



TPR General code of practice

London Borough of Hillingdon Pension Fund - Scheme Assessment

Prepared for: Hillingdon Council
London Borough of Hillingdon Pension Fund Committee
London Borough of Hillingdon Local Pension Board

Prepared by: Aon
Date: 25 October 2024

Introduction






TPR Code Compliance model

This report sets out how London Borough of Hillingdon Pension Fund complies with the Pension Regulator's (TPR) General code of practice (the Code) in relation to the management of the London Borough of Hillingdon Pension Fund which is part of the Local Government Pension Scheme (LGPS).

Note that the Code applies to governing bodies of all occupational, personal and Public Service Pension Schemes and therefore it is generic in nature. This document highlights all the key elements of the Code relevant to Public Service Pension Schemes and sets out whether Hillingdon Council is compliant in each of the Code's modules. There may be a number of requirements relating to these elements that are specifically stipulated within LGPS legislation and it is not the purpose of this compliance model to consider that level of detail.

Key

	Compliant
	Compliant in some but not all areas
	Not currently compliant
PC	Pension Committee (or equivalent)
PB	Local Pension Board
TPR	The Pensions Regulator
LGPS	Local Government Pension Scheme
Code	TPR's General code of practice



The governing body

The governing body – at a glance



Board Structure and activities

Fully compliant in 4 out of 5 modules



1 question is red and 2 questions are amber out of 30 questions.

Knowledge and understanding requirements

Fully compliant in 2 out of 2 modules



No questions are red and no questions are amber out of 20 questions.

Advisers and service providers

Fully compliant in 0 out of 1 module



2 questions are red and no questions are amber out of 19 questions.

Risk Management

Fully compliant in 5 out of 6 modules



No questions are red and no questions are amber out of 50 questions. 1 question is unanswered.

Scheme governance

Fully compliant in 0 out of 1 module



No questions are red and 1 question is amber out of 24 questions.

Essential actions

- Get PC and PB to acknowledge and read particular section of Governance Policy and confirm understanding the contents.
- Consultation with Hillingdon Council, as administering authority necessary to ascertain and understand appointment procedure of PC members to ensure compliance.
- Timetable for a periodical review of LPB membership to be established, ensuring depth of knowledge is always available to the LPB.
- Policy covering removal and resignation of PB members to be formulated and agreed. Procedures for resignation and removal from PC is covered under the Council's constitution.
- Policy to be update wit particular reference points 9-15 from the TPR Code extract.
- Officers will consult and put together a documented polcies for making appointments of advisers and service providers
- Officers will consult and put together a documented polcies for making appointments of advisers and service providers

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

The governing body



Board structure and activities

Essential Actions

Module	Question	Action
1 Role of the governing body	4	Get PC and PB to acknowledge and read particular section of Governance Policy and confirm understanding the contents.
2 Recruitment and appointment to the governing body	2	Consultation with Hillingdon Council, as administering authority necessary to ascertain and understand appointment procedure of PC members to ensure compliance.
3 Recruitment and appointment to the governing body	3	Timetable for a periodical review of LPB membership to be established, ensuring depth of knowledge is always available to the LPB.
4 Recruitment and appointment to the governing body	6	Policy covering removal and resignation of PB members to be formulated and agreed. Procedures for resignation and removal from PC is covered under the Council's constitution.

Other Actions

Module	Question	Action
1 Role of the governing body	1	Officers will liaise with Democratic Services and provide information about requisite knowledge and skills required for PC members to be considered, when Council makes appointments onto the PC.
2 Role of the governing body	2	The Council, through responsible officers have considered appointing paid LPB members and is still in consideration going forward. In order to assuage the recruitment difficulties to the LPB, co-opting members on to the board is another option being explored.
3 Role of the governing body	3	Training records of all PC and LPB members are kept, monitored and constantly updated for inclusion the quarterly PC meeting work programme. The Knowledge and Skills assesment for both PC and LPB will be conducted annually to ensure all members are up to date in all required area of knowledge. Next assesment is scheduled for January 2025.

