

Area	Section	Module	Does it apply to LGPS?	Comment	New/Existing Requirement	Main requirements
	Board Structure and Activities	Role of the governing body	YES		Existing	Consider the make up of the governing body - legislation may dictate this. Committee & LPB make up. Should consider proportionality, fairness, transparency. Fair recruitment process. Lists the expected behaviours of the governing body members.
		Recruitment and appointment to the governing body	YES	Explicitly applies to PSPS pension boards be mindful of TPR EDI guidance	Existing	Process in place for recruiting and appointing governing body members. Ensure recruitment practices are inclusive. Regularly review membership. Have a clear recruitment process, succession plan, resignation and removal policy, process for dealing with extended/temp absences. Must follow scheme regulations in regards to representation required. Have a procedure for appointing a chair.
		Arrangements for member-nominated trustee appointments	NO		n/a	n/a
		Appointment and role of the chair	GOOD PRACTICE	PSPS are not relevant scheme but states good practise (other than para 4 & 5)	Existing	Appointment of chair should be robust and documented process. Skills and behaviours expected from Chair are listed in the code.
		Meetings and decision-making	YES		New - some existing clauses	Frequency should be established, meet quarterley at least. Operate effective systems of governance. Establish and operate internal controls to ensure scheme is operated in accordance with the law. Meeting and decision-making requirements for LGPS set out in Local Government Act 1972. Recording of meeting with appropriate information minuted. Establish procedures and processes .e.g. how, when, where, meetings will be held, basically ensure meetings are organised and ran appropriately. Appropriate training in place to support decision-making
		Remuneration and fee policy	GOOD PRACTICE		New	Policy should set out the basis and means for paying those undertaking activities in relation to the scheme that are paid for by the Governing Body. Keep a written record. Be reviewed at least triennially but likely annually. Include explanation of the decision-making process for the levels of remuneration and why these are considered appropriate.
	Knowledge and understanding requirements	Knowledge and understanding	YES LPB / COMMITTEE GOOD PRACTICE		Existing	Maintain a list of items/topics which members of governing body should be familiar with. In accessible format & reviewed regularly. Regularly carry out audit of skills and experience and identify gaps.
		Governance of knowledge and understanding	YES - LPB		New	Can demonstrate that as a group they hold enough knowledge to run scheme effectively. Keep record of training. Have training and development plan.
	Value for members	Value for members	NO		n/a	
	Managing advisers and service providers	Managing advisers and service providers	GOOD PRACTICE		New	Documented policies on appointing service providers and advisors. Policies should be reviewed regularly, before any procurement or appointments. Regular review and monitoring of provider. On appointment set KPIS and how these will be assessed.

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Governing Body	Risk Management	Identifying, evaluating and recording risks	YES		Existing	Identifying and evaluating risks, before developing internal controls. Key risks should be identified and acceptable parameters established. Contingency plans in place should a risk materialise.
		Internal controls	YES	PSPS should review annually	Existing	Internal controls are in place with the purpose of ensuring the scheme is administered and managed in accordance with scheme rules. They refer to all the following: - 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.
		Assurance reports on internal controls	YES		Existing	Internal and external Audits of the scheme. Assurance reporting ensures scheme is being ran within legislation and internal controls (above) are in place and working as intended. Reporting can be done by variety of providers, internal, external, wider scoped audits, reporting from service providers, specially commissioned reporting.
		Scheme continuity planning	GOOD PRACTICE	Highlighted as good practice but remember legal internal control requirements	New	Business continuity plan in place covering all areas of fund, data, services, ICT etc. May also want to consider service provider's BCP and if we are reliant on them. Regularly review the plan.
		Conflicts of interest	YES LPB / COMMITTEE GOOD PRACTICE		Existing	Conflicts of interest can be amongst members, service providers, employers, advisers etc. This forms part of internal controls, identifying and evaluating risks. Understand importance of managing conflicts of interests, maintain a policy and register of interests. Encourage a culture of openness and transparency. Have processes in place to deal with conflicts to ensure decision making is not compromised.
		Own risk assessment	GOOD PRACTICE		New	An ORA is not legally required but we could carry out own risk assessment. These normally cover how the governing body has assessed the effectiveness of each policy covered within the ORA. The ORA covers policies surrounding the governing body, risk management, investments, administration, payment of benefits etc.
		Risk Management function	NO		n/a	

