

HIGHLAND COUNCIL

Committee: Pensions Committee

Date: 12 February 2025

Report Title: The Pension Regulator General Code of Compliance

Report By: Chief Officer, Corporate Finance

1. Purpose/Executive Summary

- 1.1 The Highland Council Pension must comply with The Pension Regulator (TPR) General Code of Practice (GCoP). This report provides members with some background information on GCoP, information on the approach taken by officers to assess Fund compliance with GCoP and action that will be taken to improve processes.

2. Recommendations

- 2.1 The Committee is invited to:
- i. note the assessment of Fund compliance with TPR GCoP
 - ii. approve the action plan to implement improvements to ensure there is compliance with TPR GCoP

3. Implications

- 3.1 There are resource implications as processes should be in place to ensure that there are adequate resources in place to support compliance with TPR GCoP as part of good governance for the Fund.
- 3.2 In terms of legal implications, the governance of the Fund must comply with all Local Government Pension Scheme (LGPS) legislation and regulations and TPR requirements, or the Fund could be non-compliant and in breach of Regulator requirements.
- 3.3 Risk management is an integral part of the assessment tool used to assess compliance with GCoP with each requirement given a risk rating of fully met, partially met or not

completed and an action plan to address areas where the risk rating is partially met or not completed. As part of assessing compliance, risk management processes are reviewed.

- 3.4 There are no Health and Safety (risks arising from changes to plant, equipment, or people) or Gaelic implications arising as a direct result of this report.

4. Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is a monitoring and update report and therefore an impact assessment is not required.

5. The Pensions Regulator – General Code of Practice

- 5.1 TPR's new GCoP, was laid in parliament on 10 January 2024 and became effective from 28 March 2024. The new code collates and updates 10 existing codes of practice into one set of clear, consistent expectations on scheme governance and administration. GCoP applies to all pension schemes, public and private.
<https://www.thepensionsregulator.gov.uk/en/document-library/code-of-practice>
- 5.2 An action to review of the Fund's compliance with GCoP was included in the previous Service Plan 2024/25 presented to Pensions Committee in February 2024.
- 5.3 The Fund's Actuary, Hymans launched a TPR GCoP compliance checker for LGPS funds. The Fund considered different options to assess compliance with GCoP and the Hyman's compliance checker was the most cost-effective solution.
- 5.4 The compliance checker is a self-assessment tool and officers used this to assess the Fund's compliance with GCoP. The results of this assessment are in the report at Appendix 1. It should be noted that overall the Fund is complying with most of the requirements. The areas where improvements could be made are set out in the next paragraph.
- 5.5 There are a number of areas where improvements can be made which are set out below and included in the action plan alongside a timeframe for implementing actions.
- Develop and implement policies on the following
 - Cyber security – collating information on controls from Providers and Highland Council on controls and processes

- Communications
- TPR breaches reporting
- Appointment and management of advisors and service providers
- Conflicts of interest and declaration system
- Improve processes by implementing the following actions:
 - Officers will develop a contribution monitoring records in accordance with TPR expectations.
 - Continue to test McCloud software solution and roll-out new processes to incorporate McCloud into benefit calculations.
 - Action plan to managed increasing workloads.
 - Enhancement of existing KPIs to monitor and review performance.
 - Review Internal Dispute Resolution Processes and update to streamline processes.

5.6 Internal Audit reviewed the Governance section of the officers GCoP compliance assessment during their Governance audit and will include a review of the full GCoP compliance assessment in future Internal Audit plans.

Designation: Chief Officer, Corporate Finance

Date: 28 January 2025

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APPENDIX 1



General Code of Practice Assessment summary

6 January 2025

Introduction

In March 2024 The Pensions Regulator (TPR) combined various codes of practice into a single General Code of Practice (GCoP) which is applicable to most public and private occupational pension schemes, including the Local Government Pension Scheme (LGPS).

There are elements of the code which do not apply to the LGPS and not all requirements carry the same weight. Administering Authorities of LGPS funds must however comply with the sections relevant to them.

GCoP makes reference to, and places significant responsibility on, the "governing body" of a pension scheme. In the words of TPR, the governing body is "in a public service pension scheme, the scheme manager".

Furthermore, "Each public service pension scheme should determine who fulfils the role of scheme manager according to their regulations and local arrangements." It is our understanding that for the LGPS this refers to the administering authority or any other body or individual carrying out a delegated function on behalf of the administering authority. For most, but not all, LGPS funds this will be a pension committee or sub-committee. A local pension board is not a governing body.

Purpose

The purpose of this report is to summarise the Fund officer review of compliance with GCoP. In December 2024, the Pension Fund Manager, Operations Manager and the Technical & Communications Officer completed a review of the Fund's compliance with GCoP and recorded this on the compliance checker spreadsheet.

As part of this review, for each requirement being assessed, sources of evidence to justify the rating score are provided on the compliance checker.

There are a number of criteria which Funds must comply with in order to satisfy the requirements of the various sections of GCoP. This report records the findings from the assessment by Fund officers across all relevant subject areas.

Completing this assessment against the GCoP requirements enables officers to develop an action plan, targeting the areas considered most risky. It will also identify requirements which are partially met within GCoP, and where further action is required in order to fully meet requirements.

Internal Audit reviewed the Governance section of the officers GCoP compliance assessment during their Governance audit and will include a review of the full GCoP compliance assessment in future Internal Audit plans.

Results

Officers assessed the Fund's current compliance against GCoP. For this assessment GCoP was broken down into 15 distinct sub-sets which are referred to as chapters.

Note, there are no requirements for LGPS funds in the "Value for Scheme Members" chapter.

Within each of these chapters, there are a number of different modules each with their own set of requirements. Each requirement has been assessed and a corresponding risk rating applied. These requirements fall into one of three categories -

- Regulatory Requirement;
- TPR Expectation; and
- Best Practice

The Chart below summarises the Fund's assessment of current risk rating for each chapter. A score of 100% for a particular chapter indicates that all requirements are fully met. A score of 50% would indicate that half of the requirements in that chapter fully meet requirements within GCoP.



Commentary on results

It can be seen from the Chart above that there are 4 areas of the GCoP. where the requirements are fully met. It is important that these areas are monitored to ensure the requirements continue to be fully met.

This means that there are 10 chapters where the requirements of GCoP are not fully met. The areas where more actions are required are:

- The Governing Body: Advisers and Service Providers
- Reporting to TPR: Reporting Breaches
- The Governing Body: Knowledge & Understanding

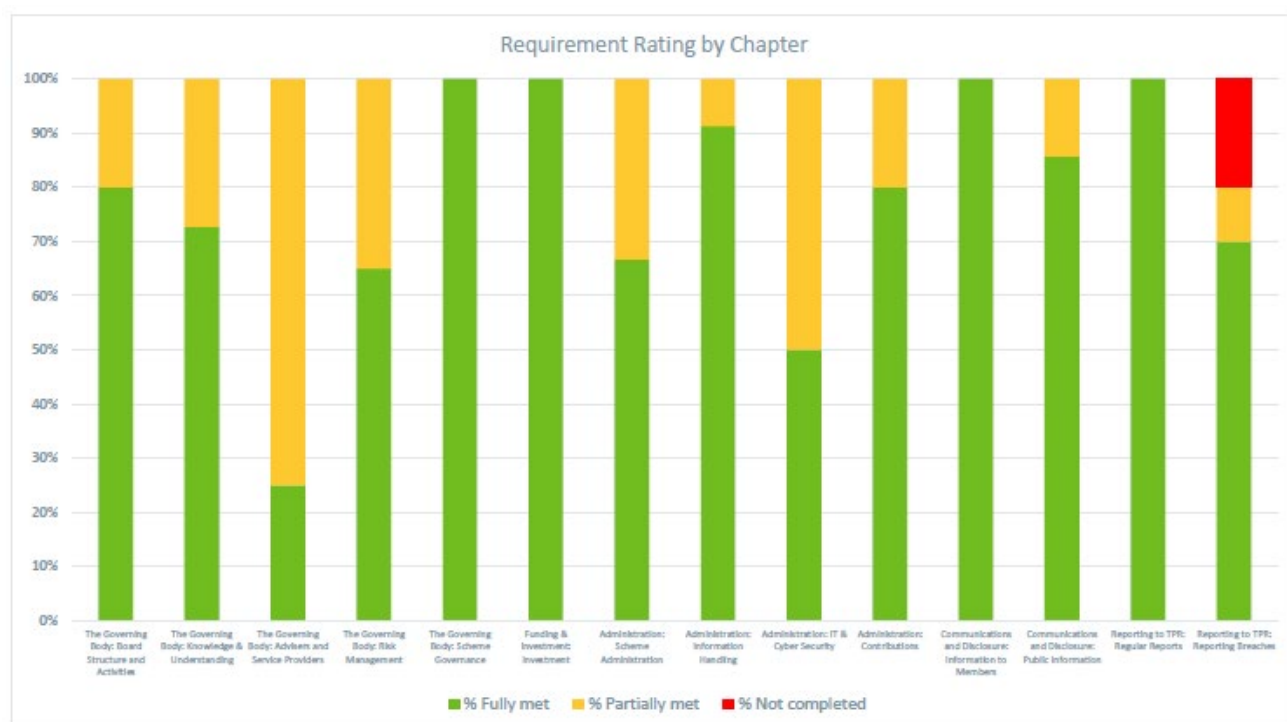
Further analysis

Within each topic the administering authority has assessed a number of strands – noting the following:

- Risk rating for each requirement – fully met, partially met or not completed
- The evidence taken into account when assessing compliance
- The owner of that particular strand
- The steps which need to be taken to ensure compliance or continued compliance
- The suggested immediate actions

Appendix 1 contains the detail of the current ratings for each of the chapters, as well as the actions required.

The following chart shows the aggregate position of each chapter, when the individual requirements are assessed as either "Fully met", "Partially met" or "Not completed".



When looking at the results in this way, it is more encouraging as there are 10 chapters of GCoP with requirements which are already partially completed and as such, actions could be fully completed relatively easily. The steps required to complete the actions, as proposed by the Fund's officers, are set out in Appendix 2.

