

**REPORT OF THE SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND
IMPROVEMENT**

LOCAL PENSIONS BOARD CODE OF PRACTICE

Purpose of the Report

1. Through this report the Local Pensions Board is asked to review its Code of Practice to reflect updated requirements arising as part of the Fund's action plan to secure compliance with the Pensions Regulator's General Code of Practice. The review also acknowledges changes that the Fund has already made.

Information

2. The Public Service Pensions Act 2013, which came into effect from 1 April 2015, extended the role of the Pensions Regulator to include public service pensions schemes, including the Local Government Pension Scheme (LGPS). Schedule 4 of the Public Services Pensions Act 2013 required the Pensions Regulator to issue a Code or Codes of Practice in respect of certain matters. The Pensions Regulator consolidated all of its existing Codes, which covered all pension schemes including the LGPS, into a single Code of Practice. This came into effect from 27 March 2024.
3. Barnett Waddingham's gap analysis recommended that the Board's Code of Practice is updated to set out the role of the Chair of the Local Pensions Board. Changes are also required to reflect other actions arising from the gap analysis, for instance, the adoption of a Training Strategy and a Conflicts of Interest Protocol for the Fund.
4. The Board's existing Code of Practice is that which was agreed at its inception in 2015 and so a broader review has been undertaken, to ensure that it remains fit for purpose. The draft updated Board Code of Practice is attached as **Appendix A** to this report.
5. In addition to the proposed changes set out below, a number of minor amendments have been made to the text to improve its readability and ensure references are consistent between Fund documents:
 - Paragraph 9 – wording updated as it implied that there were existing sub-committees stemming from the Nottinghamshire Pension Fund Committee. While sub-committees may be added, the update places the emphasis on the main committee while recognising the possibility that sub-committees may be formed. Similar updates are

proposed throughout the document where references are made to sub-committees of the Nottinghamshire Pension Fund Committee.

- Paragraph 14 – a proposed addition setting out an option for the Board to elect a vice-chair.
- Paragraph 15 – a proposed addition setting out the arrangements for chairing a meeting, or any specific agenda items, if the chair is not present (either because they have given an apology or disclosed an interest and had to leave the room).
- Paragraphs 16-20 – a proposed addition setting out expectations of the chair, which has arisen from a recommendation from the reverse gap analysis assessing the Fund's compliance with the Pension Regulator's General Code of Practice.
- Paragraphs 25-28 – a proposed amendment to reflect the Fund's adoption of a Conflicts of Interest Protocol.
- Paragraphs 29-30 – a proposed amendment to reflect the Fund's adoption of a Training Strategy and the knowledge and understanding requirements set out in the Pension Regulator's General Code of Practice.
- Paragraph 33 – an adjustment in the language to take account of the Council moving the base of its democratic function from County Hall, West Bridgford to Oak House, Hucknall.
- Paragraph 34 – a proposed update to the way in which the Board can deal with urgent business to reflect improvements in availability and increased acceptance of virtual meetings since the original Code of Practice was adopted.
- Paragraph 41 – a proposed amendment to the wording of the Budget section that better reflects how the Fund operates and provides increased flexibility.

Other Options Considered

6. The Board could choose not to update its Code of Practice, but this has been rejected as it would mean the Board's arrangement did not align with the wider Fund.
7. Alternatively, the Board could request additional or alternative amendments beyond those proposed. Should it wish to do so, it may be necessary to defer making a decision on the item to enable any necessary advice to be sought and research undertaken.

Reasons for Recommendations

8. Reviewing the Local Pensions Board's Code of Practice to ensure it remains relevant and fit for purpose is a key part of good governance. It is also important to ensure that the Board's operation is consistent with the Fund's strategies and complies with relevant regulations and requirements. As changes have been made to fund strategies as part of its journey towards compliance with requirements in the Pension Regulator's General Code of Practice, it is necessary to make sure they are reflected in the Board's own Code of Practice.

Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and

the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

10. There are no financial implications arising as a result of this report.

RECOMMENDATION

- 1) That the Local Pensions Board approves the revised 'Local Pensions Board Code of Practice' as attached at **Appendix A**.

Nigel Stevenson

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Constitutional Comments (KK 28/11/24)

11. The proposal in this report is within the remit of the Local Pensions Board.

Financial Comments (SES 03/12/2024)

12. There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- [Nottinghamshire Pension Fund Committee, 14 November 2024 – update report on the implementation of the Pension Regulator’s General Code of Practice, action plan and new policies](#)
- [The Pensions Regulator’s General Code of Practice](#)
- [Local Pension Board Code of Practice \(approved 16 December 2015\)](#)
- [Agenda for the Local Pensions Board meeting on 16 December 2015](#)

Electoral Division(s) and Member(s) Affected

- All