

LGPC MEETING – 10 May 2021

Virtual meeting agenda

Item		Timings
1	Welcome, apologies for absence and declarations of interest	11:00
2	Minutes of meeting held on 8 February 2021 - Paper A	11:05
3	Matters arising	11:10
4	Regulations update for England and Wales – Paper B	11:15
5	SAB update for England and Wales – Paper C	11:30
6	Regulations update for Scotland - Paper D	11:45
7	Regulations update for Northern Ireland - Paper E	11:55
8	Update from Technical Group – Paper F	12:05
9	Training and annual conference update – Paper G	12:15
10	Any other business	12:25
11	Dates of future meetings: 2 August, 1 November 2021	12:30

Paper A: Minutes of meeting held on 8 February 2021

Present

Cllr John Fuller	Chair, LGA
Cllr Alan Waters	LGA
Cllr Richard Wenham	LGA
Cllr Phil Murphy	LGA
Cllr Adam Paynter	LGA
Cllr Goronwy Edwards	LGA
Cllr Oliver Ryan	LGA
Cllr Joanne Laban	LGA
Mr Jeremy Hughes	MHCLG
Mr David Murphy	NILGOSC
Ms Kimberly Linge	SPPA
Ms Linda Welsh	SPPA
Mr Kevin Gerard	Technical Group representative

Secretariat

Ms Lorraine Bennett	LGPC
Ms Rachel Abbey	LGPC
Ms Elaine English	LGPC
Mr Jeff Houston	LGPC

Non-attendees

Ms Rachel Brothwood	SAB representative
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1. INTRODUCTION FROM THE CHAIR

The Chair, Cllr John Fuller [JF], welcomed members to the third virtual meeting and outlined the importance of the meeting to represent the interests of LGPS Scheme employers. Issues raised at LGPC are fed through to the Scheme Advisory Board that meets directly after this meeting.

2. APOLOGIES

No apologies were received.

No declarations of interest were declared.

3. MINUTES

The minutes of the previous meeting held on 2 November 2020 were agreed.

4. MATTERS ARISING

Any matters arising concern topics that will be covered in later in the meeting.

5. REGULATIONS UPDATE ENGLAND AND WALES

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

Exit payment reforms

LB gave a background update to the complex issue of exit payment reforms in England and Wales. The exit cap does not apply in Scotland or Northern Ireland.

The Restriction of Public Sector Exit Payments 2020 [the 2020 Regulations] came into force on 4 November 2020. MHCLG was consulting on regulation changes to accommodate the exit cap and introduce further reforms to local government exit payments when the 2020 Regulations took effect.

According to the LGPS regulations, a member who leaves due to redundancy or efficiency at age 55 or over is entitled to immediate payment of their benefits without reduction. The employer generally meets the cost of paying the pension early – known as the strain cost. The 2020 Regulations limit the amount that an employer may pay when an employee leaves their employment. This means that in some cases, the employer will not be able to pay the full strain cost. The conflict between the two sets of regulations has led to legal uncertainty for employers, administering authorities and scheme members.

The Government believes that the 2020 Regulations take precedence over the LGPS Regulations. This is based on the principle of implied repeal. MHCLG confirmed this position in a letter to administering authorities and council chief executives. In that letter, MHCLG advises administering authorities to offer fully reduced benefits or deferred benefits and advises employers to pay a cash

alternative payment when an employer cannot pay the full strain cost because of the cap.

The Scheme Advisory Board [SAB] sought Counsel's opinion on the impact of the 2020 Regulations on the LGPS. That legal advice did not agree with the Government's view that implied repeal applies. The SAB published a commentary on the legal advice in which they recommended that employers delay paying a cash alternative payment until the legal uncertainty is resolved if the cap prevents them from paying a full strain cost.

Three Judicial Review (JR) applications made by ALACE/LLG, UNISON and GMB/Unite will be heard on 24 and 25 March 2021. While these JR reviews are underway, the Pensions Ombudsman is not able to make a determination on the operation of the exit cap. The LGA has been named as an interested party in the proceedings and will be providing a submission to the hearing.

Jeff Houston [JH] noted that there were many possible outcomes of the JR. An appeal to the decision is likely. It is important that we make employers and administering authorities aware that the legal proceedings, and therefore the legal uncertainty, may continue until the autumn.

