Paper A: Minutes of meeting held on 24 March 2025 - Hybrid

PRESENT

Cllr Martin Bailey	LGA
Cllr Jayne Dunn	LGA
Cllr Joyce Welsh	LGA
Cllr Mark Durham	LGA
Cllr Eddie Reeves	LGA
Cllr John Fuller	LGA
Cllr Keith House	LGA (partial attendance)
Cllr Doug McMurdo	LGA (partial attendance)
David Murphy	NILGOSC
Ben Lavelle	MHCLG
Will King	MHCLG
Eva Sobek	SPPA
Alan Wilkinson	SPPA
Martin Doyle	NPOG
George Graham	SAB representative

Secretariat

Lorraine Bennett	LGPC
Rachel Abbey	LGPC
Lisa Clarkson	LGPC
Holly De-Buriatte	LGPC
Jeremy Hughes	SAB
Clair Alcock	LGPC (starting as LGA head of pensions 19 May 2025)

Non attendees

Cllr Nathan Yeowell	Chair, LGA (apologies)
Linda Welsh	SPLG (apologies)

1. INTRODUCTION FROM THE CHAIR

The Chair, Cllr John Fuller [JF], welcomed everybody to the hybrid meeting noting that he was chairing in the absence of Cllr Nathan Yeowell [NY]. JF extended a special welcome to first-time attendees:

- Martin Doyle [MD], the chair of the new National Pensions Officers Group (NPOG), which takes over from Technical Group previously represented at the LGPC by Kevin Gerard [KG]
- Cllr Mark Durham [MDu] from Essex County Council (ECC)
- Cllr Joyce Welsh [JW] from South Tyneside Council (STC).

JF provided an explanation of the Committee's purpose, particularly for the benefit of new members. JF clarified that whilst the Scheme Advisory Board (SAB) consists of six employer representative members and six employee representative members, who work by consensus, the LGPC solely represents local authority employers. JF confirmed the Committee is therefore mindful of the potential impact of policy changes on council taxpayers.

JF reflected that after a very busy few years preparing for and implementing the McCloud remedy and getting ready for dashboards, LGPS administering authorities face further challenges ahead including:

- the increase to the normal minimum pension age (NMPA)
- local government reorganisation
- budget concerns
- recruitment and retention issues due to the complexity of the scheme.

2. APOLOGIES

Apologies for absence were received from NY and Linda Welsh [LW]. Apologies were also received from Cllr Keith House [KH] and Cllr Doug McMurdo [DMc] who were only in partial attendance due to clashes with another LGA meeting.

No declarations of interest were made.

3. MINUTES

The minutes of the previous meeting held on 25 November 2024 (Paper A) were agreed as a true and correct record.

4. LGPC BUDGET (CONFIDENTIAL)

JF introduced paper B regarding the LGPC budget noting that a two per cent increase was being requested and expressed the view that this represented good value considering the increased workload and additional responsibilities.

Lorraine Bennett [LB] presented the key points from Paper B.

LGPC pensions team's function

LB provided an overview of the LGPC pensions team's function for the benefit of new members, explaining that the team provides advisory and guidance services to LGPS administering authorities across England, Wales, Scotland and partial service to Northern Ireland. The service is funded by annual subscriptions and training income, unlike the Scheme Advisory Board which is funded by a statutory levy.

Services include the provision of national websites, monthly bulletins, advising and assisting MHCLG on the formulation and implementation of policy changes, continual review and interpretation of changes to legislation and their impact on administration, and specific guidance such as that provided for the McCloud remedy.

2025/2026 Financial budget approval

LB outlined that the paper sought the Committee's approval for the LGPC budget for 2025/26. LB noted that in previous years, the committee had preferred small annual increases rather than keeping subscriptions static followed by larger increases.

Key changes
Key changes for the upcoming year compared to the previous year included:

- an increase in staffing costs due to the restructure of the pensions team in October 2024 and the recruitment of two new members of staff
- an increase in income due to the launch of an LGPS qualification.

