



Westmorland  
& Furness  
Council

**Cumbria  
Pension  
Fund**

# Local Pension Board

## The Pensions Regulator's General Code

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[westmorlandandfurness.gov.uk](https://www.westmorlandandfurness.gov.uk)



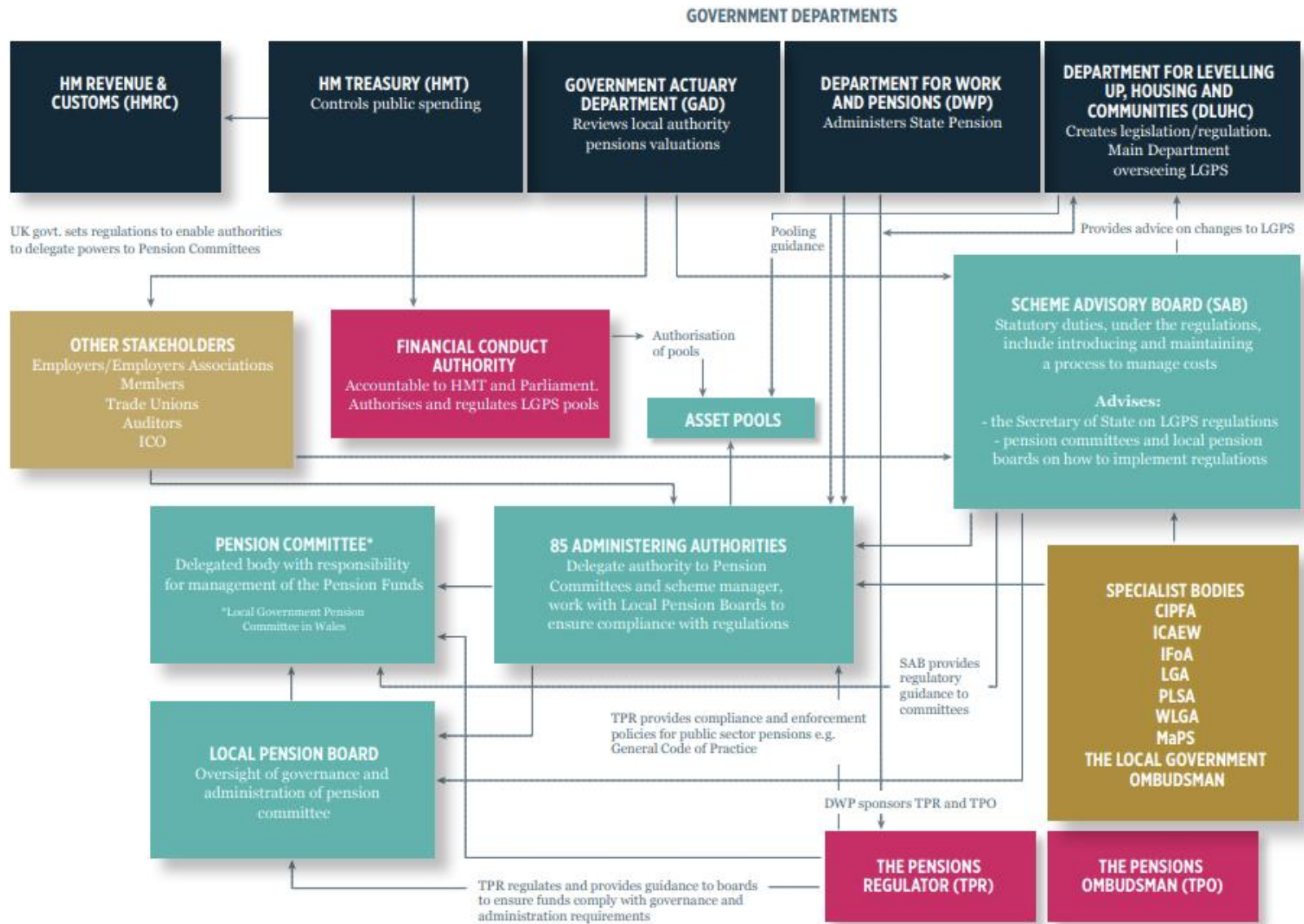
# Agenda

- The role of The Pensions Regulator
- Codes of Practice
- The new 'General' Code of Practice
- Next steps



