

## LGPC Bulletin 240 – July 2023

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

- [Annual Report guidance review](#) (England and Wales)
- [the latest GAD factors \(England and Wales\)](#)
- [the latest GAD factors \(Scotland\)](#)
- [DLUHC consultation on investment reforms](#)
- [HMRC consultation – abolishing the lifetime allowance](#)
- [the latest on the pensions dashboards reset](#)
- [webinar on Pensions administration apprenticeship changes](#) (England)

which need action by certain stakeholders.

If you have any comments or articles for future bulletins, please contact [query.lgps@local.gov.uk](mailto:query.lgps@local.gov.uk).

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## LGPS England & Wales Scheme Advisory Board (SAB)

### SAB committees

The SAB has three subcommittees and one advisory group formed underneath the main SAB body. The committees are:

- Compliance and Reporting Committee (CRC)
- Cost Management, Benefit Design and Administration (CMBDA) Committee
- Investment, Governance and Engagement (IGE) Committee
- Responsible Investment Advisory Group (RIAG)

Each committee looks at a specific area of the LGPS. Each has its own terms of reference and membership profile made up of practitioners, advisors, scheme member and employer representatives.

On behalf of the SAB and Committee chairs, the secretariat team would like to thank the volunteers on each of the committees and working groups who devote their time and knowledge to support this important work.

The CRC was established following the disbandment of the Chartered Institute of Public Finance and Accountancy (CIPFA) pensions panel in 2021. It aims to co-produce statutory guidance for LGPS administering authorities on a range of issues. The CRC has five workstreams looking at drafting new or updating existing statutory guidance. The workstreams are:

- Good governance
- Knowledge and skills
- Funding strategy statements
- audit issues
- producing the Annual Report.

### **Preparing the Annual Report guidance - review**

The CRC has identified several areas in the 2019 CIPFA 'preparing the Annual Report guidance' that require updating and clarification. A priority is to streamline the guidance and reduce duplication with other reporting obligations, wherever possible. This message is fully endorsed by DLUHC.

Another key area for improvement is how funds should report and categorise the allocation of assets. This area is covered in the Department for Levelling up, Housing and Communities (DLUHC) consultation on LGPS investment reform (see later [article in this bulletin on the LGPS investment reforms consultation](#)). This proposes a requirement for 'a single standard set of data on investments across Annual Reports and LGPS statistics'. The new guidance will suggest that administering authorities follow a 'worked example' template provided by the SAB. The aim is to improve consistency and scheme-level reporting of asset allocation in the SAB Annual Report. Using standard data to report asset classes should make the Annual Report process simpler for funds and more consistent, allowing readers to compare data directly. A 'worked example' template for the categorisation of assets will shortly be shared by the SAB secretariat team. Administering authorities should incorporate this into reporting as soon as possible while the new guidance is being prepared.

The administrative Key Performance Indicators (KPIs) are under review. The SAB has invited fund officers and software suppliers to comment on the current guidance. The aim is to define the KPIs better and allow for standardised reporting. This will enable funds to benchmark themselves properly against others. SAB aims to have the guidance in place for the 2023/24 reporting period, but hopes that some reporting changes can be implemented on a voluntary basis for 2022/23 Annual Reports. This will help deliver consistency in the asset allocation reporting area.

#### **Action for administering authorities**

If you would like to comment on the current guidance and have not yet been invited to do so, please contact [contact the SAB secretariat](#).

## **Economic Activity of Public Bodies (Overseas Matters) Bill – update**

[The Economic Activity of Public Bodies \(Overseas Matters\) Bill](#), also known as the Boycotts, Divestments and Sanctions Bill had its second reading in the House of Commons on 3 July 2023. The Bill seeks to ban LGPS administering authorities from making investment decisions influenced by political and moral disapproval of foreign state conduct, except where this is required by formal Government legal sanctions, embargoes and restrictions.

During the debate, significant concerns were raised about the Bill. These centered around its rationale, practicability and whether it constituted a significant over-reach of Ministerial authority. You can [read more about the debate](#) on the UK Parliament website.

The LGA has published [a technical brief on the Bill](#). The technical brief includes a section on the Bill's effect on pensions and the LGA view of the Bill.

The SAB will provide written evidence on the Bill to the Public Bill Committee which will scrutinize the draft Bill. The Vice-Chair of the Board, Jon Richards, and LGA's Head of Pensions, Jo Donnelly, have also been invited to give evidence to that Committee. As far as the Board is aware, there is no evidence that any LGPS fund has instituted inappropriate politically motivated boycott or divestment policies.

