benefit statement | Although compliant the disclosure reporting on the monthly report could be improved and this will be looked at.                                    |
| H10 | Is all other information provided in the format and methods required by law?                                                                                    | Equiniti are asked to provide an annual statement confirming that they have met these requirements for the main scheme in relation to the previous financial year.<br><br>Prudential (the AVC provider) are asked to provide an annual statement confirming they have met the requirements in relation to lifestyling.                                                                                                                                                                   | Ongoing (annual check - Jun) | 31/07/2017       | Fully completed  | Fully compliant     | Equiniti have confirmed that Compendia automatically highlights the disclosure dates/requirements. The monthly Equiniti report now has a statement saying they have not breached disclosure requirements, or if they have what.<br><br>The Pru have confirmed that the requirements are met and that they inform members but inclusion on their website, enclosing an AVC leaflet with the main scheme ABSs for 2016-17.                                               | Although compliant the disclosure reporting on the monthly report could be improved and this will be looked at.                                    |
| H11 | Where any information is only provided electronically (i.e. instead of any hard copy) does it comply with the legal requirements?                               | Everything is hard copy (including info leaflets such as Freedom changes) except the basic scheme information which must be provided for new starters. In these circumstances a hard copy statutory notice is provided directing them to the information on the website.                                                                                                                                                                                                                 | Ongoing (annual check - Sep) | 30/08/2018       | Fully completed  | Partially compliant | The new starter notification contains an out of date website address and therefore this has been marked at this review as partially compliant. Also the funds website is currently being updated to verify that all information is current and compliant.                                                                                                                                                                                                              | The new starter notice needs to be changed so that an up to date website address is given. The website is being updated to ensure fully up to date |
| H12 | Does the Administering Authority aim to design and deliver communications in a way that ensures scheme members are able to engage with their pension provision? | Objectives are included in the Communications Strategy that focus on these requirements.<br><br>Currently only feedback is in relation to a survey from induction presentations. Results for 2016-17 Induction sessions covered 417 New Employees and found that 98% found the presentation informative & engaging and that 94% now have a better understanding of being in the scheme.                                                                                                  | Ongoing (annual check - Sep) | 30/08/2018       | Fully completed  | Fully compliant     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Equiniti are planning further surveys with scheme members to gather wider feedback as part of their engagement strategy.                           |
| H13 | Does the Administering Authority use a tracing service?                                                                                                         | Pensioners – if a pensioner becomes untraceable, Equiniti use the DWP tracing service.<br><br>Deferred and frozen refunds – tracing service used in summer 2016. Originally 1,600 unknown addresses have now been reduced to 473.                                                                                                                                                                                                                                                        | Annual (Sep)                 | 31/07/2017       | Fully completed  | Fully compliant     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Tracing exercises will be carried out on a periodic basis                                                                                          |

## I - Internal Dispute Resolution

### Legal requirements

The Pensions Act 1995 requires scheme managers to set up and implement an Internal Dispute Resolution Procedure (IDRP) to help resolve disputes between the scheme manager and people with an interest in the scheme.

The act states that a person has an interest in the scheme if they:

- are a member or beneficiary
- are a prospective member
- have ceased to be a member, beneficiary or prospective member
- claim to be any of the above and the dispute relates to this claim.

The Act also states that the procedure must include:

- how an application is to be made
- what must be included in an application
- how decisions are to be reached and notified
- a specified period (which is reasonable) within which applications must be made.

The procedure may require people with an interest in the scheme to first refer matters in dispute to a 'specified person' in order for that person to consider and give their decision on those matters. This decision may then be confirmed or replaced by the decision taken by the scheme manager after reconsideration of the matters. However, legislation provides flexibility for scheme managers to decide the details of these.

