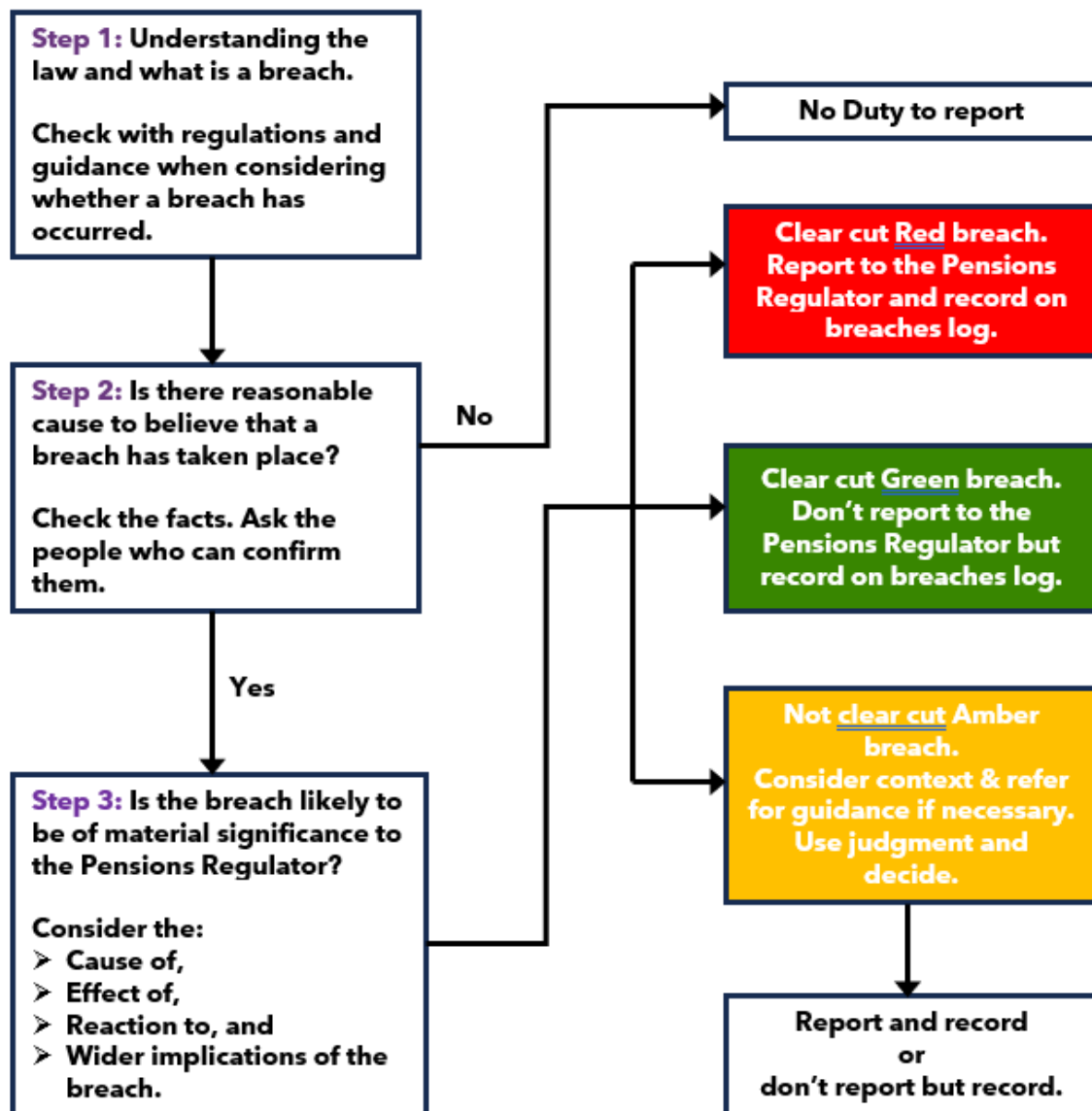


## Breaches of the Law decision Process



**Red** - caused by dishonesty, poor governance or a deliberate contravention of the law and having a significant impact, even where a plan is in place to rectify the situation. The Council or Pensions Board must report all such breaches to the Regulator in all cases.

**Amber** - does not fall easily into either green or red and requires further investigation to determine what action to take. Consideration of other recorded breaches may also be relevant in determining the most appropriate course of action. The Breaches of the Law Officer Group together with the Assistant Director for Treasury & Pensions will need to decide whether to informally alert the Regulator of the breach or likely breach, formally reporting the breach if it is subsequently decided to categorise the breach as red.

**Green** - not caused by dishonesty, poor governance or a deliberate contravention of the law and its effect is not significant and a plan is in place to rectify the situation. In such cases the breach may not be reported to the Regulator but should be recorded in the Fund's breaches log.