Cllr Richard Wenham [RW] noted that the best end result for employers was that they did not have to clawback any payments from former employees. The Chair noted that employers that have followed the approach recommended by the SAB will not have to clawback any cash alternative payments.

The Chair thanked the Secretariat on behalf of the Committee for all their hard work related to this complex matter.

LB confirmed that the Secretariat's work to provide information to employers, administering authorities and scheme members was ongoing. The Secretariat will continue to update websites and information notes as the situation develops.

Post-meeting script: On Friday 12 February 2021, the government issued the [Exit Payment Cap Directions 2021](#) which disapply parts of the Restriction of Public Sector Exit Payments Regulations 2020 with immediate effect.

As the Directions disapply regulation 3, the exit cap no longer applies with effect from 12 February 2021. The Welsh Government has confirmed that, in their view, the exit cap no longer applies to exit payments made by a devolved Welsh authority.

For exits from 12 February 2021, LGPS administering authorities must pay qualifying scheme members an unreduced pension under Regulation 30(7) of the LGPS 2013 regulations. Scheme employers will be required to pay full strain costs in relation to those unreduced benefits, as notified by their administering authority. Employers should not make cash alternative payments to either the scheme member or the administering authority.

HM Treasury issued [guidance on the Directions](#). The guidance sets out HM Treasury's expectation that employers should pay the additional sums that would have been paid, had the cap not applied for employees who left between 4 November 2020 and 11 February 2021.

On 25 February 2021, [The Restriction of Public Sector Exit Payments \(Revocation\) Regulations 2021](#) were made. These regulations confirm the effect of the Directions and come into force on 19 March 2021. The regulations are not retrospective, but they do contain an obligation for employers to make payments to or on behalf of a former employee that they were previously unable to pay because of the exit cap.

The SAB is seeking a legal view on what interest is payable on additional payments made by employers to former employees and administering authorities. We will update the employer and administering authority information notes once we have received that legal opinion.

LGA/LGPC response to GMP indexation consultation

On 21 December 2020, LGA/LGPC responded to the HM Treasury consultation on indexation of guaranteed minimum pensions (GMPs). The consultation contains proposals to ensure that the government meets its commitment to fully price protect the GMP element of public service pensions following the introduction of the new State Pension in 2016.

Dashboard data standards.

LB informed the Committee that the Pension Dashboards Programme (PDP) published key data standards on 15 December 2020. Administering authorities will need to identify and address any data gaps. The PDP is proceeding with the proposal to include a retirement estimate in the information that members can access through the dashboard. Our response to the consultation did not support the inclusion of a retirement estimate because:

- administering authorities are not required by current legislation to include one in an annual benefit statement, and
- a projection based on retirement on a specific date that might be 40 years in the future is of limited use.

We were in favour of making information about accrued benefits available on the dashboard, and signposting members to online calculators to model what benefits they might receive based on their chosen retirement date.

6. SAB UPDATE [E&W]

JH presented the key points from paper C.

McCloud

JH informed the Committee that the other major issue for LGPS employers and administering authorities apart from the exit cap is the McCloud remedy.

The Government responded to the consultation on changes to the unfunded public service pension schemes on 4 February 2021. The Government intends to proceed with deferred choice underpin - members in scope will be allowed to opt for membership of the relevant final salary or career average scheme for the period 1 April 2015 to 31 March 2022, and they will make that choice on retirement. The SAB is currently analysing the Government's response to the consultation with the added help of Joanne Donnelly, who recently joined the team as the SAB Senior Pensions Secretary, having previously worked for HM Treasury.

We expect a ministerial statement on changes to the LGPS to implement the McCloud remedy in the coming weeks.

JH emphasised the amount of work that will be involved to update member records so that the McCloud remedy can be correctly applied. The additional work is likely to impact on the morale of pension administration teams who are pressed due to the pandemic, but it will result in very few actual changes to benefits in payment or deferred benefits.

The Chair noted the cost of the McCloud remedy across the public sector was expected to amount to several billion pounds.

JH reminded the Committee that the preliminary findings of the 2016 valuations found that cost of providing public sector pension schemes was cheaper than expected and would breach the cost 'floor'. Taking the McCloud remedy into account

will increase the scheme costs and may mean a different result when the 2016 valuations are finalised.

