

Own Risk Assessments – making it happen

January 2026



With the first ORAs due in March 2026, we draw on experience so far and highlight practical steps for schemes with deadlines later in the year.

Background



- + Occupational pension schemes are required to have an effective system of governance, or ESOG, in place, which must be proportionate to the size, nature, scale and complexity of the scheme.
- + The ESOG is a framework of policies and procedures covering a range of topics, including board structure and activities, trustee knowledge and understanding, risk management, investment matters and communications and disclosures.
- + Since TPR's General Code of Practice was published in March 2024, trustees (supported by their advisers and providers) have been ensuring that their ESOG meets TPR's expectations. For most schemes, this has involved work such as a gap analysis, drafting new policies and reviewing and updating existing policies and risk registers.

What, who and when?

What is an ORA?



The ORA is a written self-assessment by the trustee of how well the scheme's ESOG is working and the way potential risks are managed. It is like a "health check" for your scheme's ESOG – a regular opportunity to look under the bonnet, spot any issues, and make sure everything is running smoothly.

Who needs to carry out an ORA?



Schemes with 100 or more members which are required to have an ESOG in place are also required to carry out and document an ORA. TPR considers it good practice for other schemes to undertake an ORA.

When does an ORA need to be carried out?



For most schemes, the first ORA must be prepared within 12 months from the last day of the first scheme year that begins after 28 March 2024 (the date the Code came into force). For example, if your scheme year ends on 31 March, then the first ORA must be prepared by 31 March 2026.

Subsequent ORAs should be completed at least every three years, but not all elements need to be assessed at the same time.

Practical steps for trustees

With no set template from TPR, getting started on your ORA can feel daunting. From working with trustees across a range of schemes, key themes have emerged to help those in the early stages of their ORA journey, which can be broken down as follows.



Own

- ✓ There is not a single “right” approach to documenting the ORA.
- ✓ ORAs should be **tailored** to the relevant scheme and “proportionate to the size, nature and complexity” of the scheme.
- ✓ Some schemes (eg those with a complicated governance structure, complex history or significant risks to manage) may have a lengthy ORA. Others may be shorter and not contain as much detail and analysis.



Risk

- ✓ The focus of the ORA is on risk. Schemes should be considering how they are integrating risk assessment mitigation into their management and decision-making processes, with join up between any policies and procedures and the risks they seek to address. This could be achieved in the documents themselves or through the risk register. The ORA should reflect the focus on risk.
- ✓ Look ahead as well as back. It may make sense to call out areas where risks have been evolving (such as cyber security and AI) or where there is now greater focus than there has been in the past (perhaps administration) as ones to focus on next.



Assessment

- ✓ TPR has been clear that the ORA is not simply a ‘tick-box’ exercise. Listing the policies and procedures will not be sufficient as this is the role of the ESOG not the ORA.
- ✓ Trustees must properly **assess** how each of the policies and procedures work and consider whether they are effective. The assessment should take account of whether the policies and procedures cover what they set out to achieve, have been effective in mitigating risks, and include a process to follow if things go wrong. The answers can form the basis of the ORA.
- ✓ Trustees may wish to use examples of when a policy was referred to or a procedure followed.
- ✓ As this is an assessment of many policies and processes in a context that keeps evolving, a perfect score or a concluding that there is nothing more to do may not be realistic. An effective ORA process should make clear what’s working well and, just as importantly, where things could be better. If something is not working, record in the ORA what happened, and what the trustees have done (or plan to do) to improve. New and emerging risks can be considered before the next ORA.

