

Regulation, Audit and Accounts Committee

Item 7 – Annual Governance Statement

Proposed Additional Paragraph in draft Statement

This additional paragraph is recommended for insertion as paragraph 17a, following discussions with the External Auditor. This is page 57 of the Committee papers pack.

- 17a. In June 2021 the Council notified the Pensions Regulator of a breach of the Teachers' Pension Regulations. This relates to a failure over a number of years to auto-enrol some part time and casual teaching staff onto the teachers' pension scheme as required following a change to the regulations in 2007. The Council has appointed an external adviser to investigate the extent of the breach. Whilst a number of potentially in-scope employees have been identified, work is ongoing to confirm eligibility and calculate backdated benefits and contributions. This will then be communicated to employees in an options letter, detailing benefits accrued (and employee contributions payable) should the member exercise their option to join the scheme. The obligation to the Council only exists should the employee take up this option. As such, no provision for backdated employer contributions or interest charges can currently be made, as existence of the obligation is uncertain and cannot be reliably quantified.

An additional action under Principle A is also recommended for insertion:

- iv. To ensure full implementation of the plan to rectify the Teachers Pension breach.

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