

The Pension Regulator's General Code and Good Governance Review

Nottinghamshire Pension Fund Action Plan

The action plan is based on the reverse gap analysis completed by Barnett Waddingham. The red, amber, green (RAG) status is based on its assessment of the Fund's performance against requirements set out in the General Code.

Key to colours

- G The Fund complies with the Code and no further action is required at this time
- A The expectation does not apply to the LGPS but the Fund may wish to comply with this expectation as a matter of good practice
- R The Fund does not comply with the Code and action is required
- No rating given

The report also highlighted where these requirements related to recommendations expected to come out of the Good Governance Review, the outcome of which is yet to be formalised.

The action plan covers those matters that apply to the Local Government Pension Scheme. The fourth column of the table shows whether the required action is mandatory for LGPS schemes. A 'Y' in this column indicates that it is mandatory, an 'N' indicates that it is optional (e.g. arrangements exist that meet the requirements of the Code and the proposed action enhances those arrangements), good practice, or likely to arise from the Good Governance Review. Where requirements did not apply to the LGPS, they have been omitted from the table.

Subject	RAG rating	Recommendation	Mand action	Action	Owner	Timeline	Progress	
Module: Appointment and role of chair								
Expectations for the appointment and role of the chair	G	Update Governance Compliance Statement and Local Pensions Board Code of Practice to highlight expectations of the chair	N	Ref 1 - Update Governance Compliance Statement	Jo Toomey	14 November 2024	Completed Document updated and published on Fund website	
			N	Ref 2 - Amend Local Pensions Board Code of Practice	Jo Toomey	January 2025	Report on agenda for 09/01/25	
Module: Meetings and decision-making								
Arrangements for meetings and record keeping and matters around the running of meetings	G	Good governance review could introduce KPIs including attendance at meetings and time spent on different areas of governance	N	Ref 3 - Measure attendance at meetings and time spent on different areas of governance	Jo Toomey	14 November 2024	Completed. Narrative around attendance and items of business included in Governance chapter of Annual Report	
Module: Knowledge and understanding								
Expectations about knowledge and understanding, including audit and review of skills to identify gaps Mandatory for Pension Board members, good practice for scheme managers and the wider governing body	A	That the Fund produces a publicly available training policy setting out the requirements of members and other key stakeholders	Y	Ref 4 - Production of a training policy	Jo Toomey	14 November 2024	Completed Policy approved on 14/11/24 and published on the Fund website.	
				Publication on website		30 November 2024		
				Ref 5 - Production of a training needs assessment		Jo Toomey	February 2025	To be presented to Committee alongside training and conferences report
				Ref 6 - Completion of training needs assessment by Committee and Board		Jo Toomey	End June 2025	In line with appointment of new Committee/Board members following quadrennial elections and annual council
				Ref 7 - Produce training declaration for members	Jo Toomey	End June 2025	In line with appointment of new Committee/Board members following quadrennial elections and annual council	

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				Ref 8 - Central recording and reporting of senior officer training	Jo Toomey	From start of new financial year	
Module: Governance of knowledge and understanding							
Expectations for governing bodies to maintain, develop and show knowledge and understanding Mandatory for Pension Board members, good practice for scheme managers and the wider governing body	A	That the Fund drafts a policing covering the requirements in the Code. The good governance review addresses training needs for s151 officers (not mandatory at this time)	N	Ref 9 - Capture training of senior officers involved in managing the pension fund – activity undertaken and time spent (including S151 Officer)	Jo Toomey	From start of new financial year	
Module: Identifying, evaluating and recording risks							
Expectations for governing bodies to identify and record risks and regularly review and evaluate those risks	A	Include wording on the process for identifying the Fund's key risks	N	Ref 10 - Update risk management strategy to set out the process for identifying key risks Publication on website	Jo Toomey	12 December 2024 31 December 2024	Completed Policy approved on 12/12/24 and published on the Fund website.
Module: Internal controls							
Requirement to put internal controls in place to reduce the incidence and impact of risks Internal controls including separation of duties for those performing them and process for escalation and decision-making, and designing appropriate controls	G	None	Y	Ref 11 - Comprehensive review of risk register	Jo Toomey, Sarah Stevenson and Tamsin Rabbitts	12 December 2024 13 February 2025 – final draft and first deep dive	Working draft risk register prepared and included as an exempt appendix for committee on 12/12/24
Module: Scheme continuity planning							
Expectation that governing bodies will develop and implement continuity plans	G	Update risk register to include continuity planning and disaster recovery documents	N	Ref 12 - Ensure risk register includes reference to business continuity documentations	Jo Toomey		Completed. References included