For the 2024/25 budget, LB reported that while she had projected an in-year deficit, it is now looking like there will be a positive outturn. This improvement was attributed to higher than predicted training income and a budget allocation for updating the administrator and employer website not being spent due to other work priorities. The website project will be carried forward to 2025/26.

The projected budget for 2025/26 still shows an in-year deficit, primarily due to the website cost, but this could be taken from reserves. LB explained that as a self-financing, ring-fenced budget within the LGA, reserves were necessary to cover potential redundancy costs should authorities decide to stop using their services.

Subscriptions

LB explained that subscription rates vary depending on fund size. LB highlighted that the proposed two per cent increase represents a modest monetary increase for each authority and reminded the committee that administration costs for the LGPS come from the pension fund, not council budgets.

JF inquired about ensuring all funds pay their subscriptions, noting that some had struggled in previous years. LB confirmed that Holly De-Buriatte [HDB], a new team member, was now helping with debt chasing and no issues with outstanding payments are expected for the current year.

Committee decision

KH expressed support for the two per cent increase, noting it was “perfectly reasonable” and endorsed the approach of making small, modest increases each year rather than longer periods without increases followed by larger increases. KH formally proposed approval of the budget.

DMc seconded the proposal, noting the service represented good value and would cost significantly more if authorities had to provide these services individually.

JF offered congratulations to the LGPC pensions team, acknowledging the significant increase in both the size of the team and the volume and complexity of work over the past seven years. JF commended their ability to recruit, train and upskill staff to become subject matter experts in a specialised field.

The Committee approved a two per cent increase to the subscription charges for 2025/26.

5. REGULATIONS UPDATE FOR ENGLAND AND WALES

Rachel Abbey [RA] presented paper C.

Inheritance tax consultation response

RA confirmed following the discussion at the previous meeting the LGPC had submitted a response to the consultation on inheritance tax and pensions. RA thanked committee members who had commented on the response.

RA explained that the LGPC's response highlighted various issues of unfairness and problematic areas for scheme members. RA emphasised that the proposal would add complications for families at an already difficult time and potentially delay payments.

RA noted that not all death grants would be affected; LGPS death grants would form part of a person's estate for inheritance tax from 6 April 2027, but insurance-based ones would not. Additionally, there would be interest charges on any inheritance tax due if death grants were not paid within six months.

RA outlined practical concerns about cases where no personal representatives are appointed or where representatives do not respond to requests, raising questions about how the inheritance tax position would be determined in these situations.

RA noted LGPC await the Government's response to the consultation.

Upcoming consultation

RA reported that an upcoming consultation from MHCLG is expected to be launched after the pre-election period (from 6 May 2025 at the earliest). RA noted that many long-requested changes were being addressed.

The upcoming consultation is expected to cover a wide range of topics, including:

Survivor benefits: MHCLG will propose equalising benefits across the board to prevent future inequalities and prevent revisitation. This would include addressing the Goodwin case. RA noted this may be unpopular with some funds as it would mean backdating some benefits to 2005 when same-sex civil partnerships were introduced.

Removal of the upper age limit of 75 for death grants: Currently, a pensioner is guaranteed benefits for 10 years unless they reach age 75. This means a member retiring at age 70 only gets a five-year guarantee. The proposal would remove the age 75 limit.

Gender pensions gap: The Scheme Advisory Board (SAB) has an ongoing project related to the gender pensions gap. The consultation would include technical changes around child-related leave and the ability to buy back pension contributions for unpaid breaks, which would help narrow the gender pensions gap in the LGPS.

Pension forfeiture: Currently, a person's pension can only be forfeited if they leave their job because of the offence they are convicted of. The proposal is to remove this requirement, meaning that if an offence comes to light after a member has left their employment, the pension could still potentially be forfeited.

Fair Deal: RA noted that a consultation on Fair Deal was conducted in 2019, but there had been no response to date. The new proposals would integrate Fair Deal into the LGPS by removing the option to offer a broadly comparable scheme when services are outsourced (with some exceptional circumstances where existing broadly comparable schemes could continue).

