Subject	**Compliance with The Pensions Regulator's General Code of Practice**	Status	For Publication
Report to	Local Pension Board	**Date**	26 February 2026
Report of	Head of Governance and Corporate Services		
Equality Impact Assessment	Not Required	Attached	No
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1   Purpose of the Report

To provide Local Pension Board members with an update on the current status of compliance with the Pensions Regulator's (TPR's) General Code of Practice.

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2   Recommendations

2.1   Members are recommended to:

> a. **Note the update on compliance with the TPR's General Code of Practice and actions identified; and**
> b. **Consider if any further information or explanation is required from officers.**

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3   Link to Corporate Objectives

3.1   This report links to the delivery of the following corporate objectives:

Effective and Transparent Governance
To uphold effective governance showing prudence and propriety at all times.

3.2   The contents of this report are part of the arrangements in place to ensure good governance.

4   Implications for the Corporate Risk Register

The actions outlined in this report relate to actions that will contribute to addressing risks around regulatory compliance.

5   **Background and Options**

5.1   The Pensions Regulator's (TPR) General Code of Practice (the Code) came into force on 27 March 2024; bringing together 10 existing codes of practice, including Code of Practice 14 (Governance and Administration of Public Service Pension Schemes), into a single modular code which applies to all UK pension schemes.

5.2   Following its introduction, officers undertook a full assessment of compliance with all of the areas of the Code that are relevant to Public Service Pensions Schemes – some of which are requirements, and some of which are good practice only. This initial assessment was carried out alongside the independent governance review with the support of Aon and making use of their compliance tool developed for this purpose.

5.3   There is a rolling programme of reviews in place that ensures all modules within the Code are assessed and progress updates provided at least every six months, and the results are reported to the Board on this basis.

5.4   The review process involves officers undertaking a detailed review of compliance and updating on progress against planned actions.

5.5   This report presents the results of the reviews that have taken place since the last full report in August 2025.

5.6   The Code has five overarching principles covering The Governing Body, Funding and Investments, Administration, Communication and Disclosure and Reporting to TPR, each of which is divided up into modules, and a series of questions within each.

5.7   The current review shows continued good compliance overall as indicated by the number of green and amber ratings, and progress achieved with a number of ratings on individual questions moving from a previous status of red to amber or amber to green.

5.8   In addition, there has been an increase in the number of fully compliant modules since the previous assessment, identified below.

Governing Body

Risk Management: Now fully compliant in 4 out of 6 modules compared to 3 out of 6 previously.

Administration

Information Handling: Now fully compliant in 2 out of 4 modules compared to 1 out of 4 previously.

Communications and Disclosure

Public Information: Now fully compliant in 2 out of 2 modules compared to 1 out of 2 previously.

Reporting to TPR

Reporting Breaches: Now fully compliant in 4 out of 4 modules compared to 0 out of 4 previously.

5.9   The table below summarises the RAG status of each question in the modules – with the results from the previous review shown in grey for comparison.

Section	Green	Amber	Red	Total Questions	Green Status Percentage
The Governing Body	129	9**	5*	**143**	90.2%
Previous review	121	14	8		84.6%
Funding and Investment	30	6	1	**37**	81.1%
Previous review	30	4	3		81.1%
Administration	81	6	1	**88**	92.0%
Previous review	74	12	2		84.1%
Communications & Disclosure	31	3	2	**36**	86.1%
Previous review	29	4	3		80.6%
Reporting to TPR	14	0	0	**14**	100.0%
Previous review	8	3	3		57.1%

* Note: one of the questions rated as red relates to the 'Own Risk Assessment' module which has not been assessed yet, the other four relate to the overarching assessment of Systems of Governance which will be reviewed at the start of Q1 2026/27. (not included at Appendix B)

** Note: six of the questions rated as amber relate to the overarching assessment of Systems of Governance which will be reviewed at the start of Q1 2026/27. (not included at Appendix B)

5.10   Note that, as previously reported, the 'Own Risk Assessment' module is still deferred until further guidance for LGPS funds on the application of these requirements for public sector schemes is made available.

5.11   The table below gives further detail to indicate the split of the questions currently rated as either red or amber into those that are a requirement in the Code and those that are simply recommended as good practice.

Section	Amber	Red
The Governing Body	9	5
Required	**0**	**0**
Good Practice	9	5
Funding and Investment	6	1
Required	**1**	**0**
Good Practice	5	1
Administration	6	1
Required	**6**	**1**
Good Practice	0	0
Communications & Disclosure	3	2
Required	**3**	**2**
Good Practice	0	0
Reporting to TPR	0	0
Required	**0**	**0**
Good Practice	0	0
Totals: **Required**	**10**	**3**
Good Practice	14	6

5.12   The report at Appendix A shows the status of the actions planned to address all of these red and amber rated questions.

