Independent Governance Group

Strengthening governance while meeting General Code requirements

Client Context

IGG supported a large UK pension scheme with approximately £1.5bn in assets and around 7,000 members.

The Trustee Board comprised eight trustees, including three professional trustees, supported by three sub-committees overseeing key areas of governance and delivery.

The scheme's internal team was facing increasing pressure following the introduction of The Pensions Regulator's General Code. These additional requirements created a significant uplift in workload, alongside the need to maintain business-as-usual governance, including full trustee and sub-committee meeting cycles.

This work also laid the groundwork for emerging requirements such as the Own Risk Assessment (ORA), ensuring the governance framework was not only compliant with the General Code, but also robust, forward-looking and aligned with future regulatory expectations.

Challenge

The Trustee's objective was to ensure compliance with the General Code, without introducing unnecessary complexity or creating a governance framework that would be difficult to operate in practice.

The primary risk was non-compliance, driven by both the scale of the requirements and internal capacity constraints. The Trustee was clear that the approach needed to be proportionate and practical, ensuring that governance remained effective and manageable for the pensions manager and wider Trustee Board.

At a glance

Scheme size

£1.5bn

Membership

7,000

members

Challenge faced

Compliance

with the General Code

Independent Governance Group

Solution

IGG's approach focused on building a strong understanding of how the scheme operated in practice, investing time upfront to ensure that priorities were aligned with the pensions manager and Trustee Board.

A structured gap analysis was undertaken to assess existing governance documentation against the requirements of the General Code. Rather than overhauling documentation, IGG focused on targeted updates and enhancements, ensuring alignment without unnecessary duplication.

Delivery was structured over the course of the scheme year, with policies introduced and reviewed in phases. This ensured that:

- trustees were able to engage with and challenge each policy effectively
- the board was not overwhelmed by volume or timing of changes
- governance improvements were embedded progressively rather than delivered as a single exercise

As part of this process, nine new policies were introduced, with existing documentation streamlined to maintain a proportionate and coherent governance framework.

Result

The scheme achieved compliance with the requirements of the General Code within the required timeframe, without disrupting existing governance processes. The approach ensured:

- a strengthened and more structured governance framework
- delivery of regulatory requirements in a cost-efficient and proportionate way
- improved clarity and usability of governance documentation
- trustee engagement without unnecessary time burden

Importantly, the ESOG review established a clear foundation for the scheme's Own Risk Assessment (ORA), ensuring that the Trustee Board is well positioned to complete the ORA efficiently and with confidence.

IGG Delivered

- Practical ESOG framework supporting future ORA delivery
- Targeted policy enhancements without unnecessary duplication
- Structured, phased governance delivery aligned to trustee capacity
- Efficient trustee engagement

Why This Matters for Trustees Under the General Code

The Own Risk Assessment (ORA), as set out in The Pensions Regulator's General Code, requires trustees to identify, evaluate and manage risks through an Effective System of Governance (ESOG) framework.

For many schemes, the challenge is not building governance from scratch, but ensuring existing arrangements are clearly evidenced, aligned to the Code and proportionate to the scheme's size and risk profile.

Without a structured approach, this can lead to unnecessary complexity. Documentation expands, governance frameworks become harder to operate and trustee time is absorbed by process rather than decision-making.

IGG's role

Our focus is to support trustees in delivering ORA in a way that is structured, proportionate and aligned to the scheme's existing governance framework.

In practice, this includes:

- ✓ Undertaking a gap analysis to assess alignment with the General Code
- ✓ Reviewing governance across key areas within the ESOG framework
- ✓ Confirming where existing policies and processes are effective in practice
- ✓ Identifying targeted areas for enhancement, where required
- ✓ Structuring delivery through clear milestones and trustee engagement
- ✓ Providing clear, practical outputs to support trustee decision-making

The result is an ORA process that builds on existing governance and supports a sustainable approach to ongoing compliance.

The value

ORA is not simply a compliance requirement. Delivered by IGG, it becomes a structured, efficient process that strengthens governance by bringing clarity and consistency to how risks are identified, assessed and managed.

When IGG supports your ORA, you benefit from:

- Tried and tested approach
- Efficient and streamlined process
- Dedicated team resource to answer questions/ concerns

The outcome is greater confidence that governance is robust, proportionate and capable of supporting effective decision-making and positive member outcomes.

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