Breakdown of results

Simply looking at the overall ratings across a full chapter of GCoP may not provide the level of detail needed. The requirements from GCoP can be split into the following categories:

- **Regulatory Requirement** - these align with Legislation or Regulations which LGPS Funds must follow.
- **TPR Expectation** - These align with what the Regulator would expect to see from LGPS Funds.
- **Best Practice** - These are examples of what the Regulator believes should be in place for well governed Funds.

Having an understanding of the current ratings in the parts of GCoP where there is a Regulatory requirement can help prioritise the required actions and the focus of efforts in the short term. The charts below provide a summary of the results in these categories. Please note that each chart only contains the chapters which have requirements in the relevant category. To confirm some chapters from the GCoP will be missing from the charts below as they won't have requirements.

The chart below summarises the **Regulatory requirements** which have been assessed to be fully met.



The chart below summarises **TPR's expectations**, which have been assessed to be fully met.



The chart below summarises the **best practice** requirements, which have been assessed to be fully met.



Next Steps

This report summarises the findings of the most recent assessment against GCoP. Preparation is the first step in ensuring the Fund is compliant with the requirements of GCoP. The Administering Authority will ensure that any changes, updates or additions to GCoP are reflected in the Fund's compliance checks in future.

Having assessed the Fund's current position against GCoP, and prepared this report, a suggested list of actions is:

1. Circulation of this report and appendix to relevant stakeholders
2. Identify steps required to turn partially compliant requirements into fully compliant, assigning owners to each action
3. Identify the steps required to make non-compliant requirements fully compliant, again assigning owners to each action
4. Create a plan based on steps 2 and 3 above, with key milestones and timescales allocated to each step
5. Decide on any actions to ensure compliant strands remain compliant
6. Decide on the frequency of review of the plan, and update timescales as required
7. Agree when the next full compliance review will take place

A note of the risk rating for each chapter, as well as the required actions and responsibilities for complying with each requirement of GCoP (Appendix 1).

An action plan has been developed with proposed implementation dates (Appendix 2).

Appendix 1 Scorecard

The following gives an overview of the current compliance position against the General Code of Practice, and a note of the immediate actions

| 1. The Governing Body: Board Structure and Activities | | | | |
|---|--|----------------|---|--|
| Requirements | | Current rating | Actions | Responsibility |
| 1.1 | The governance of a public service pension scheme will need to take into account the differing responsibilities of the scheme manager, pension board and, where appropriate, pension committee. | Fully met | | Chief Officer - Corporate Finance |
| 1.2 | The pension board must have an equal number of employer and member representatives | Fully met | | Chief Officer - Corporate Finance |
| 1.3 | Legislation dictates how the governing body of a PSPS is made up and pension board members must not have a conflict of interest and must evidence such if required by the scheme manager | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Chief Officer - Corporate Finance |
| 1.4 | Members of governing bodies to display the characteristics shown in Appendix 1. | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Chief Officer - Corporate Finance |
| 1.5 | To have a process in place for appointing pension board members | Fully met | | Chief Officer - Legal and Corporate Governance |
| 1.6 | Schemes will have governing bodies where appointments are made in accordance with scheme specific legislation. The governing body, or pension board, should seek to inform those making the appointment of the expectations and any legislative requirements placed on members of the governing body. | Fully met | | Chief Officer - Legal and Corporate Governance |
| 1.7 | Expectations of a chair in particular the skills and behaviours which are expected to be shown are set out (see Appendix 2 for more detail) | Fully met | | Chief Officer - Legal and Corporate Governance |
| 1.8 | Scheme managers of PSPS are required to establish and operate internal controls, which are adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules, and with the requirements of the law. This applies to the running of meetings and making decisions. | Fully met | | Chief Officer - Corporate Finance |
| 1.9 | Meeting arrangements and decision making should comply with the requirements of The Local Government Act 1972 and Local Government and Housing Act 1989. | Fully met | | Chief Officer - Legal and Corporate Governance |
| 1.10 | The pension board should maintain a record of the specified records which are shown in Appendix 3. | Fully met | | Chief Officer - Legal and Corporate Governance |
| 2. The Governing Body: Knowledge & Understanding | | | | |
| Requirements | | Current rating | Actions | Responsibility |
| 2.1 | All governing bodies should maintain a list (in an accessible format) of items the members of the governing body should be familiar with | Fully met | | Pension Fund Manager |

| | | | | |
|--|---|----------------|--|-----------------------------------|
| 2.2 | The governing body should regularly carry out an audit of its members' skills and experience to identify gaps and imbalances | Partially met | 2) Formal assessment of Committee and Board skills and experience to be completed in order to identify gaps and imbalances. | Pension Fund Manager |
| 2.3 | Pension board members must be conversant with <ul style="list-style-type: none"> - The rules of the scheme, and - Any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme. And to have knowledge and understanding of: <ul style="list-style-type: none"> - The law relating to pensions, and - Such other matters as may be prescribed. | Partially met | 2) Formal assessment of Committee and Board skills and experience to be completed in order to identify gaps and imbalances. | Pension Board |
| 2.4 | Scheme managers or their delegates should achieve at least basic competence in knowledge and skills. | Fully met | | Pension Board |
| 2.5 | Pension board members should have a working knowledge of the topics in Appendix 4 | Partially met | 2) Formal assessment of Officer, Committee and Board skills and experience to be completed in order to identify gaps and imbalances. | Pension Board |
| 2.6 | Demonstrate that, as a group, the pension board possess the skills, knowledge, and experience to run the scheme effectively | Fully met | | Pension Fund Manager |
| 2.7 | The pension board meet the requirements in Appendix 5 | Fully met | | Pension Fund Manager |
| 2.8 | Members of the pension board should be aware that their responsibilities and duties begin from the date they take up their post | Fully met | | Pension Fund Manager |
| 2.9 | Governing bodies should provide the necessary training and support to its members | Fully met | | Pension Fund Manager |
| 2.10 | Members of the pension board can work towards completing TPR public service toolkit or equivalent learning programmes | Fully met | | Pension Fund Manager |
| 2.11 | To enable the pension board to ensure their knowledge and understanding is established and maintained, members of a governing body should comply with the points laid out in Appendix 6 | Fully met | | Pension Fund Manager |
| 3. The Governing Body: Advisers and Service Providers | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 3.1 | Follow the processes set out for selecting advisers and service providers (see Appendix 7 for more detail) | Partially met | 3) Develop a policy on the appointment and management of advisers and service providers for the Fund. | Chief Officer - Corporate Finance |
| 3.2 | Follow the processes set out for appointing advisers and service providers (see Appendix 8 for more detail) | Partially met | 3) Develop a policy on the appointment and management of advisers and service providers for the Fund. | Chief Officer - Corporate Finance |
| 3.3 | Follow the processes set out for managing advisers and service providers (see Appendix 9 for more detail) | Partially met | 3) Develop a policy on the appointment and management of advisers and service providers for the Fund. | Chief Officer - Corporate Finance |
| 3.4 | Follow the processes set out for replacing advisers and service providers (see Appendix 10 for more detail) | Fully met | | Chief Officer - Corporate Finance |
| 4. The Governing Body: Risk Management | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 4.1 | Scheme managers of public service pension schemes are required to establish and operate internal controls, which are adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules and with the requirements of the law. | Fully met | | Pension Fund Manager |
| 4.2 | The governing body should identify risks, record them, and regularly review and evaluate them (see Appendix | Fully met | | Pension Fund Manager |

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|------|---|-----------|--|----------------------|
| | 11 for guidance on identifying, evaluating and recording risk) | | | |
| 4.3 | <p>The scheme manager should have in place internal controls, including;</p> <ul style="list-style-type: none"> - The arrangements and procedures to be followed in the administration and management of the scheme - The systems and arrangements for monitoring that administration and management, and - Arrangements and procedures to be followed for the safe custody and security of the assets of the scheme. | Fully met | | Pension Fund Manager |
| 4.4 | <p>The governing body should design internal controls which ensure that the scheme is administered and managed in accordance with the requirement of the law and the scheme rules. The scheme's internal controls should also:</p> <ul style="list-style-type: none"> - Include a clear separation of duties for those performing them, and processes for escalation and decision-making - Require the exercise of judgement, where appropriate, in assessing the risk profile of the scheme and in designing appropriate controls. | Fully met | | Pension Fund Manager |
| 4.5 | The governing body should make sure that their internal controls are documented. | Fully met | | Pension Fund Manager |
| 4.6 | A scheme's internal controls should be reviewed at least annually. However, the review of controls can be staggered if they address different areas of a scheme's operations or governance. | Fully met | | Pension Fund Manager |
| 4.7 | <p>Reviews should also be carried out when:</p> <ul style="list-style-type: none"> - Substantial changes to the scheme take place. These include changes to pension scheme personnel, service providers, scheme advisors, or administration and other IT systems; - A control is not working to the standard required by the law. | Fully met | | Pension Fund Manager |
| 4.8 | When designing internal controls governing bodies should consider TPR expectations (see Appendix 12 for more detail) | Fully met | | Pension Fund Manager |
| 4.9 | To maintain internal controls governing bodies should consider TPR expectations (see Appendix 13 for more detail) | Fully met | | Pension Fund Manager |
| 4.10 | The governing body may consider using assurance reports to assess whether the scheme or a service provider meets the relevant legislative requirements on internal controls. | Fully met | | |
| 4.11 | <p>If selecting a suitable internal auditor, the governing body should consider:</p> <ul style="list-style-type: none"> - The candidate's independence - Any actual or potential conflicts of interest - The candidate's knowledge of the subject. | Fully met | | Pension Fund Manager |
| 4.12 | <p>The governing body should read and understand assurance reports provided by service providers to establish if the controls used by the organisations that they outsource various functions to are adequate. This will also include assurance reports produced by the scheme's investment manager and custodian.</p> <p>They should consider the scope of such reports and the degree to which these are applicable. For</p> | Fully met | | Pension Fund Manager |
| 4.13 | Governing bodies should consider having a continuity plan that meets the requirements of Appendix 14 | Fully met | | Pension Fund Manager |

