

LGPC Bulletin 233 – January 2023

Local Government Pensions Committee (LGPC)
Secretary, Lorraine Bennett

This bulletin contains updates for all LGPS stakeholders. It includes important articles on:

- [SAB Scheme Valuation Report 2022 \(England and Wales\)](#) - send the valuation report to Gareth Brown when the final version is available
- [Consultation on changes to the SAB's cost management process](#) – review consultation and consider whether to respond
- [unpaid LGPC subscriptions](#) – check outstanding payments list
- [New version of TPR transfer guidance](#) – ensure template letters are in line with this
- [National LGPS frameworks – call for founders](#) – consider whether to volunteer as a founder on two new frameworks
- [Training programme 2023 \(England and Wales\)](#) – share information about the Employer Role training with Scheme employers

which need action by certain stakeholders.

If you have any comments or articles for future bulletins, please contact query.lgps@local.gov.uk.

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LGPS England & Wales Scheme Advisory Board (SAB)

SAB Scheme Valuation Report 2022

The Board's Secretariat is currently planning for the Board's 2022 Scheme Valuation Report. The report is aggregated using data from individual fund valuation reports.

It would be a great help if administering authorities send their valuation reports to the Board's Data Analyst, Gareth Brown, as soon as they have a final version. These will be treated confidentially and only shared on the Board's website once published by the administering authority.

Action for administering authorities

Send your valuation report to Gareth Brown when the final version is available. Gareth's email address is gareth.brown@local.gov.uk.

SAB updates

You can use the links below to find out the latest updates on the work of the Board and its committees:

- [SAB meeting and agenda papers](#)
- [committee meetings and agenda papers](#)
- [Responsible Investment Advisory Group meetings and agenda papers](#)
- [news items](#).

LGPS England & Wales

2023/24 employee contribution bands

Table 1 sets out the employee contribution bands effective from 1 April 2023. These are calculated by increasing the 2022/23 employee contribution bands by the September 2022 CPI figure of 10.1 per cent and then rounding down the result to the nearest £100.

Table 1: Contribution table England and Wales 2023/24

Band	Actual pensionable pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £16,500	5.50%	2.75%
2	£16,501 to £25,900	5.80%	2.90%
3	£25,901 to £42,100	6.50%	3.25%
4	£42,101 to £53,300	6.80%	3.40%
5	£53,301 to £74,700	8.50%	4.25%
6	£74,701 to £105,900	9.90%	4.95%
7	£105,901 to £124,800	10.50%	5.25%
8	£124,801 to £187,200	11.40%	5.70%
9	£187,201 or more	12.50%	6.25%

Consultation on changes to the SAB's cost management process (CMP)

On 30 January 2023, the Department for Levelling Up, Housing and Communities launched a consultation on changes to the Scheme Advisory Board's (SAB) CMP. The consultation closes on 24 March 2023.

The consultation follows the report from the Government Actuary's Department into changes to the HM Treasury CMP, and the resulting policy and legislative changes set out in HM Treasury's response to that report (covered in [Bulletin 215](#)). It acknowledges the differences between these two processes but proposes measures suggested by SAB in its consultation response to better integrate the SAB process within the statutory HM Treasury mechanism.

You can find the consultation documents on the [Scheme consultations](#) page of www.lgpsregs.org

Action for administering authorities

Review consultation and consider whether to respond.

HMRC

LGA response to consultation on tax rules for McCloud remedy

On 6 January 2023, we responded to HMRC's consultation on the draft Public Services Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023.

HMRC consulted on the regulations from 24 November 2022 to 6 January 2023, which we covered in [Bulletin 231](#).

You can find the consultation documents, including our response, on the:

- [Non-scheme consultations](#) page of www.lgpsregs.org
- [Non-scheme consultations](#) page of www.scotlgpsregs.org.

DWP

New environment for TUO users

DWP is currently working to move all TUO users onto their Change Reporting System Application Service Management environment (CRS ASM). The new environment will allow administering authorities to access:

- management information
- bulk downloading/printing
- marital status/surviving spouse details.

The change will not alter the way users log in (with their unique ID and token) but the login screen will look slightly different. Administering authorities will need to take certain actions before they are moved onto the new environment. A member of the Tell Us Once team will be in touch soon to progress this piece of work.

DWP would like to thank all administering authorities for the ongoing commitment, support and passion they demonstrate on a daily basis to deliver Tell Us Once.

If you have any questions about the change, please contact emma.moralee2@dwp.gov.uk.

Automatic enrolment trigger remains the same

On 26 January 2023, DWP published its [review of the automatic enrolment thresholds for 2023/24](#).

The Pensions Act 2008 requires DWP to annually review various thresholds relevant for automatic enrolment rules. The earnings trigger remains at £10,000 for 2023/24.

TPO

Dominic Harris starts as Pensions Ombudsman

On 16 January 2023, Dominic Harris started as the Pensions Ombudsman. Dominic's term of office is five years.

