

LOCAL PENSION BOARD – 3 MAY 2024

GENERAL CODE OF PRACTICE UPDATE

Report by the Executive Director of Resources and Section 151 Officer

RECOMMENDATION

- 1. The Board is RECOMMENDED to note the General Code of Practice Action Plan Update report.**

Introduction

2. The Pensions Regulator produced an initial draft version of General Code of Practice which was published in March 2021. After a period of consultation, the final version of the General Code of Practice was laid with Parliament and came into force at the end of March 2024. The new 'single' General Code of Practice replaces the previous 15 codes of practice. The Pensions Regulator's reasons for developing the new General Code of Practice was to clarify, modernise and simplify the various disparate sets of codes of practice.
3. The Local Government Pension Scheme (LGPS) previously assessed compliance against the Code of Practice 14 (CoP14) which has now been superseded by the new General Code of Practice.
4. The new code consists of 51 modules which relate to 5 main areas:
 - a) Governing Body – 18 modules
 - b) Funding and Investments – 8 modules
 - c) Administration – 10 modules
 - d) Communications and Disclosure – 11 modules
 - e) Reporting to TPR – 4 modules
5. Approximately 38 of the 51 modules apply to the LGPS. 17 of the modules were already part of the Code of Practice 14. 21 modules are new to LGPS. The number of modules for each of the five main groups are as follows:
 - a) Governing Body – 15 modules
 - b) Funding and Investments – 2 modules
 - c) Administration – 10 modules
 - d) Communications and Disclosure – 7 modules
 - e) Reporting to TPR – 4 modules
6. The fund has already undertaken a review against the relevant modules and that review can be found in the 'Governance & Communications Report – 1 March 2024', which went to the Pension Fund Committee Meeting held on the 1 March 2024.

7. The Governance and Communications team have developed an Action Plan for 2024/25 for the implementation of the new General Code of Practice. The action plan can be found at **Appendix 1** and a timeline of actions at **Appendix 2**. The key actions from the plan include:
 - Purchase of a compliance checker system.
 - Determine which of the 51 modules apply to the fund.
 - Compliance review of the modules that have already been identified as requiring further work to ensure full compliance.

8. The draft action plan runs to March 2025, which is the deadline by which the Pension Regulator expects fund's to be compliant to the new General Code of Practice. An update will be provided to each Pension Board Meeting during 2024/25.

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