

National LGPS Technical Group Minutes

The National Local Government Pension Scheme (LGPS) Technical Group is a member of the Local Government Pensions Committee (LGPC).

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1) Date and time of meeting

The meeting started at 9.30am and finished 12 noon on the 18 June 2021.

2) Venue

The meeting was held virtually by way of MS Teams.

3) Attendees and apologies for absence

Attendees

1. Kevin Gerard – Welsh Pension Officer Group (WPOG) - Chair
2. Joanne Griffiths – Welsh Pension Officer Group (WPOG)
3. Ian Howe – East Midlands Pension Officer Group (EMPOG) - Vice Chair
4. Phil Drury – East Midlands Pension Officer Group (EMPOG)
5. Liz Vollans – North East Pension Officer Forum (NEPOF)
6. Heather Chambers - North East Pension Officer Forum (NEPOF)
7. Emma Sanders – South West Area Pension Officer Group (SWAPOG)
8. Paul Hill – Shrewsbury Pension Officer Group (SPOG)
9. Debbie Sharpe – Shrewsbury Pension Officer Group (SPOG)
10. Sandy Armstrong – Southern Area Pension Officer Group (SAPOG)
11. Clair Lewis Smith – Southern Area Pension Officer Group (SAPOG)
12. John Smith – London Pension Officer Group (LPOG)
13. Richard Smythe – London Pension Officer Group (LPOG)
14. Joel Ellner– South East Counties Superannuation Officer Group (SECSOG)
15. Louise Savage – South East Counties Superannuation Officer Group (SECSOG)
16. Zena Kee – Northern Ireland Local Government Officers Superannuation Committee (NILGOSC)
17. Erin Savage – Scottish Pensions Liaison Group (SPLG)
18. Jeremy Hughes– Ministry of Housing Communities and Local Government (MHCLG)
19. Jayne Wiberg – Local Government Association (LGA)
20. Lorraine Bennett - Local Government Association (LGA)
21. Steven Moseley – Local Government Association (LGA)
22. Paul Kateley – Aquila Heywood
23. Jon Slater – Equiniti
24. Julie Potter – Civica
25. Drew Beedall - Capita
26. Annemarie van Bochove Allen – Barnet Waddingham

- 27. Catherine Pearce – AON
- 28. Pete Riedel – Hymans
- 29. Justine Davies – Price Waterhouse Coopers
- 30. Jonathon Perera – Mercer
- 31. Kelly Scotford - Secretary

Apologies for absence

- 32. Neil Mason - London Pension Officer Group (LPOG) (John Smith substitute)
- 33. Karen Gibson – South West Area Pension Officer Group (SWAPOG)
- 34. Siobhan McKelvey – Department for Communities - Northern Ireland (DfC)
- 35. Kimberley Linge - Scottish Public Pension Agency (SPPA)
- 36. Catherine Carruthers – Capita (Drew Beedall substitute)

Not present

- 37. Roddy McLeod - Scottish Public Pension Agency (SPPA)

4) Minutes of the last meeting

On 12 March 2021 the [minutes of the meeting held on 5 March 2021](#) were published.

For group agreement

The minutes were agreed unanimously.

5) Matters arising from previous minutes (not included elsewhere on the agenda)

There were no matters arising from the minutes of the meeting held on 5 March 2021.

6) LGPC update

Jayne Wiberg [provided an update](#) on behalf of the Local Government Pensions Committee (LGPC).

Group discussion

There was only one action that arose from the LGPC update.

Action – publication of GAD guidance

- The group requested that a summary of the changes or comparison documents be provided when revised GAD guidance is published – Lorraine and Jayne agreed to this request for future publications.

7) MHCLG update

Jeremy Hughes [provided an update](#) on behalf of the Ministry of Housing, Communities and Local Government (MHCLG).

Group discussion

Jeremy provided a verbal update based on his report. Additional areas discussed, not included within the report were:

- Request for exit payment data deadline is extended to 21 June 2021 – [see bulletin 210 for further information](#).
- Burdens funding 2021 (monies allocated to local authorities to meet additional burdens) – Jeremy confirmed that the amount of burden will be proportionate to the amount of redundancies.
- MHCLG are working on an LGPS equivalent to [Managing Public Money guidance](#).
- There is a fresh drive for schools to become academies and join multi academy trusts. MHCLG are aware that administering authorities are still having problems with academies establishing and merging and intend to ask SAB to restart the academy project.
- [Increasing the Normal Minimum Pension Age consultation](#) – MHCLG have started discussions with HM Treasury. It is unclear if there will be a national approach to which the LGPS must conform or if pension schemes can retain some form of protection.
- Forfeiture – MHCLG have had a number of forfeiture cases and as a result are carrying out a review of the forfeiture rules. The Minister is keen that the prescription within regulation 91 requiring the Secretary of State to issue a forfeiture certificate, be instead delegated to officials.