RA stated that one of the main aims of Fair Deal is to remove pension costs from contract negotiations, potentially allowing more small and medium-sized companies to bid for contracts, increasing competition and potentially lowering costs.

Under the proposal, contractors would pay the Fair Deal employer's primary contribution rate, either fixed at the start of the contract or mirroring any changes if a valuation occurs during the contract period. This would remove pension risk from the contractor and leave it with the Fair Deal employer.

There is also consideration of extending protected transferee status to new employees, not just those employed by the original employer, when the contract was outsourced.

Changes to National Insurance database

RA discussed improvements to the database that funds use to check for additional membership periods before paying certain benefits.

The system has been improved with an API that allows pension administration software to contact the database directly, eliminating the need to use two separate systems. One of the main suppliers had already implemented this, with interest from others, saving time for funds.

McCloud update

Software updates

Regarding the McCloud remedy, RA expressed concerns about the speed of some pension software updates.

RA noted that a calculator for transfers to non-public service schemes was provided a year ago, hoping it would encourage software suppliers to develop solutions for transfers between public service schemes for members protected under McCloud.

As this had not happened, the team had produced additional calculators to help funds ensure that pension transfers are not delayed due to software issues.

JF mentioned the added complexity from the interplay between the national minimum pension age and McCloud.

Webinars

RA continued by reporting that the McCloud member webinars were proving very popular, with sessions booked up until the end of April 2025. RA noted that these are likely to continue on a rolling programme as long as there is demand.

Pensions dashboard update

RA reported that TPR continues to issue useful information, which was included in the paper for reference. RA emphasised that The Pensions Regulator (TPR) would be undertaking various checks and surveys of pension schemes and authorities. RA encouraged all authorities to respond to these surveys to ensure TPR understands the sector's position.

Communications working group

RA discussed the communications working group's early-stage development of promotional materials for LGPS.

The materials are primarily designed for employers, but could also be used by funds, and are aimed at new employees and those who had opted out, serving as a general education piece for scheme members.

RA explained that while opt-out levels were fairly low, the goal was to help people understand the benefits of the scheme so they would know what they were opting out of, with the hope that some might choose to remain in the scheme or select the 50/50 option (paying a lower contribution rate while still receiving some benefits).

The materials being developed included videos, posters, social media posts and an e-learning module. RA confirmed that a supplier had been selected, and the project had commenced.

New Head of Pensions at the LGA

RA concluded by announcing that Clair Alcock had been appointed as the Head of Pensions and was present at the meeting.

JF congratulated Clair on her appointment. Clair Alcock greeted everyone, expressing pleasure at meeting the committee members.

JF elaborated that Clair had previously served as head of fire at the LGA and had recently been working at the NPCC on the police pension scheme. JF clarified that Clair was currently attending in an unofficial capacity but would formally join the team on 19 May 2025, expressing enthusiasm about the appointment.

Following discussions

JF highlighted the significant volume and unprecedented complexity of upcoming changes, questioning MHCLG on whether the implications were fully understood.

JF emphasised the need for training and asked WK for reassurance on the Department's awareness of these interconnected elements.

WK acknowledged the complexity, noting his responsibility for the McCloud remedy after Con Hargrave's [CH] departure. WK confirmed that the consultation would include questions on whether implementing all changes simultaneously was too ambitious. Whilst the Minister had been fully briefed, MHCLG had opted for an ambitious approach as many of the proposals have been long awaited, though staggered implementation remained a possibility.

JF raised concerns about training challenges and the robustness of software needed to handle complex calculations, including backdating survivor benefits and death grant calculations. WK acknowledged these concerns, confirming they would be addressed in the consultation and considered in decision-making.

WK outlined plans for broader engagement with Ben Lavelle [BL], including discussions with pension officer groups (POGs) and administration companies. He noted the Minister's view that many changes, particularly regarding survivor benefits and Fair Deal, were morally significant, though sometimes at odds with administrative feasibility.

BL added that they have engaged extensively with the LGA pensions team on the changes and will plan formal stakeholder discussions.

JF concluded by warning that increased complexity could hinder staff retention and recruitment.