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|---|--|-----------------------|---|--|
| 4.14 | When identifying and evaluating risks, governing bodies should consider conflicts of interest. | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 4.15 | Where management of conflicts of interest form part of the scheme manager's internal controls the following expectation apply; - Members of governing bodies should understand when potential and actual conflicts arise legal and professional requirements and legislation that apply to English local authorities should apply - The requirements in Appendix 15 are met. | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 4.16 | Where management of conflicts of interest does not form part of the scheme manager's internal controls the following expectation apply; - Members of governing bodies should understand when potential and actual conflicts arise - Legal and professional requirements and legislation that apply to English local authorities should apply - The requirements in Appendix 15 are met. | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 4.17 | Governing bodies should have processes in place to ensure that their decision-making is not compromised by actual or potential conflicts | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 4.18 | Governing bodies should consider seeking independent legal advice, to help decide whether an actual or potential conflict of interest can be eliminated (and if so, the best way of achieving it) | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 4.19 | Regarding the pension board, scheme managers of public service pension schemes must: - Be satisfied that a prospective member of the pension board does not have a conflict of interest - Remain satisfied that none of the members of the pension board has a conflict of interest | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 4.20 | Regarding the pension board, scheme managers of public service pension schemes should: - Circulate the register of interests and the other relevant documents to the pension board for ongoing review - Publish these documents (for example on a scheme's website) | Partially met | 1) Develop a Conflict of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager |
| 5. The Governing Body: Scheme Governance | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 5.1 | The scheme manager needs to have a system of governance and internal controls that; - Provide the governing body with oversight of the day-to-day operations of the scheme - Include any delegated activities for which the governing body remains accountable - Provide the governing body with assurances that their scheme is operating correctly and in accordance with the law | Fully met | | Chief Officer (Corporate Finance) Section 95 Officer |
| 5.2 | Scheme managers are required to establish and operate internal controls, which are adequate for securing that the scheme is administered and managed in accordance with the scheme rules and with the requirements of the law. Internal controls means; - Arrangements and procedures to be followed in the administration and management of the scheme, - Systems and arrangements for monitoring that administration and management, and | Fully met | | Chief Officer (Corporate Finance) Section 95 Officer |

| | <ul style="list-style-type: none"> - Arrangements and procedures to be followed for the safe custody and security of the assets of the scheme; | | | |
|--|--|----------------|--|----------------------|
| 6. Funding & Investment: Investment | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 6.1 | It is best practice for governing bodies to meet the requirements set out in Appendix 16 | Fully met | | Pension Fund Manager |
| 6.2 | It is best practice for governing bodies to meet the requirements set out in Appendix 17 | Fully met | | Pension Fund Manager |
| 6.3 | In respect of any DC arrangement, best practice is for governing bodies to meet the requirements set out in Appendix 18 | Fully met | | Pension Fund Manager |
| 6.4 | <p>The governing body should:</p> <ul style="list-style-type: none"> - Have governance policies that ensure the form and structure of liabilities, the strength of the employer covenant, the risk of sponsor default, life expectancy of members, and the need to access cash at particular times are taken into account in investment decision-making - Clearly communicate the policies above to advisers, investment managers, and other relevant stakeholders | Fully met | | Pension Fund Manager |
| 6.5 | In relation to investment monitoring, governing bodies should follow the steps in Appendix 19 | Fully met | | Pension Fund Manager |
| 6.6 | Governing bodies should set clear expectations for their investment managers | Fully met | | Pension Fund Manager |
| 6.7 | The expectations for governing bodies in relation to climate change are set out in Appendix 20 | Fully met | | Pension Fund Manager |
| 7. Administration: Scheme Administration | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 7.1 | Every scheme must operate internal controls which should include administration. | Fully met | | Pension Fund Manager |
| 7.2 | With regard to planning and preparation governing bodies should comply with the requirements in Appendix 21. | Fully met | | Pension Fund Manager |
| 7.3 | To maintain proper administration, governing bodies should comply with the requirements set out in Appendix 22. | Partially met | <p>4) Systems for monitoring administration processes weekly/monthly/quarterly using KPIs are being developed.</p> <p>5) Monitoring of new staff to assess competency in key skills underway.</p> <p>6) Plan to manage outstanding workloads will be implemented March 2025, after the Altair payroll system is implemented.</p> <p>7) Continue to test McCloud software solution and roll-out new processes to incorporate McCloud into benefit calculations.</p> <p>8) Future roll-out of immediate payments functionality will further improve payment efficiencies</p> | Pension Fund Manager |

| 8. Administration: Information Handling | | | | |
|---|--|----------------|---|----------------------|
| Requirements | | Current rating | Actions | Responsibility |
| 8.1 | The governing body should maintain the following records; <ul style="list-style-type: none"> Records of member and beneficiary information Records of transactions Records of pension board meetings and decisions (for further information see Appendix 23) | Fully met | | Pension Fund Manager |
| 8.2 | The scheme manager is required to establish and operate internal controls, which are adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules, and with the requirements of the law. Governing bodies should make sure financial transactions are managed as part of their internal controls. | Fully met | | Pension Fund Manager |
| 8.3 | The management of financial transactions should be proportionate to the nature, complexity, and activity of the scheme. Governing bodies should comply with the requirements of Appendix 24. | Fully met | | Pension Fund Manager |
| 8.4 | When deciding to grant statutory transfers, governing bodies must carry out appropriate checks to decide if one of the conditions for transfer are met. | Fully met | | Pension Fund Manager |
| 8.5 | Governing bodies should ensure that they have the necessary administrative procedures to deal with transfer requests, without undue delay and in line with scheme rules and the law. | Partially met | 6) Plan to manage outstanding workloads will be implemented March 2025, after the Altair payroll system is implemented. 7) Continue to test McCloud software solution and roll-out new processes to incorporate McCloud into benefit calculations. | Pension Fund Manager |
| 8.6 | Governing bodies should also maintain accurate and complete records of all requests received and the transfers that have been made. | Fully met | | Pension Fund Manager |
| 8.7 | The governing body must provide the statement of entitlement within approximately three months of receiving the request, unless this information has been provided in response to a request in the previous 12 months | Fully met | | Pension Fund Manager |
| 8.8 | Before paying a transfers the governing body must check that the receiving scheme is; <ul style="list-style-type: none"> Able to accept the transfer Willing to accept the transfer A scheme to which a transfer can be made under the relevant legislation | Fully met | | Pension Fund Manager |
| 8.9 | Where the governing body suspect the receiving scheme is an illegitimate arrangement, they should report it to Action Fraud. | Fully met | | Pension Fund Manager |
| 8.10 | Where the governing body believe they will not meet the legislative deadlines, they should make an application to TPR before the deadline | Fully met | | Pension Fund Manager |
| 8.11 | The governing bodies of DB schemes that receive a request to transfer or convert safeguarded benefits of £30,000 or more, must check the scheme member (or survivor) has received appropriate independent advice. | Fully met | | Pension Fund Manager |
| 8.12 | When checking written confirmation governing bodies should follow advised steps around record keeping and responding to suspected fraudulent activity (See Appendix 25 for full details) | Fully met | | Pension Fund Manager |

| | | | | |
|---|---|-----------------------|--|--|
| 8.13 | Governing bodies are required to complete transfers within six months. For DB benefits, this is measured from the guarantee date provided in the statement of entitlement. | Partially met | 7) Continue to test McCloud software solution and roll-out new processes to incorporate McCloud into benefit calculations. | Pension Fund Manager |
| 8.14 | Governing bodies should meet the record keeping requirements set out in Appendix 26 | Fully met | | Pension Fund Manager |
| 8.15 | Governing bodies may consider the record keeping requirements set out in Appendix 27 as best practice [can we link to an appendix listing page 106 para 7] | Fully met | | Pension Fund Manager |
| 8.16 | When maintaining administrative systems governing bodies should comply with the measures laid out in Appendix 28 | Fully met | | Pension Fund Manager |
| 8.17 | When maintaining administrative systems governing bodies may consider the measures laid out in Appendix 28 as best practice | Fully met | | Pension Fund Manager |
| 8.18 | Governing bodies should ensure that appropriate processes are in place: - To enable participating employers to provide timely and accurate data - To reconcile employer data and scheme data - For situations where an employer fails to meet their legal duties to the scheme | Fully met | | Pension Fund Manager |
| 8.19 | Governing bodies may consider educating employers to understand where member information must and should be shared to the scheme and/or another employer | Fully met | | Pension Fund Manager |
| 8.20 | Governing bodies should retain records for as long as they are needed | Fully met | | Chief Officer (Legal and Corporate Governance) |
| 8.21 | Governing bodies should have appropriate processes in place for monitoring scheme data (see Appendix 29 for full details) | Fully met | | Pension Fund Manager |
| 8.22 | Governing bodies should have appropriate processes in place for reviewing scheme data (see Appendix 30 for full details) | Fully met | | Pension Fund Manager |
| 8.23 | Governing bodies should have appropriate processes in place for protecting scheme data (see Appendix 31 for full details) | Fully met | | Pension Fund Manager |
| CHAPTER 9: Administration: IT & Cyber Security | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 9.1 | Governing bodies should take steps to make sure their service providers can prove they meet our expectations for maintaining IT systems as listed in Appendix 32 | Fully met | | Pension Fund Manager |
| 9.2 | Scheme managers should establish adequate internal controls in relation to any regulatory or legal obligations in respect of cyber risk | Fully met | | Pension Fund Manager |
| 9.3 | When assessing cyber risk governing bodies should follow the procedures set out in Appendix 33 | Partially met | 8) Draft cyber security policy collating information on risks, controls and key processes and stakeholders. | Pension Fund Manager |
| 9.4 | When managing cyber risk governing bodies should follow the procedures set out in Appendix 34 | Partially met | 8) Draft cyber security policy collating information on risks, controls and key processes and stakeholders. | Pension Fund Manager |