Dominic recently sent an introductory message to TPO's contact list:

"The New Year has brought with it a "New Ombudsman", and so I thought I would take this opportunity to introduce myself and say how excited I am to be joining TPO.

This is an organisation that is so important in ensuring that pension scheme members and their dependants have access to support and justice, for free, in what can often be complex and stressful disputes. It really does level the playing field. I have looked on from the other side of the fence at the work TPO does – and am proud to be a part of it over the next few years. Clearly, Anthony Arter has done a sterling job over his tenure, and I am looking forward to building on his great work.

I look forward to understanding better how TPO works and some of the challenges we face. It is so important that we continue to work collaboratively to improve dispute resolution across the industry. I hope I will be able to meet many of you over the coming months."

You can find out more about Dominic on the ['who we are' page of TPO's website](#).

Please email stakeholder@pensions-ombudsman.org.uk if you would like to join TPO's contact list.

Presentations to regional POGs

Mairi Dearden, Head of Engagement at TPO, recently attended several LGPS regional pension officer groups (POGs) to talk about TPO's work and share tips on avoiding the Ombudsman.

Mairi plans to attend the other POGs over the next few months.

TPO orders TPS to reinstate deferred benefits

TPO recently upheld a complaint against the Teachers' Pension Scheme (TPS) about a transfer out.

Mrs G transferred her TPS benefits to the London Quantum Pension Scheme (LQPS) in 2015. It appears the benefits were invested in high risk, unregulated assets.

In 2018, Mrs G triggered the TPS's internal dispute resolution procedure. She unsuccessfully argued that TPS did not carry out adequate due diligence checks and warn her about any concerns. She then appealed to TPO.

In [a recently published judgment](#), TPO upheld Mrs G's appeal. It found that TPS failed to put in place proper processes to conduct adequate checks and enquiries in relation to the LQPS and warn Mrs G of the potential consequences of transferring. It also concluded that if TPS had done so, on the balance of probabilities, Mrs G would not have proceeded with the transfer. To put matters right, TPS must reinstate Mrs G's benefits and pay £1,000 for serious distress and inconvenience.

The judgment is a useful case study for LGPS administering authorities for understanding how TPO approaches this type of appeal.

Pension dashboards

PDP publishes consumer protection video

The Pensions Dashboards Programme (PDP) recently published [an explainer video on consumer protection](#). The video explains what protections will be in place to ensure dashboards are safe and secure.

Please see [the consumer protection page of PDP's website](#) for more information on this topic.

TPR

New version of transfer guidance

On 12 January 2023, TPR published a new version of [the Dealing with transfer requests guidance](#), with updates made to the 'Direct members to mandatory guidance from MoneyHelper' section.

The guidance assists pension schemes when applying the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021.

When telling members they must receive guidance about scams from MoneyHelper, schemes should provide [a link to book online or by telephone](#). The guidance now makes it clearer that members must use this link to book a MoneyHelper safeguarding guidance appointment. Otherwise, they may accidentally book a Pension Wise appointment or obtain general MoneyHelper advice.

The guidance also asks pension schemes to advise members who are transferring multiple pensions to wait until they have requested all transfers before booking their MoneyHelper safeguarding guidance appointment. This will avoid them having to book more than one.

We recently published a new version (2.3) of the non-Club transfers out guide to reflect these changes. You can find the guide (including a tracked version) on the:

- [Administrator guides and documents](#) page of www.lgpsregs.org
- [Administrator guides and documents](#) page of www.scotlgpsregs.org.

Action for administering authorities

Ensure that your template transfer letters are in line with these changes.

Other news and updates

Unpaid LGPC subscriptions

Our finance team has recently informed us that 35 administering authorities have yet to pay their LGPC subscription fee for 2022/23. The invoices were issued in August 2022. We have been unable to chase for payment up to now due to the installation of a new finance system at the LGA. If you have any queries about this please email [Elaine English](#).

Action for administering authorities

Please check the [outstanding payment list](#) to see if your fund's invoice remains unpaid and make payment as soon as possible if it is.

Communications Working Group minutes published

We published the minutes of the Communications Working Group meeting held on 10 January 2023. At the meeting the Group discussed:

- the news and FAQ sections of the member websites
- accessibility audit of the member websites
- digital engagement survey

- engagement methods for younger members
- McCloud remedy
- dashboards
- aggregation template letters
- the Group's work plans for 2022/23 and 2023/24
- lifetime allowance forms
- annual benefit statements.

You can find the minutes from this and earlier meetings and the Group's workplan on the:

- [Communications Working Group](#) page of www.lgpsregs.org and
- [Communications Working Group](#) page of www.scotlgpsregs.org.

National LGPS frameworks – call for founders

We forwarded an email to administering authorities from the National LGPS Frameworks on 30 January 2023. It is looking for administering authorities to volunteer to act as founders for two new frameworks: Integrated Service Providers (ISP) / Member Data Services and Additional Voluntary Contributions (AVCs). Both frameworks are intended to launch this year.