KH and DMc exited the meeting due to other commitments.

6. NORMAL MINIMUM PENSION AGE INCREASE

JF outlined there are three potential outcomes from Paper D, favouring simplicity given the small number of people affected, emphasising that "perfection should not be the enemy of the good."

Implementing Finance Act 2022 changes

NMPA increase
LB provided background for new members, explaining that the Normal Minimum Pension Age (NMPA) is set in the Finance Act 2004 and represents the minimum age at which pensions can be accessed. It is currently 55 (excluding ill-health pensions) but will rise to 57 from 6 April 2028 under the Finance Act 2022.

As existing LGPS regulations specify pensions can be taken from 55 without linking to the NMPA definition in the Finance Act, amendments will be required by MHCLG, SPPA and the Department for Communities, regardless of the approach taken.

Protected pension age
LB advised the Finance Act 2022 also introduces a protected pension age, meaning that members in a scheme before 4 November 2021 who had an unqualified right to take benefits before 57 retain that right under overriding legislation. In the LGPS, all members before 4 November 2021 qualify, as they currently have the right to take their pension from 55 without employer consent or other approval.

LB explained that protected pension age would be retained on transfer to another pension scheme, a key change from the 2010 increase from age 50 to 55, where protection did not extend to transfers except in compulsory cases like outsourcing. Under the current legislation, protection now applies to voluntary transfers as well.

LB identified three groups affected by the changes:

- Members without a protected pension age (those who joined after 4 November 2021)

- Members with a protected pension age (those who joined before 4 November 2021)
- Members who may qualify on certain transferred-in membership only.

Decision discussion

LB clarified that having a protected pension age does not automatically allow early pension access—scheme rules must still permit it. MHCLG and other responsible authorities must decide whether to align the LGPS rules with the overriding legislation. The committee had previously discussed this and requested this paper to outline the key issues.

Since regulations must be amended regardless, for members without a protected pension age, they must explicitly prevent pension access before age 57.

LB advised the main decision is whether to allow protected members to access LGPS benefits at 55. Protection does not have to apply to all benefit types, and different approaches can be taken for different types of retirement.

LB noted that previous precedent exists: when the minimum age increased in 2010, Scotland provided for protected pension ages for redundancy retirements only. types.

LB highlighted key considerations for responsible authorities:

- Member preferences – Members with a protected pension age would likely expect to retire at 55, since overriding legislation grants them this right. They may challenge why scheme rules restrict voluntary retirement at 55 despite legal protection allowing early access with actuarial reductions
- Cost implications for employers – The LGPS differs from other schemes in that, for retirements due to redundancy or efficiency, members 55 or older must take their pension immediately without early reduction and employers bear the cost of early payments.

JF sought clarification about the pension calculation, asking whether someone at a senior level who might have expected to retire at 66, but leaves at 55, would receive 11 years' worth of contributions despite not paying them. LB confirmed in this situation the pension accrued to the date of leaving would be paid without reduction for early payment. The employer must fund buying out the early payment reductions. The pension would be not enhanced to age 66.

JF expressed concern about the financial implications, noting that the actuarial cost could be substantial. JF added that with local government reorganisation on the horizon and efficiency-based terminations becoming more likely, local authorities could face very significant capital strain costs.

JF stated he believed that these costs had not been accounted for in the PricewaterhouseCoopers (PwC) work justifying savings from local government reorganisation. He mentioned he would be raise this with Government.

JF asked what advice might be given to the Minister regarding these strain costs, arguing that the financial case for reorganisation is undermined when considering the full cost implications of allowing retirement at 55 with essentially full pension funded by local taxpayers.

WK responded to the concerns about strain costs, acknowledging that the numbers were indeed substantial. WK differentiated between the decision regarding MHCLG regulations and the broader question about local government reorganisation, noting that he and BL regularly engage with the reorganisation team working on the Devolution White Paper. WK confirmed he would discuss strain cost calculations with this team.

WK explained that input from the Committee would be valuable in forming recommendations for the Minister, noting that administrative challenges and member perspectives were also important considerations that would factor into the Minister's decision-making process.