## **Gender pensions gap report**

The LGPS Gender Pensions Gap report produced in January 2023 identified a substantial difference between the average level of pension benefits built up by male and female scheme members. The difference is 34.7 percent for benefits in the CARE scheme and 46.4 percent for benefits in the final salary scheme. For benefits in payment, the difference is even greater at 49 percent.

While this indicates some progress towards equality, the Board asked the Government Actuary's Department (GAD) to explore these gender gaps in more depth. The Board asked them to focus on:

- career patterns, in particular evidence of recent and past part-time working
- differences relating to employers or categories of employer
- comparing our analysis with the [LGA's 2019 gender pay gap report](#).

In June 2023, [GAD provided their findings](#). They concluded that there is no simple answer. There seems to be a complex interaction between the types of work that women do, their career patterns (including part-time working and career breaks) and their ability to progress their careers after taking on childcare or other caring responsibilities.

The report shows that:

- Part-time working patterns are closely related to gender pension (and pay) gaps for members. However, the observed differences between men and women in terms of both their current and historic part-time working patterns are not sufficient to account fully for these gender gaps.
- Pay and pension gender gaps can be seen for staff working with the same employer. The size of the gap at scheme-level is also due to the difference in the proportion of males and females working at higher paying employers, as well as between different categories of employers.

There is no settled approach to data and methodological issues that would allow detailed comparisons to be drawn between gender gaps in different public sector pension schemes. The Board has proposed that GAD puts in place a common reporting framework for all the public sector schemes. Potentially this could be worked into the quadrennial scheme valuation process. The Board believes that the relationship between gender pay and pension gaps reporting needs to be addressed to allow for greater transparency and understanding.

The Board has decided to set up a small working group to consider next steps. For example:

- Are there any in-scheme changes that would help address the levels of inequality eg around the ability to buy back service?
- Can we direct employers to best practice in managing the career paths of those who take time off for caring responsibilities?
- How do we communicate with members to ensure they are informed about the potential pension implications of the career choices they make?
- How can we mainstream this kind of analysis so we can properly evaluate what works and how much is left to do?

#### **Action for administering authorities**

If you are interested in joining the working group, please [contact the SAB secretariat](#).

#### **Code of transparency roadshows**

SAB has set up a series of free regional training sessions on investment cost transparency. The sessions are for Local Pension Board members, committee members and fund officers and will provide:

- an explanation of the purpose and background of the Board’s groundbreaking Code of Transparency
- a case study from an LGPS fund on how they have used investment cost information
- a trouble-shooting session on how to use the online reporting system, run in conjunction with Byhiras (the system provider), and
- a facilitated discussion on the information that fund officers should be receiving and how this information should be reported to Pension Boards and Committees.

Use the links below to book a free place at a session convenient to you:

- [Investment cost transparency roadshow – Wolverhampton 12 September](#)
- [Investment cost transparency roadshow – Leeds 13 September](#)
- [Investment cost transparency roadshow – Cardiff 26 September](#)
- [Investment cost transparency roadshow – Edinburgh 21 September.](#)

SAB plans to run two additional sessions in September or October 2023 – one in London and one online. If you are interested in attending either of these two sessions, please [contact the SAB secretariat](#). We will notify you when they are available to book.

## **SAB website**

[The SAB website](#) provides information about the Board’s work. Use the links below to find out more about:

- latest news – including articles on:
  - the review of the guidance on preparing the Annual Report
  - update on the LGPS gender pensions gap report
  - consultation on LGPS investment reforms
- a [summary of the last Board meeting](#)
- [SAB meeting and agenda papers](#)
- [committee meetings and agenda papers](#)
- [Responsible Investment Advisory Group meetings and agenda papers.](#)

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## **LGPS England & Wales**

### **SCAPE discount rate and actuarial factors – second batch**

On 3 July 2023, Rachel Abbey emailed administering authorities to let them know that DLUHC has cleared a second batch of actuarial factors for use. See

[Bulletin 236](#) for more information about the change in SCAPE discount rate that led to the change in Government Actuary Department (GAD) factors.