Good Governance project

The aim of the Good Governance project is to improve governance across the LGPS. The SAB will discuss the Phase 3 report when it meets later today. The SAB will decide on what proposals to recommend. It will be up to MHCLG to make the final decision on what will be taken forward and find the necessary parliamentary time to make changes to the LGPS regulations.

Responsible investment

The SAB is aiming to launch an online A to Z responsible investment guide by the end of March 2021.

The Pension Schemes Bill contains new rules on climate change risk reporting. Those rules will not apply to the LGPS, but MHCLG intends to introduce changes to the LGPS regulations that mirror the proposals in the Pension Schemes Bill.

Employer flexibilities

We expect MHCLG to issue statutory guidance later in February. This will be accompanied by supporting guidance published by the SAB.

RW expressed concern that the employer flexibilities could lead to the weakening of an employer's covenant. If a further educational establishment or wholly private company fails, could their liabilities fall on the remaining Scheme employers and ultimately council taxpayers?

JH confirmed that the default position remained that an exiting employer must pay the full exit payment. The new flexibilities should be used by the administering authority to get the most money out of an exiting employer if it is not able to pay the full exit payment. The flexibilities provide an alternative route for employers that can neither afford to remain in the Scheme, nor afford to leave.

Kevin Gerard [KG] confirmed that he is aware of employers that are keeping a single employee in the Scheme to avoid the requirement to pay an exit payment.

7. REGULATION UPDATE SCOTLAND

The Committee noted the key points from paper D, which was presented by Kimberly Linge [KL].

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Consultation – (Amendment) (No 2) Regulations 2020.

SPPA is looking at the flexibilities for exiting employers that have been introduced to the LGPS in England and Wales and considering whether to make similar amendments to LGPS Scotland. SPPA wrote to Scottish administering authorities to ask for their views by the end of February 2021.

Cost Cap valuation

GAD will recommence work on the 2016 cost cap valuation when HMT publishes Directions, which are expected February 2021.

Scottish Structural Review

Scottish Ministers asked the SAB to look into the structure of the LGPS funds, with a view to seeking improvements in administration and the ability to invest in infrastructure. Following on from the interim report of April 2019, the SAB has asked Scotland Excel to provide support to procure an expert to carry out a cost benefit review of the structure of the Scottish funds.

8. REGULATIONS UPDATE NORTHERN IRELAND

The Committee noted the key points from paper E, which was presented by David Murphy [DM].

LGPS Regulations

The Department for Communities consultation on the McCloud remedy closed on 31 January 2021. In their response to the consultation, NILGOSC recommended that the underpin should crystallise on 31 March 2022, instead of crystallising when the member takes their benefits.

The SAB met virtually in December 2020. The Department indicated that it is unlikely to support crystallisation of the underpin in 2022. They are unlikely to deviate from the approach proposed for England and Wales, and Scotland.

The first Industrial Tribunal claim relating to the discrimination identified in the McCloud case has been launched in Northern Ireland.

The Department is considering how to remedy the discrimination identified in the Goodwin case.

DM asked to continue to attend the LGPS practitioner group. JH confirmed that representatives from Scotland and Northern Ireland had not been invited to the most recent meeting. That meeting concerned the exit payment cap that applied only in England and Wales. JH agreed that representatives from Scotland and Northern Ireland would be invited to future meetings that cover topics which are relevant to them.

9. UPDATE FROM TECHNICAL GROUP

The Committee noted the key points from paper F, which was presented by KG.

KG stated that most of the issues discussed by the Technical Group had already been covered in other Papers.

The Technical Group recognises the enormous amount of work that the McCloud remedy will generate for both employers and administering authorities. Many of the benefit calculations performed since 2014 will need to be reviewed. The Technical Group values support from the Committee and from the SAB and their efforts to publicise the scale of the task and the resources that will be needed to complete it successfully.

Software suppliers are developing data upload interfaces to assist with the data collection process. Users are currently testing these interfaces and it is clear that a significant amount of manual intervention will be required to record the accurate service information needed to perform an underpin calculation.

Exit payment cap

Technical Group thanked the LGA for the guidance and other resources covering the exit payment cap that they have produced for employers and administering authorities.

GMP indexation and equalisation

Technical Group would welcome a longer extension to the interim solution due to the resource demands resulting from the McCloud remedy. The Group is also awaiting guidance on the approach to take for past transfers of benefits built up before 1997.