| CHAPTER 10: Administration: Contributions | | | | |
|---|---|----------------|---|----------------------|
| | Requirements | Current rating | Actions | Responsibility |
| 10.1 | Employee Contributions must be paid to the scheme by day 19 of the following month, or day 22 if paid electronically. | Fully met | | Fund employers |
| 10.2 | Employer contribution payments must be paid by the date specified in the scheme rules, regulations, or documentation. | Fully met | | Fund employers |
| 10.3 | Governing bodies should develop a record to monitor contribution payments to the scheme (a contributions monitoring record). | Partially met | 10) Officers will develop a contribution monitoring record. | Fund Officers |
| 10.4 | Governing bodies should have processes in place to check contributions due to the scheme and to reconcile them with what is actually paid to identify payment failures. | Fully met | | |
| 10.5 | Governing bodies should develop and maintain records for monitoring contribution payments to the scheme. This should include: contribution rates, date contributions are due, interest on late payments. (see Appendix 35 for full details) | Partially met | 10) Officers will develop a contribution monitoring record. | Fund Officers |
| 10.6 | Governing bodies must also keep records of any employer contributions due to the scheme that have been written off. | Fully met | | Fund Officers |
| 10.7 | When a payment failure is identified, the governing body should contact the employer quickly to resolve the overdue payment. | Fully met | | Fund Officers |
| 10.8 | The governing body should obtain overdue payments and rectify administrative errors. (see Appendix 36 for more detail) | Fully met | | |
| 10.9 | Governing bodies should maintain a record of their investigation and the communications between themselves and the employer. | Fully met | | Fund Officers |
| 10.10 | The governing body should review current processes to detect situations where fraud may be more likely to occur and where additional checks may be needed. | Fully met | | Fund Officers |
| CHAPTER 11: Communications and Disclosure: Information to Members | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 11.1 | The scheme manager should comply with the requirements of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013. | Fully met | | Pension Fund Manager |
| 11.2 | The governing body should follow the principles set out in the section entitled "General Principles for Member Communications". TPR expectations are listed in Appendix 37 | Fully met | | Pension Fund Manager |
| 11.3 | Scheme managers must provide all active members with an annual benefit information statement. They may also be required to provide a benefit information statement to certain types of members on request. | Fully met | | Pension Fund Manager |
| 11.4 | Scheme managers should follow the principles set out in the section entitled "General Principles for Member Communications" when drafting benefit information statements (see Appendix 38 for more detail) | Fully met | | Pension Fund Manager |
| 11.5 | For active members the scheme manager must: - Include a description of the benefits earned by members during their pensionable service - Issue the annual statement by no later than 31 August of | Fully met | | Pension Fund Manager |

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|-------|--|-----------|--|----------------------|
| | <p>the year following the period to which the statement relates</p> <ul style="list-style-type: none"> - Comply with any HM Treasury directions, in terms of any other information that must be included and the way it must be provided to members. | | | |
| 11.6 | <p>For active, deferred, or pension credit members the scheme manager must:</p> <ul style="list-style-type: none"> - Provide a benefit information statement following a request for one, if the information has not been provided to that member in the previous 12 months - Issue a benefit information statement as soon as possible following a valid request for one, and within two months | Fully met | | Pension Fund Manager |
| 11.7 | <p>For members with defined contribution (DC) benefits, scheme managers must:</p> <ul style="list-style-type: none"> - provide a benefit information statement regarding their DC benefits to every member within 12 months of the end of the scheme year (irrespective of whether they also have DB benefits) - include the information required by law in any benefit information statement. | Fully met | | Pension Fund Manager |
| 11.8 | Where the applicable public service scheme regulations require additional benefit information to be provided to members, or for statements to be given at shorter intervals than set out above, those scheme regulations will also apply. | Fully met | | Pension Fund Manager |
| 11.9 | Where a member has a right to a cash transfer sum or a contribution refund the information in s101AC of the Pension Schemes Act 1993 must be provided within a reasonable period. | Fully met | | Fund Officers |
| 11.10 | The term "reasonable period" in the phrase above should be construed as 3 months from leaving. Governing bodies should advise members where it is likely to take more than 3 months to provide the information. | Fully met | | Fund Officers |
| 11.11 | The governing body should give members 3 months to confirm if they wish to transfer their cash transfer sum and can extend this deadline at their discretion. If the member does not respond, the governing body may arrange to pay a contribution refund after a further month. | Fully met | | Fund Officers |
| 11.12 | Where a member elects for a cash transfer sum the governing body should pay it within 3 months but can extend in exceptional circumstances. | Fully met | | Fund Officers |
| 11.13 | When processing a transfer, governing bodies must check that at least one of the conditions for the transfer to proceed is met (see Transfers out module within Information Handling section of this checker). | Fully met | | Fund Officers |
| 11.14 | As part of their internal controls, governing bodies should ensure that they take the steps set out in Appendix 39. | Fully met | | Fund Officers |

CHAPTER 12: Communications and Disclosure: Public Information

| | Requirements | Current rating | Actions | Responsibility |
|------|---|----------------|---|--|
| 12.1 | <p>Scheme managers must publish certain information about the pension board and keep that information up to date.</p> <p>The scheme manager must publish and maintain:</p> <ul style="list-style-type: none"> - The names of pension board members - Details about the representation of scheme members on the pension board - Details of the matters for which the pension board is responsible | Fully met | | Pension Fund Manager |
| 12.2 | <p>Scheme managers may consider publishing information about pension board business, for example, board papers, agendas, and minutes of meetings. These may be redacted to the extent that they contain confidential information and/or data protected by law.</p> | Fully met | | Chief Officer (Legal and Corporate Governance) |
| 12.3 | <p>Scheme managers should consider requests for additional information to be published, to encourage scheme member engagement and promote</p> | Fully met | | Pension Fund Manager |
| 12.4 | <p>Scheme managers may consider how best to publish information, making use of the principles outlined in General principles for member communications.</p> <p>See appendix 37</p> | Fully met | | Pension Fund Manager |
| 12.5 | <p>Scheme managers may also publish:</p> <ul style="list-style-type: none"> - the employment and job title (where relevant) and any other relevant position each board members holds - details of the pension board recruitment process - who each pension board member represents - the full terms of reference for the pension board, including details of how it will operate | Fully met | | Pension Fund Manager |
| 12.6 | <p>Scheme managers should:</p> <ul style="list-style-type: none"> - Have policies and processes to monitor all published data on an ongoing basis to ensure it is accurate and complete - Ensure any out-of-date or incorrect information identified is updated as soon as possible and in any event, within one month | Partially met | 9) Fund to draft and implement a communications policy. | Training, Development and Communications Manager |
| 12.7 | <p>Governing bodies must put formal procedures and processes in place to investigate and decide upon pension scheme disputes quickly and effectively</p> <p>These processes must be followed to resolve various matters</p> | Fully met | | Pension Fund Manager |
| 12.8 | <p>Where a person no longer has an interest in the scheme or claims to be such a person, governing bodies must ensure their scheme's procedures allow a reasonable period for that person or their representatives to make their applications. The reasonable period in these circumstances is six months beginning on the date their interest in the scheme stopped.</p> <p>Governing bodies can accept an application outside of this timeframe if they believe it is</p> | Fully met | | Pension Fund Manager |

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|-------|---|---------------|--|--|
| 12.9 | <p>In relation to dispute resolution processes, governing bodies must:</p> <ul style="list-style-type: none"> - Provide their internal dispute resolution procedure to: - Prospective member if its practicable to do so - Any scheme members who have not been given the information - Certain people who request the information and who have not been given that information in the previous 12 months - Members or prospective members when schemes receive jobholder information or when a jobholder becomes an active member, in connection with automatic enrolment | Fully met | | Pension Fund Manager |
| 12.10 | <p>The governing body must provide information about the Money and Pensions Service and the Pensions Ombudsman to the complainant at certain stages of the dispute</p> | Fully met | | Training, Development and Communications Manager |
| 12.11 | <p>There are further considerations the governing body should make in relation to the dispute resolution process. (see Appendix 40 for further details).</p> | Fully met | | Training, Development and Communications Manager |
| 12.12 | <p>In relation to reasonable time periods governing bodies should:</p> <ul style="list-style-type: none"> - Decide the matter in dispute within four months of receiving the application - In the case of a two-stage dispute resolution procedure, reach a first stage decision within four months of receiving the application - In the case of a two-stage dispute resolution procedure, reach a second stage decision within four months of the point when the governing body receives the referral - Notify applicants of the decision no later than 21 days from when it is made - Not delay a decision where it is possible to process an application sooner than four months - Allow more than four months to reach a decision if it is appropriate to do so <p>For public sector schemes, where the governing regulations provide for shorter periods to consider grievances than set out above, those regulations will apply</p> | Fully met | | Pension Fund Manager |
| 12.13 | <p>When reviewing an application, decision-makers should:</p> <ul style="list-style-type: none"> - Ensure they have all the appropriate information to make an informed decision - Request further information if required - Be satisfied that the time and action to reach a decision and notify the applicant are appropriate to the situation, and be able to demonstrate this | Fully met | | Pension Fund Manager |
| 12.14 | <p>The governing body should keep members informed about dispute resolution. This can include:</p> <ul style="list-style-type: none"> - Publishing and making readily available timescales for an application - Making their procedure accessible on the Fund's website | Partially met | 12) Internal Dispute Resolution Processes (IDRP) will be updated setting out roles and responsibilities. | Pension Fund Manager |

| | Keeping applicants advised of the progress of their dispute and expected timescales | | | |
|--|---|----------------|---|----------------------|
| CHAPTER 13: Reporting to TPR: Regular reports | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 13.1 | Governing bodies of registrable schemes must provide TPR with all registrable information when registering their schemes. | Fully met | | Pension Fund Manager |
| 13.2 | The governing body must tell TPR about changes to the registrable information as soon as reasonably practicable, at the very latest within five working days of the governing body becoming aware of the change. | Fully met | | Pension Fund Manager |
| 13.3 | Governing bodies must complete a scheme return, including registrable information, plus any other information TPR may require to exercise their functions for a registered scheme. This must be provided by the date specified in the scheme return notice. | Fully met | | Pension Fund Manager |
| 13.4 | Governing bodies should have measures in place to review and ensure the accuracy of the information in the scheme return. | Fully met | | Pension Fund Manager |
| CHAPTER 14: Reporting to TPR: Reporting breaches | | | | |
| | Requirements | Current rating | Actions | Responsibility |
| 14.1 | Report breaches of the law when: A legal duty which is relevant to the administration of a scheme, has not been, or is not being complied with, and The failure to comply is likely to be of material significance. | Fully met | | Pension Fund Manager |
| 14.2 | Governing bodies should be satisfied that those responsible for reporting breaches are aware of the legal requirements and this code. Training should be provided for the Governing body and any in house administrators. | Partially met | 11) Establish what types of regulatory breaches employers could potentially come across and make employers aware. Once drafted, Fund can share Breaches Policy with employers | Pension Fund Manager |
| 14.3 | Breaches must be reported if they are likely to be of "material significance" to TPR in carrying out any of their function | Fully met | | |
| 14.4 | Those responsible for reporting breaches, including the governing body, should establish and generate procedures to ensure they are able to meet their legal duties. | Not completed | 10) Regulatory Breaches policy to be drafted | Pension Fund Manager |
| 14.5 | Breaches of the law must be reported as soon as reasonably practicable. | Fully met | | Pension Fund Manager |
| 14.6 | Breach report should include all the required information (listed in Appendix 43 of the model) | Fully met | | Pension Fund Manager |

