Ministry of Housing, Communities & Local Government

Will King
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Dear Pension Manager,

13 July 2026

Local Government Pension Scheme: Revised Actuarial Factors

1. Regulation 2(3) of the Local Government Pension Scheme Regulations 2013 provides that the Secretary of State may, after consultation with the Government Actuary's Department, issue actuarial factors and guidance to administering authorities.

2. On 19 May 2026, the Minister for Pensions (Torsten Bell MP) made a written ministerial statement confirming that the SCAPE discount rate has been adjusted to take into account the long-term GDP growth figures published by the OBR in July 2025. Based on these figures, the new SCAPE discount rate is CPI plus 2%. This is a change from CPI plus 1.7%.

3. The new rate is effective from 19 May 2026 and means that some calculations have been suspended until all factors have been updated. Guidance on the calculations which have been suspended and those which should continue can be found at SCAPE transitional arrangements table May 2026 E&W Version 3.0.

4. We are now issuing the second batch of updated factors, as set out below (with the relevant in effect dates), following consultation with the Government Actuary's Department:

   a. Non-club transfers in – In effect: 19 May 2026

   b. Early retirement – In effect: 1 August 2026

   c. Pension debits – In effect: 1 August 2026

   d. Late retirement – In effect: 14 July 2026

   e. Trivial commutation – In effect: 14 July 2026

   f. Inverse commutation – In effect: 14 July 2026

   g. Added pension – In effect: 14 July 2026

   h. AVCs to added pension – In effect: 14 July 2026

   i. AVCs to transfer credit– In effect: 14 July 2026

5. Over the coming months, we expect to issue updated factors for the remaining calculations. These will also be communicated via the LGA and made available on their website.

Yours faithfully,

Will King
Joint Head of Pensions