4	Role of the governing body	4	An induction pack for PC members will be created and sent to both existing and newly appointed PC members to ensure they are aware of their responsibilities. Acknowledgement of receipt of the induction packs will be documented for monitoring via checklist of responses to induction pack.
5	Recruitment and appointment to the governing body	1	Communication to all categories of scheme membership to be ramped up through the Council's internal system, Hampshire portal and newsletters, then cascaded down to individual employers to encourage participation in LPB and expand pool talent of prospect LPB members.
6	Recruitment and appointment to the governing body	2	Equality, Diversity and Inclusion Policy for the Pension Fund is being developed and contents will be approved by PC and will become a policy to be considered for appointment of LPB members. The Council does have an EDI policy and it will be flagged up to Democratic Services that this should be in consideration for appointments to the PC.
7	Recruitment and appointment to the governing body	3	Consideration will be given to inclusion of Maximum term of LPB membership in the recruitment policy and time table to aid forward planning.
8	Recruitment and appointment to the governing body	4	Training records of all PC and LPB members are kept, monitored and constantly updated for inclusion in the quarterly PC meeting work programme. The Knowledge and Skills assessment for both PC and LPB will be conducted annually to ensure all members are up to date in all required areas of knowledge. Next assessment is scheduled for January 2025.
9	Recruitment and appointment to the governing body	5	Substitute PC members will now be mandated to undergo the same Knowledge and Skills assessments as PC members and training provided to ensure they have adequate knowledge to perform their duties when called upon.
10	Appointment and role of the chair	3	Plans for new chair induction will be formulated and become part of the process after election/selection going forward. This will cover all expectations of the LPB chair under the GCoP.

Knowledge and understanding requirements

Essential Actions

Module	Question	Action
1 Knowledge and understanding	6	Policy to be updated with particular reference points 9-15 from the TPR Code extract.

Other Actions

Module	Question	Action
1 No Actions		

Advisers and service providers

Essential Actions

Module	Question	Action
1 Managing advisers and service providers	1	Officers will consult and put together a documented policies for making appointments of advisers and service providers
2 Managing advisers and service providers	2	Officers will consult and put together a documented policies for making appointments of advisers and service providers

Other Actions

Module	Question	Action
1 No Actions		

Risk management

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 Identifying, evaluating and recording risks	5 a	To be reviewed more indepth .
2 Scheme continuity planning	1	Possibly write up a fund specific business continuity plan, incorporating those of other partners.
3 Conflicts of interest	8	TPR Criteria on Dealing with conflicts 9-21 will be checked against Fund policy to ensure compliance.

Scheme governance

Essential Actions

Module	Question	Action
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1 No Actions

Other Actions

Module

Question Action

1 No Actions



The governing body

Modules

Board structure and activities

- Role of the governing body (1)
- Recruiting and appointment to the governing body (2,6)
- *Arrangements for member-nominated trustee appointments (7)*
- Appointment and role of the chair (5)
- Meetings and decision-making (1)
- Remuneration and fee policy (4)

Knowledge & understanding requirements

- Knowledge and understanding (3,6)
- Governance of knowledge and understanding (3,6)

Value for scheme members (DC only)

- *Value for members (7)*

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply

Advisers and service providers

- Managing advisors and service providers (4)

Risk management

- Identifying, evaluating and recording risks (1)
- Internal controls (1)
- Assurance reports on internal controls (1)
- Scheme continuity planning (4)
- Conflicts of interest (3,6)
- Own risk assessment (4)
- *Risk management function (7)*

Scheme governance

- Systems of governance (4)





Funding and investment

Funding and investment – at a glance



Investment

Fully compliant in 3 out of 4 modules



No questions are red and 1 question is amber out of 37 questions.

Essential actions

None

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Funding and investment



Investment

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 No Actions		

Funding and investment



Modules

Investment

- Investment governance (4)
- *Investment decision making (7)*
- Investment monitoring (4)
- Stewardship (6)
- Climate change (3,6)
- *Statement of investment principles (6)**
- *Default arrangements and charge restrictions (7)*

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply

* Note that for the Statement of investment principles module the Code references good practice for PSPSs. However, due to the overriding legal requirement to have an Investment Strategy Statement (ISS) in place we have not included any questions on this module but have referred to the ISS within the Investment governance module.