8) SPPA update

Kimberly Linge [provided an update](#) on behalf of the Scottish Public Pensions Agency.

9) DfC update

Siobhan McKelvey provided the following update by email on 7 June 2021 on behalf of the Department for Communities.

‘The Department for Communities (DfC) published a consultation on amendments to the statutory underpin. The consultation sought views on proposed changes to the LGPS in Northern Ireland, to remove the unlawful age discrimination identified in the McCloud judgment. The consultation closed on 31 January 2021 and work is ongoing on finalising the response. The Department of Finance in NI is currently taking forward a Legislative Consent Motion in the Northern Ireland Assembly to allow Westminster to make the necessary changes to primary legislation on our behalf.’

10) MHCLG consultation: McCloud remedy

The Ministry of Housing, Communities and Local Government (MHCLG) published a [consultation on amendments to the statutory underpin](#). The consultation sought views on proposed changes to the LGPS in England and Wales, to remove the unlawful age discrimination identified in the McCloud judgment. The 12-week consultation closed on 8 October 2020. On 6 October 2020 the Scheme Advisory Board responded to the consultation. This can be found in the [Scheme consultations page](#) of www.lgpsregs.org.

At the National LGPS Technical Group meeting on 5 March 2021 it was agreed that members should update the group with the latest position within their regional pension officer group at future meetings to help highlight any issues that occur nationally.

The regional pension officer group updates can be found in the table overleaf.

Group agreement and action

- The group agreed that the McCloud regional pension officer group updates should be supplied in the same format. They agreed to supply the information using the EMPOG method.
- [Each representative must complete the pre-populated proforma](#) with the list of standard questions and [return to Jayne Wiberg](#) by 12 noon on Friday 9 September 2021

<p>EMPOG</p>	<p><i>Provided by Ian Howe on 4 June 2021</i></p> <p><i>Where is each fund at – in regards collecting the hours/breaks data</i></p> <ul style="list-style-type: none"> – we did not continue to collect data after 2014 so have had to request it from all of our employers – hours to 31/3/20 by 31/3/21 and hours 31/3/21 by end of June – we continued to collect data since 2014, more hours though than service breaks – we continued to collect data since 2014 – all employers have continued to send in hours data, but info on breaks not so much – we never officially stopped collecting the data since 2014 – All loaded on <p><i>Funds that already have the hours/breaks data – are you checking this or assuming it is already OK</i></p> <ul style="list-style-type: none"> – we will check with our employers that they are confident the info provided is correct – not checked the accuracy of the data. We possibly will go back and check at some point but may not be until the remedy stage – Civica have ran an in scope report and we have shared this data with our employers for accuracy reports and any changes have been requested by 31/7/21 – we have not checked to a great extent but have done some initial analysis of records we think need additional data <p><i>Have any of your employers refused or are unable to provide the missing hours/breaks</i></p> <ul style="list-style-type: none"> – not that we know of , but we expect chasing will be needed – none we are aware of – not sure – no refusals – not that we are aware of but we have not asked yet
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Have funds communicated with their scheme members about McCloud

- information has been put onto our website
- a communication was sent out to all members last Sept, in which McCloud was mentioned
- not directly but info on the website
- very loosely – mainly on our website other than 2 small articles in our member newsletters, one in 2019 and the other in spring 2020
- yes updates published on website

Have funds extra resource in place to start this work

- existing resource has been reallocated to a McCloud project team following a review of the
- pension section structure in January '21
- funding has been put aside but recruitment not yet done
- we appointed a McCloud project manager has started. We will go back to committee for further resources at a later date
- we do have a budget provision for McCloud and the appointment of a member services manager has already been made but he is not working exclusively on McCloud just yet
- not yet but we are currently looking at our options including engaging Heywoods to do some of the work

Are Funds in discussions with their system provider – in terms of loading the missing data, or, recalculating benefits etc (clearly with the caveat – until remedy is received, we are not 100% sure what the final position will be)

- we are in regular discussions regarding the interface facility used to backload hours changes
- we have been in touch with Heywoods regarding the remedy
- UPM's in scope report identified approx 29,000 members. This was ran about 6 weeks ago
- as and when. But we are sitting in our system providers project group

	<ul style="list-style-type: none"> - no <p><i>Anything else any Fund wishes to add</i></p> <ul style="list-style-type: none"> - no - moving from UPM to Altair in 2019 may lead to issues regarding hours uploads - we are in regular contact with Civica regarding what they can do to support the project - we have an issue with the way that service history is recorded with the London Boroughs in our fund - no
WPOG	<p><i>Provided by Joanne Griffiths on 11 June 2021</i></p> <ul style="list-style-type: none"> - all Funds have shared the LGA templates with Employers - some funds have received data back from employers, others are waiting for their first batch of data. Some funds have started updating Altair, while others haven't started yet - some funds have set up a McCloud team or in the process of getting more staff to carry out this exercise - one fund mentioned that they would probably only use the Heywood solution to upload Service Breaks and will be updating hours manually - another fund has said that they have told employers they can provide the data after the 31st March 2022 to avoid having to send 2 sets of data

