

# LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>Pension Board</b>	
<b>DATE OF DECISION</b>	<b>11 April 2024</b>	
<b>REPORT TITLE:</b>	<b>The Pensions Regulator’s New General Code Update</b>	
<b>CORPORATE DIRECTOR / DIRECTOR:</b>	<b>Jane West, Corporate Director of Resources (Section 151 Officer)</b>	
<b>LEAD OFFICER:</b>	<b>Matthew Hallett – Acting Head of Pensions and Treasury</b>	
<b>CONTAINS EXEMPT INFORMATION?</b> <i>(* See guidance)</i>	<b>NO</b>	
<b>WARDS AFFECTED:</b>	N/A	

## 1. SUMMARY OF REPORT

- 1.1 This report updates the Board on the Pension Regulator’s (TPR) New General Code of Practice and its implementation.

## 2. RECOMMENDATIONS

- 2.1 To note and comment on the contents of this report..

## 3. REASONS FOR RECOMMENDATIONS

- 3.1 To ensure the Fund is working towards achieving compliance with the TPR’s New General Code, enabling it to demonstrate good governance.

## 4. BACKGROUND AND DETAILS

- 4.1 The Pension Regulator laid its new General Code of Practice before Parliament on 10 January 2024. It is effective from 27 March 2024. A link to the code can be found at: [general-code-of-practice](#)
- 4.2 The New Code replaces the previous 10 different codes (including Code of Practice No 14 for Public Services Pension Schemes), consolidating them into a single document.

- 4.3 As the New Code now applies to all governing bodies of all defined benefit, defined contribution, personal pension and public service pension schemes it is no longer possible to determine scheme specific requirements from a dedicated document.
- 4.4 In order to ensure compliance with the Code, it is necessary to determine which elements in the Code relate to the Local Government Pension Scheme (LGPS).
- 4.5 The New Code extends to 171 pages and is by no means clear on which elements are required to be complied with by the LGPS.
- 4.6 Aon, our governance advisors, and Hymans Robertson, our Fund Actuary, both produced compliance checker models to enable Funds to identify which elements of the code apply to the LGPS and to enable them to assess which elements they are already compliant with and which elements will need to be addressed.
- 4.7 Officers have looked at both models and have decided that due to the additional inclusion of compliance with the Scheme Advisor Board Good Governance Review and the plan to update the checker with new developments going forward, the Aon model will be used by the Croydon Fund.
- 4.8 Officers have procured the model and are currently working on assessing compliance. However, this is a significant task and will take some time to complete within the current staffing resourcing available.
- 4.9 A training session for the Pension Board and Committee on the TPR single code has been scheduled into the training plan.
- 4.10 Officers will update the Board on progress going forward.

## **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 There is no alternative to ensuring compliance with the New Single Code. An alternative compliance checker supplied by Hymans Robertson was considered but officers felt that it had less functionality in terms of compliance checking against other requirements and there were no plans to update it with any future regulatory or guidance requirements.

## **6. CONSULTATION .**

- 6.1 The Fund governance advisers, Aon, are available to provide advice on areas within the Code.

## **7. IMPLICATIONS**

### **7.1 FINANCIAL IMPLICATIONS**

7.1.1. There is a fee of £5000.00 plus VAT for the model. However, non-compliance could result in fines from the TPR.

7.1.2. Comments approved by Acting Matthew Hallett, Head of Pensions, on behalf of Allister Bannin, the Director of Finance. (Date 06/03/2024)

## **8. APPENDICES**

8.1 None

## **9. BACKGROUND DOCUMENTS**

9.1 NONE