George Graham [GG] emphasised the local taxpayer perspective and argued from a practitioner's viewpoint for the simplest possible approach. GG explained that the new regulations would be implemented alongside other complex changes such as McCloud and Fair Deal, creating multiple layers of complexity in the regulations.

GG illustrated the current complexity by mentioning a pensions administrator who had managed an aggregation involving 30 different records, emphasising that administrators were making detailed decisions affecting people's financial futures under increasingly complex circumstances.

JF warned about potential perverse incentives, particularly for those aged 55-57, suggesting that without careful consideration, people might rush for early exit at extremely high strain costs to local taxpayers, costs not currently factored into local government reorganisation planning. JF clarified that this wasn't an argument against local government reorganisation, but rather a call for transparency so taxpayers understand the full financial implications.

Jeremy Hughes [JH] recalling the difficulties with the exit cap regulations—their introduction and subsequent withdrawal—questioned whether it was feasible to implement and legally resolve any benefit changes ahead of the reorganisation, given the tight timeline.

JH suggested that surpluses in the soon-to-be-dissolved councils could potentially be released to offset strain costs, reducing the burden on successor bodies and avoiding further council tax increases.

JF acknowledged the importance of considering employee interests but emphasised that the Committee represents employer perspectives and must clearly articulate the implications for employers and taxpayers.

JF emphasised that the issue had multi-billion pound consequences.

Implementation caveats
LB noted that the LGPS is an outlier in the public sector for still providing immediate payment of unreduced benefits, noting that other public service pension schemes are less generous. LB mentioned that MHCLG had considered changing this around the time of the 95K cap, though no changes had been implemented. It was noted that other schemes tend to offer higher redundancy pay instead.

Regarding member communications, LB acknowledged that members often don't fully understand their benefits as the LGPS is already a very complex scheme; explaining variable pension access ages based on joining dates or transfers would add further complexity. The simplest option from a communications perspective would be to set age 57 uniformly for everyone.

On the administration challenge, LB agreed with GG's earlier points about the difficulties administrators face, with authorities struggling to recruit and retain staff partly due to the complexity of the job.

LB raised a risk of potential discrimination, noting that while this had been incorporated into overriding legislation, it might be something MHCLG should investigate further. Older members are more likely to have a protected pension age, which could create age-related disparities in benefit access.

LB rhetorically questioned how the changes might create a two-tier workforce—an issue back on the Government's agenda—where newer staff wouldn't have the same rights as those who joined before the cutoff date.

LB presented counterarguments regarding workforce planning: if employers are looking to reorganise their workforce, it might be harder to encourage voluntary redundancies if employees can't access pension benefits; similarly, flexible retirement and phased approaches to retirement might be more difficult if benefits can't be accessed before age 57.

LB addressed the final point in the value of understanding how many people actually retire between ages 55 and 57, suggesting that actuarial data could be obtained, though with the caveat that local government reorganisation would likely impact future patterns significantly, making historical data potentially unrepresentative.

JF concluded that a significant proportion of people in the 55-57 age cohort would likely be invited to leave as part of reorganisation, emphasising that this wasn't just about normal retirement patterns but about structural workforce changes that would be “eye-wateringly” expensive.

JF agreed that the default figure of 57 is going to be easier, clearer to communicate and materially less complex to administer.

David Murphy [DM] agreed with the JF’s summary and expressed relief that the LGPC was addressing this issue, noting that it had been “rumbling on since 2021”.

Decision conclusion
DM emphasised to MHCLG that whilst the Department's current focus was on growth, this particular pension issue needed to be resolved promptly to give members sufficient notice, avoiding a situation similar to the WASPI (Women Against State Pension Inequality) case where people complained they weren't informed in time.

The Committee agreed that regulations should refer to the statutory definition of NMPA rather than specifying a fixed age. This would eliminate the need to revisit regulations with each future increase to the normal minimum pension age.

JF asked MD what role NPOG might play in assisting MHCLG these complex issues, particularly in relation to the age 55 change. MD responded NPOG is always willing to collaborate with all stakeholders. MD noted that previous concerns about people “rushing for the lifeboats” during the transition from age 50 to 55 had not materialised.