<p>SAPOG</p>	<p><i>Provided by Clair Lews Smith on 11 May 2021</i></p> <p><i>LGPS Pension Fund 1</i></p> <ul style="list-style-type: none"> – data gathering has started with smaller employers – employers have been asked to send in data on a monthly basis from April 2021 to March 2022, with a request for historical data for April 2014 to March 2021 – employers have been provided with a list of members for which the data is required – there is one employer who has gone into liquidation and national guidance is required on what to do when data cannot be obtained – the plan is to approach schools directly for their data as many have used multiple payroll providers – pension fund committee has approved additional staffing of 1 senior and 3 pensions officers to provide resource for the project, which will be reviewed on a regular basis <p><i>LGPS Pension Fund 2</i></p> <ul style="list-style-type: none"> – having early discussions with an external company to do the data validation for them, need to review their proposal to see if that's how they want to proceed <p><i>LGPS Pension Fund 3</i></p> <ul style="list-style-type: none"> – had continued to collect data since 2014 and are undertaking a data check to see if there is anything missing – starting to contact small employers with a project plan discussion to take place to contact all other employers <p><i>LGPS Pension Fund 4</i></p> <ul style="list-style-type: none"> – liaising with software provider and actuary to see what options they can offer – have made no contact with employers requesting data as yet
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	<p><i>LGPS Pension Fund 5</i></p> <ul style="list-style-type: none"> – have asked all employers to provide data up until March 2020 by March 2021 then going to do another exercise for the remaining period – obtained two thirds of the data so far and have retained 2 people to upload the data but have not looked at the quality of the data provided as yet – indicator suggested on member records so that administrators know when a record has been completed
<p><i>SECSOG</i></p>	<p><i>Provided by Louise Savage on 11 June 2021</i></p> <ul style="list-style-type: none"> – still obtaining responses – approved budget – considering resource (internal/external/software provider led/temps) – already recruited temporary staff and working on uploading data with 31.12.21 deadline to get all data uploaded – didn't stop recording so not a requirement to collect data – not yet started collecting data – looking to do a pilot shortly but employers have been made aware that the data will be required and reports have been run to identify members involved

<i>LPOG</i>	<p><i>Provided by Richard Smythe on 11 June 2021</i></p> <ul style="list-style-type: none">- some funds have always requested hours and service break data- some have gone out themselves to request it- one fund is working with Heywood's who are approaching employers for the data required on behalf of the fund- some have had data back and there was a discussion on the quality of data provided - chiefly, what do you do if you are not confident in the quality of the data you're getting back? - some funds expressed concerns you could be overwriting good data with bad - there was some discussion about recording new data separately so you still have historic data - some questions were also raised on what to do if we don't get the data requested- some funds have started looking at resourcing, and there is some variation in approach - one fund is looking at 3FTE, another is looking at their administrator undertaking with speciality teams - another is looking at a hybrid approach taking on 1FTE and using Heywood's for some
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SWAPOG

Provided by Emma Sanders on 15 June 2021

LGPS Pension Fund 1

- we have engaged with employers and requested data where needed
- it is evident that we will have the majority of the fund membership data in place
- some employers have not yet responded, but these are small employers
- we have not yet begun and further stages of work on the McCloud project

LGPS Pension Fund 2

- we have continued since April 2014 to gather information on hour changes/service breaks etc. from our employers
- in addition to this we have been working with our employer to get the data held in respect of their members signed off/updated, this is going well
- in terms of the next stage we are currently looking at setting up a project team to do the required work to rectify records once the guidance and regulations are issued

LGPS Pension Fund 3

- we have continued to collect PT Hours updates from all employers, so don't think (hope!) that data is an issue for us
- we have had our data checked by Hymans and have been given a report to run through of where they feel data is missing and ultimately where McCloud remedy may be required, but I haven't got anywhere near looking at it

LGPS Pension Fund 4

Actives:

- we are currently mid-way through onboarding employers on to i-Connect and we trying to capture all the part-time hours history information for all members in scope as part of the onboarding process

- however, although some employers in our Fund seem to be able to do this relatively easily, others seem to have greater difficulty due to things like they have changed payroll systems, they don't know how to report off the required information or the payroll system does not hold the data in a way that it is possible to report off it easily
- TUPE transfers also add complication
- we are getting there, but it is taking some time

Deferred/pensioners and other aspects:

- we are not doing anything right now as we are waiting to see what the detail of the final remedy looks like and for Altair to be made compliant whilst the remedy is in place
- we did some project planning some time ago but we have just parked that for the moment as progress at a national level seems particularly slow

