

General code of practice

Preparation is key

The Pensions Regulator (TPR) has implemented a new governance framework for pension schemes called the general code of practice (the code). This sets out TPR's expectations for how governing bodies will implement an **'effective system of governance'** (ESOG) and analyse its success.

The code is a consolidation of existing codes, new modules and updates, with requirements proportionate to the size, nature and complexity of your scheme.

If your scheme has more than 100 members you will have **12 months from the end of the next Scheme year to carry out an 'own risk assessment'** (ORA) of the ESOG to determine how well you're managing the potential risks and how effective your scheme's controls are.


Your scheme may be well governed but **don't assume little work is required** or your existing policies and risk management procedures will meet the standards expected.

We can help make the process as streamlined as possible

How we can help

Our pension governance specialists have developed a user-friendly suite of tools and templates to help make compliance as streamlined as possible.

	Already compliant	Improvement required	
ESOG	0	0	
Governing body	12	1	
Funding and investment	5	1	
Administration	2	5	
Communications and disclosure	0	3	1
Reporting in TPR	0	0	1
Total	17	10	10



• Already Compliant
• Improvement required
• New policy/procedure required

Recap of required action and timeline



Trustees need to make sure all the different policies and processes which make up their ESOG are in place during the 2024/25 Scheme year and will then have a further year to complete the first ORA

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01

General code training – for your trustee board or scheme managers, focusing on **what trustees need to do** and how this can be achieved.

02

Compliance review – with your pension manager, scheme secretary or trustees to **carry out a gap analysis** against your existing policies and procedures and draw up an action plan for compliance.

03

Work with you and your advisers to deliver your ESOG on a proportionate basis – using tools and monitoring to make sure your risk controls, **policies and processes are fit for purpose** and you can provide a statement of compliance with confidence.

04

Maintain compliance for the long term – including ESOG reviews, the regular ORA (if your scheme has more than 100 members), **risk management requirements** and/or delivering an internal audit.

Lessons learnt so far

and key updates in the final code

- **All schemes will need to make changes**, smaller schemes tend to require more work.
- **It's the trustee's ESOG (not the adviser's)**, use our professional support to help you.
- The trustee needs a risk management function to monitor and manage risks.
- **You can use existing policies** - you don't need to start from scratch.

Read our general code blog series here:
[Vidett.com/category/general-code-series](https://vidett.com/category/general-code-series)

Remuneration policy – this should be principles based, but there's no need to publish actual figures.

Equity, diversity & inclusion – there are strengthened expectations to comply with TPR guidelines.

Emphasis on proportionality – general code solutions should be scheme specific and take account the scheme's size, nature and complexity.



Find out more about our tailored compliance service

Contact the general code team on:
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Watch our video guide at:
[Vidett.com/our-services/governance/general-code](https://www.vidett.com/our-services/governance/general-code)