| No. | TPR Requirement                                                                                                                                                                                                                                                                                                                                                                                                      | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                      | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes                                                                                                                                         | Action                                                                               |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| I1  | Has the Administering Authority put in place an internal dispute resolution procedure?                                                                                                                                                                                                                                                                                                                               | An IDRP procedure is in place with leaflets available setting out the process                                                                                                                                                                                                                                                                      | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | Leaflets are available on the website which set out the procedure                                                                             |                                                                                      |
| I2  | Does the Administering Authority's process highlight or consider whether a dispute is exempt?                                                                                                                                                                                                                                                                                                                        | An IDRP procedure is in place with leaflets available setting out the process, but does not currently include this information                                                                                                                                                                                                                     | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                               |                                                                                      |
| I3  | Does the information made available to applicants about the procedure clearly state the procedure and process to apply for a dispute to be resolved including:<br>- who it applies to<br>- who the specified person (stage 1) is<br>- the timescales for making applications<br>- who to contact with a dispute<br>- the information that an applicant must include<br>- the process by which decisions are reached? | Member leaflet outlining IDRP procedure includes some of this information.                                                                                                                                                                                                                                                                         | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | More detailed information is needed setting out: Who can apply (215)<br>The name & job title of stage 1 specified person/who to contact (237) | IDRP member guide will be updated to include the missing information                 |
| I4  | Has the Administering Authority ensured that employers who make first stage decisions also have IDRP in place?                                                                                                                                                                                                                                                                                                       | Where the employer has not responded with their own stage 1 person, the Council's stage 1 person is undertaking the role. This is communicated regularly including:<br>- mentioned at employer forum in February 2017.<br>- PAS sent to employers in April 2017 which sets out need for stage 1 person to be included in their discretions policy. | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | We have not been notified that any employers carry out their own process. Accordingly Equiniti act as stage 1 by default.                     | Once new Employer IDRP guide has been finalised this will be sent to Employers again |
| I5  | Are the timescales in the procedure adhered to including sending an acknowledgment on receipt of an application?                                                                                                                                                                                                                                                                                                     | Acknowledgements issued within 2 days and responses are sent within 2 month deadline (albeit usually within 6 weeks due to SLA). This will be checked annually for both stages 1 and 2.                                                                                                                                                            | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | EQ have confirmed that timescales are still adhered too                                                                                       |                                                                                      |



| No. | TPR Requirement                                                                                                    | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                    | Frequency of Review          | Last Review Date | Review Completed | Compliant       | Notes                                                                                                                                                                            | Action                                                                                                                 |
|-----|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| 16  | Does the Administering Authority notify and advertise the procedure appropriately?                                 | Leaflet included on the website (which is where joining information also is).<br><br>Not all notification of benefit letters currently includes this (e.g. missing from refund and death benefits) but all other benefit notification include it.<br><br>The administration strategy, updated in 2017, includes IDR information. | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant | Admin Strategy was updated in April 2017 and includes IDR information (PAS). This is still not contained in the Communications strategy, but can be included in the 2018 review. | Communications strategy will be updated in 2018. IDR information to be added to refund and death notification letters. |
| 17  | Are the notification requirements in relation to TPAS and the Pensions Ombudsman being adhered to?                 | Guide enclosed when acknowledging receipt of an IDR.<br><br>Notifications always include information about TPAS/PO in the decision letter.                                                                                                                                                                                       | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                                                                  |                                                                                                                        |
| 18  | Does the Administering Authority regularly assess the effectiveness of its arrangements?                           | Information included in Pension Committee quarterly reporting. More formal review of the arrangements on an annual basis as part of the annual administration report                                                                                                                                                             | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                                                                  |                                                                                                                        |
| 19  | Does the Administering Authority regularly assess the effectiveness where employers carry out a stage one process? | We have not been notified that any employers carry out their own process. Accordingly Equiniti act as stage 1 by default.                                                                                                                                                                                                        | Ongoing (annual check - Jun) | 30/07/2018       | Fully completed  | Fully compliant |                                                                                                                                                                                  |                                                                                                                        |

## J - Reporting breaches of the law

### Legal Requirements

Certain people are required to report breaches of the law to the regulator where they have reasonable cause to believe that:

- a legal duty which is relevant to the administration of the scheme has not been, or is not being, complied with
- the failure to comply is likely to be of material significance to the regulator in the exercise of any of its functions.

People who are subject to the reporting requirement ('reporters') for public service pension schemes are:

- scheme managers
- members of pension boards
- any person who is otherwise involved in the administration of a public service pension scheme
- employers: in the case of a multi-employer scheme, any participating employer who becomes aware of a breach should consider their statutory duty to report, regardless of whether the breach relates to, or affects, members who are its employees or those of other employers
- professional advisers including auditors, actuaries, legal advisers and fund managers: not all public service pension schemes are subject to the same legal requirements to appoint professional advisers, but nonetheless the regulator expects that all schemes will have professional advisers, either resulting from other legal requirements or simply as a matter of practice
- any person who is otherwise involved in advising the managers of the scheme in relation to the scheme.