5.13   The summary table above shows that the number of "required" areas remaining with an amber or red status is now 13 in total. This is a reduction from 23 since the last report. Of these 13 areas, 10 are partially compliant (amber). Full details of actions and status updates are set out at Appendix A. The following provides a high-level overview of the status of progress on these areas.

Funding and Investment

Just one required action is partially compliant pending completion of the Environmental Sustainability Plan for our operations, which is currently being drafted, with a target completion date of March 2027.

Administration and Communications & Disclosure - Performance Reporting

Considerable progress has been made on the development of the performance monitoring and reporting framework. The Management Information Plan is in place and target dates, including in-house ones, have been reviewed. The final piece of work is ongoing to fine tune the performance data and design the best way to report internal targets against statutory targets. This has a target completion date of June 2026 and should impact positively on the status of a number of outstanding areas in both modules.

Administration - ICT Cyber Controls – Cyber Hygiene including Third Party Providers

Significant progress had been made on both of the outstanding areas in this module and it is expected that this module will be fully compliant at the next review.

5.14 The main areas of progress and completions to highlight from the review include the following.

The Governing Body – *Risk Management* – the initial assessment highlighted a number of actions required in relation to single points of risk and scheme continuity planning which have now been progressed due to the full completion of the Business Continuity Plan, these include:

    a. The identification of single points of risk and production of documented procedures to mitigate these risks.

    b. The assessment of alternative system resource timescales and procedures where required.

    c. The development of contingency plans for resourcing in the event of staff shortages.

Administration – *Record Keeping and Data Monitoring/Improvement* –- the development and implementation of the Data Improvement Plan has resulted in a number of actions being progressed and completed:

    a. Assessing and capturing data improvement actions and monitoring progress against them.

    b. Enhanced reporting including evidencing of outcomes.

Administration – *ICT* – Whilst there are two areas that are still partially met, a considerable amount of progress had been made with a new Cyber Security Strategy now in place and a full review of the ICT suite of policies is underway, with the majority drafted for approval.

Administration – *Reporting Breaches of the Law* –- the initial assessment highlighted a number of actions required in relation to breach reporting of which six have now been progressed, these include:

    a. An updated Breach Log that captures all breaches, not limited to reportable instances.

    b. A full review and update of the Breach Policy.

    c. Enhanced training for all staff.

5.15 The report attached at Appendix A has been produced directly from the compliance toolkit and provides the results of the assessment, setting out for each of the five sections:

    a. An 'at a glance' page showing a heat scale that indicates the overall RAG and compliance status for each of the modules assessed. (This page also includes a sidebar to show some of the essential actions extracted from the toolkit – this appears to cut off some of the content, but the actions are detailed fully in the rest of the report as explained below).

    b. Following on from the 'at a glance' page for each section, a section has been added to the report to capture any changes to the RAG status since the last review or to confirm that no changes have been made.

    c. The next section sets out the actions in full, showing the module and question number to which they relate. These are split between:

        i. Essential Actions – these are the actions identified to address questions that were answered as 'No' or only 'Partially' and are therefore rated as Red or Amber.

        ii. Other Actions – these are additional actions identified for the purposes of further improvement on questions that are already Green rated.

At the request of Board members, an icon has been added against each of the essential actions to indicate if this relates to a requirement in the Code or a recommendation for good practice.

The commentary shown for each of the actions has been updated to indicate any progress made and shows a target date for completion or confirms if the action has been completed since the previous assessment.

d. The final page for each of the five sections sets out a summary of each of the modules included within it and indicates the interpretation that Aon has provided as to the application or partial application of each of these to LGPS funds.

5.16 For reference for Board members, an additional appendix has been attached that lists all the questions within each module and shows the RAG status of each, with those questions that are for good practice only (rather than a requirement) shown in orange font. This is attached at Appendix B. Please note that Appendix B does not include the questions related to the Own Risk Assessment and Systems of Governance modules.

5.17 The process of reviewing the assessment continues to work well and the involvement of Service Managers has given them further understanding of the areas for focus that have been captured in their service level action plans.

5.18 Work continues to progress all areas where actions have been identified and these will continue to be monitored as part of the regular assessments of compliance with the Code, ensuring that they are captured in the relevant strategies and action plans.

5.19 Reviews will continue to be carried out regularly with a twice-yearly update reported to the Board at their August and February meetings each year.

6   Implications

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

Financial	There is a small annual cost for updating the compliance tool and this is included in existing budgets.
Human Resources	None
ICT	None
Legal	The assessment of compliance with TPR's General Code will enable the Authority to ensure it meets its legal obligations.
Procurement	None

Jo Stone

Head of Governance and Corporate Services

Background Papers	
Document	**Place of Inspection**
The Pensions Regulator – General Code of Practice	TPR website: TPR General Code of Practice	The Pensions Regulator