For the AVC framework, the National LGPS Frameworks is also inviting employers to volunteer. This is because the framework will include salary sacrifice AVCs.

Administering authorities and employers can find out more by contacting:

- Leon Thorpe (leon.thorpe@norfolk.gov.uk / 01603 495922)
- Jo Quarterman (jo.quarterman@norfolk.gov.uk / 01603 223950).

Action for administering authorities

Consider whether you would like to volunteer. Also, ask your employers if they would like to volunteer for the AVC framework.

Update on McCloud data issues guidance

We are currently working on guidance to assist administering authorities with McCloud data issues.

The guidance will set out what options administering authorities in England and Wales may consider if they are unable to collect the data needed to implement the McCloud remedy. It will cover both missing data and data the authority is not confident is accurate.

The Scheme Advisory Board (England and Wales) hope to publish the guidance by the end of February 2023.

The McCloud data issues scoping group was set up to inform this guidance. The group has met three times and includes representatives from:

- each of the regional pension officer groups
- LGA
- actuaries
- Department for Levelling Up, Housing and Communities
- Department of Communities
- Scottish Public Pensions Agency, and
- the Government Actuary's Department.

The scheme advisory boards in Scotland and Northern Ireland will decide whether to publish similar guidance.

Training

Training programme 2023

All 2023 training events are available to book via the [LGA events website](#). The link for each course contains course details and how to book.

Bookings are on a first come, first served basis. For fairness, each course is capped at five delegates per organisation.

If you are unable to book a place on a course, email training.lgps@local.gov.uk with details of the course you would like to attend. Include how many places you require and the format - online or in person. If you require in person training, state the location you would prefer. We will keep a waiting list and will consider running additional training if the demand is high enough.

Aggregation training (England and Wales)

- [23 March 2023 - London](#)
- [30 March 2023 - Online](#)

Survivor benefits training (England and Wales)

- [25 April 2023 - London](#)
- [10 May 2023 - Liverpool](#)

Employer role training (England and Wales)

- [25 April 2023 - Online](#)

- [27 April 2023 - Online](#)
- [30 May 2023 - Online](#)
- [1 June 2023 - Online](#)
- [20 June 2023 - London](#)
- [27 June 2023 - Birmingham](#)
- [25 July 2023 - Online](#)
- [31 August 2023 - Online](#)
- [26 September 2023 - Online](#)
- [24 October 2023 - Online](#)
- [7 November 2023 - Online](#)

Insight residential course (England and Wales)

- [4 – 7 September 2023 - Bournemouth](#)

Action for administering authorities

Share information about the Employer Role training with your Scheme employers.

LGPS Governance Conference 2024

The 2024 LGPS Governance Conference will be held in York on 18 and 19 January 2024. This will retain the popular lunchtime to lunchtime format with the option to attend either in person or online. More details including the programme and booking information will be released later in 2023.

Wider landscape

Consultation on holiday entitlement for part-year and irregular hours workers

On 12 January 2023, the Department for Business, Energy and Industrial Strategy launched [a consultation on calculating holiday entitlement for part-year and irregular hours workers](#). The consultation closes on 9 March 2023.

The consultation proposes to pro-rata holiday entitlement for these workers based on the annual hours they work. The proposals follow a recent Supreme Court judgment: Harper Trust v Brazel. We covered this in [Bulletin 228](#). The proposals apply to England, Scotland and Wales. Employment law is devolved in Northern Ireland.

Government response to committee report published

On 23 January 2023, the Work and Pensions Committee published the responses it received from Government to its report ‘Protecting pension savers – five years on

from the pension freedoms: saving for later life'. This also included responses from the Financial Conduct Authority, the Pensions Regulator and the Money and Pensions Service.

The Committee originally published the report in September 2022. The report looked at who is not saving enough for retirement and how to address this. This included recommendations on:

- evaluating the stronger nudge policy
- building a consensus on what an adequate income in retirement is
- implementing the 2017 automatic enrolment reforms (we covered this in [Bulletin 165](#))
- maximising take-up of the government's solution to the pension tax relief anomaly for low earners (we covered this in [Bulletin 227](#))
- defining and reducing the gender pensions gap
- producing regular and reliable statistics on pension sharing orders
- clarifying the boundary between advice and guidance.

You can view the report and response [on the relevant page of Parliament's website](#).

Useful links

[LGA Pensions page](#)

[LGPS member website \(England and Wales\)](#)

[LGPS member website \(Scotland\)](#)

[LGPS Advisory Board website \(England and Wales\)](#)

[LGPS Advisory Board website \(Scotland\)](#)

[LGPS Regulations and Guidance website \(England and Wales\)](#)

[LGPS Regulations and Guidance website \(Scotland\)](#)

[Public Sector Transfer Club](#)

[Recognised Overseas Pension Schemes](#) that have told HMRC that they meet the conditions to be a ROPS and have asked to be included on the list.

LGPS pensions section contact details

If you have a technical query, please email query.lgps@local.gov.uk and one of the team's LGPS pension advisers will get back to you.

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Further information

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