

CYNGOR SIR POWYS COUNTY COUNCIL**Powys Pension Board
9th February 2024****REPORT BY: Board Secretary****SUBJECT: The Pension Regulator General Code of Practice**

REPORT FOR: Information

1. General Code of Practice

On 10 January 2024, the Pensions Regulator (TPR) responded to the 2021 [consultation](#) on the new code of practice. On the consultation webpage you can also find a link to the [final version of the General Code of Practice](#) ('the Code') which has been laid in Parliament. It is expected to come into force on 27 March 2024. It replaces Code of Practice 14 for public service pension schemes and brings together ten previous TPR Codes into one code.

- 1.1** The code contains new governance requirements and sets out TPR's expectations of how occupational pension schemes should be managed and the policies, practices and procedures that should be in place.

It sets out what schemes need to do in order to comply with the new legal requirement to establish and operate an effective system of governance (ESOG), including internal controls, proportionate to the size, nature, scale and complexity of the activities of the scheme.

TPR's research on governance and administration shows that the LGPS already has high standards of governance in place. The Code provides an opportunity for funds to review current practices, but also presents challenges during what is already a challenging and busy time for the LGPS.

There remain some areas where clarity is required on which parts of the Code apply to the LGPS, what these mean for administering authorities and how they should be applied in practice. The SAB and LGA will produce new or update existing guidance to help authorities with their responsibilities.

- 1.2** The Fund is in a good position with regards to the existing code, which is reviewed at every Board meeting, but we are currently undertaking a

gap analysis to establish any areas that may need further development because of the new expectations.

The Regulator understands that schemes are likely to not be fully compliant by the 27th of March 2024, however it will expect all trustees to be taking action to understand where they are not compliant and to be putting a plan in place to address this. Work is ongoing with this.

2. Recommendation

Board are asked to note the contents of this report.