10. TRAINING AND CONFERENCE UPDATE

Elaine English [EE] reported that a virtual LGPS update took place on 26 January 2021. Over 100 delegates attended and have provided very positive feedback. EE sent a copy of the recording and slides to the Committee.

We hope that both our Fundamentals training programme and the annual Governance conference can go ahead. The Fundamentals programme usually takes place in October, November and December each year. Our annual conference then follows in January. The next annual conference is booked for 20/21 January 2022 in Bournemouth.

We recently conducted a survey to find out what administering authorities' training priorities are. The survey results show almost equal support for virtual and face to face training. We will use the survey results to develop our training plan. Events will be virtual in the immediate future. In the longer term we plan to offer both virtual and face to face training.

The LGPC will run webinars covering new scheme developments when the demand arises.

11. ANY OTHER BUSINESS

The Chair noted that some of the meeting papers show 2020 instead of 2021 and asked for these to be corrected. LB agreed to make those amendments.

12. DATES OF NEXT MEETINGS

10 May 2021, 2 August 2021 and 1 November 2021.

Paper B: LGPS England and Wales – regulation update

Key points to note

- Consolidation of academies
- MHCLG request exit data from English councils
- LGPC responds to NMPA consultation
- TPR consultation on new code of practice
- McCloud preparation work continues
- New video on transferring out

Decisions

The Committee is asked to agree that the Chair approves the response to the TPR consultation on the new code of practice on behalf of the Committee.

Summary

Consolidation of academies

Since the 2010 Academies Act, the number of English schools breaking away from the local authority to become academies has increased to over 9,000. Many of these are set up as multi academy trusts (MATs).

The LGPS rules provide that employees of an academy will be members of the LGPS pension fund in the area where the school is located. This means that MATs can have schools spread across many different LGPS administering authorities.

Some MATs are looking to consolidate all their schools in one LGPS fund. They can do this by applying to MHCLG for a Direction order which substitutes a different administering authority for the employer and deals with the transfer of any assets and liabilities.

From the MAT's perspective this is attractive because, once consolidated, they would:

- only deal with one LGPS pension fund
- have one employer contribution rate across all their schools
- only have to submit data in one format

- only have to submit one set of policy discretions etc.

For the LGPS, however, there are concerns about cash flow and the investment strategy. The impact will vary depending on the size of the fund and how many academies the fund has. As an example, if one pension fund lost all their academies, it would mean losing 23% of their contribution income. This would impact on how much of their income they could invest, and it could increase the risk of lower future investment returns and higher costs for employers.

We have raised the issue with both MHCLG and DfE to ensure that whatever happens in policy terms is well managed and protects the ceding funds from cashflow/investment shocks.

MHCLG letter about new requirement for exit payment data

MHCLG wrote to chief financial officers of councils and combined authorities in England on 9 April 2021 about a new requirement to provide data on exit payments.

Councils will be asked to provide data on all redundancy payments, pension strain payments and other special payments made in consequence of exits from 2014/15 to 2020/21 by the end of May 2021. We expect MHCLG to make similar requests in future years.

The data will be used to inform delivery of the Government's objective to end excessively high exit payments in the public sector. The letter included a draft specification and invited comments by 26 April 2021 on the clarity of the data requirements and the practicality of providing this.

The LGPC secretariat has met with MHCLG to provide feedback on the draft specification. MHCLG expects to write out again early in May 2021, once the specification has been finalised.

LGPC responds to NMPA consultation

On 19 April 2021, the LGPC responded to [the consultation on increasing the normal minimum pension age \(NMPA\)](#).

The consultation reconfirmed an earlier decision to increase the NMPA from 55 to 57 from 6 April 2028. The consultation also sought views on proposals to implement the increase.

You can read the LGPC response on [the non-scheme consultations](#) page of www.lgpsregs.org.

TPR consultation on new code of practice

The Pensions Regulator (TPR) is currently [consulting on a new code of practice](#). The consultation closes on 26 May 2021.

The draft new code consolidates some of the existing 15 codes of practice into a [single online code](#). The remaining codes will be consolidated into the single code later, subject to further consultation.

We will prepare a response on behalf of the LGPC on the sections that deal with:

- administration
- communications and disclosure
- reporting to TPR.

The Committee is asked to agree that the Chair approves the response on behalf of the Committee.

McCloud age discrimination

The LGPC secretariat and SAB continue to work with MHCLG, administering authorities and scheme employers on the changes to the LGPS regulations, software and processes required by the McCloud age discrimination judgment.