MD offered to help gather survey data on the number of people in the 55-57 age category if needed.

WK welcomed MD's offer of assistance and confirmed that once the consultation discussed earlier in paper C was complete, addressing the NMPA would his top priority.

WK agreed with the suggestion to reference the underlying legislation rather than specifying a fixed age, acknowledging this issue would otherwise arise again in the future.

WK noted they had received numerous letters about local government reorganisation and were aware of the complications. WK requested that the LGPC's position be formalised in writing, either as a letter to the Minister or an email from LB to himself and BL, so they could begin working on regulations promptly.

The committee agreed that LB would draft the letter for NY to review and send.

JF then summarised the LGPC's recommended approach as:

- A simple age 57 requirement
- Implementation as quickly as possible
- Gathering data to understand the impact, recognising that local government reorganisation would significantly affect patterns
- Preventing perverse incentives.

7. SAB UPDATE FOR ENGLAND AND WALES

JH presented Paper E.

Pension review

JH updated on the pensions review, referencing a link to the SAB's response to the Fit for the Future consultation in the paper. JH noted that while they had expected close collaboration with MHCLG on proposals submitted by 1 March 2025 regarding pooling implementation, this now seemed unlikely due to MHCLG and Treasury keeping matters private. As a result, SAB didn't anticipate being heavily involved in responding to those proposals.

Regarding the first phase of the pension review, JH expected a response to the consultation soon. Although it was initially hoped to be included in the spring statement on Wednesday (2 April 2025), he no longer believed this would happen and sought confirmation from WK.

JH noted that the SAB would certainly be involved in drafting further guidance around pool governance, an area they had identified as needing more detailed consideration. JH highlighted the relationship between administrative authorities (as both shareholders and clients of the pools) and the potential conflicts of interest, noting that SAB had sought further specialist legal advice on this matter.

Benefits issues

Regarding benefits issues, JH referenced RA's earlier discussion about upcoming Fair Deal consultations. JH mentioned a potential second phase that would be of interest to representatives, concerning the implementation of a new two-tier code. While not specifically mentioned in the Labour Party manifesto, it was included in the "New Deal for Working People" issued by the Labour Party prior to the election. This would extend and strengthen provisions in the previous two-tier code (repealed by the Coalition government), providing protection not only for staff directly transferred to outsourced providers but also for colleagues working alongside them.

JH noted that unions were keen to have LGPS membership opened to these workers, so those protected by Fair Deal would have colleagues with the same access rights. However, JH acknowledged this would significantly increase procurement and contract costs, suggesting a compromise might emerge with minimum standards higher than those in the auto-enrolment regulations.

Local government reorganisation

Following the earlier local government reorganisation discussion, JH emphasised the considerable complexity this added to the valuation process. Setting contribution rates for bodies that would cease to exist in a couple of years, without knowing the future membership and workforce composition of new employers, presented significant challenges.

JH expected substantial changes in the composition of pension committees. In areas where two-tier structures were being converted to unitary authorities, one unit would likely become the administering authority on behalf of other unitary councils in that county area. JH suggested SAB might revisit whether there should be single purpose administering authorities rather than administering LGPS being a side function of local authorities.

JH mentioned there was a two-thirds reduction in councillors in Cumbria following reorganisation and an almost complete change in pension committee membership there.

JH anticipated considerable turnover and disruption in pension committee membership at a challenging time, placing additional burden on officers to guide new committee members through difficult decisions, particularly when expectations for pension committee members' qualifications area expected to be comparable to pension trustees in Public Limited Companies (PLC).

JF commented of the added pressure when in a time of need of experts in pension committees.

JH noted that strategic authorities would have growth plans that administering authorities would need to consider when setting investment objectives, with pools having a role in assessing various growth proposals.

JH encouraged the Government to build capacity for strategic authorities not as well-established as the West Midlands Combined Authority or Greater Manchester Combined Authority, which had decades of collaborative working experience. Building similar relationships and expertise across the country would require significant capacity support from MHCLG.