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	Systems of governance	Systems of governance	GOOD PRACTICE	Internal Controls which form part are legal requirement. Legally ESOG does not apply but TPR has broadly the same expectation for each type of scheme	Existing	All pension schemes need to have systems 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. (Need to be fully compliant with all modules of the code to be fully compliant with this module.)
Funding & Investment	Investment Governance	Investment Governance	GOOD PRACTICE		New	Procedures in place which ensure obligations in relation to investments are met. Governing body should have good knowledge of investment matters, appoint investment managers, obtain and consider investment advice from advisors. Clearly document objectives and the roles & responsibilities of those making investment decisions. Obtain relevant advice and have oversight of those with delegated responsibilities. Compliance with with LGPS investment regulations and investment regulations.
	Investment decision making	Investment decision making	NO		n/a	
	Investment monitoring	Investment monitoring	GOOD PRACTICE		New	Have an effective system of governance which monitors and reviews investment performance including stewardship and climate change. This can be reports, meetings with advisors and managers. Having independent advice. Monitoring at least quarterly
	Stewardship	Stewardship	GOOD PRACTICE	Paragraph 12/13 only	New	Stewardship provides a tool for encouraging behaviours throughout the investment chain to ensure long term value and sustainability. Consideration of ESG in decision making. Governing bodies should - identify their rights (including voting rights) attached to investments and consider relevant matters including on ESG ensure they are familiar with their investment managers' own stewardship policies, monitor and seek to influence. Consider following the principles set out in the Financial Reporting Council's UK Stewardship Code
	Climate Change	Climate Change	YES/GOOD PRACTICE	Internal controls apply (para 7) Para 8 & 9 good practice	New	Expectation that we operate ESOG. Consider the possible effects of climate change on the scheme's objectives and its operations maintain and document processes for identifying and assessing climate-related risks and opportunities integrate these processes into their risk management and governance arrangements ensure they oversee, assess, and manage climate-related risks and opportunities relating to the scheme

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	Statement of Investment principles	Statement of Investment principles	GOOD PRACTICE	Para 5 only, reference to para 10/11 good practice	New	Good practise to prepare a document similar to a SIP and publish online as if it were required.	
	Default arrangements and change restrictions	Default arrangements and change restrictions	NO		n/a		
Administration	Planning and maintaing administration	Planning and maintaing administration	YES		New	Should operate internal controls including admin processes. Governing bodies should maintain understanding and knowledge of administration and understand administrators responsibilities and tasks. Include admin as agenda item at meetings. Ensure admin and record keeping are on risk register. Monitor performance of administration. Develop strategy for long-term admin objectives.	
	Information Handling	Financial transactions	YES		New	Record keeping of all financial transactions. For public sector the Public Sector Pensions (Record Keeping and Misc Amendments) regs 2014 sets out the records that we must maintain. Procedures which ensure transactions are processed promptly and accurately. Separation of duties for authorisation, use electronic means where possible. Review performance.	
		Transfers out	YES	Para 9 is not relevant	New	TPR guidance, maintain accurate data, produce CETVs, complete due diligence checks, scams warning issued, financial advice required for large transfers out, be vigilant in identifying possible fraud, act within expected timescales.	
		Record Keeping	YES/GOOD PRACTICE		New some existing clauses	Maintain accurate and up-to date records to ensure member benefits are paid correctly. Operate processes to maintain accurate records. Keep records of meetings, member data and transactions and investments. Have electronic member records and monitor developments in technology which could improve record keeping. Provide members with accurate pension info.	
		Data monitoring and improvement	YES		New some existing clauses	Monitor data on ongoing basis to ensure accuracy. Prioritise data for members close to drawing benefits. Any improvement plans should be achievable and can be monitored. Have processes to identify/rectify errors. Perform regular reconciliations. Carry out tracing and existence exercises. Processes in place to address data breaches. understand obligatson under data protection law. Data reviews and improvement plans.	
		ICT	Maintainance of IT systems	YES		New	Cyber security measures/procedures in place. Record evidence of planend and executed changes in the system. Regular data backups disaster recovery in place and tested. Written policy for maintaining upgrading hardware and software. Adequate systems capacity to cope with requirements.
			Cyber controls	YES/GOOD PRACTICE	Legal Internal controls yes. Some good practice, Separate TPR cyber guidance	New	Governing body should have knowledge of cyber risk. Clearly define roles for identifying cyber risk and breaches, and how to respond to incidents. Assess scheme's vulnerability to cyber periodically. Also consider service providers vulnerability. Ensure appropriate security systems (firewalls, anti-malware etc) is in place. Policy for use of devices & data protection. Maintain cyber incident response plan, continuity plan. Cyber should be on risk register and reviewed periodically.