The LGPC secretariat is currently assessing which members are most likely to be impacted by the remedy when it is introduced. This will enable LGPS administering authorities to prioritise their workload accordingly. The secretariat will also attend meetings with the main software suppliers to help ensure any system changes are appropriate.

We understand the ministerial statement setting out the changes that will be made to the LGPS for McCloud is now not expected until the middle of May. It is likely that the full response with draft regulations will be published in the autumn.

New video on transferring out

The LGPC secretariat has produced a new video in the 'Pensions made simple' series called 'Transferring your pension'. The video provides information about what

members should consider if they are thinking about transferring their pension to a defined contribution scheme.

The video is available in English and Welsh and can be viewed on the [video page of the member website](#).

Contact officer

Name: Lorraine Bennett

Job title: Senior Pensions Adviser

Phone no: 07766 252847

E-mail: lorraine.bennett@local.gov.uk

Paper C: SAB update England and Wales

Decisions

The Committee is asked to note the contents of this report.

Summary

Good governance project

Recommendations from the project have now been passed to MHCLG for further deliberation. No further action will be taken until the extent of regulatory commitment to the recommendations is clear.

Responsible Investment (RI) project

The Board's ongoing RI project has resulted in the following initiatives:

The Responsible Investment Advisory Group (RIAG) – the group has a membership from across the LGPS and wider industry. It is tasked with advising the Board and its Investment, Governance and Engagement Committee on all matters to do with RI.

The Responsible investment A-Z – a resource website for all things RI. The site attempts to define and provide further information on acronyms, organisations, measures and investment approaches.

The RIAG has now met twice and further details on it and the A-Z can be found at <https://lgpsboard.org/index.php/projects/responsible-investment>

Climate risk and reporting

On 27 January 2021 DWP published [Taking action on climate risk: improving governance and reporting by occupational pension schemes – response and consultation on regulations](#). This will bring in mandatory risk evaluation, including scenario modelling, target setting and reporting. MHCLG intends to bring forward similar regulations for the LGPS later this year.

The Board, via the RIAG, will assist MHCLG in ensuring the regulations adequately reflect the differences between LGPS and the trust-based pension sector while being equally challenging.

Investment, Governance and Engagement Committee

The committee met on the 19 April 2021 and took a report from the Chair of the RIAG as well as considering the following consultations currently in progress:

[HMT Review of the UK funds regime: a call for input](#) - closing date 20 April 2021

[The Pensions Regulator – new code of practice consultation](#) - closing date 26 May 2021

[DWP call for evidence on social impact investment](#) - closing date 16 June 2021

[BEIS Restoring trust in audit and corporate governance: proposals on reform](#) - closing date 8 July 2021

The Committee also discussed the creation of the Occupational Pension Schemes Stewardship Council following the '[Investing with Purpose: placing stewardship at the heart of sustainable growth](#)' report from the Asset Management Taskforce.

The Committee received a report on progress against the Code of Transparency and use of the compliance and reporting system. The vast majority of managers are providing template data to LGPS funds and the Board secretariat is following up with the few that continue to have some issues.

Cost Management, Benefit Design and Administration Committee

The committee met on 12 April 2021 and concentrated on two major items:

The £95k exit cap – the Committee received an update on the revocation of the public sector exit cap regulations and plans for it to return 'at pace' – expected to be this calendar year.

Employer cost cap – the Committee received a presentation from GAD on the potential outcome of the restarted 2016 HMT cost cap process which will take into account the costs of the proposed McCloud remedy.

The Committee agreed that the assumptions used in the paused 2016 SAB cost cap process should continue to be used to determine the options for the treatment of McCloud costs.

The Board will discuss if and how to take account of McCloud costs in the SAB process at this afternoon's meeting. This will follow briefing sessions for Board members outlining a number of potential options and outcomes.

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Contact officer

Name: Jeff Houston

Job title: Head of Pensions

Phone no: 07786 681936

E-mail: jeff.houston@local.gov.uk

Paper D: Regulation update Scotland

Decisions

The Committee is asked to note the contents of this report

Summary

Employer flexibilities

SPPA asked for comments on changes in The Local Government Pension Scheme (Amendment) (No 2) Regulations 2020

MHCLG made additional provisions in the 2013 Scheme via The Local Government Pension Scheme (Amendment) (No 2) Regulations 2020, which came into force in September 2020 in E&W.

