

Scheme Advisory Board

Consultation on the updated LGPS Code of Transparency – closing 15 August 2025

LGPS Investment Code of Transparency (“the Code”)

Date of first publication: 18th May 2017

Date of approval by the Scheme Advisory Board of the current version of the Code:
~~27 September 2024~~ [TBC](#)

Definitions

For the purpose of this Code the following definitions shall apply:

Administering Authority means the administering authority of a pension fund within the LGPS. ~~For the purposes of the Code only this term shall also apply to the operator of any LGPS investment pool~~

Pools means any of the LGPS investment pools in operation that were established by Administering Authorities following the publication of guidance on the pooling of LGPS assets in 2015.

Board means the Local Government Pension Scheme Advisory Board, England and Wales

Investment Manager means an investment manager, who has been or wishes to be, appointed by an Administering Authority in accordance with the Investment Regulations. For the purposes of the Code, Investment Manager may also refer to any LGPS investment pool

Investment Regulations means The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, the Local Government Pension Scheme (Management and Investment of Funds) (Scotland) Regulations 2010, and the Local Government Pension Scheme (Management and Investment of Funds) Regulations (Northern Ireland) 2000 (as from time to time amended or replaced)

LGPS means the Local Government Pension Schemes for England and Wales, Scotland and Northern Ireland

Template means the template information form for the relevant investment types provided by the Board as updated from time to time and made available on the Board’s website

Financial year means the twelve-month period used in the UK for financial reporting purposes running from 1 April to 31 March of the following year

Introduction

1. The Board is a body established under the Local Government Pension Scheme Regulations 2013. The function of the Board is to provide advice to the Secretary of State on the desirability of making changes to the LGPS. The

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Board also has the function of providing advice to Administering Authorities and local pension boards in relation to the effective and efficient administration and management of the LGPS and their pension funds. The Board has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

2. The Board continues to support the move toward investment cost transparency and consistency as an important factor in the LGPS being perceived as a value-led and innovative pension scheme. The principle of cost transparency is also relevant for the CIPFA accounting standards issued for inclusion in the statutory annual report and accounts and is included in the government's investment reform guidance and criteria for LGPS pooling.
3. To assist LGPS administering authorities in obtaining the more detailed investment fee data they require, the Board worked with key stakeholders including investment managers, CIPFA and LGPS administering authorities to develop the Code. The Board continues to support Cost Transparency across the wider pensions industry as a founder member of the Cost Transparency Initiative (CTI)
4. The Administering Authority and the Board continue to recognise their obligations pursuant to the Freedom of Information Act (FoIA) and the Section 45 FoIA Code of Practice and will engage with Investment Managers appropriately in that respect.

Application of the Code

5. The Code is a voluntary code and covers the provision of transparent and consistent investment cost and fee information between Investment Managers and Administering Authorities.
6. An Investment Manager may sign up to the Code in writing in the form agreed by the Board. By doing so the Investment Manager is demonstrating its commitment to the transparent reporting of investment costs and fees relating to the LGPS to administering authorities.
7. An Investment Manager who signs up to the Code agrees that within a period of threetwelve months of signing up to the Code (or such longer period as the Board may in its discretion agree) it will put in place the systems necessary to allow the completion and automatic (i.e. without the client having to make a request) submission of the Template(s) to each Administering Authority and/or Pool that the Investment Manager is appointed by (whether at the time of signing up to the Code or in the future).
8. Where an asset class is not covered by the template(s) available under the Code, and following confirmation of such by the Board, an investment manager may sign up on the understanding that within a period of 12 months (or such longer period as the Board may in its discretion agree) it will put in place the systems necessary to allow the completion and automatic (i.e. without the client having to make a request) submission of cost data substantially similar in scope

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and detail to that covered by existing templates. The exact format of that cost data is to be agreed with each Administering Authority and/or Pool that the Investment Manager is appointed by (whether at the time of signing up to the Code or in the future). Managers who sign up to the Code under this provision must adopt and make use of relevant Code templates as they become available.