LGPS Pension Fund 5

- we've completed our detailed work on identification and established we have the data we need from employers (we just have some service break info to sort out), and are now deciding whether we can progress with any elements of the remediation work ahead of the MHCLG consultation response and publication of the draft regulations later this year
- we can't see that there's much that can be done before then – we expect the draft regulations relates to the required disclosures for ABS with all other areas remaining largely unchanged, but not sure it's safe to progress on this basis

LGPS Pension Fund 6

- we have quite a large data collection exercise to carry out with approximately 450 employers from which we require data
- this exercise is well underway and the response from employers is stepping up now with returns having been received from around a quarter of these employers so far
- we are using the Heywood solution for interfacing this data onto member records

	<ul style="list-style-type: none"> – we have also recruited two new temporary officers to assist with the data collection exercise and eventually the remedy implementation
<p><i>NEPOF</i></p>	<p><i>Provided by Heather Chambers on 11 June 2021</i></p> <ul style="list-style-type: none"> – a number of funds have continued to collect data, so this is not an issue – one fund will be starting the project this month and has a kick-off meeting with their software supplier – others have started to collect data and data is starting to come in, but there is still a lot to do in respect of getting all data and validating and uploading into admin systems – also, some funds have focused on getting data from those employers that are active in the fund. Those with liability but no longer in the fund are yet to be contacted – there is engagement with Civica via their McCloud working group – there is a feeling that as the date may move to 2023 some may feel that the pressure has lifted – also the guidance outstanding for cases where data cannot be found would be helpful

SPOG	<p><i>Provided by Paul Hill on 11 June 2021</i></p> <p><i>Progress for requesting hours / service break information from employers</i></p> <ul style="list-style-type: none"> – 8 out of 9 funds who provided information have now approached their employers in relation to the collection of post April 2014 data – 2 funds have asked all of their employers for the data – 4 funds continued to collect post 14 data at least in part, so are carrying out verification exercises rather than collection – 3 funds have initially contacted smaller groups of employers and will use that experience to inform the rest of the exercise – 1 fund has not yet asked their remaining employers, but already hold a large amount of post 14 data from their two largest employers <p><i>Proportion of employers who have been asked that have responded / provided data</i></p> <ul style="list-style-type: none"> – varying degrees of success ranging from very little to over 50 percent responded <p><i>Are any employers saying they will struggle to or cannot provide this data?</i></p> <ul style="list-style-type: none"> – mixed reception as expected, some are confident they can provide data, some have said they can but not without significant difficulty / resource – some have said it will not be possible at and some have failed to even respond to enquiries <p><i>Have funds been able to start looking at any data received?</i></p> <ul style="list-style-type: none"> – only 1 of the 9 funds have started looking at or processing the data received <p><i>Any other significant issues or successes</i></p>
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| | <ul style="list-style-type: none">– 4 funds reported that they either continued to collect all or most post 2014 data, or have already conducted a data cleansing exercise when moving to iConnect to gather this.– some employers have raised concerns around the proposed timescales for providing data alongside other regulatory requirements and timescales e.g. ESFA.– one fund held employer engagement events covering McCloud and have received really good feedback from employers |
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11) SPPA consultation: McCloud remedy

The Scottish Public Pensions Agency (SPPA) published a [consultation on amendments to the statutory underpin](#). The consultation sought views on proposed changes to the LGPS in Scotland, to remove the unlawful age discrimination identified in the McCloud judgment. The 12-week consultation closed on 23 October 2020. On 22 October 2020 LGPC responded to the consultation. This can be found in the [Scheme consultations page](#) of www.scotlgpsregs.org.

At the National LGPS Technical Group meeting on 5 March 2021 it was agreed that members should update the group with the latest position within their regional pension officer group at future meetings to help highlight any issues that occur nationally.

The regional pension officer group update can be found in the table overleaf.

Group agreement and action

- The group agreed that the McCloud regional pension officer group updates should be supplied in the same format. They agreed to supply the information using the EMPOG method.
- [Each representative must complete the pre-populated proforma](#) with the list of standard questions and [return to Jayne Wiberg](#) by 12 noon on Friday 9 September 2021.