The factors in the second batch that have been cleared for use, their effective dates and the impact on calculations are summarised below:

1. **Non-Club transfer in factors: tables x-209 to x-216.** The new factors are in force from 3 July 2023. Any cases on hold can now be processed using the new factors. Any interfund cases where the transfer value of final salary benefits will be used to buy additional pension in the CARE scheme can now be processed. Both the transfer out payment and the transfer in calculation should be based on the new factors.
2. **Non-Club transfer in with final salary link: table x-217.** The new factors are in force from 3 July 2023. If a member elects to complete a non-Club transfer with a final salary link where there is no guarantee on or after 30 March 2023, the new factors apply. If you supplied a guaranteed quotation before 30 March 2023, and the member replies within the guarantee period, use the old factors.
3. **Early retirement: table x-401.** The new factors are in force from 3 July 2023. If a member's early retirement date is 3 July 2023 later, the new factors apply. The new factors are lower than the ones in force before 3 July 2023. Any early retirement benefits already quoted will increase as a result of the change.
4. **Late retirement: table x-402.** The new factors are in force from 1 September 2023. A longer lead-in time has been allowed for these factors:
  - to allow time for software changes to be made, and
  - because some members' benefits may be lower using the new factors.

LGPS benefits are increased for late retirement after Normal Pension Age (NPA):

- benefits built up before 1 April 2014 are increased if they are taken after age 65
- benefits built up from 1 April 2014 are increased if they are taken after State Pension Age, or after age 65 if this is later.

When a member retires late after 31 August 2023, depending on the member's age, the calculation may require three stages:



- For any period between the NPA and 31 August 2019, the method and factors specified in the [GAD 'LGPS \(England and Wales\): Late retirement guidance dated 18 April 2016](#) apply
- For any period between 1 September 2019 and 31 August 2023 (inclusive) the method and factors specified in the [GAD 'LGPS \(England and Wales\) Late retirement' guidance dated 5 May 2021](#) apply
- For any period from 1 September 2023 onwards, the new factors in table x-402 apply. GAD has confirmed that no increase will apply to any retirement grant for the period from 1 September 2023 onwards.

We have updated the [transitional arrangements table](#) to reflect the publication of this latest batch of factors. The second batch of factors were contained in version 2023-02 of the GAD factor spreadsheet. They are also included in the latest version [GAD factor spreadsheet version 2023-03](#). For certain calculations, you will need to use the factors that applied immediately before the change in the SCAPE discount rate. You can find these in [GAD factor spreadsheet version 9](#).

You can find links to the factor spreadsheets, transitional arrangements table and guidance on the [Actuarial guidance](#) page of [www.lgpsregs.org](http://www.lgpsregs.org).

### **SCAPE discount rate and actuarial factors – third batch**

On 28 July 2023, Rachel Abbey emailed administering authorities to let them know that DLUHC has cleared the third batch of actuarial factors for use.

The factors in the third batch that have been cleared for use, their effective dates and the impact on calculations are summarised below:

1. **Trivial commutation factors: tables x-501 to x-503.** The new factors are in force from 28 July 2023. Where a quotation was provided before 28 July 2023 and the nominated date was before 28 July 2023, use the old factors. In all other cases, use the new factors
2. **Inverse commutation factors: tables x-504 and x-505.** If you have already provided a quotation and the retirement date was before 28 July 2023, use the old factors. In all other cases, use the new factors.
3. **Scheme pays (Annual allowance) factors: table x-603.** For a deferred or active member, if the election date was before 28 July 2023, use the old factors. If the election date is 28 July 2023 or later, use the new factors. If the member is over their Normal Pension Age (NPA), or if they make a Scheme

pays election when their retirement figures are already being processed, use the Lifetime Allowance factors – see 4 below.

The relevant date for Annual allowance purposes is the ‘day coincident with the end of the pension input period’. For Annual allowance cases, it is not the relevant date which determines which factors are used, it is the Scheme pays election date.

#### **4. Factors for calculating Lifetime allowance debit: tables x-609 and x-610.**

The Government has announced that no Lifetime allowance charges will apply in 2023/24 and the Lifetime allowance will be abolished completely from 6 April 2024. The LTA factors are still required as they are used to calculate certain Annual allowance Scheme pays debits.

Active or deferred member over their NPA on the relevant date: If the Scheme pays election is made before 28 July 2023, use the old factors. If it is made on or after 28 July 2023, use the new factors.

The Scheme pays election is made when the retirement figures are already being processed: if the Scheme pays election date and the retirement date are before 28 July 2023, use the old factors. In all other cases, use the new factors.

We are in the process of updating the [transitional arrangements table](#) to reflect this latest issue of factors. The current factors are contained in [GAD factor spreadsheet 2023-03](#). For certain calculations, you will need to use the factors that applied immediately before the change in the SCAPE discount rate. You can find these in [GAD factor spreadsheet version 9](#).

You can find links to the factor spreadsheets, transitional arrangements table and guidance on the [Actuarial guidance](#) page of [www.lgpsregs.org](http://www.lgpsregs.org).