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	Contributions	Receiving contributions	YES/GOOD PRACTICE		Existing	Monitor contributions to ensure they are received and on time within regulation and accompanied by a payment schedule. Record any missed payments. Ensure scheme has systems in place to accept contributions.
		Monitoring contributions	YES		Existing	Keep a record of contributions being received, check rates correct and payment amounts received are correct. System should monitor both employee and employer contributions. Have a system to identify material payment failures.
		Resolving overdue contributions	YES		Existing	If payment failure occurs contact employer quickly to resolve. Investigate why/how it happened. Consider wider impact, consider if it's a pattern, seek to resolve and ensure it doesn't reoccur. Maintain a record of communication between employer and fund, and associated investigations. Monitoring process should help identify and also stop any deliberate underpayments or non-payment.
		Contribution notices	NO		n/a	
Communication and Disclosure	Information to Members	General Principles for member communications	YES	Mindful of TPR EDI guidance	New some existing clauses	Ensure all communications with members is accurate, clear, concise, relevant and in plain English. Regularly review communications, taking into account feedback, developments in law and code of practice. When deciding on format of communication and info to be published, consider technology that may be available and appropriate. Consider using various methods, online, audio, braille etc. Consider additional info or explanations.
		Annual pension benefit statements DC	NO	May want to consider who is governing body for AVC providers?	existing	monitor and apply pressure to AVC providers in regards to ABS – consider reporting to TPR if fails
		Summary funding and pension benefits statements DB	NO		n/a	
		Benefit information statements PSPS	YES		Existing	Ensure information which must be provided to members is shown within the ABS. ABS must be provided to members before statutory deadline.
		Retirement risk warnings and guidance	YES - only in regards AVCs (DC only)		New	Only applies to AVC benefits. When retiring or making an AVC related decision the member should be made aware of the Money Helper service and sent risk warnings. Scheme must offer to book appointment and member must make declaration they have took advice or don't want advice.
		Notification of right to transfer cash transfer sum or contribution refund	YES	Para 8 not relevant	Existing	Where member is entitled to a refund or cash transfer sum after leaving the scheme they must be provided with the info within 3 months, or explain if this is likely to take longer. Scheme should carry out member wishes within 3 months of their decision.
		Chairs statement	NO		n/a	
		Scams	YES		New	Appropriate steps and have internal controls in place to mitigate risk of scams. Take steps to ensure members are aware of scams. Provide clear info on scams. Place warnings on website, standard communications etc. Complete due diligence checks on transfers-out.
		Audit requirements	NO		n/a	Occ pension schemes regulations

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	Public Information	Publishing scheme information PSPS	YES		Existing	Board info must be published; names, representation and responsibilities. Consider publishing board papers, agendas, meeting minutes. May publish recruitment process, full terms of reference. Should have a policy on monitoring all published data and often review. Identify out of date or incorrect info and remove.	
		Dispute Resolution procedures	YES		Existing	Provide IDRPs info to members, prospective members, new members. Should contain info about money and pensions service and ombudsman. Reasonable period for review and keeping member up to date. Publish IDRPs to website to allow accessibility. Governing body must follow the IDRPs to resolve matters.	
Reporting to TPR	Notifiable events	Notifiable events	No	n/a	n/a	Calls on pension protection fund	
	Registrable information and scheme returns	Registrable information and scheme returns	YES		New	Scheme returns should be completed accurately and sent annually before deadline. Processes should be in place to ensure accuracy.	
	Whistleblowing reporting breaches of the law	Who must report		YES		Existing	Pension Boards, scheme managers, employers, professional advisers all have a duty to report. Governing bodies should be satisfied those responsible for
		Decision to report		YES		Existing	Two main judgements required when deciding whether to report; Is there reasonable cause to believe there has been a breach of the law and is the breach material to TPR.
		How to report		YES		Existing	Procedure in place to ensure reporter is able to meet legal duty. Should have process for clarifying law around suspected breaches, process for clarifying facts about breach, process to consider materiality, clear referral process to seniority, timeframes, system to record breaches. Reports should use TPR online form, email or post.
		Reporting payment failures		YES		Existing	Only report if have reasonable cause to believe that payment failure is likely to be of significance to TPR. Significance can be regarded as belief that employer cannot or will not pay, dishonesty, misuse of assets, fraud, poor payment procedures, contributions are outstanding for more than 90 days.