<p><i>SPLG</i></p>	<p><i>Provided by Erin Savage on 9 June 2021</i></p> <ul style="list-style-type: none"> – Firstly, we discussed this issue at our last quarterly group meeting and agreed that it would be worthwhile to set up a working group to share experience (eg resourcing and project plans) as we work through the project. We've not arranged a meeting yet, but our next SPLG meeting is at the end of June where this will be on the agenda. – In terms of progress so far, the updates I have received are as follows: <p><i>LGPS Pension Fund 1</i></p> <ul style="list-style-type: none"> – no reports run as yet. – project lead identified and recruitment exercise ongoing for new trainee administrators to allow anticipated workload to be dealt with – awaiting further instructions from SPPA (consultation response) before progressing further <p><i>LGPS Pension Fund 2</i></p> <ul style="list-style-type: none"> – reports run - identified around 50 percent of members will fall into scope <p><i>LGPS Pension Fund 3</i></p> <ul style="list-style-type: none"> – no reports run as yet – identified challenge of missing data – majority of affected members employed by one employer <p><i>LGPS Pension Fund 4</i></p> <ul style="list-style-type: none"> – believe records are in good place as regards hour changes/service breaks etc – initial analysis has been carried out by the Fund Actuary to establish the number of members in scope – in process of recruiting additional staff to backfill and carrying out staff training to upskill
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	<ul style="list-style-type: none"> – awaiting software developments before any further action taken <p><i>LGPS Pension Fund 5</i></p> <ul style="list-style-type: none"> – internal project group set up, still early days and reviewing reports <p><i>LGPS Pension Fund 6</i></p> <ul style="list-style-type: none"> – early days of project planning
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12) DfC consultation: McCloud remedy

The Department for Communities (DfC) published [a consultation on amendments to the statutory underpin](#). The consultation seeks views on proposed changes to the LGPS in Northern Ireland, to remove the unlawful age discrimination identified in the McCloud judgment. The consultation closes on 31 January 2021.

At the National LGPS Technical Group meeting on 5 March 2021 it was agreed that members should update the group with the latest position within their regional pension officer group at future meetings to help highlight any issues that occur nationally.

The NILGOSC update can be found in the table overleaf.

Group agreement and action

- The group agreed that the McCloud regional pension officer group updates should be supplied in the same format. They agreed to supply the information using the EMPOG method.
- [Each representative must complete the pre-populated proforma](#) with the list of standard questions and [return to Jayne Wiberg](#) by 12 noon on Friday 9 September 2021.

<i>NILGOSC</i>	<p data-bbox="407 194 2027 231"><i>Provided by Zena Kee on 10 June 2021 on behalf of NILGOSC</i></p> <ul data-bbox="407 279 2027 646" style="list-style-type: none"><li data-bbox="407 279 2027 359">– NILGOSC has issued data collection templates to its employers for those named members who have remained with the same employer throughout the period<li data-bbox="407 367 2027 399">– employers have been asked to return data by 30 June<li data-bbox="407 406 2027 486">– we are now compiling spreadsheets with specific individuals who had earlier periods of membership with different employers<li data-bbox="407 494 2027 646">– We have encountered difficulties uploading incoming data using an interface and have resorted to manual uploads as an interim measure. This is most likely a consequence of us having issued the templates before the upload facility was available to test. It has been further complicated by employers failing to complete the form correctly e.g. not give a start date for the data.
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13) Pensions Dashboards Programme – Call for Input on Staging

On the 27 May 2021 the Pensions Dashboards Programme (PDP) published [a Call for Input on Staging](#). The purpose of the call for input is to gather feedback and insight from pension schemes that will inform Government policy on staging. The PDP is recommending that all public service pension schemes should be onboarded in the initial wave – a two-year period starting from April 2023. Questions 22 and 23 of the call for input relate specifically to public service pension schemes and the impact the McCloud judgment may have on their dashboard readiness. The call for input closes on 9 July 2021.

It may be possible for the national insurance database to be expanded into a single ISP for use by all administering authorities. This would mean that administering authorities would upload the required data to the NI database. Thereafter, the dashboards ‘find service’ would look to the NI database for the view data, and the NI data base would return the view data to the dashboards, after all verification had taken place. This removes the need for administering authorities to operate their own individual ISP. Initial investigations suggest that this may take around six months to develop and would be done under public procurement.

Clearly there is a lot more to this suggestion than simply software development, there is also the ongoing maintenance and security. That said, before we proceed any further, we need to understand if this is something administering authorities would be interested in pursuing?

Prior to the meeting group representatives provided feedback from the regional pension officer groups.

Response provided by Richard Smythe on behalf of LPOG on 16 June 2021

All responses are in support of pursuing the use of the NI database, some have made additional comments, firstly with concerns on data security and the risk of fraud when members access the dashboard, and secondly on the timing for defined benefit schemes due to the McCloud remedy.

Response provided by Emma Sanders on behalf of SWAPOG on 15 June 2021

- Yes, this sounds helpful.
- Yes would be happy to allow LGA to submit the data on behalf of our pension fund.
- Yes, anything to reduce all the additional work that we appear to being given at the moment would be appreciated.

- In principle, I'm open to them looking into it, but obviously I am non-committal without more information. I'm assuming the pension dashboard would need to include actual current pension values so it would involve supplying much more information than is presently supplied for the NI database. We have been pushing the LGA for the NI database to include a bit more information (i.e. exact dates rather than just the year and to differentiate better between statuses) but they have been quite reluctant to do so for various reasons so I am a bit surprised they are suggested a more joined up, centralised approach for this.
- Yes.
- Yes – the application of a single ISP would be preferred.