### **Change in early retirement factors – resources updated**

We have updated the following resources to reflect the new early retirement factors that are in force from 3 July 2023:

- [Taking your pension](#) page of the LGPS member website [www.lgpsmember.org](http://www.lgpsmember.org)
- Retirement planning guide for members – version 1.5 published
- Full guide for councillors - version 2.4 published

You can find the latest versions of our guides on the [Administrator guides and documents](#) page of [www.lgpsregs.org](http://www.lgpsregs.org).

### **Action for administering authorities**

Update local versions of member guides and websites to reflect the new early retirement factors.

### **DLUHC consultation on investment reforms**

On 11 July 2023, the Department for Levelling Up, Housing and Communities (DLUHC) launched a [consultation on LGPS investment reforms](#). The consultation was announced by the Chancellor in his Mansion House Speech. You can read more about the [Mansion House Speech](#) later in this bulletin.

The consultation seeks views on proposals in five areas:

- **Pooling:** a deadline of 31 March 2025 for funds to transition all listed assets to their pool and a move to fewer, larger pools, each with assets in excess of £50 billion, to maximise benefits of scale
- **Levelling up:** requiring that funds have a plan to invest up to 5 percent of assets to support levelling up in the UK
- **Private equity:** an ambition to increase investment into high growth companies via unlisted equity
- **Investment consultants:** regulations to implement the requirements set out in an order made by the Competition and Markets Authority in respect of the LGPS
- **Definition of investments:** a technical change to the definition in the LGPS Investment Regulations 2016.

The consultation will close on 2 October 2023. The SAB will respond to the consultation and publish a draft response and information about its discussions in due course.

### **Welsh version of the McCloud factsheet**

DLUHC has published a [Welsh language version of the McCloud factsheet for LGPS members](#). DLUHC published an English language version in April 2023 as part of the Government response to the 2020 consultation on changes to the underpin. Please see [Bulletin 237](#) for more information.

DLUHC extends its gratitude to Gwynedd Pension Fund for their help in checking the translated factsheet.

### **Action for administering authorities**

If you produce Welsh language resources, make the Welsh language version of the McCloud factsheet available to your members.

## **Court proceedings and the LGPS**

Administering authorities are reminded to inform DLUHC as soon as possible if they are notified that a person or organisation intends to take legal action relating to the LGPS. This includes action relating to LGPS regulations or guidance, or broader legislation. Authorities can inform DLUHC by contacting [lgpensions@levellingup.gov.uk](mailto:lgpensions@levellingup.gov.uk).

## **SF3 form and guidance notes for 2022/23**

On 10 July 2023, DLUHC updated their [form and guidance for the Local Government Pension Scheme fund account return \(SF3\)](#).

The documents set out the data for 2022/23 that administering authorities must provide by 15 September 2023. The completed form must be returned using the online DELTA system. Where possible, figures from audited final accounts should be used. If this is not possible, please use the unaudited data submitted to your external auditor. There is an indicator on the form to show whether you have submitted audited data.

DLUHC uses the information to provide a benchmark on administration and fund management. The information is also used in compiling the national accounts and to show the role of the LGPS in the economy.

The [final SF3 results for 2021/22](#) were published in October 2022.

### **Action for administering authorities**

Provide SF3 data to DLUHC by 15 September 2023.

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## **LGPS Scotland**

### **McCloud remedy consultation**

On 21 July 2023, we published our response to the Scottish Public Pensions Agency's consultation and draft regulations on the McCloud remedy. See [Bulletin 239](#) for more information.

You can access the consultation documents and our response on the [Scheme consultations](#) page of [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

### **SCAPE discount rate and actuarial factors – second batch**

On 3 July 2023, Craig Finlay, Policy Officer at Scottish Public Pensions Agency (SPPA), emailed administering authorities with the second batch of actuarial factors. Shortly after, Craig sent an updated version of the transitional measures table.

See [Bulletin 236](#) for more information about the change in SCAPE discount rate that led to the change in factors.

The new factors contained in the second batch, their effective dates and impact on calculations are summarised below:

- **Non-Club transfer in factors: tables x-209 to x-218.** These are in force from 3 July 2023. Any cases that were on hold and had not been quoted can now be processed using the new factors. Any interfund cases where the transfer value of final salary benefits will be used to buy CARE pension can now be processed. Both the transfer out payment and the transfer in calculation should be based on the new factors.
- **Early retirement: table x-401.** The new factors are in force for retirements after 2 July 2023. The new factors are lower than the previous ones. Any early retirement benefits already quoted will therefore increase.
- **Late retirement: table x-402.** These are in force for retirements after 31 August 2023. A longer lead-in time has been allowed. This will give more time for software changes to be made. For members who reached normal pension age before 1 September 2023, the earlier factors will continue to apply for the period up to then.