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|-------|---|--------------|--|----------------------|
| 13.7 | There are other requirements placed on those running pension schemes to report to TPR, the report to TPR should include details of the other bodies the matter has been reported to. | Fully met | | Pension Fund Manager |
| 13.8 | If a scheme or individual is at risk, for example where there has been dishonesty, the reported should not take any actions that may alert those implicated that a report has been made. Similarly, reporters should not delay their report to TPR, to check whether any proposed solutions will be effective. | No completed | 10) Regulatory Breaches policy to be drafted | Pension Fund Manager |
| 13.9 | Where contributions are not paid on time, and the governing body has reasonable cause to believe that the payment failure is likely to be of material significant to TPR they should send a written report of the matter to TPR. | Fully met | | Pension Fund Manager |
| 13.10 | Reports of late contribution payments should be made to us within 14 days of the trustees having reasonable cause to believe that a material payment failure exists. Members should be notified within 30 days of the report to TPR. When reporting to members, governing bodies should provide payment information that will enable them to understand what has been paid to the scheme and by whom. | Fully met | | Pension Fund Manager |

Appendix 2 Action plan

| Action | | Responsibility | Target completion date | Progress |
|--------|--|--|------------------------|--|
| 1 | Develop a Conflicts of interest policy for the Pension Fund and system for declaration. | Pension Fund Manager | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |
| 2 | Formal assessment of Committee and Board skills and experience to be completed in order to identify gaps and imbalances. | Pension Fund Manager/Pensions Committee and Board | 31 Mar 2025 | Skills and experience assessment tool to be issued to Pension Board and Committee members |
| 3 | Develop a policy on the appointment and management of advisors and service providers for the Fund. | Pension Fund Manager | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |
| 4 | Existing systems for monitoring administration processes weekly/monthly/quarterly using KPIs are being enhanced. | Pension Fund Manager/Technical and Systems Manager | 31 Dec 2025 | Initial team meetings have been held on enhancing KPIs and work is ongoing. |

Appendix 2 Action plan

| Action | | Responsibility | Target completion date | Progress |
|--------|---|---|--|--|
| 5 | Monitoring of new staff to assess competency in key skills underway. | Pension Fund Manager/ Operations Manager/Senior Pension Officers | Ongoing 6 monthly review and ad hoc as required | Between December 2024 and March 2025 Operations Manager and Senior Pensions Officers will have completed Employee Review and Development (ERD) sessions with all staff. As part of this staff competence is being assessed against the key tasks required to be completed in Pensions Admin. Training will be delivered on an ongoing basis to support staff in gaining full competence in the tasks required in their roles. |
| 6 | <p>1) Plan to managed increased workloads will be implemented March 2025, after the Altair payroll system is implemented. Plan will be revised as necessary so effective action is taken.</p> <p>2) There will be ongoing monitoring of progress against the backlog action plan by management and regular update will be provided to Pensions Committee.</p> | Pension Fund Manager and Pensions Admin management team | <p>31 Mar 2025</p> <p>Ongoing monitoring until backlog is resolved</p> | |

Appendix 2 Action plan

| Action | | Responsibility | Target completion date | Progress |
|--------|--|---|------------------------|--|
| 7 | Continue to test McCloud software solution and roll-out new processes to incorporate McCloud into benefit calculations (March 2025). | Pension Fund Manager and Pensions Admin management team | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |
| 8 | Draft cyber security policy collating information on controls in place and key processes and stakeholders. | Pension Fund Manager and Pensions Admin management team | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |
| 9 | Fund to draft and implement a communications policy. | Pension Fund Manager and Pensions Admin management team | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |
| 10 | TPR Regulatory Breaches policy to be drafted. | Pension Fund Manager and Pensions Admin management team | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |

Appendix 2 Action plan

| Action | | Responsibility | Target completion date | Progress |
|--------|---|---|------------------------|--|
| 11 | Establish what types of regulatory breaches employers could potentially come across and make employers aware. Once drafted, Fund can share Breaches Policy with employers | Pension Fund Manager and Pensions Admin management team | 31 Mar 2026 | Task included in Annual Work Plan 2025/26 (see Annual Service Plan presented to Committee 12 February 2025) to action TPR GCoP improvements. |
| 12 | The Internal Dispute Resolution Processes (IDRP) will be reviewed and updated to streamline processes ensure that disputes are resolved as soon as possible. | Pension Fund Manager and HR Manager | 30 Sept 2025 | IDRP processes will be reviewed and updated. |

THE PENSIONS REGULATOR – COMPLIANCE WITH GENERAL CODE OF PRACTICE (GcoP)

APPENDICES REFERRED TO IN APPENDIX 1 SCORECARD

1

| Role of the governing body page 10 |
|--|
| Expected behaviours and standards: |
| <ul style="list-style-type: none"> a. Act honestly and with integrity, competence, and capability. b. Act with financial probity, including in matters outside their role. c. Meet their legal obligations and govern their scheme properly and according to scheme rules. d. Act in the interest of scheme members and beneficiaries. e. Seek to ensure that all scheme members, whether active, deferred, drawing a pension, or in a decumulation phase, benefit from good governance. f. Be open and honest in their dealings with us. g. Have or be able to acquire the appropriate levels of knowledge and understanding and keep these up to date. h. Identify and, where relevant, challenge others on any potential or actual failure to comply with the scheme rules, regulations, and legislation. |

2

| Role of the governing body: Expectations of a chair page 19 |
|---|
| As a matter of good practice, the chair needs to be able to demonstrate the skills and behaviours below: |
| <ul style="list-style-type: none"> a. Act as the leader of the governing body and demonstrate the standards of behaviour expected from other members of the board. b. Represent the interests of the scheme to all relevant parties, including employers, advisers, service providers, and members. c. Have an independent viewpoint when necessary and be able to manage potential conflicts (see Conflicts of interest). d. Be able to recognise each individual trustee's potential, and ensure their knowledge and skills are used effectively (see Knowledge and understanding). e. Encourage members of the governing body to think strategically and take the broad, long-term view. f. Help achieve compromise and consensus between differing parties to achieve good member outcomes. g. Encourage participation from all members of the governing body, including new members. h. Be able to demonstrate elements of the following skills: <ul style="list-style-type: none"> – Communication with the governing body and its stakeholders. – Organising teaching, and training (sourcing if not delivering). <p>See Governance of knowledge and understanding.</p> <ul style="list-style-type: none"> – Debating, challenging, and negotiating. – Ability to gather and understand diverse views. – Managing conflicts of interest. |

3

| Role of the governing body: Meetings and decision-making page 20 |
|---|
| The governing body must include the following in their written meeting records |
| <p>(1) In relation to any pension board meetings,</p> <ul style="list-style-type: none"> (a) the date, time and place of the meeting; (b) the names of all the members of the pension board invited to the meeting; (c) the name of any person who attended the meeting and the capacity in which each attended; and (d) any decisions made at the meeting. <p>(2) In relation to any other decision made by the members of the pension board in the exercise of their functions as members of the pension board, the records which are specified are records relating to any such decision including—</p> <ul style="list-style-type: none"> (a) the date, time and place of the decision; and (b) the names of the members of the pension board who participated in making the decision. <p>(3) In relation to any decision made by a committee or sub-committee of the pension board which has not been ratified by the pension board, the records which are specified are records relating to any such decision including—</p> <ul style="list-style-type: none"> (a) the date, time and place of the decision; and (b) the names of the members of the committee or sub-committee who participated in making the decision. |

Knowledge and understanding - full list of requirements from pages 26-30

Pensions law and associated legislation:

- a. The roles, responsibilities, and duties of the governing body.
- b. The governing body's liabilities and potential liability for decisions made.
- c. The law relating to pensions and trusts.
- ~~d. The definition and nature of a pension trust (if applicable).~~
- e. The separation of the scheme's assets (if applicable) from any sponsoring employer.
- f. Fiduciary duties and safeguarding the financial interests of all beneficiaries.
- g. The responsibility to act prudently and according to the scheme rules.
- h. Other legislation that might affect the scheme and the governing body, for example:
 - anti-discrimination – data protection
- i. Our codes of practice as they apply to the scheme.
- j. Proposals for legislative change.
- k. Tax treatment of pension schemes.
- l. Main features of the state pension provision.
- m. Key elements of automatic enrolment legislation.

Governance of knowledge and understanding page 32

The governing body should:

- a. have a balance of skills and experience throughout the board and be able to demonstrate this
- b. be able to apply its knowledge to governing the scheme
- c. have enough skills to judge and question advice or services provided by a third party
- d. be able to identify and address skills gaps
- e. have enough understanding of industry good practice and standards to assess scheme performance and its service providers. See Managing advisers and service providers.
- f. keep records of the learning activities of individual members and the body as a whole
- g. be able to demonstrate steps it has taken to comply with the law
- h. have and maintain training and development plans to ensure that individual and collective knowledge and understanding is kept relevant and up to date.