Response provided by Erin Savage on behalf of SPLG on 11 June 2021

One of my colleagues contributes to the PLSA Pensions Dashboard Coordination Group and I spoke with her about the suggestion to use the NI database. She had some concerns about this. Firstly, the NI database is currently updated by Funds on a monthly basis, and the expectation is that more regular uploads will be required for the purposes of the Pensions Dashboard. Further, the dashboard requires more extensive data (including benefit projections) so amendments would be needed to ensure all required information is available. Finally, software providers are already looking at solutions for providing data to the dashboard so this may not be needed.

Response provided by Ian Howe on behalf of EMPOG on 11 June 2021

Generally yes, but it was questioned why this is this more useful than Funds doing it themselves? The overall view seems to be yes, but can we investigate the advantages and disadvantages? A good question was raised about what details you should provide for a “status 2” e.g. a pending leaver where a Fund needs details from the employer to make them a leaver.

Response provided by Paul Hill on behalf of SPOG on 11 June 2021

All funds either fully supported the idea of the LGA investigating this as a possibility or were more in favour than not. However, the following comments were made:

- The decision would have to be made very soon and fed back formally to system providers who are already developing solutions and developing commercial plans to address the Pensions Dashboard initiative.
- If the development of an ISP by the LGA was to go forward it should be recognised that this is a considerable undertaking. Presently, the National NI Database is updated only with very basic personal information by Funds every

month and certainly does not contain any benefit values. Therefore, the NI Database may require significant investment and updates to allow this.

- We would also like to raise concern about the security of the data when members access it in the dashboard – there is a high risk of fraud if the security measures are not robust enough. Our other concern is the timing for the defined benefit and public service schemes – could coincide with the McCloud remedy implementation in 2023.
- We recognise that the NI database is already used by all Funds, but would it need to be changed in order to provide real-time information and would their need to be an extension to security.
- Our only thought though is that, if this method is possible will it be a one for all approach?

Response provided by Louise Savage on behalf of SECSOG on 11 June 2021

Yes please, although also mentioned that as two software providers are already involved in the project that they are/may be already working on this.

Response provided by Heather Chambers on behalf of NEPOF on 11 June 2021

- All in agreement with the proposal.

Response provided by Joanne Griffiths on behalf of WPOG on 11 June 2021

- Of the Funds that responded all of them said they would like the Local Government Association to investigate the possibility of providing the data to the dashboards by way of a single ISP by way of the national insurance database.

Response provided by Zena Kee on behalf of NILGOSC on 10 June 2021

- I don't think this would apply to NILGOSC as we do not use the national insurance database.
- I understand that our software provider is taking forward a method of providing data to the dashboard and has given a verbal commitment that they will have a facility ready in time.

Group agreement

- The group agreed that the LGA should explore the possibility of expanding the national insurance database into a single ISP for use by all administering authorities.

14) DWP consultation on Pension Scams

On 14 May 2021, the Department for Work and Pensions (DWP) launched [a consultation on pension scams: empowering trustees and protecting members](#). The consultation proposes new requirements on trustees and scheme managers before a pension transfer can be completed.

The consultation applies in England, Wales and Scotland. The Government expects the Department for Communities to make corresponding legislation for Northern Ireland. [The LGA responded on 4 June 2021](#).

Group discussion

The group discussed the impact of the consultation. Jayne confirmed that the national transfer forms for use by administering authorities will need to be significantly revised to accommodate the changes. It is expected that the new requirements will be in law by the Autumn of 2021.

15) Automatic payment of default refunds

Please [find paper from Paul Hill](#) concerning the automatic payment of default refunds under the Pension Schemes Act 1993.

Group discussion and agreement

This issue was raised at the [National LGPS Technical Group held on 28 September 2018](#). Solutions were discussed and the regulatory position outlined. The LGA also sought legal advice as to the use of ESCROW accounts ([see bulletin 160 for further information](#)).

Prior to the meeting group members provided the following responses:

Response provided by Emma Sanders on behalf of SWAPOG on 15 June 2021

- We try to trace members but we are not willing to pay repeatedly for tracing, especially where sums involved are low. We have a number of unpaid refunds that we cannot pay. These are recorded on the breaches register. I hope that when the dashboard is in place the onus can be placed on the member to take responsibility for their pension savings, as this is clearly impractical.
- We are currently reviewing the transfer out process and this will include the issuing of a CTS and refund option. In terms of automatically paying the refund as default if no reply we are also not sure how this can be implemented without bank details other than by cheque but again would not be happy to send a

cheque without an address being verified by the member. We would need to chase the outstanding post 14 ones before the expiry of 5 years.