These Regulations enable an administering authority and a scheme employer to agree to defer exit payments in a 'deferred debt' agreement. They allow offer employers the option to spread exit payments over a period determined by the administering authority. We asked Scottish fund authorities if these provisions would provide further clarity and scope to address cessation liabilities, when managing employer exits.

Respondents thought that adopting these regulations would provide further discretion to determine the best outcomes for employers, whilst protecting the fund. The overall response from fund authorities was that these further options to manage employer exits, would be welcomed.

Respondents also concluded that clear guidance would be needed, similar to that provided by the Scheme Advisory Board in E&W. The guidance should clarify that these flexibilities are not to be considered an automatic entitlement or right for employers.

Separately, the sub-group approved by the SAB to address cessation issues for third sector employers, provided a draft report which was discussed at the LGPS SAB meeting in December. There were some concerns that the guidance may encourage some employers to leave the scheme. At the meeting in February 2021, the SAB agreed to have a further discussion with their advisors on this issue for consideration at the next meeting in May 2021.

Scottish Ministers expect that the resulting guidance provided by the Scheme Advisory Board will ensure a fair, consistent and transparent approach to cessation issues for all employers in the Scottish LGPS.

Regulations - Draft Amendment of The Local Government Pension Scheme (Scotland) Regulations 2018 (SSI 2018/141)

Work is underway on Bill clauses to introduce 2015 Remedy. It is expected that Scottish Ministers will make regulations to fully introduce underpin changes after this primary legislation is in force in 2022.

In the meantime, we intend to make changes in an amending instrument to clarify the calculation of the underpin, to address the issue of wrongly calculated benefits and also to provide further flexibilities, for funds dealing with exiting employers, as a result of recommendations from the Scottish Scheme Advisory Board.

The Amendments will provide the correct method for calculating the underpin. Some members who have left the scheme are not receiving the correct level of pension benefits and pensions will need to be recalculated once the regulatory powers are put in place.

We anticipate being able to consult on amending regulations following the 2021 Scottish Parliament elections.

Government Actuary's Department (GAD) - Cost Cap

HMT announced their intention to end discrimination in the unfunded schemes on 4 February 2021. This is separate to the remedy proposed for LGPS schemes, however changes to primary legislation will apply to both.

The decision for remedy for the unfunded schemes was a “deferred choice underpin”, so at the point of retirement members will choose what scheme they should be considered a member of for the period between 2015 and 2022. The effect of that will be similar to that in the LGPS.

The Deferred choice decision enabled HMT to also complete the drafting of the necessary directions that instruct government actuary's department how to undertake scheme valuations, including the statutory cost cap valuation for LGPS. GAD calculations are underway.

HMT has made clear that for all schemes the cost for remedy will be included as a member cost, and that the costs for the whole seven year remedy period will be

factored into the single implementation period 2017-2020. Though the pre-McCloud cost cap results weren't completed, GAD will provide pre and post McCloud costs in the rerun. It is expected that the costs will have an upward pressure on the results across all schemes.

GAD colleagues do not anticipate that the completion of the cost cap valuation will prompt a need to immediately review the contribution rates to take into account the impact that would, under normal circumstances, have been applicable from 2020. HMT has also directed that outputs from the next round of valuations in 2020, which would normally be used to set employer contribution rates from 1 April 2023, will now not be implemented until 1 April 2024.

As part of the announcement, HMT confirmed that any cost cap ceiling breaches, which would result in increases to member contributions or a reduction in benefits, will be waived. Cost cap floor breaches will be honoured. The justification for this is that the Cost Cap mechanism itself is under review, with that review due for completion later this year.

Contact officer

Name: Kimberly Linge

E-mail: kimberly.linge@gov.scot

Paper E: Northern Ireland regulation update

Background

Public service pension regulations are a devolved matter for the Northern Ireland Assembly. Regulations for the Local Government Pension Scheme (LGPS) in Northern Ireland are made by the Department for Communities (the Department).

The Northern Ireland Assembly made its own version of the [Public Service Pensions Act \(Northern Ireland\) 2014](#).

Decisions

The Committee is asked to note the contents of this report.

LGPS regulations

The Department's consultation on the McCloud remedy closed on 31 January 2021. Its response is awaited.