Governance of knowledge and understanding page 33

Members of a governing body should:

- ~~a. be able to demonstrate the basic level of knowledge and understanding needed to run their scheme within six months of their appointment.~~
- b. start on a programme of learning immediately on appointment, if not before, in conjunction with a scheme-specific induction programme, if one is provided
- c. undertake advanced scheme-specific learning once a good understanding of the scheme has been obtained
- d. consider how they are meeting our expectations of knowledge and understanding.
- e. review their own knowledge and understanding and identify any gaps at least annually, particularly in relation to changes in legislation or their scheme
- f. keep records of any review of knowledge and understanding and steps taken to address any gaps
- g. keep records of any alternative or further learning activity (for example, reading, attending conferences, sessions with the scheme advisers)

| The governing body: Managing advisers and service providers - page 39 |
|--|
| In selecting advisers and service providers, governing bodies should: |
| <ul style="list-style-type: none"> a. Establish agreed and documented policies for making appointments to the scheme. These should be reviewed at least every three years, and before commencing any procurement or appointment process. b. Consider running a tender process when appointing advisers and service providers, and commit enough time and resources. c. Carefully consider any proposed degree of delegation, as well as the experience and skill set of the chosen service provider. d. Be familiar with and understand the impact of the terms and conditions of contracts with service providers (See our Scheme management skills guidance). e. Review relevant independent frameworks, such as ISO certification or accreditation frameworks for specialist functions like administration. f. Assess service providers and carry out due diligence as part of the appointment process. g. Clearly set out the roles and responsibilities of service providers and advisers. |

| The governing body: Managing advisers and service providers - page 39 |
|--|
| When appointing advisers and service providers, governing bodies should: |
| <ul style="list-style-type: none"> a. agree appropriate delegations and procedures for referral b. agree performance indicators on appointment and secure accountability within the service provider c. include a process for managing advisers, recording decisions taken as well as escalation points d. ensure the flow of communication with the service provider or adviser, so all parties have the necessary information to make key decisions and to fulfil their assigned roles e. take steps to identify and manage conflicts of interest. See Conflicts of interest. f. understand the implications of data protection legislation for any information that will be shared with or handled by service providers |

| The governing body: Managing advisers and service providers - page 40 |
|---|
| When managing advisers and service providers, governing bodies should: |
| <ul style="list-style-type: none"> a. seek to ensure that advisers make you aware of any relevant obligations, professional conduct rules and whistleblowing requirements that they may be obliged to follow b. ensure service providers are able to demonstrate that they are fulfilling the requirements of any legal obligation that has been delegated to them c. ensure service providers are able to demonstrate that they have adequate internal controls relating to the services they provide. See Internal controls and Assurance reports on internal controls. d. regularly assess performance against agreed key performance indicators (KPIs) and service level agreements (SLAs). Record outcomes and ensure all actions are allocated for remedy with progress tracked e. review the performance of advisers and service providers against the objectives set for them, including strategic objectives. See our objective setting guidance. f. Periodically review the market for relevant service providers and consider if the scheme continues to receive quality service and value for money. This may be part of any value for members assessment run by the scheme. g. Have enough knowledge and understanding to enable them to fully understand any advice or information they receive. h. Understand how any advice or information they receive affects decisions or activities that they are legally responsible for. i. Have a process to ensure that improvements are made where poor service is identified. j. Work with service providers to understand and secure any necessary resources to deal with forthcoming legislative or scheme changes. k. Have clear documented procedures in place, to allow a continuous and consistent service if the service provider changes or fails. See Scheme continuity planning. |

| The governing body: Managing advisers and service providers - page 41 |
|---|
| In replacing advisers and service providers, governing bodies should: |
| <ul style="list-style-type: none"> a. Consider the interests of the scheme members when replacing the adviser or service provider. b. Understand the impact of the terms and conditions of contracts, including any fees or penalties, and procedures for releasing relevant information to the governing body and new advisers. c. Understand the risks associated with transitioning to a new provider and put plans in place to mitigate them. d. Plan effectively for the transition to a new adviser or service provider, setting out the key steps, actions, decisions, owners, and timescales, including how costs will be met |

| The governing body: Risk management - page 44 and 45 |
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| The governing body should identify risks including: |
| <ul style="list-style-type: none"> a. scheme investments, including asset-liability management (if applicable). See Investment governance. b. those affecting operational resilience, including where those risks belong to service providers. See Scheme continuity planning. c. insurances, compensation funds, and other risk-mitigation techniques d. environmental, social, and governance risks (if applicable). See Stewardship and Climate change. e. scheme funding and the strength of the employer covenant (if applicable) f. the risk of fraud g. failure to comply with the law and/or scheme rules h. poor record-keeping, poor administration, and IT and database failures i. cyber security risks. See Cyber controls. j. governance and decision making, or existing controls are not operating to the standard required by pensions legislation k. actual or potential conflicts of interest (the module on conflicts of interest sets out the actions that governing bodies should take in relation to these matters) |

| The governing body: Risk management - Internal controls - page 49 |
|---|
| When designing internal controls, governing bodies should consider: |
| <ul style="list-style-type: none"> a. how the control will be implemented and the skills of the person performing the control b. the level of reliance that can be placed on information technology processes (whether fully automated or not) and the testing of such processes c. whether a control can prevent future recurrence or merely detect an event that has already happened d. the frequency and timeliness of a control process e. how the control will ensure secure data management f. processes for identifying errors or control failures g. what would be appropriate approval and authorisation controls h. whether professional advice is needed when designing internal controls |

| The governing body: Risk management - Internal controls - page 49 |
|---|
| To maintain internal controls governing bodies should: |
| <ul style="list-style-type: none"> a. regularly consider the performance of internal controls in mitigating risks, and where appropriate, achieving long-term strategic aims b. consider obtaining independent or third-party assurance about controls. See Assurance reports on internal controls. c. obtain assurance that service providers are meeting their own standards for internal controls. See Managing advisers and service providers. |

| The governing body: Risk management - Scheme continuity planning - page54 |
|---|
| Governing bodies should: |
| <ul style="list-style-type: none"> a. seek to ensure that the performance of scheme activities are continuous and regular b. have a resilient business continuity plan (BCP) that sets out key actions, in case of a range of events occurring that impact the scheme's operations c. make sure key areas of scheme activities, including member data and general scheme administration, are included in the BCP d. ensure advisers and service providers also have a BCP in place to maintain services to the scheme e. choose how to rely on reports and information about their service providers' BCP arrangements f. set out roles and responsibilities within the plan, and agree these with service providers g. regularly review process documents and maps, particularly after a system or process change and periodically test the BCP arrangements h. prioritise scheme activities in the event of the BCP being triggered, for example: receiving and monitoring contributions, pension payments, retirement processing, bereavement services, and minimising the risk of pension scams i. ensure continued access to resources, services, and communications with key parties j. have an awareness of the timeframes required to bring new resources on board k. understand what contingency is in place to mitigate any under resource due to, for example, increase in work volumes or the loss of staff l. identify any events which may reasonably occur that may require additional resources |

| The governing body: Risk management - Conflicts of interest - page 56 |
|--|
| When identifying and recording conflicts of interest, governing bodies should: |
| <ul style="list-style-type: none"> a. have a clear understanding of the importance of managing conflicts of interest and the circumstances in which they may arise b. understand any requirements of the scheme's governing documentation, or regulations under which it may operate, in relation to conflicts of interest c. encourage a culture of openness and transparency in relation to conflicts of interest. d. maintain a written policy for managing actual and perceived conflicts of interests and consider where to publish it on the scheme's website e. maintain a register of interests, which should be considered in every meeting of the governing body f. ensure all members of the governing body, advisers, and service providers make declarations of interests and conflicts at their appointment, and as they arise g. ensure contracts and terms of appointment require advisers and service providers to operate their own conflicts policy, and disclose all conflicts to the governing body h. record conflicts of interest in relation to a decision-making process, as well as the action taken to manage them, in the written records of the meeting (see Meetings and decision-making) i. if carrying out transactions with related parties, ensure transparency by complying with financial reporting standard (FRS) 102 – related party disclosure |

| Funding and investment: Investment - Investment governance - page 73 |
|--|
| Governing bodies of most defined contribution (DC) and defined benefit (DB) schemes must: |
| <ul style="list-style-type: none"> a. have a good working knowledge of investment matters relating to their scheme b. understand the investment powers and duties they have under the scheme trust deed, rules and legislation c. appoint an investment manager to manage scheme investments³ d. obtain and consider advice from a suitably qualified person before making investment decisions⁴ e. produce a statement of investment principles (SIP), which covers their policies relating to the scheme's investments, unless exempt⁵ |

| Funding and investment: Investment - Investment governance - page 74 |
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| We expect that governing bodies required to operate an effective system of governance and that have investment responsibilities will have the measures set out below: |
| <ul style="list-style-type: none"> a. clearly document the objectives, roles, responsibilities, and reporting relationships of all parties involved in making investment decisions b. ensure that investment decisions are taken by those with the necessary skills, knowledge, information, and resources c. obtain advice and other inputs required to properly govern the scheme's investments d. ensure the governance structure relating to the assessment of investment risks and how investment decisions are made is reviewed regularly and is appropriate for the scheme's circumstances and level of complexity e. delegate investment decisions where appropriate for the scheme's circumstances and level of complexity. This may include delegating to an investment subcommittee or a qualified investment manager. f. have appropriate oversight of any bodies with delegated responsibilities, with clearly written terms of reference and/or contractual arrangements g. have written policies covering the use of advisers, including when to use advisers. These policies should consider the specific circumstances of the scheme, such as the investment knowledge and experience available to the governing body and the relevant legal requirements h. have sufficient expertise to evaluate and challenge the advice they receive from advisers and service providers i. ensure investment policies take account of potential long-term effects on scheme investments j. have procedures in place to regularly monitor the performance of scheme investments k. regularly monitor the performance of investment managers and advisers and consider their performance formally at least every three years, acting upon any issues identified |

| Funding and investment: Investment - Investment governance - page 75 |
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| The governing body of a scheme with a DC element should: |
| <ul style="list-style-type: none"> a. offer an appropriate choice of investment arrangements for members who do not wish to invest in any default arrangement b. provide access to information to enable members to make an informed choice about where their contributions are invested, where more than one investment arrangement is available c. inform members in advance of potential changes to an investment arrangement d. allow members the opportunity to actively choose to switch to a new DC investment arrangement where their existing arrangement is changed or replaced e. if replacing or modifying an existing investment arrangement, manage the transition costs with consideration given to value for members |