See the transitional measures table for more detail on how to implement the new factors.

You can find links to the factor spreadsheets, transitional measures table and guidance on the [Actuarial guidance](#) page of [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

### **SCAPE discount rate and actuarial factors – third batch**

On 28 July 2023, Alan Wilkinson, Pension Policy Lead at SPPA, emailed administering authorities with the third batch of actuarial factors.

The email says that SPPA will shortly send an updated version of the transitional arrangements table. In the meantime, the transitional arrangements for the new factors are summarised below.

1. **Trivial commutation factors: tables x-501 to x-503.** The new factors are in force from 28 July 2023. Where a quotation was provided before 28 July 2023 and the nominated date was before 28 July 2023, use the old factors. In all other cases, use the new factors.

**2. Scheme pays (Annual allowance) factors: table x-605 and x-607 to x-612.**

For a deferred or active member, if the election date was before 28 July 2023, use the old factors. If the election date is 28 July 2023 or later, use the new factors. If the member is over their Normal Pension Age (NPA), or if they make a Scheme pays election when their retirement figures are already being processed, use the Lifetime Allowance factors – see 4 below.

The relevant date for Annual allowance purposes is the ‘day coincident with the end of the pension input period’. For Annual allowance cases, it is not the relevant date which determines which factors are used, it is the Scheme pays election date.

**3. Factors for calculating Lifetime allowance debit: tables x-613 and x-614.**

The Government has announced that no Lifetime allowance charges will apply in 2023/24 and the Lifetime allowance will be abolished completely from 6 April 2024. The LTA factors are still required as they are used to calculate certain Annual allowance Scheme pays debits.

Active or deferred member over their NPA on the relevant date: If the Scheme pays election is made before 28 July 2023, use the old factors. If it is made on or after 28 July 2023, use the new factors.

The Scheme pays election is made when the retirement figures are already being processed: if the Scheme pays election date and the retirement date are before 28 July 2023, use the old factors. In all other cases, use the new factors.

You can find links to the factor spreadsheets, transitional arrangements table and guidance on the [Actuarial guidance](#) page of [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

### **Change in early retirement factors – resources updated**

We have updated the following resources to reflect the new early retirement factors:

- [Taking your pension](#) page of [the LGPS member website](#)
- Retirement planning guide for members – version 1.3 published.

You can find the latest versions of our guides on the [Administrator guides and documents](#) page of [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

### **Action for administering authorities**

Update local versions of member guides and websites to reflect the new early retirement factors.

## **Supplementary lump sum at 55 factors**

GAD has confirmed there is no need to provide supplementary lump sum at 55 factors (x-305 table) and has withdrawn this table in the latest version of the factor spreadsheet.

In previous versions of GAD guidance on cash equivalent values (CEVs) on divorce, the guidance provided factors and methodology to calculate CEVs for pensioner members aged less than 55 who retired in normal health. The supplementary lump sum at 55 factors were used for these cases.

However, the latest guidance no longer provides the methodology or under 55 factors. These cases should now be referred to GAD. As a result, the supplementary lump sum at 55 factors are no longer needed.

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## **HMRC**

### **Abolishing the lifetime allowance – consultation**

On 18 July 2023, HM Revenue and Customs (HMRC) launched a [consultation on abolishing the pensions lifetime allowance](#). The consultation includes draft legislation that aims to:

- abolish the lifetime allowance from pension legislation from 6 April 2024
- limit the amount of tax-free cash an individual can receive to a maximum of £268,275, unless they hold valid lifetime allowance or lump sum protection
- limit the total amount of lump sums an individual can receive before marginal rate taxation applies to £1,073,100 unless they hold a valid lifetime allowance protection, and.
- clarify how lump sums and lump sum death benefits will be taxed in the absence of the LTA.

We will respond to the consultation before it closes on 12 September 2023.

### **Contact for HMRC McCloud processes**

HMRC will be launching tools and resources for members affected by the McCloud remedy and past pension tax charges. It is vital that each administering authority provides HMRC with a named contact to receive information about the process.

Thank you to those administering authorities which have already provided a named contact to HMRC in response to the article in [Bulletin 239](#).

### **Action for administering authorities**

Contact [publicservicepensionsremedy@hmrc.gov.uk](mailto:publicservicepensionsremedy@hmrc.gov.uk) with details of a named contact at your administering authority for McCloud tax issues if you have not already done so.

