

Subject	TPR Code of Practice 14	Status	For Publication
Report to	Local Pension Board	Date	23 July 2020
Report of	Director		
Equality Impact Assessment	Not Required	Attached	No
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1 Purpose of the Report

- 1.1 To update members on current levels of compliance with TPR Code of Practice 14 and the intended next steps.
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2 Recommendations

- 2.1 Members are recommended to:
- a. Review the existing compliance levels.**
 - b. Note the proposal to create an Action Plan for future monitoring**
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3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objective:

Listening to our stakeholders

To ensure that stakeholders' views are heard within our decision making processes. The Board has a significant role to play in assisting the Scheme manager with ensuring compliance with the Regulations and reviewing compliance with the code of practice is an important part of this.

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times. The code of practice is the key set of guidance in the Pensions Regulator's oversight of public service pension schemes.

4 Implications for the Corporate Risk Register

- 4.1 The actions outlined in this report have the following implications for the Corporate Risk Register. In order to ensure the Board can be effective in carrying out its role (Risk G2), it needs to have oversight of compliance with the code of practice.

5 **Background**

- 5.1 The Public Services Pensions Act 2013 introduced the framework for the governance and administration of public service pension schemes such as the LGPS and provided an extended regulatory oversight to the Pensions Regulator.
- 5.2 The Regulator is required to issue one or more codes of practice covering specific matters relating to public service schemes. Codes of practice set out the standards of conduct and practice expected from those who are responsible for public service pension schemes.
- 5.3 Although codes of practice are not statement of law, and there is no penalty for failing to comply with the codes, they are intended to provide practical guidance in relation to the governance and administration of the scheme. The Regulator indicates that the code of practice 14 is directed particularly at scheme managers and members of pension boards.
- 5.4 A copy of the code of practice has been placed in the SYPA Reading Room (under Local Pension Board special interest). The document itself covers the following four main areas:-
- Governing the Scheme
 - Managing Risks
 - Administration
 - Resolving Issues
- 5.5 **Appendix A** has been constructed by extracting the individual subject areas covered by the code of practice and providing commentary on existing SYPA levels of compliance for each of these individual subject areas. Where possible, the cross referencing to the relevant section of the code of practice has been included.

Next Steps

- 5.6 The Appendix includes a proposed set of actions that it is suggested may be required to either ensure compliance with the code of practice or to further develop improved governance and administration. Subject to comments from the Board, the proposal is to create a more detailed Action Plan (with status updates and timescales for resolution) from the proposed actions which can then be shared routinely with members of the Board. This should provide assurance that the main areas of best practice detailed in the code are being complied with. This work will be an early task for the Governance Risk and Compliance Officer role approved in the budget which it is intended will be filled by the Autumn.

6 **Implications**

- 6.1 The proposals outlined in this report have the following implications:

Financial	None
Human Resources	None – It is anticipated the Action Plan can be implemented within existing resource levels.
ICT	None
Legal	None
Procurement	None

George Graham

Director

Background Papers	
Document	Place of Inspection
Code of Practice 14	SYPA Reading Room