9. The Template(s) must be submitted automatically (i.e. without the client having to make a request) at least each financial year to each Administering Authority and/or Pool and to any independent third party or parties appointed by the Board in accordance with paragraph 12. Administering Authorities and/or Pools may also request such submissions on a quarterly or semi-annual basis. However, a more regular provision of completed templates is also acceptable if so agreed by Investment Managers and Administering Authorities and/or Pools. Templates should be provided within one month of the end of the desired reporting period for listed assets. For unlisted assets, this should be provided within two months. In instances where templates are not provided to the client on time, a satisfactory explanation must be provided to the client along with a proposed timeline for submission.
10. Where an Investment Manager who signs up to the Code invests through further fund managers (a fund of funds or multi-manager model), it will also seek the same cost information it is required to provide from its underlying managers to enable the full reporting of costs incurred (both direct and indirect) to the LGPS Administering Authority and/or Pool.
11. The Investment Manager will not vary the Templates except with the written agreement of the Board and the relevant Administering Authority and/or Pool.
12. The templates covered by this Code are those within the framework published from time to time by the Cost Transparency Initiative (CTI). Investment Managers regulated by parties other than UK regulatory authorities may also complete the Institutional Limited Partner Association (ILPA) template.
13. Administering Authorities and/or Pools should make arrangements to ensure that they have a means of collecting and validating data from the templates, this might include appointing an independent third party/parties either via the National LGPS Framework or their own means. Administering Authorities and/or Pools may also appoint a third party/parties to assist with additional data services such as benchmarking and analysis of investment cost data from templates.
- ~~13.~~ 14. The Board may appoint one or more independent third party / parties to assist with compliance and / or analysis of Templates provided in accordance with the Code and general compliance of the Code by Investment Managers. ~~The third party / parties may also be asked by the Board to collate and analyse non-attributable information obtained from the Templates at a national level for the Board to consider and / or publish.~~ The Investment Manager shall co-operate with the Board and/or appointed third party / parties and provide such information and explanations as the third party / parties may reasonably require

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within a reasonable period of request.

- ~~44.~~~~15.~~ The third party or parties shall report the findings of any analysis or compliance check direct to the Board, including any recommended actions or improvements. The Investment Manager shall co-operate and work with the Board to address and implement any recommended actions or improvements.
- ~~45.~~~~16.~~ The Investment Manager may, subject to any overarching legal or reporting requirements, require an Administering Authority [and/or Pool](#) to sign up to a reasonable confidentiality agreement not to disclose the information contained in the Template to any third parties (excluding any third party appointed by the Board for the purposes detailed at Paragraphs 14 and 15).
- ~~46.~~~~17.~~ The Board agrees that when an Investment Manager signs up to the Code in the agreed form it will, as soon as reasonably practicable, list the Investment Manager on its website and allow the Investment Manager to use the Code's logo on its marketing literature in accordance with the Code Logo Use and Guidance (available from the Board website and amended from time to time). The Code Logo Use and Guidance can be downloaded from the Board website.
- ~~47.~~~~18.~~ The Board owns the Code logo and will retain all intellectual property rights and any other rights in the Code logo. An Investment Manager will not acquire any rights, title or interest in the Code logo and will not use the Code logo except as expressly specified in the Code and the Code Logo Use and Guidelines.
- ~~48.~~~~19.~~ An Investment Manager will be permitted to use the Code logo on a non-exclusive basis to communicate their compliance with the Code. The Code logo will convey to stakeholders that the Investment Manager is compliant with the Code and committed to the transparent reporting of LGPS investment costs and fees.
- ~~49.~~~~20.~~ An Investment Manager which has signed up to the Code will not use the Code logo for any other purpose nor for the benefit of any other person and will not alter or change the Code logo in any way – ownership of any modifications in the Code logo will vest in the Board.
- ~~20.~~~~21.~~ The Board may revoke use of the Code logo and remove an Investment Manager from the list on its website at any time (that is, to remove an Investment Managers Code signatory status), if an Investment Manager is reported by an Administering Authority [and/or Pool](#), or considered by the Board, to be in breach of the Code. [The revocation of a signatory's status would only occur after warning and giving the manager reasonable time to achieve compliance.](#)