Gender pensions gap

Regarding the gender pensions gap, JH reported that the LGPS was leading the way within the public sector. SAB planned to host a roundtable event in early summer 2025 to bring other public sector schemes on board.

Funding strategy guidance

JH highlighted that Funding Strategy Statement guidance was published in January 2025 on the SAB website after being agreed in late December 2024. The guidance strengthened proposals around consultation between administering authorities and other employers in the scheme to improve understanding of how contribution rates are set, along with approaches to exit payments and exit credits. It also highlighted representing employees more than administering authorities with the aim of SAB to push best practice.

Fiduciary duty

On fiduciary duty, JH reported that they had published further advice from Nigel Giffin KC. Recognising that not all pension committee and board members would have time to read the 36-page advice note, a summary had been prepared for approval at the SAB meeting later today (24 March 2025).

Climate change

JH noted potential developments in LGPS climate reporting this year, an area receiving significant lobbying. The 2022 consultation has not yet received a response, with Parliament reviewing the approach to LGPS economic risk. Options include revisiting Task Force on Climate-related Financial Disclosures (TCFD) proposals or adopting a new approach aligned with Department for Work and Pensions’ (DWP) broader review of pension schemes' role regarding climate change.

JH observed that LGPS funds would likely need some form of climate reporting, with discussion about managing public messaging and stakeholder responses. Adding that views varied on TCFD effectiveness, the value of scenario analysis and obtaining decision-useful information from investment advisors.

New team member

Sophia Chivandire [SC] was introduced as the new team member leading the development of a peer support offer for LGPS. JL advised SC will be consulting with members about establishing an LGPS-specific support programme, determining appetite, resource commitments and formalising existing good practices within the community.

JF welcomed SC and acknowledged the unique nature of LGPS as a funded scheme within the public sector.

Following discussion

DM asked a question regarding the Virgin Media case mentioned in paper, enquiring whether MHCLG could liaise with DWP to emphasise the urgency of resolution before auditor visits.

JH confirmed this would be welcome, noting that auditors at the December round table had warned that the current holding position was becoming untenable. A resolution through amended registration was possible, as the changes had limited value and actuary approval was difficult to prove.

DM highlighted concerns about Nigel Giffin’s expanded advice on fiduciary duty (now 36 pages versus the original 12 pages from 2014), particularly the new emphasis on consulting scheme members about Environmental, Social, and Governance (ESG) issues. DM flagged this as a potential challenge for schemes nationwide.

JH acknowledged this concern, noting that SAB would consider developing practical guidance for administering authorities, as the advice now stresses the need for a policy and proactive engagement rather than avoidance.

8. REGULATIONS UPDATE FOR SCOTLAND

Eva Sobek [ES] presented Paper F.

ES introduced herself as the full-time policy manager at the SPPA, noting she was sitting alongside Kim Linge [KL] who continues to work two days per week.

ES advised the update focused on the exit payment regulations which followed England and Wales's approach.

The consultation closed in May 2024. There were concerns voiced regarding guidance and the English and Welsh SAB kindly shared its Funding Strategy Statement (FSS) guidance with the Scottish SAB who were happy to adopt it.

The regulations were signed on 19 February 2025 and will come into force in April.

ES noted that Scotland is watching developments in England and Wales with interest as they typically follow suit.

JF thanked ES for the concise update and confirmed there were no comments.

9. REGULATIONS UPDATE FOR NORTHERN IRELAND

DM presented Paper G:

DM provided an update, noting that Northern Ireland had been catching up with England and Wales.

The Department issued its consultation on the draft statutory guidance for the McCloud remedy, with the guidance matching that issued in England and Wales. The consultation has now closed, and publication is expected soon.

JF thanked DM and with no comments or questions moved on to the next agenda item.

10. NATIONAL POG UPDATE

MD presented the update on the NPOG, which has replaced the Technical Group. The group continues to bring together stakeholders, including MHCLG, with practitioners from across the UK.