| Funding and investment: Investment -Investment monitoring - page 80 |
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| Governing bodies should: |
| <ul style="list-style-type: none"> a. have procedures to review and negotiate the terms of contractual arrangements and fund documents in place with investment managers and advisers as appropriate (see Managing advisers and service providers) b. regularly monitor the performance of their scheme's investment managers and advisers (see Managing advisers and service providers) c. have procedures in place to regularly monitor their scheme's investments and performance that should: <ul style="list-style-type: none"> – consider investment returns both before and after fees, and against any relevant benchmarks – compare investment performance against their stated short and long-term investment objectives – consider fees and costs and whether they are justified – where applicable, consider their value for members assessment d. consider whether and how to report to interested parties, for example members, participating employers, and sponsoring employers e. ensure monitoring information is prepared at least quarterly, and at shorter intervals if appropriate for the size and complexity of the scheme f. where applicable, ensure analysis of monitoring information includes a stress test, scenario test, or other risk assessment information, to assess the impact of changing circumstances on scheme assets and if relevant, funding level g. monitor the level of investment risk run to deliver the performance and how this compares with the investment manager's risk targets h. consider environmental, social, and governance (ESG) factors, including shareholder engagement, and have sufficient processes in place to ensure compliance i. seek to ensure that controls (including those related to the security, liquidity, and safe custody of the scheme assets) are in place to alert them to potential financial risks relating to their investment manager j. regularly assess the effectiveness of their processes, ensuring proper review and monitoring of investments and making improvements as appropriate |

| Funding and investment: Investment - Climate change - page 85 |
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| Governing bodies should: |
| <ul style="list-style-type: none"> a. consider the possible short, medium, and long-term effects of climate change on the scheme's objectives and its operations b. maintain and document processes for identifying and assessing climate-related risks and opportunities c. integrate these processes into their risk management and governance arrangements d. ensure they oversee, assess, and manage climate-related risks and opportunities relating to the scheme |

| Administration: Scheme administration - page 95 |
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| 5. With regard to planning and preparation, governing bodies should: |
| <ul style="list-style-type: none"> a. maintain sufficient knowledge and understanding of administration (see Knowledge and understanding) b. understand the scope of administrator responsibilities and tasks, as well as the suitability of those performing them c. where necessary, have access to appropriate advice and assistance to negotiate contractual terms d. consider quality as well as value for members when selecting an administrator, see also Managing advisers and service providers e. include administration as an agenda item at governing body meetings f. ensure that administration and record keeping are important points on the risk register (see Identifying, evaluating, and recording risks) g. develop a strategy for the long-term administrative objectives of the scheme and agree a process for delivering these with the administrator) h. monitor administration processes to drive necessary improvements |

Administration: Scheme administration - page 96

6. To maintain proper administration, governing bodies should:

- a. receive appropriate information and reports from administrators, and be able to challenge them when needed
- b. ensure that all tasks delegated to an administrator are being carried out properly, according to the law and scheme governing documents
- c. regularly monitor the performance of administrators (see Managing advisers and service providers)
- d. constructively manage issues with administrator performance and consider using any contractual terms to drive improvements
- e. have procedures in place to enable a continuous and consistent service in the event of a change of administrator personnel, or administration provider
- f. record the procedures to follow when administering the scheme, and how to maintain those procedures
- g. ensure that administrators have an adequate business continuity plan that is reviewed at least annually and tested as appropriate (see Scheme continuity planning)

Administration: Information handling - page 98

Regulation 4, 5 and 6 of The Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014

Records of member and beneficiary information

4.—(1) In respect of member and beneficiary information, the records which are specified are—

- (a) the name of each member and of each beneficiary;
 - (b) the date of birth of each member and of each beneficiary;
 - (c) the gender of each member and of each beneficiary;
 - (d) the last known postal address of each member and of each beneficiary;
 - (e) each member's identification number in respect of the scheme;
 - (f) the national insurance number of each member who has been allocated such a number; and
 - (g) in respect of each active member, deferred member and pensioner member—
 - (i) the dates on which such member joins and leaves the scheme;
 - (ii) details of such member's employment with any employer participating in the scheme including—
 - (aa) the period of pensionable service in that employment; and
 - (bb) the amount of pensionable earnings in each year of that employment.
- (2) In respect of each member's rights and, where applicable, of each beneficiary's entitlement, to any benefits which are not money purchase benefits, injury benefits or compensation benefits under the scheme, the records which are specified are—

- (a) any formula or formulas used for calculating the member's or beneficiary's pension or benefit;
 - (b) the percentage to be applied in respect of revaluation for each year to the member's accrued rights to benefits under the scheme; and
 - (c) any increase to be applied to the pensioner member's or beneficiary's pension or benefit in payment in each year.
- (3) In respect of each member's rights to any money purchase benefits under the scheme, the records which are specified are—

- (a) any investment decisions taken by, or in relation to, the member;
 - (b) any investments held on behalf of the member; and
 - (c) any anticipated date of retirement notified by the member.
- (4) In respect of pension credits under section 29(1)(b) of the Welfare Reform and Pensions Act 1999(6) (creation of pension debits and credits) or under article 26(1)(b) of the Welfare Reform and Pensions (Northern Ireland) Order 1999(7) (creation of pension debits and credits), the records which are specified are records of any information relevant to calculating each member's rights under the scheme which are attributable (directly or indirectly) to a pension credit.

- (5) In respect of pension debits under section 29(1)(a) of the Welfare Reform and Pensions Act 1999 or under article 26(1)(a) of the Welfare Reform and Pensions (Northern Ireland) Order 1999, the records which are specified are records of any information relevant to calculating any reduction in each member's rights under the scheme which are attributable to a pension debit.

Records of transactions

5. In respect of transactions, the records which are specified are—

- (a) any employer contribution or member contribution paid in relation to each active member;
- (b) payments of pensions and benefits including the date of the payment;
- (c) except where the payment is a payment under paragraph (b) or (f), payments made by, or on behalf of, the scheme manager to any person including—
 - (i) the name and address of the person to whom payment was made; and
 - (ii) the reason for that payment;
- (d) any movement or transfer of assets from the scheme to any person including—
 - (i) the name and address of the person to whom the assets were moved or transferred; and
 - (ii) the reason for that transaction;
- (e) the receipt or payment of money or assets in respect of the transfer of members into or out of the scheme including—
 - (i) the name of that member;
 - (ii) the terms of the transfer;
 - (iii) the name of the scheme into or out of which the member has been transferred;
 - (iv) the date of the transfer; and
 - (v) the date of receipt or payment of money or assets;

Administration: Information handling - Governance processes and IT systems -

4. The management of financial transactions should be proportionate to the nature, complexity, and activity of the scheme and governing bodies should

- a. understand procedures and controls the administrator operates to
- b. annually review processes and systems for financial transactions
- c. make sure that any authorisation processes for financial transactions do not cause undue delay
- d. seek to ensure that separate duties exist for administration processes to prevent financial transactions without the right authorisation
- e. use electronic means to process financial transactions wherever feasible.
- f. Service level agreements (SLAs) in place which are specific to the scheme and administrative tasks
- g. Review performance against SLAs to maintain the processing of financial transactions.
- h. maintain a dialogue with participating employers to facilitate the flow of necessary information
- i. Seek to improve processes for receiving and transmitting transaction information
- j. make sure scheme data is complete and accurate.

| Administration: Information handling - Transfers out - page 103 |
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| 12. When checking the written confirmation that the member received the required advice, governing bodies should: |
| <ul style="list-style-type: none"> a. Retain a copy of the written confirmation. b. Ensure records are held of: <ul style="list-style-type: none"> – who conducted the check – when this was conducted – the evidence that the firm or company providing the advice has permission to advise on pension transfers and pension opt outs before the transfer was made c. Retain these records for as long as may be relevant, in line with scheme policy, and subject to data protection principles. d. Be alert to the risk of fraudulent communications submitted to the scheme. e. Where suspicions arise, contact the advisory firm directly using the contact details as listed on the FCA register. Check that the firm has a record of providing the advice. f. Contact the transferring member immediately, if there is a problem with verifying the adviser's permission. Inform them that the transfer will not proceed until the appropriate advice has been received. g. Keep payment records of the transfer, including details of the receiving bank account, and any confirmation of receipt by the receiving scheme. |

| Administration: Information handling - Record-keeping - page 106 |
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| 6. Governing bodies should: |
| <ul style="list-style-type: none"> a. be able to demonstrate to us, where required, that they operate processes to maintain accurate and up-to-date records, enough to run their pension scheme b. keep records of meetings, member data, and transactions made to and from the scheme c. retain records for as long as the information is relevant, and in line with data protection legislation d. ensure that the data they or their administrator holds, enables financial transactions to be processed accurately. See Financial transactions. e. rectify any errors identified in scheme records as soon as possible f. review and amend processes as necessary to prevent further errors g. comply with the data protection requirements, including the need to store data securely and for a legitimate purpose under administrative systems |

| Administration: Information handling - Record-keeping - page 106 |
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| 6. Governing bodies may consider as good practice: |
| <ul style="list-style-type: none"> a. Holding member and benefit records electronically on a dedicated administration system. b. Keeping records of scheme governing documentation, including details of any amendments and how they apply to members. c. Making sure the administrator has basic member information known as common data. d. Working with the administrator to identify, record, validate, and where necessary, correct the items of scheme specific data. e. Taking into account developments in technology that may be available to the scheme to improve administration and record-keeping |

| Administration: Information handling - Administrative systems - page 107 |
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| 8. Governing bodies should: |
| <ul style="list-style-type: none"> a. ensure that processes exist to record member benefits, identifiers, contributions, investments, member decisions, payments, and transfers b. record accurate investments and disinvestments c. accurately perform benefit calculations d. provide members with accurate information regarding their pension benefits (both accrued and projected entitlements) as required and on a timely basis¹³ e. carry out reconciliations of data, transactions, and investments held f. identify members approaching retirement and other scheme specific events |

| Administration: Information handling - Data monitoring and improvement - page 110 |
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| 5. Governing bodies should have the following processes for monitoring scheme data: |
| <ul style="list-style-type: none"> a. Monitor data on an ongoing basis to ensure it is as accurate and complete as possible for all pension scheme members. b. Ensure the governing body receives information about material errors and gaps in their scheme data, once identified. c. Ensure any service providers operate their own procedures for identifying, rectifying, and reporting errors to the governing body. d. Ensure data improvement is prioritised for members close to the point where they start drawing on their benefits. e. Ensure any plan for improving data can be monitored and has an achievable deadline. f. Where applicable, ensure member records are reconciled with information held by the employer(s). g. Ensure regular reconciliation of scheme membership, especially those reaching retirement. h. Carry out scheduled tracing and existence exercises to validate member data. |

| Administration: Information handling - Data monitoring and improvement - page 111 |
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| 6. Governing bodies should have the following processes for reviewing scheme data: |
| <ul style="list-style-type: none"> a. Assess the need for a data review exercise at least annually. b. Decide the frequency and nature of any additional data review, where errors and gaps are identified, or in response to significant scheme events, for example winding up the scheme or changing the administrator. c. Ensure data reviews include an assessment of the accuracy and completeness of common and scheme specific data. d. Keep a record of data reviews carried out and the findings. e. Where errors and gaps are identified, put a data improvement plan in place to address the issues. f. Ensure the plan includes the actions necessary by the governing body or administrator to correct member data. g. Maintain agreed, consistent, and fair policies for situations where data cannot be corrected, for example due to age or loss. |

Administration: Information handling - Data monitoring and improvement - page 111

7. Governing bodies should have the following processes for protecting scheme data:
- a. Ensure processes are in place to manage scheme member data to comply with the data protection legislation¹⁰ and the data protection principles.
 - b. Ensure processes are in place to address any breaches of the data protection legislation or principles.
 - c. Understand their obligations under data protection law.