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to counter disruption to the scheme's activity				Ref 13 - Review pensions administration business continuity plan	Sarah Stevenson	Business impact analysis to be completed by 06/12/24	
				Ref 14 - Review investments business continuity plan	Tamsin Rabbitts	Business impact analysis to be completed by 06/12/24	
Module: Conflicts of interest							
Governing Bodies: Expectations that governing bodies will establish internal controls to identify and record conflicts of interest	G	No recommendations. Current minimum requirements met through the council's arrangements but good governance review is likely to require the publication of a conflicts of interest policy	N	Ref 15 - Production of a conflicts of interest policy Publication on website	Jo Toomey	14 November 2024 30 November 2024	Completed Policy approved on 14/11/24 and published on the Fund website.
Module: Climate change							
Expectations about schemes' understanding how climate/environment risks impact on investments and risks and opportunities associated with climate change and documentation of processes for doing so	G	None LGPS is required to operate internal controls, assessing the risk associated with climate change Requirement to operate an ESOG is good practice	Y	Ref 16 - The Fund already undertakes climate scenario which feeds into the Triennial Valuation and carbon risk analysis which informs the TCFD report. No further action currently required, but this is a fast developing area and, with the support of our Pool, LGPS Central Ltd, will be kept under review.	Tamsin Rabbitts	Ongoing	This is already part of the Climate Risk Action plan and progress is reported to Committee on a regular basis.
Module: Record keeping							

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Expectations on the governing body's need to maintain complete and accurate records, including record-keeping, administrative systems and data from other parties	G	The Fund may wish to adopt an Administration Strategy that outlines processes and procedure.	Y	Ref 17 - Interim review of Administration Strategy	Sarah Stevenson	14 November 2024	Completed Policy approved on 14/11/24 and published on the Fund website.
				Ref 18 - Comprehensive review of Administration Strategy		30 November 2024	
Module: Cyber controls							
Expectations for identification and management of, and recovery from cyber incidents, including reducing the risk of incidents occurring	G	None but it would be helpful if the Fund could provide evidence of how it maintains its IT systems and its cyber controls and if there are documents or processes that the Administering Authority has in place	Y	Ref 19 - The Fund has engaged Aon for a focused piece of work on cyber security. Actions arising from that work will be captured separately	Sarah Stevenson	13 February 2025– Cyber risk Strategy, hygiene guidelines and cyber incident response plan	
Module: Receiving contributions							
Processes that the governing bodies must have in place to monitor contributions and transmission of payment information between employer, members and administrator	A	Consider implementing an Administration Strategy that outlines the Fund's processes to receiving and monitoring contributions	Y	Ref 20 - Add employers' responsibilities to the Administration Strategy	Sarah Stevenson	14 November 2024 30 November 2024	Completed Policy approved on 14/11/24 and published on the Fund website.
Module: Notification of right to cash transfer sum or contribution refund							
Broadly follows legislation relating to cash transfer sums or contribution refunds	G	Can the fund confirm there is a process for notifying members. May require an update to the Comms Strategy	Y	Ref 21 - Consider capturing in comprehensive review of Communications Strategy	Sarah Stevenson / Jo Toomey	2025	
Module: Scams							

Subject	RAG rating	Recommendation	Mand action	Action	Owner	Timeline	Progress
Expectations on a scheme's internal controls to mitigate the risk of scams	G	The Fund should update the risk register to include pension scams as a key risk and processes in place to mitigate potential risks relevant to the Fund and its members	Y	Ref 22 - Update risk register to include pension scams	Jo Toomey	14 November 2024	Completed
Module: Who must report							
Expectations on who must report breaches of the law in relation to the administration of the scheme, provision of training to ensure people understand the process for identifying and reporting breaches	G	Update references in the Breaches Strategy to the General Code (which is acknowledged in the policy)	Y	Ref 23 - Update Breaches Strategy to reflect new General Code Publication on website	Jo Toomey	14 November 2024 30 November 2024	Completed Policy approved on 14/11/24 and published on the Fund website.