MD explained the group recognise that any questions on the how to interpret legislation are now dealt with by the LGA, so the group has shifted focus to building relationships and engaging with third parties, including Additional Voluntary Contributions (AVC) providers and software providers, to examine their services.

The group aims to develop a coordinated approach across practitioners and strengthen communications from regional Pensions Officers Groups (POGs) through to national level, providing feedback to MHCLG and SAB.

MD highlighted concerns about multiple simultaneous regulatory changes, noting as an example that George Osborne introduced the age 75 removal for pension payments in 2011, yet they are only now addressing death grants in 2025. The group is working to accelerate processes by learning from other schemes and lobbying for anticipated changes.

MD advised NPOG is reviewing recommendations previously made by the Technical Group, seeking input from regional groups on priorities, and identifying new priority items.

A key concern raised at the first NPOG meeting was the implementation of McCloud remedy by software providers, with practitioners expressing worry that the remedy might not be incorporated into this year's annual statements.

MD mentioned NPOG's work on developing a shared approach for providing AVC information for pensions dashboards.

11. TRAINING AND CONFERENCE UPDATE

Lisa Clarkson [LC] presented an update on training activities, beginning with the fundamentals training provided for pension committee and board members.

Fundamentals Training

LC reported the annual three-day fundamentals course is typically run in London, at a northern venue and online. LC reported that, compared to previous years, attendance was down in 2024 at the northern venue, leading to a decision to discontinue the northern venue for 2025, maintaining only London and online options.

LC announced speaker recruitment will begin in the coming months, with delegate booking available from mid-year. The course dates are published in the report.

Annual Conference

LC advised that the annual conference held in Bournemouth at the end of January 2025 was fully booked a month in advance, with final attendance of 147 in-person and 50 online participants.

Feedback was very positive regarding both content and venue. The 2026 conference has been secured at the Cardiff Marriott with increased capacity from 150 to 170 to accommodate demand. Venue selection for the 2027 conference is underway.

Employer and Administrator Training

LC outlined the comprehensive schedule of employer and administrator training for 2025, noting that more than half of the advertised courses are already sold out, with courses running through November.

LC advised capacity has been increased from 15 to 18 attendees per course following a successful trial last year.

The team has expanded with a new member, enabling additional courses later in 2025.

Twenty days of commissioned training, where funds request on-site training, have been arranged for 2025, with some remaining capacity.

KH and DMc re-entered the meeting.

Pensions Qualifications

LC reported on two pensions qualifications:

The LGA is working with Barnett Waddingham to promote the Level 2 generic pension qualification, the Award in Pensions Essentials, awarded by the Pensions Management Institute. There are 90 students signed up across five cohorts.

The LGA has also developed its own LGPS-specific qualification, the Certificate in LGPS Administration, also awarded by the Pensions Management Institute but run in-house at the LGA. A pilot with 36 students representing 16 different administering authorities begins on 1 April 2025. The pilot filled immediately, with sufficient interest to fill another cohort. If successful, another intake of 36 students will begin in September, with potential to increase to 54 students per cohort. The qualification hopes to alleviate the issue of upskilling and retaining staff in the sector.

Team Update

LC advised that Jennifer Rice [JR] has joined the team from Essex Pension Fund to support practitioner training and qualification work, while Karl White [KW] will retire on 31 May 2025, with recruitment underway to replace him by mid-April.

Following discussion

JF congratulated LC on the record conference attendance and the development of the qualification programme, emphasising the value these activities bring to LGA member authorities.

12. ANY OTHER BUSINESS

JF mentioned that several observers had asked to attend the meeting. He stated that in his view the Committee should remain a safe space for employers, and he would prefer that observer status is not offered, subject to consultation with NY. DMc agreed with this, adding that this is standard policy for all LGA committees.

Regarding the election of a Vice Chair, JF asked if members wished to appoint a formal Vice Chair for the next year beginning 1 September 2025. It was agreed that this would be discussed further at a future meeting.

JF thanked everyone for their attendance and contributions.

13. DATES OF NEXT MEETINGS

Future meetings will be held on:

- 21 July 2025
- 24 November 2025.