

SURREY COUNTY COUNCIL**PENSION FUND COMMITTEE****DATE:** 9 JULY 2021**LEAD OFFICER:** ANNA D'ALESSANDRO, DIRECTOR OF CORPORATE FINANCE**SUBJECT:** CONSULTATION ON THE PENSION REGULATOR'S NEW SINGLE CODE OF PRACTICE**SUMMARY OF ISSUE:**

Strategic objectives
Governance

To provide details of the Pension Regulator's (tPR's) consolidated its existing codes into a single code of practice and the response from Surrey.

RECOMMENDATIONS:

To note the report and annexe.

REASON FOR RECOMMENDATIONS:

The Pension Fund Committee will be made aware of all national initiatives with a consultation process with a response sent within stated deadlines, in accordance with the Fund's strategic governance objectives.

DETAILS:

1. The single code is driven by the Occupational Pension Schemes (Governance)(Amendment) Regulations 2018 which, in turn, flow from the second European Pensions Directive (IORP II).
2. tPR's Single Code consolidates 10 of the 15 existing codes, including the Governance and Administration of Public Service Pension Schemes (Code 14), into one document.
3. It introduces new investment provisions, which cover stewardship, climate change and a requirement to produce an annual risk assessment.
4. There is a new designation of "governing body", which the Fund thinks is sufficiently flexible to accommodate what might be a scheme manager, a local pension board, a committee or a composite of all three in the public sector.
5. The Fund understands that tPR is trying to reconcile a host of competing legislation, but it would ask it to consider the unique qualities of the LGPS.
6. Some of the wording is (understandably) generic although the code does try to distinguish between the various types of pension scheme. It would be helpful if

the different types of scheme (e.g. public sector, occupational, defined benefit, defined contribution etcetera) could be considered in a fixed order using a consistent terminology.

CONSULTATION:

7. The Chairman of the Pension Fund Committee has been consulted on this report.

RISK MANAGEMENT AND IMPLICATIONS:

8. There are no risk related issues.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

9. There are no financial and value for money implications contained in this report.

DIRECTOR OF CORPORATE FINANCE COMMENTARY

10. The Director of Corporate Finance is satisfied that all material, financial and business issues and possibility of risks have been considered and addressed.

LEGAL IMPLICATIONS – MONITORING OFFICER

11. There are no legal implications or legislative requirements.

EQUALITIES AND DIVERSITY

12. There are no equality or diversity issues.

OTHER IMPLICATIONS

13. There are no potential implications for council priorities and policy areas.

WHAT HAPPENS NEXT

14. The following next steps are planned:

- Provide the Pension Fund Committee with details of the results of the consultation.

Contact Officer:

John Smith, Pensions Governance and Employer Manager

Consulted:

Pension Fund Committee Chairman

Annexes:

1. The Pension Regulator's new single code of practice.

Background papers:

The tPR's consultation on a single code of practice [Single code of practice consultation | The Pensions Regulator](#)