### **Pension schemes newsletter 152**

On 20 July 2023, HMRC published [Pension schemes newsletter 152](#). The newsletter includes articles about:

- the abolition of the lifetime allowance
- QROPS transfer statistics
- the purpose of a registered pension scheme and HMRC's power to de-register a scheme that does not meet the requirement.

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## **Pensions dashboards**

### **Pensions Dashboards Amendment Regulations 2023**

The Department for Work and Pensions (DWP) has laid the [Pensions Dashboards \(Amendment\) Regulations 2023](#) [SI2023/858]. A revised staging timetable will be set out in guidance and all schemes in scope will need to connect by 31 October 2026. The staging timetable will indicate when schemes are scheduled to connect, based on their size and type.

### **Staging dates – TPR expectations**

The Pensions Regulator (TPR) has updated its ['Failing to comply with dashboards duties' guidance](#). The purpose of the updates is to outline what schemes will need to do to demonstrate that they have had regard to the staging timetable. The staging timetable will be set out in connection guidance.

TPR expects schemes to do the following to show that they 'have regard to the connection guidance':

- Connect to dashboards by the connection deadline of 31 October 2026 that is set out in legislation. Failure to do so could result in regulatory action by TPR.
- A revised staging timetable will be set out in guidance which will indicate when schemes are scheduled to connect. All trustees and scheme managers must have regard to this guidance. Failure to do so will be a breach.



- Although the timelines in guidance will not be mandatory, schemes will be expected to demonstrate how they have had regard to the guidance. Amongst other considerations, this means that scheme managers:
  - should not make decisions about connection until they have engaged with the guidance
  - must be able to demonstrate that they have adequate governance and processes for making such decisions. The reasoning for the decisions should be clearly considered and documented, as should how relevant risks are identified, evaluated and managed
  - should make sure that they have access to all the relevant information before making decisions and acting on them. This includes engaging with those who are supporting them to develop a practical delivery plan. Clear and accurate audit trails need to be kept to demonstrate the decisions made, the reasons for them and the actions taken.
  
- A phased approach to staging enables a controlled and well-planned connection, reduces the risk of provider capacity constraints and means savers can realise the benefits of pension dashboards as early as possible.
  
- Continuing to prepare for dashboards by engaging with those who will support them with their dashboards duties, such as integrated service providers and administrators to:
  - assess the potential impact of these changes on their schemes
  - agree a practical delivery plan, and
  - continue activity on getting to grips with member data.

### **New and updated PDP resources**

The Pensions Dashboards Programme (PDP) has launched or updated the following resources:

- A new [video introducing the dashboards available point](#). The dashboards available point is the date when pensions dashboards will be made available to the public.
- The [Pensions dashboards development FAQs](#) have been updated to reflect the new connection deadline announcement.
- The [Connection deadline](#) page has been updated to provide more information on the new approach to connection for pensions dashboards.

## **PASA updates data accuracy guidance**

The Pensions Administration Standards Association (PASA) has published an updated version of its [dashboards data accuracy guidance](#).

As we reported in [Bulletin 227](#), the guidance was originally published in July 2022. The updated guidance reflects the dashboards reset. PASA encourages schemes to continue to review their data and take action to ensure that key matching data is both present and accurate.

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## **TPR**

### **Annual report and accounts for 2022/23**

On 13 July 2023, TPR published its [Annual report and accounts](#) for 2022/23.

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## **Other news and updates**

### **Additional pension and Club transfers**

The Cabinet Office has confirmed that additional pension bought by paying APCs should be transferred on Club terms when a Club transfer takes place. This is a change in approach since we queried this with the Cabinet Office in 2020. We reported the previous approach in [Bulletin 199](#). We have already informed software suppliers of the change.

We will continue to engage with the DLUHC, SPPA and the Cabinet Office about issues arising from this change:

- Generally, there are no survivor benefits attached to additional pension bought by paying APCs, but survivor benefits would be payable from the receiving scheme if the additional pension transfers on Club terms. APCs to buy 'lost' pension in the LGPS in Scotland already provide survivor benefits.
- Further information is needed on how additional pension bought by a member protected by the McCloud remedy will be treated on transfer.
- We have asked Cabinet Office to share their guidance consistently and regularly.