# LGPS Governance

ENGLAND & WALES



# The Pensions Regulator in the LGPS

- Regulation of the LGPS and other public sector schemes since 2015
  - “Governance and Administration”
- Local Pension Board role to ‘.. assist with compliance with requirements imposed ... by the pensions regulator’
- Annual submission of the Fund’s information to The Pensions Regulator
- Additional Governance survey
- Breach reporting / whistle blowing
- LGPS is NOT part of the Pension Protection Fund



# Codes of Practice (COP)...

- COPs are not statements of the law.
- COPs set out expectations for conduct and practice.
- No specific penalty for failing to following COP...
- .. However, The Pensions Regulator may rely on COPs in legal proceedings as evidence that a requirement has not been met. A court must take a COP into account when considering their verdict.
- Similarly, any improvement or a compliance notice issued by The Pensions Regulator may be worded in relation to a COP.



# The new 'General' Code of Practice



- Consolidation of 10 current COP
- Consultation in 2021
- Now laid in Parliament
- Effective 27 March 2024
- For both private and public sector schemes

Code of Practice	Code in force	Part of new code
01: Reporting breaches of the law	April 2005	✓
02: Notifiable events	April 2005	✗
03: Funding defined benefits	July 2014 (GB), July 2015 (NI)	✗
04: Early leavers	May 2006	✓
05: Reporting of late payment of contributions to occupational pension schemes	September 2013	✓
06: Reporting of late payment of contributions to personal pension schemes	September 2013	✓
07: Trustee knowledge and understanding (TKU)	November 2009	✓
08: Member nominated trustees/member nominated directors – putting arrangements in place	November 2006	✓
09: Internal controls	November 2006	✓
10: Modification of subsisting rights	January 2007	✗
11: Dispute resolution – reasonable periods	July 2008	✓
12: Circumstances in relation to the material detriment test	June 2009	✗
13: Governance and administration of the occupational trust-based schemes providing money purchase benefits	July 2016	✓
14: Governance and administration of public service pension schemes	April 2015	✓
15: Authorisation and supervision of master trusts	October 2018	✗

# The General Code of Practice

- Modules in the General Code

- **Governing body**

- Board structure and activities
- Knowledge and understanding
- Value for scheme members
- Advisers and service providers
- Risk management
- Scheme governance

- **Funding and Investment**

- **Administration**

- Scheme administration
- Information handling
- IT
- Contributions

- **Communications & Disclosure**

- Information to members
- Public information

- **Reporting to The Pensions Regulator**

- Regular reports
- Whistleblowing – reporting breaches of the law



# Applicability?

- Pensions Act 2004...
  - section 249A, private sector schemes must operate an **effective system of governance**
  - section 249B, public service schemes required to operate **internal controls**.
- General code says ..
  - “.. broadly the same expectations for each type of scheme (subject to the different legal requirements of s.249A and B).”
  - “..the governing body may wish to consider whether the principles should be adopted as good practice.”





# Next Steps?

- Prudent to assume everything applies to the Fund. Justify where it is assumed they do not apply
- Guidance from Scheme Advisory Board on applicability?
- Assess code compliance within 6 months
- Action plan to address gaps

## Consider...

- Pensions Committee remains accountable but Local Pension Board can assist
- Independent challenge / Internal audit?
- Regular reporting and oversight... on an ongoing basis



Any questions?

<https://www.cumbriapensionfund.org/>



# Links for more information

- [Regulatory mapping of the LGPS by Pensions and Lifetime Savings Association](#)
- [The Pensions Regulator Codes of Practice](#)
- [The Pensions Regulator – Public Sector Code of Practice](#)
- [The Pensions Regulator General Code effective 27 March 2024](#)

