**BREACHES LOG**

**Checks and considerations when determining materiality and reporting to The Pension Regulator (TPR)**

*TPR guidance*

See [Reporting breaches of the law (public service schemes)](https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes/scheme-management/reporting-breaches-of-the-law#:~:text=If%20you%27re%20already%20associated,option%20to%20report%20a%20breach.) for guidance on reporting breaches

Concerning assessing materiality, TPR guidance states:

*‘When deciding whether a breach is likely to be of material significance to us, those under a duty to report should consider the cause, effect, reaction to and wider implications of the breach’*

See [Maintaining contributions (public service schemes)](https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes/scheme-management/maintaining-contributions#:~:text=The%20scheme%20manager%20should%20produce,%27material%20significance%27%20to%20us.) for guidance on reporting payment failures

When assessing materiality, TPR guidance states:

*‘A late payment is likely to be of material significance where it was caused by:*

* *The employer not being willing or able to pay contributions*
* *Possibly dishonesty or misuse of assets or contributions*
* *Fraudulent evasion of the duty to pay contributions*
* *The employer having inadequate procedures*
* *Contributions having been outstanding for more than 90 days’*

*Checks and considerations*

The following list is not exclusive. It should be used as a starting point for considerations to be made when assessing materiality:

* How the breach occurred
* Whether it has been rectified
* How quickly it has been rectified and whether there is reduced likelihood of the breach reoccurring again in the future
* What the impact of the breach has been and whether it has had an adverse impact on others
* What the reaction to the breach has been
* If there have been complaints or requests for information and if they have been able to be provided
* Whether steps have been taken to assist those affected
* What percentage of members / assets / liabilities have been affected, relative to that employer / scheme membership / scheme assets as a whole
* If internal or external audit sign off has been obtained or not
* If employer compliance related, whether the employer has engaged and complied with escalation steps or not
* If the breach has led to wider implications than just those related to the original breach or not
* Whether there are sufficient risks or controls in place
* If communication about the issue is / was sufficient and appropriate