



The Pensions Group
Part of the Department for Work and Pensions




OPERA
Operational Pensioners' Engagement and Representation Agency

codes of practice

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codes of practice and dealing with the regulator

- codes of practice
 - what will they cover?
 - what are they?
 - how will they affect me?
 - how are we doing in developing them?
 - can you give me an example?
 - how do they fit in with legislation and guidance?





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- The Pensions Act 2004
- a new pensions regulator (The Pensions Regulator)
- codes of practice (CoPs) (section 90)



 	<h3>codes of practice</h3> <ul style="list-style-type: none"> • mandatory codes - regulator required by law to issue • non-mandatory codes - regulator chooses to issue
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 	<h3>mandatory codes</h3> <ul style="list-style-type: none"> • notifiable events • reporting breaches • scheme funding – defined-benefit schemes • payments to money-purchase schemes • payments to personal pension schemes • member-nominated trustees/directors of trustee company • trustees' knowledge and understanding • internal dispute resolution • notification and exercising of rights for early leavers of occupational pension schemes • restrictions on powers to alter occupational pension schemes (s67) • internal controls
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 	<h3>what are codes of practice?</h3> <ul style="list-style-type: none"> • legal effect – but not legislation • combine characteristics of legislation and guidance • follow the code and comply • standards of behaviour
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 <p>The Pensions Group Part of the Department for Work and Pensions</p>  <p>Department for Work and Pensions</p>	<h3>how codes of practice are prepared</h3> <ul style="list-style-type: none"> • formal consultation • approved by Secretary of State • laid before Parliament • come into force
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 <p>The Pensions Group Part of the Department for Work and Pensions</p>  <p>Department for Work and Pensions</p>	<h3>where are the codes now?</h3> <ul style="list-style-type: none"> • being developed • liaison with users: <ul style="list-style-type: none"> – generally – reporting to the regulator – drafting code – liaison meetings held: <ul style="list-style-type: none"> • identify issues • iron out wrinkles – formal consultation and more liaison (winter)
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 <p>The Pensions Group Part of the Department for Work and Pensions</p>  <p>Department for Work and Pensions</p>	<h3>example</h3> <ul style="list-style-type: none"> • scheme specific funding (Part 3 of Act, sections 221 to 233) • regulations – legal requirements • code – regulator's expectations of trustees <ul style="list-style-type: none"> – what trustees need to do to make funding choices
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 	<p>example</p> <ul style="list-style-type: none"> • reporting to The Pensions Regulator – section 70 • legal duty to report <ul style="list-style-type: none"> – reasonable cause to believe – likely to be of material significance • code of practice – no regulations • underpinning guidance – benchmarks for reaching decision (traffic light principle)
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 	<p>codes of practice</p> <ul style="list-style-type: none"> • any questions?
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