- Some left years ago, I don't understand how would this work/help, unless they just mean paying them as they leave?
- Whilst I've not looked at the technical guidance, my view on this is that each fund has no reasonable way to force the refund upon the member and therefore if we have written to the member offering the money, asking them for their bank details etc, and they have not responded (or if we have unsuccessfully tried to trace them) then in practice the Fund has done all that it reasonably can. If the member contacted us later, then we would still pay it - the member would have no grounds for complaint if we can show we undertook reasonable efforts to pay it and I cannot see how any regulatory body can penalise us. Therefore, it is not something we feel needs any particular, additional action.
- Our current process is to write to members at the last known address 3 months before they reach the 5 years deadline (providing a bank mandate). If they don't respond then a chaser is issued, and if still no response we follow guidance and not obliged to take any further actions. We would not be keen to issue cheques to an address which hasn't been confirmed as the member's (or undertake any tracing of the members' current address) and getting bank details from an employer is a non-starter. Aside from any GDPR issues, the member may have changed their account since they last worked for the employer.
- Reports are run annually in December to identify frozen refund (status 9) members who have a leave date of 01/04/14 onwards. Reports are filtered to remove any "gone away" members and any member who have already breached. The remaining identified members are contacted by letter in January. The letter is asking the member if they want to claim their refund also providing them with a bank details form for completion. The Communication team update the website with information of the 5 year refund process which members will be able to refer to, to confirm the request for their bank details is not a scam. No Chaser letters are sent if we do not receive a returned bank form the refund is calculated 5 years from the date of deferment and the record is marked to reflect this action has been taken and no actual refund has been paid.

Response provided by Erin Savage on behalf of SPLG on 11 June 2021

We have employed the use of tracing agencies to contact members we have lost contact with. We would not contact the employer to obtain bank details.

Response provided by Ian Howe on behalf of EMPOG on 11 June 2021

Funds appear to be at different places. Therefore answers were broad.

- One Fund is paying these into an ESCROW account to discharge the Funds liability.
- Other Funds are tracing people after approximately 4 ½ years to find them (if Funds have lost contact), then getting the person to complete their bank details to allow payment of the refund.
- No Fund supports getting bank details from the previous employer.
- A national understanding on the GDPR implications of getting bank details from a “third party” was considered useful.
- A sensible limit for the actual amount was considered useful – i.e. should you trace a case for £5 or less?

Response provided by Paul Hill on behalf of SPOG on 11 June 2021

Most funds acknowledged that without member engagement or the bank details, it is not possible to comply with the requirement to pay the refund at the end of the 5 year period. The following points were also noted:

- Most funds leave the members record as a frozen refund entitlement, even after the 5 year time limit has expired – this ensures the member still appears on the NI Database for other funds to see.
- Most funds would write to the member before the expiry date to try and facilitate payment. Some would also use a tracing service if the contact details were doubtful.
- No fund said they would contact the former employer for bank details.
- 1 fund said that if a member asked for their refund after the 5 year point it is paid but is treated as a breach.
- No funds said they actively do anything to contact members after the 5 year point has passed.

Response provided by Louise Savage on behalf of SECSOG on 11 June 2021

- No authorities mentioned they have the facility to issue cheques, those that specifically commented on cheques said they did not have this available.
- Approach member only to obtain bank details and don't think employer would provide this under GDPR.
- Thought we were waiting for a regulation change in relation to post 2014 refund and the 5 year issue of 'must pay refund'.
- How does just paying a refund fit with: making an award and showing the calculation, giving the right of appeal (cannot issue a letter to an address from which no response is received without a data breach occurring), potentially making an unauthorised payment.

- Some tracing of members where there is a refund due of an amount significant to warrant doing so but at a cost to the fund which is not recoverable from the refund.

Provided by Heather Chambers on behalf of NEPOF on 11 June 2021

- No funds are using cheque to last address.
- From those who responded the common approach is to set a diary, pick up around one year to six months before deadline send reminder then final letter to address on file . If no response, then change status to no further liability within admin system and take no further action.
- Funds have tried tracing exercises, but this has not been effective.

Provided by Joanne Griffiths on behalf of WPOG on 11 June 2021

Funds have been contacting these members asking them to complete a form with their bank account detail however on the whole I think the response rate has been low, and if the member does not response, they are kept as a Frozen Refund.

Response from Zena Kee on behalf of NILGOSC on 10 June 2021

It doesn't really solve the issue but to get round constantly having to do breach reports we have asked our Department to consider amending the regulations to permit a refund to be paid at NILGOSC's discretion after five years from the date the active membership ceased and hope this will be included in the next set of amending regulations.

16) MHCLG letter about new requirement for exit payment data

On 12 February 2021, the government issued the [Exit Payment Cap Directions 2021](#) which disapply parts of the exit cap regulations with immediate effect. As the Directions disapply regulation 3 of the exit cap regulations, the exit cap no longer applies in England with effect from 12 February 2021.