The response to our query from Cabinet Office is below:

“I can confirm that the guidance relating to the transfer of added pension bought in one of the schemes made under the Public Service Pension[s] Act 2013 has changed recently. It is now our advice that such benefits should be included with the member's normally accrued benefits and transferred on Club terms. The reason for this move away from the way added pension bought in the pre-2015 pension schemes is dealt with was that those earlier schemes were almost all final salary schemes, with added pension being a clearly defined separate element to the normal benefits accrued in those schemes. By contrast, added pension bought in the post-2015 schemes is simply added to the normal pension accrued, rather than being an entirely separate element. Furthermore, in recent years it has become increasingly common for Club schemes to be unwilling to accept non-Club transfers, meaning that the added pension element would need to either be preserved in the sending scheme, or transferred to another pension scheme (which, itself, is not generally possible following HMT's ban on transfers from unfunded public service schemes to DC arrangements).”

Any additional pension bought through an ARC contract that started before 1 April 2014 (1 April 2015 in Scotland) transfers on non-Club terms, as set out in paragraphs 7.26 and 7.27 of the [Public Sector Transfer Club memorandum](#).

#### **Action for administering authorities**

Review your processes and systems to ensure that any APCs are treated correctly when you complete a Club transfer.

#### **Communications Working Group minutes published**

We have published the minutes of the Communications Working Group meeting held on 6 July 2023. At the meeting the Group discussed:

- member website
- accessibility and accessibility audits
- member engagement
- latest regulatory updates and developments expected
- the cost of living crisis
- McCloud resources.

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

## **Finance (No.2) Act receives Royal Assent**

[The Finance \(No.2\) Act 2023](#) received Royal Assent on 11 July 2023. The Act delivers the tax changes announced in the Spring Budget, including:

- no lifetime allowance tax charges for the 2023/24 year or any future year
- certain lump sums to be taxed at the marginal rate
- changes to lifetime allowance protections
- increase in the annual allowance to £60,000
- changes to the tapered annual allowance and money purchase annual allowance.

## **Transfer from Standard Life to Phoenix Life**

Standard Life is proposing to transfer all business to Phoenix Life Limited. Standard Life has been part of Phoenix Group since 2018. Standard Life have published [FAQs about the transfer](#). If Standard Life is your AVC provider, you have the right to raise your concerns about the transfer or object in the High Court in London or the Court of Session in Edinburgh. Subject to the approval of the Courts, the transfer is expected to happen in October 2023.

## **LGPS Frameworks – provision of AVC services**

National LGPS Frameworks intends to launch a new framework for AVC services later this year. They have recently published a [Prior Information Notice for the AVC framework](#).

The purpose of the prior information notice is to inform providers about the opportunity and express an interest in the project. We have already shared this information with all current AVC providers operating within the LGPS.

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## **Training**

### **Webinar – changes to Pensions Administrator Apprenticeship**

The Workplace Pensions (Administrator) Apprenticeship is being replaced by the Pensions Administrator Apprenticeship from 12 August 2023. The apprenticeship will be available in England.

The Pensions Administrator Apprenticeship Trailblazer group is running a webinar on 3 August 2023 from 11am to 12pm to explain more about the new apprenticeship standard. The webinar will cover end point assessment and funding and will feature a panel session with previous apprentices.

Lisa Clarkson shared joining details with administering authorities by email on 27 July 2023. Joining details for the webinar were also included in the email we used to notify you about this bulletin.

You can read more about the [Pensions Administrator Apprenticeship](#) on the [Institute for Apprenticeships and Technical Education](#) website.

### **Action for administering authorities (England)**

If you wish to attend the webinar at 11am on 3 August 2023, use the joining instructions that were sent in the bulletin notification email. If you cannot access that email, please contact [training.lgps@local.gov.uk](mailto:training.lgps@local.gov.uk) and include 'Apprenticeship webinar' as the subject. We will send you joining instructions by email.

### **Apprenticeship and qualification: next steps survey**

The LGA is looking at ways to help administering authorities access relevant pensions administration apprenticeships and qualifications. We have been busy researching how we can do this and have put together an [LGPS apprenticeship and qualification proposal](#) setting out our plan for England and Wales. We would like you to review the proposal and let us have your views by completing the [Apprenticeship and qualification: next steps survey](#).

The proposed approach will involve significant resource from the LGA pensions team. Therefore, we will only proceed with the proposal if 75 per cent of administering authorities in England and Wales agree to it in principle. You can tell us whether you support the proposal by completing the survey.

The survey should be completed by the organisation that provides the pensions administration for your administering authority. If your authority has outsourced administration, the third party administrator should complete it. If your administration is delivered by a shared service provider, the provider should complete it. If you are a third party administrator or shared service provider, please only complete the survey once for all the funds you administer.

We only require one response per organisation.