The report must be made in writing as soon as reasonably practicable.

| No. | TPR Requirement                                                                                                                                                  | London Borough of Hackney Approach / Evidence                                                                                                                                                                                                                                                                                                                                                                                                                                       | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                                        | Action                                                                                                               |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| J1  | Is the Administering Authority satisfied that those responsible for reporting reaches under the legal requirements and TPR guidance understand the requirements? | Training at PC in June 2015 and at July PB. Procedure will be shared with all PB, PC and key officers & put on website.                                                                                                                                                                                                                                                                                                                                                             | Ongoing (annual check - Sep) | 30/07/2018       | Fully completed  | Fully compliant     | Procedure in place and periodically reviewed                                                                                 |                                                                                                                      |
| J2  | Does the Administering Authority have appropriate procedures in place to meet their legal obligations for identifying and assessing breaches?                    | Breaches procedure is in place (developed May 2015).                                                                                                                                                                                                                                                                                                                                                                                                                                | Annual (Sep)                 | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                                              |                                                                                                                      |
| J3  | Are breaches being recorded in accordance with the agreed procedures?                                                                                            | Procedure launched May/June 2015 so no historical recording. The Head of Pension Fund Investment and Actuarial Services will maintain a record of breaches and this is included in the quarterly PC governance update report including a comment on whether any breaches are systemic and action taken. Some details may need to be withheld for confidentiality reasons. Some concerns at the moment in relation to insufficient monitoring and recording of breaches at Equiniti. | Ongoing (annual check - Sep) | 30/07/2018       | Fully completed  | Partially compliant | Both reported and unreported breaches are included within the Quarterly Report to Pensions Committee and provided to the PB. | - Ongoing work with Equiniti to ensure all breaches are identified, notified and recorded - part of new contract SLA |

## K - Scheme Advisory Board - Guidance on the creation and operation of Local Pension Boards in England and Wales

### Legal Requirements

Clause 7 of the Public Service Pensions Act provides that the national Scheme Advisory Board (SAB) may provide advice to scheme managers or pension boards in relation to the effective and efficient administration and management of the scheme.

It also provides that a person to whom advice is given by virtue of subsection (1) or (2) must have regard to the advice.

The Scheme Advisory Board has published guidance on the creation and operation of Local Pension Boards in England and Wales which incorporates a number of action point check lists at the end of some of the sections. The following are the items in those checklists.

| No. | SAB Requirement                                                                                                                                                                                                                          | SAB Section | London Borough of Hackney Approach / Evidence                                                                                                              | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                | Action                                                                                                                                                                                                                                                  |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| K1  | Administering Authority to have approved the establishment (including Terms of Reference) of the Local Pension Board by 1 April 2015.                                                                                                    | 5           | Hackney Council approved 27/2/15.                                                                                                                          | Ongoing (annual check - Feb) | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                      |                                                                                                                                                                                                                                                         |
| K2  | The Local Pension Board must be operational (i.e. had its first meeting no later than 4 months after the 1 April 2015).                                                                                                                  | 5           | First meeting planned for 16/7/15.                                                                                                                         | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     | First meeting of PB 16/07/15                                                                         |                                                                                                                                                                                                                                                         |
| K3  | Once established a Local Pension Board should adopt a knowledge and understanding policy and framework (possibly in conjunction with the Pensions Committee if appropriate).                                                             | 6           | Training Policy approved by PC 14/1/15. Will be part of agenda of first meeting on 16/7/15 and it is then reviewed annually.                               | Annual (Jan)                 | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                      |                                                                                                                                                                                                                                                         |
| K4  | A Local Pension Board should designate a person to take responsibility for ensuring that the knowledge and understanding policy and framework is developed and implemented.                                                              | 6           | Designated to Corporate Director of Finance & Resources as part of Training Policy which will be adopted by the Board.                                     | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                      |                                                                                                                                                                                                                                                         |
| K5  | The Administering Authority should offer access to high quality induction training and provide relevant ongoing training to the appointed members of the Local Pension Board.                                                            | 6           | Training plan being developed including induction training for all board members.                                                                          | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     | Now in place for Committee - will be extended to Pension Board when next have a change in membership |                                                                                                                                                                                                                                                         |
| K6  | A Local Pension Board should prepare (and keep updated) a list of the core documents recording policy about the administration of the Fund and make the list and documents (as well as the rules of the LGPS) accessible to its members. | 6           | Part of Training Policy. Documents part of induction pack and on website.                                                                                  | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                      |                                                                                                                                                                                                                                                         |
| K7  | Members of a Local Pension Board should undertake a personal training needs analysis and put in place a personalised training plan.                                                                                                      | 6           | There is a Training Plan (annual) but it is focussed at whole PC/P B level.<br><br>Annual self -assessment will be completed through effectiveness survey. | Ongoing (annual check - Jan) | 30/06/2017       | Fully completed  | Partially compliant |                                                                                                      | A model is being developed to capture individual training needs against CIPFA requirements/TPR toolkits and to monitor against those specific requirements.<br><br>Each June PC/Summer PB will highlight any individuals with outstanding requirements. |