Administration: IT - Maintenance of IT systems - page 114

5. Standards for maintaining IT systems:
- a. Cyber security measures and procedures should be in place and functioning. See Cyber controls.
 - b. Record evidence of how changes are planned and executed within the system.
 - c. Scheme and member data should be backed up regularly.
 - d. Disaster recovery processes are in place and tested over appropriate periods.
 - e. Written policies should be in place for maintaining, upgrading, and replacing hardware and software.
 - f. Request evidence to show there is a schedule for the system to be replaced or updated, to cope with events such as changes to tax thresholds.
 - g. Be satisfied that adequate and sufficient hardware and personnel resources, with appropriate functionality and/or skills, exist to carry out the work.
 - h. Secure evidence that the IT system can meet current and anticipated system requirements.
 - i. Manage planned and potential future upgrades within the administration system.

Administration: IT - Cyber controls - page 116

8. When assessing cyber risk governing bodies should
- a. Ensure the governing body has knowledge and understanding of cyber risk.
 - b. Understand the need for confidentiality, integrity, and availability of the systems and services for processing personal data, and the personal data processed within them.
 - c. Have clearly defined roles and responsibilities to identify cyber risks and breaches, and to respond to cyber incidents.
 - d. Ensure cyber risk is on the risk register and regularly reviewed. See Internal controls.
 - e. Assess at appropriate intervals, the vulnerability of the scheme's key functions, systems, assets (including data assets) to a cyber incident, and the vulnerability of service providers involved in the running of the scheme.
 - f. Consider accessing specialist skills and expertise to understand and manage the risk.
 - g. Ensure appropriate system controls are in place and are up to date (e.g. firewalls, anti-virus, and anti-malware products).

Administration: IT - Cyber controls - 116

9. When managing cyber risk governing bodies should:

- a. Ensure critical systems and data are regularly backed up.
- b. Have policies for the use of devices, and for home and mobile working.
- c. Have policies and controls on data in line with data protection legislation (including access, protection, use, and transmission).
- d. Take action so that policies and controls remain effective.
- e. Have policies to assess whether breaches need to be reported to the Information Commissioner (<https://www.ico.org.uk>).
- f. Maintain a cyber incident response plan in order to safely and swiftly resume operations. See Scheme continuity planning.
- g. Satisfy themselves with service providers' controls.
- h. Receive regular reports from staff and service providers on cyber risks and incidents

Administration: Contributions - Monitoring contributions - page 123

7. A contributions monitoring record should include the following information in:

- a. Contribution rates.
- b. The date(s) on or before the employer contributions are due to be paid to the scheme.
- c. The date when employee contributions are to be paid to the scheme.
- d. Any rate or amount of interest payable where the contributions payment is late.

Administration: Contributions - Resolving overdue contributions - page 127

10. Governing bodies should obtain overdue payments and rectify administrative errors in the most efficient way for their scheme. A typical process should cover the following:

- a. Investigate any employer failure to pay contributions.
- b. Contact the employer promptly to resolve the overdue payment.
- c. Attempt to find out and record the cause and circumstances of the payment failure.
- d. Investigate any action the employer has taken as a result of the payment failure.
- e. Consider the wider implications or impact of the payment failure.
- f. Consider whether the failure is part of a pattern of a systemic failure.
- g. Seek to ensure that the employer resolves the payment failure.
- h. Where appropriate provide members with sufficient information to enable them to raise any issues with the employer.
- i. Take steps to make sure that a recurrence in the future is avoided.

Communication and disclosure: General principles for member communications - p130

When preparing communications to members, the administering authority should:

- a. ensure that all communications sent to members are accurate, clear, concise, relevant and in plain English
- b. regularly review member communications, taking account of member feedback, any changes to scheme design and developments in law and this code of practice
- c. when deciding on the format of communications and information to be published, consider any technology that may be available to them and appropriate for their members
- d. consider using various communication methods, including accessible online content, audio, Braille, large font, and languages other than English
- e. consider what additional information or explanation members may need to help them make informed decisions about their benefits. For DC and hybrid schemes, regularly inform members of the impact their contributions will have on their overall benefits.

Communication and disclosure: Information to members page 137

4. For active members of defined benefit schemes, scheme managers must:

- a. include a description of the benefits earned by members during their pensionable service.
- b. issue the annual statement by no later than 31 August of the year following the period to which the statement relates.
- c. comply with any HM Treasury directions, in terms of any other information that must be included and the way it must be provided to members.

Communication and disclosure: Information to members page 145

5. As part of their internal controls, governing bodies should ensure that they take appropriate steps to mitigate the risk of scams.
6. Governing bodies should be aware of the warning signs of a scam and consider whether any are present when dealing with member requests to transfer or take their benefits.
7. When members ask to transfer out of a scheme, the governing body should carry out due diligence on the scheme to which the member wishes to transfer, to check whether the transfer can legally be paid.
8. Governing bodies should take steps to ensure their members are aware of the risks of pension scams.
9. They may do this by providing clear information on how to spot a scam in all relevant communications to members, including within standard communication materials such as the retirement wake-up pack and in annual benefit statements. Scams warning messages may also be placed on the scheme's website.

| Dispute Resolution Procedures: Dispute Resolution Process p152 |
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| In relation to dispute resolution processes, the administering authority should |
| <ul style="list-style-type: none"> a. agree on any details of their dispute resolution process that are not set out in law b. provide contact details for matters relating to disputes c. regularly assess the effectiveness of the dispute procedure d. be satisfied that those following the process are complying with the requirements set, which includes effective decision making e. consider the circumstances under which advice may be required to reach a decision on a dispute f. ensure they make the following information available to applicants: <ul style="list-style-type: none"> – the process to apply for a dispute to be resolved – the information that an applicant must include – the process by which any decisions are reached |

| Reporting to TPR: Whistleblowing – reporting breaches of the law - page 159 |
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| 3. Those with a duty to report are listed below (this list is not exhaustive) |
| <ul style="list-style-type: none"> a. Trustees Each trustee. If the trustee is a corporate body, the requirement to report falls on the trustee company. b. Public service scheme pension boards Each member of the pension board of a public service pension scheme. c. Scheme managers This includes managers of public service pension schemes and personal pension schemes where a direct payment arrangement exists. d. Service providers Those who provide administrative services to occupational and personal pension schemes, including: – insurance companies and third-party administrators, who carry out administrative tasks relating to a scheme – participating employers, who provide staff to carry out administration tasks in-house (this includes performing payroll and similar functions, as well as carrying out or helping with direct administration of the pension scheme) – financial advisers and consultants, who provide services to trustees such as record-keeping or acting as intermediaries receiving and forwarding scheme documents. e. Employers All employers. In a multi-employer scheme, this includes any employer who becomes aware of a breach, regardless of whether the breach relates to or affects, members who are its employees or those of other employers. f. Professional advisers This includes advisors appointed by the governing body, such as scheme actuaries, scheme auditors, reporting accountants, legal advisers², investment managers, and custodians of scheme assets. Where an individual is appointed to provide the relevant service, the duty to report applies to that individual. Where a firm is appointed to provide services, the duty to report applies to the firm. g. A scheme strategist or scheme funder of master trust scheme This is defined in Part 1 of the Pension Schemes Act 2017 (see section 39 of that Act) |

| Reporting to TPR: Whistleblowing – Reporting breaches of the law - page 165 |
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| 2. The governing body should have: |
| <ul style="list-style-type: none"> a. a process for clarifying the law around the suspected breach where needed b. a process for clarifying the facts around the suspected breach where they are unknown c. a process to consider the material significance of the breach, taking into account its cause, effect, the reaction to it, and its wider implications, including dialogue within the governing body where appropriate d. a clear referral process at the right level of seniority, so decisions can be made about whether to report to us e. an established procedure for dealing with difficult cases f. a timeframe for the procedure to take place that is appropriate to the breach and allows the report to be made as soon as reasonably practicable g. a system to record breaches, even if they are not reported to us (the record of past breaches may be relevant in deciding whether to report future breaches, for example it may reveal an ongoing issue) h. a process for reviewing reporting procedures following any important changes the scheme's governance arrangements |

Reporting to TPR: Whistleblowing – Reporting breaches of the law - page 166

The Breach report should include:

- a. full name of the scheme
- b. description of the breach or breaches, including any relevant dates
- c. name of the employer (in the case of an occupational scheme) or scheme manager (in the case of public service and personal pension schemes)
- d. name, position, and contact details of the reporter
- e. role of the reporter in the scheme
- f. reason the reporter believes the breach is of material significance to us
- g. address of the scheme
- h. type of scheme – whether occupational (defined benefit, defined contribution, or hybrid), personal or public service
- i. name and contact details of the governing body (if different to the scheme address)
- j. pension scheme registration (PSR) number if known
- k. address of the employer