### **Action for administering authorities (England and Wales)**

Complete the [Apprenticeship and qualification: next steps survey](#) before 25 August 2023.

## Fundamentals training 2023

Our Fundamentals training for 2023 is now open for booking.

Fundamentals is a three-day training course aimed at elected members and others who attend pension committees and local pension boards. Past delegates also include trade union and employer representatives, and officers who support committees and boards. The course provides a scheme overview and covers current issues relating to administration, investments and governance of the LGPS. All sessions are delivered by experts in their field.

We are running the in-person training in two locations - London and Manchester, and online. See the [course programme](#) for full details – the timings shown only apply to the in-person sessions.

We have listened to feedback and will be delivering each day of the online sessions over two days. You only need to complete one booking per day – this will automatically book you on both of the half days. It is not possible to book for a half day. The online sessions will be delivered using Zoom.

Attending all three days will help delegates meet the relevant requirement for knowledge, skills and understanding either required in statute or encouraged by relevant guidance.

### Cost

In person - £280 plus VAT per session. The price is inclusive of lunch and refreshments.

Online - £240 plus VAT per session.

We recommend early booking as places are limited. You can book online through the [LGA events page](#). We are unable to take manual bookings. Please find links to book the individual sessions below.

[Fundamentals Day 1 Manchester, 5 October 2023](#) Piccadilly Hotel

[Fundamentals Day 1 London, 12 October 2023](#) LGA offices

[Fundamentals Day 1 online, 19/26 October 2023](#)

[Fundamentals Day 2 London, 2 November 2023](#) LGA offices

[Fundamentals Day 2 Manchester, 8 November 2023](#) Piccadilly Hotel

[Fundamentals Day 2 online, 16/23 November 2023](#)

[Fundamentals Day 3 London, 5 December 2023](#) LGA offices

[Fundamentals Day 3 Manchester, 13 December 2023](#) Piccadilly Hotel

[Fundamentals Day 3 online, 11/19 December 2023.](#)

## Retirement training

Retirement training is open for bookings. There are two sessions with spaces available:

[Retirement training – 24 October, London](#)

[Retirement training – 31 October, online.](#)

The training is aimed at pension administration staff in England and Wales.

Bookings are on a first come, first served basis. For fairness, each course is capped at five delegates per organisation. Cost is £240 (plus VAT) per person for online training and £280 (plus VAT) for in person training.

Please email [elaine.english@local.gov.uk](mailto:elaine.english@local.gov.uk) if you are not able to secure a place on the online course. We will consider running additional online training depending on demand. You can also commission face to face and online training for your region – please see [Bulletin 239](#) for details.

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## Wider landscape

### Government responds to McCloud remedy consultations

The Government has responded to three consultations on provisions needed to implement the retrospective McCloud remedy. Use the links below to visit the consultation pages which include the Government responses, the original consultation documents and draft regulations:

[Consultation outcome: Firefighters' Pension Scheme retrospective remedy](#)

(England)

[Consultation outcome: Police Pension Scheme retrospective remedy](#) (England and

Wales)

[Consultation outcome: Teachers' Pension Scheme retrospective remedy](#) (England

and Wales).

### Mansion House Speech 2023

On 10 July 2023, the [Chancellor delivered a speech at Mansion House](#). The Chancellor announced a number of measures aimed at increasing returns for savers and encouraging growth.

The announcements included launching a consultation on accelerating the consolidation of LGPS assets in England and Wales. See the earlier article on the [Consultation on LGPS investment reforms](#) for more information.

The speech also included proposals for the DC sector, including:

- industry-led compact committing to allocating at least 5 percent of default funds to unlisted equities by 2030
- FCA and TPR to publish a new value for money framework
- progress on small pots and decumulation
- consultation on whole-life multi-employer Collective Defined Contribution (CDC) schemes.

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## Legislation

### Acts

[Finance \(No.2\) Act 2023](#) [2023/30]

### Statutory Instruments

[The Public Service Pensions and Judicial Offices Act 2022 \(Commencement No. 2\) Regulations 2023](#) [SI2023/746]

[The Police Pensions \(Remediable Service\) Regulations 2023](#) [SI2023/831]

[The Firefighters Pensions \(Remediable Service\) Regulations 2023](#) [SI2023/843]

[The Pensions Dashboards \(Amendment\) Regulations 2023](#) [SI2023/858]

[The Teachers' Pension Scheme \(Remediable Service\) Regulations 2023](#) [SI2023/871]

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## Useful links

[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.

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## **LGPS pensions section contact details**

If you have a technical query, please email [query.lgps@local.gov.uk](mailto: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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