| No. | SAB Requirement                                                                                                                                                                                                                                                                                                | SAB Section | London Borough of Hackney Approach / Evidence                                                                                                    | Frequency of Review          | Last Review Date | Review Completed | Compliant           | Notes                                                                                                             | Action                                                                                                           |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|------------------|---------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| K8  | An Administering Authority should prepare a code of conduct and a conflicts policy for its Local Pension Board for approval in accordance with the Administering Authority's constitution and at the first meeting of the Local Pension Board. The Local Pension Board should keep these under regular review. | 7           | Code of conduct is part of PB Terms of Reference. Conflicts of Interest Policy approved by PC on 31/3/15 is going to first meeting for adoption. | Annual (Mar)                 | 30/07/2018       | Fully completed  | Fully compliant     | Adopted by Pension Board at its first meeting                                                                     |                                                                                                                  |
| K9  | Training should be arranged for officers and members of a Local Pension Board on conduct and conflicts.                                                                                                                                                                                                        | 7           | Planned for first PB meeting                                                                                                                     | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Partially compliant | Training plan in place - training to be provided to Pension Board members at PC meetings and separate PB training | PB members to attend fundamentals training course where necessary to ensure have received this specific training |
| K10 | A Local Pension Board should establish and maintain a register of interests for its members.                                                                                                                                                                                                                   | 7           | Included as part of Policy requirements.                                                                                                         | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                                   |                                                                                                                  |
| K11 | An Administering Authority should agree the ongoing reporting arrangements between the Local Pension Board and the Administering Authority.                                                                                                                                                                    | 8           | Outlined in PB Terms of Reference                                                                                                                | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     |                                                                                                                   |                                                                                                                  |
| K12 | A Local Pension Board should understand the Administering Authority's requirements, controls and policies for FOIA compliance so that the Local Pension Board is aware of them and can comply with them.                                                                                                       | 8           | Copy of Council's FOI policy will be provided to all PB members as part of induction pack.                                                       | Ongoing (annual check - Jan) | 30/07/2018       | In progress      | Partially compliant |                                                                                                                   | Council's FOI policy to be provided to PB members as this has changed                                            |
| K13 | A Local Pension Board should put in place arrangements to meet the duty of its members to report breaches of law.                                                                                                                                                                                              | 8           | Planned for first PB meeting                                                                                                                     | Ongoing (annual check - Jan) | 30/07/2018       | Fully completed  | Fully compliant     | Breaches policy agreed by PB and breaches included in quarterly reporting                                         |                                                                                                                  |
| K14 | A Local Pension Board should consider (with its Administering Authority) the need to publish an annual report of its activities.                                                                                                                                                                               | 8           | A requirement outlined in PB Terms of Reference                                                                                                  | Annual (Summer)              | 30/07/2018       | Fully completed  | Fully compliant     | First PB Annual Report published in 2015/16 Annual Report & Accounts on an annual basis since                     | PB Annual Report to be published in 2017/18 Annual Report & Accounts                                             |
| K15 | An Administering Authority should consult on, revise and publish its governance compliance statement to include details of the terms, structure and operational procedures relating to its Local Pension Board.                                                                                                | 8           | Completed and updated at March 2015 PC.                                                                                                          | Annual (Mar)                 | 30/07/2018       | Fully completed  | Fully compliant     | Statement carried forward to 2016/17 Annual Report                                                                |                                                                                                                  |