Administration

Administration – at a glance



Scheme administration

Fully compliant in 1 out of 1 module



No questions are red and no questions are amber out of 16 questions.

Information handling

Fully compliant in 3 out of 4 modules



No questions are red and 1 question is amber out of 42 questions.

Essential actions

- Fund Specific cyber policy is under production and will be published in due course.
- Cyber training is planned for PB members as a prelude to presenting the policy being developed to them.
- Fund Specific cyber policy is under production and will be published in due course. This will be addressed in the policy.

IT

Fully compliant in 1 out of 2 modules



3 questions are red and no questions are amber out of 17 questions.

Contributions

Fully compliant in 3 out of 3 modules



No questions are red and no questions are amber out of 13 questions.

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Administration



Scheme administration

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 Planning and maintaining administration	2	Bespoke Administration issues training will be provided to all PC & LPB, in conjunction with our administration partners, Hamshire Pension Services

Information handling

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 No Actions		

IT

Essential Actions

Module	Question	Action
1 Cyber controls	1	Fund Specific cyber policy is under production and will be published in due course.

2	Cyber controls	2	Cyber training is planned for PB members as a prelude to presenting the policy being developed to them.
3	Cyber controls	8	Fund Specific cyber policy is under production and will be published in due course. This will be addressed in the plicy.

Other Actions

	Module	Question	Action
1	No Actions		

Contributions

Essential Actions

	Module	Question	Action
1	No Actions		

Other Actions

	Module	Question	Action
1	No Actions		

Administration



Modules

Scheme administration

- Planning and maintaining administration (1)

Information handling

- Financial transactions (1)
- Transfers out (2)
- Record-keeping (3,6)
- Data monitoring and improvement (1)

IT

- Maintenance of IT systems (1)
- Cyber controls (2,6)

Contributions

- Receiving contributions (3)
- Monitoring contributions (1)
- Resolving overdue contributions (1)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply





Communications and disclosure

Communications and disclosure – at a glance



Information to members

Fully compliant in 5 out of 5 modules



No questions are red and no questions are amber out of 22 questions.

Public information

Fully compliant in 2 out of 2 modules



No questions are red and no questions are amber out of 14 questions.

Essential actions

None

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Communication and disclosure



Information to members

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 No Actions		

Public information

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 No Actions		

Communication and disclosure



Modules

Information to members

- General principles for member communications (1)
- *Annual pension benefit statements (DC)* (7)
- *Summary funding and pension benefit statements (DB)* (7)
- Benefit information statements (PSPS) (1)
- Retirement risk warnings and guidance (1)
- Notification of right to cash transfer sum or contribution refund (2)
- *Chair's statement* (7)
- Scams (1)
- *Audit requirements* (7)

Public information

- Publishing scheme information (PSPS) (2,6)
- Dispute resolution procedures (2,6)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply





Reporting to TPR

Reporting to TPR – at a glance



Regular reports

Fully compliant in 1 out of 1 module



No questions are red and no questions are amber out of 3 questions.

Whistleblowing- Reporting breaches of the law

Fully compliant in 4 out of 4 modules



No questions are red and no questions are amber out of 11 questions.

Essential actions

None

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Reporting to TPR



Regular reports

Essential Actions

Module	Question	Action
1	No Actions	

Other Actions

Module	Question	Action
1	No Actions	

Whistleblowing - reporting breaches of the law

Essential Actions

Module	Question	Action
1	No Actions	

Other Actions

Module	Question	Action
1	Who must report	3 Investment Mangers, Actuary, advisers and other engaged service providers will be provided with breaches of law procedure and request acknowledgements.

Reporting to TPR



Modules

Regular reports

- Registrable information and scheme returns (1)

Whistleblowing - reporting breaches of the law

- Who must report (1)
- Decision to report (1)
- How to report (1)
- Reporting payment failures (1)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply



The information set out in this report is based on the expectations set out in the Code, compared to your current practice and it is not a regulatory and compliance audit. The information is based on the responses by the Administering Authority to questions set by Aon based on information contained in the Code.

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