The Department is also drafting changes to the regulations to remedy the Goodwin case, to remove the existing rule that the 10-year pension grant is capped at age 75, and to amend the forfeiture provisions.

Governance

The NI LGPS Scheme Advisory Board last met in December 2020. The [minutes](#) of the meeting are available on the Department's website.

The members of the Board have received the provisional result of the 2016 Cost Cap valuation which was revised to take account of the McCloud remedy. The change is -1.6% which would mean that there would be no change to the scheme benefits as the change is within the 2% corridor.

NILGOSC has [responded](#) to HM Treasury's consultation on the increase of minimum pensions age from 55 to 57. It has reminded HM Treasury that the proposal will reduce the level of scheme benefits for some members and increase the complexity of the scheme.

Contact officer

Name: David Murphy

Job title: CEO, NILGOSC

Phone no: 0345 319 7320

E-mail: david.murphy@nilgosc.org.uk

Twitter: @DMurphy_NILGOSC

Paper F – Technical Group update

Background

The National Technical Group is made up of representatives from LGPS administering authorities in England, Wales, Scotland, and Northern Ireland. Its purpose is to represent the views of LGPS administering authorities in relation to the direction of pension and other areas of government policy.

Decisions

The Committee is asked to note the content of this report.

Update from 5 March 2021 Technical Group meeting

McCloud remedy - Technical Group agreed that at each future meeting members should provide an update from regional POGs to help highlight any issues that occur nationally. The Group again reaffirmed the requirement for centrally issued national guidance and communications to reduce the administrative burden.

Exit Payments - Technical Group were made aware that whilst the Exit payments had been disapplied, the intention was that, following a consultation, new Exit Cap measures would be in place by the end of the year.

Refund of contributions - MHCLG confirmed that the regulatory amendment requested by SAB to remove the requirement to pay a refund automatically after five years is in the workplan for the next year.

GMP indexation and equalisation - Technical Group welcomed the extension to the current interim indexation methodology. Clarity was sought from MHCLG on the impact of the Lloyds final judgement on the LGPS and the possible requirement to recalculate transfers from 17 May 1990. MHCLG will provide a further update following receipt of an outstanding response from HM Treasury.

Contact officer

Name: Kevin Gerard

Job title: Pensions Manager – Dyfed pension fund

Phone no: 01267 224157

E-mail: KGerard@carmarthenshire.gov.uk

Paper G: Training and annual conference update

Decisions

The Committee is asked to approve Cardiff as the venue for the 2023 annual conference.

Summary

Practitioner and employer training

The practitioner and employer training programme for the next year has been agreed and advertised. Employer training continues to be heavily over-subscribed and additional dates have been added to meet demand. The training programme was set using the results of the February survey.

Fundamental training programme

The Fundamentals training programme is aimed at elected members and others who attend pension committees and local pension board. The programme for 2021 is currently being finalised. The venues have been secured and we are in the process of confirming speakers. We will be running three days at three different venues. The London events will be offered as a hybrid event to allow both face to face and online attendance.

We intend to advertise the face to face events at the usual price of £270 per day with a discounted rate for virtual attendees of £220 per day. The dates and locations are:

Day 1:

12 October	Etc Venue, London [also hybrid]
21 October	Park Plaza Hotel, Leeds
26 October	Marriott Hotel, Cardiff

Day 2:

09 November	Etc Venue, London [also hybrid]
18 November	Park Plaza Hotel, Leeds
23 November	Marriott Hotel, Cardiff

Day 3:

02 December	Etc Venue, London, Pimlico, SW1 [also hybrid]
08 December	Park Plaza Hotel, Leeds
15 December	Marriott Hotel, Cardiff.

Annual conference

The 2022 conference will be held at Bournemouth on 20 and 21 January 2022. We will be agreeing the agenda and securing speakers over the next month. We also intend to offer this as a hybrid event with a discounted rate for virtual attendees. We aim to advertise the conference and open the bookings by the end of May.

We have investigated the venue for our 2023 conference and request the committee's approval to choose the Cardiff Marriott.

Complimentary places are available to LGPC members for the Fundamentals training and the annual conference. If you would like to attend, please email elaine.english@local.gov.uk.

Contact officer

Name: Karl White

Job title: Pensions Adviser (Training)

Phone no: 07464 652886

E-mail: karl.white@local.gov.uk

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