

Subject	The Pensions Regulator (TPR) uUpdate	Status	For Publication
Report to	Local Pensions Board	Date	11 December 2019
Report of	Head of Pension Administration		
Equality Impact Assessment	Not Required	Attached	No
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1 Purpose of the Report

- 1.1 To update the Board on the submission of the TPR Annual Scheme Return and the Public Service Governance and Administration Survey.

2 Recommendations

- 2.1 Members are recommended to:
- a. **Note the actions associated with the updated approach to data quality scoring submitted to TPR as part of the Annual Scheme Return**
 - b. **Identify any areas for focus emerging from the responses to the TPR Governance and Administration Survey**

3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

Customer Focus

To design our services around the needs of our customers (whether scheme members or employers). The improvements in data quality to be set out in the revised Data Improvement Plan should improve the services we provide to our members by reducing the risk of error.

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times. Engagement with TPR and awareness of their potential areas of focus is an important element of good governance.

4 Implications for the Corporate Risk Register

- 4.1 The actions outlined in this report impact on Risk O2 which concerns failure to meet statutory requirements. Completion of TPR requirements helps ensure SYPA meets its statutory reporting obligations.

5 Background and Options

Annual Scheme Return

- 5.1 The TPR requires each pension scheme to submit an Annual Scheme Return each November. Whilst much of the return is routine administration and governance information (membership numbers, Pension Board membership, etc), TPR do also use the Annual Return to collect scores on data quality and the measurement of common and conditional data.

- 5.2 At the last meeting, the Board were advised that the data score submitted for the 2018 Return was as follows:

- a. Common Data Score 2018: **96%**
- b. Conditional Data Score 2018: **87%**

- 5.3 The Scheme Advisory Board (SAB) issued draft guidance earlier this year on the data fields that could be measured by LGPS funds, the main purpose of which was intended to provide a consistent approach to the measurement of data across the LGPS. This guidance was shared at the last meeting of the Board. SYPA developed its data analysis tool to accommodate the SAB guidance and for 2019 has now submitted the following data scores to TPR calculated using the new guidance:-

- a. Common Data Score 2019: **96%**
- b. Conditional Data Score 2019: **91%**

- 5.4 Although there has been an improvement overall, it is not particularly meaningful to compare the scores for 2018 with 2019 because the data measurements were not consistent. It is hoped, however, the guidance issued by the Scheme Advisory Board (and adopted by SYPA) will enable a more consistent approach to be adopted in the LGPS going forward. Initial feedback from other funds suggests that the guidance was not necessarily widely utilised this year and many appeared to continue with the existing data measures they used in 2018. This will hopefully change for future years.

- 5.5 The summary of results to arrive at the data scores shown above are attached at **Appendix A**. The administration team is developing a new **Data Improvement Plan** to reflect the SAB guidance and this will replace the Plan presented to the Board previously. Progress against this plan will be included as part of the quarterly administration report to the Board in future.

Public Service Governance and Administration Survey

- 5.6 TPR issue an annual survey on governance and administration issues in the public service schemes. The survey is intended to help TPR understand what schemes are doing to improve their standards of governance and administration. **Appendix B** shows the response to the survey compiled by SYPA in conjunction with the Chair of the Board. Members are invited to highlight any areas of potential concern that the administration team may need to consider focusing attention on.

- 5.7 Separately, members are reminded that the report on the results of the 2018 TPR Survey as well as the report on the TPR 'Deep Dive' engagement with a cohort of

LGPS funds can be found in the Local Pension Board area of the online Reading Room.

6 Implications

6.1 The proposals outlined in this report have the following implications:

Financial	None
Human Resources	None
ICT	None
Legal	None
Procurement	None

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Head of Pensions Administration

Background Papers	
Document	Place of Inspection