On 9 April 2021, MHCLG wrote to chief financial officers of councils and combined authorities in England, letting them know about a new requirement to provide data on exit payments. Councils are asked to provide data on all redundancy payments, pension strain payments and other special payments made in consequence of an exit for 2014/15 to 2020/21 by the end of May 2021. It is expected that a similar request will be required for subsequent years. The letter confirms that the data will be used to inform delivery of the Government's objective to end excessively high exit payments in the public sector.

On 27 May 2021 MHCLG wrote to Chief Financial Officers formally requesting historical exit payment data. Deadlines for supplying the data are:

- 21 June 2021 (extended from 14 June 2021): data for 2019-20 and 2020-21
- 30 June 2021: data for 2014-15 to 2018-19

Group discussion

The group had a general discussion concerning the provision of the data to MHCLG. MHCLG confirmed that they had had a really good response and that the date had been extended to 21 June 2021 because they had received a rush of queries concerning the provision of the data.

17) Claims Management Companies (CMCs) standard response

Following on from the previous agenda item, [all the feedback received](#) indicates that a standard approach across the LGPS, for responding to communications with CMCs, should be created. The feedback also suggests what could be included within a standard response.

Group discussion and agreement

The group discussed the matter and agreed that:

- the LGA should seek guidance / legal view on what administering authorities should be providing in their response to CMCs.
- Ian Howe, Paul Hill and Liz Vollans will to work with the LGA in providing examples of communications from CMCs and fine tuning the guidance to administering authorities.

Postscript

On 21 June 2021, Jayne emailed Ian, Paul and Liz requesting that they send copies of communications they have received from CMCs.

18) Prudential AVCs

At the meeting of 10 December 2020, concerns were raised about the poor performance of Prudential with respects the LGPS In-house AVC schemes. Members discussed [the comments](#) fed back from the regional pension officer groups.

Following the meeting, Lorraine Bennett contacted TPR. TPR confirmed that they are aware of the situation. They also confirmed that they would welcome any reports from administering authorities through their [normal whistleblowing channels](#). Although this does not fit into any of TPRs 'standard' boxes they have said they can look into it. On 11 June 2021 Jeff Houston (Head of Pensions – LGA) raised the matter with the Financial Conduct Authority and will follow this up.

Group discussion

The group discussed the position in detail, individual member's reported a wide range of positions though most negative:

- vast improvements in the last two to three weeks with only two cases outstanding, another administering authority has only one case outstanding
- two administering authorities reported themselves to TPR as a material breach due to the late payment of benefits, another administering authority is intending to report Prudential to TPR
- initial improvements but the service has now deteriorated again
- ongoing problems, payments not coming through unless a complaint is raised
- Prudential have confirmed that they will not be able to provide their accounts until August which is impacting on the provision of the pension fund accounts
- inconsistent improvement, information not provided on time, formal complaints, employers unable to establish shared cost AVCs due to lack of communication
- no improvements, requested that Prudential attend regional pension officer groups but no attendance
- an administering authority advised to review AVC providers in general, however, another member confirmed that they had already done this and the outcome was that other providers are no better in terms of performance, seems to be a general problem across the market place

Postscript

On 21 June 2021, Jayne contacted Richard and Claire for copies of their two live cases in order to send to the Financial Conduct Authority.

19) National LGPS Technical Group Meetings 2022

Group agreement

The group had a general discussion regarding the advantages and disadvantages of virtual, hybrid and face to face meetings. The group concluded there are positives and negatives in all cases.

The actuarial firms confirmed that none of their offices are currently available to hold meetings. The group therefore agreed to keep this item on the agenda until such a time when it is possible for the actuarial firms to host face to face meetings.

20) Independent Financial Advisers(IFAs)

Please [see paper from Ian Howe](#). At the meeting of 10 December 2020, it was agreed that each member would discuss the paper's content at their respective pension officer group. Members discussed the comments fed back from the regional pension officer groups at the meeting of 5 March 2021. Jayne Wiberg sent [a collation of the feedback](#) to the Scheme Advisory Board in England and Wales on 10 March 2021 (requested update on 2 June 2021).

To note

SAB England and Wales have met with TPR and the matter is ongoing.

21) CIPFA annual report guidance

At the meeting in March 2020 Richard Lloyd-Bithell from the Chartered Institute of Public Finance and Accountancy (CIPFA) discussed with the group how the key performance indicators (KPIs) within the CIPFA annual report guidance were determined. The group made various agreements with Richard ([these are noted in the minutes of the March 2020 meeting](#)). They also agreed to set up a sub-group to work with CIPFA with representatives from each of the regional pension officer groups in England, Wales and Scotland.

At the meeting of 12 June 2020, it was agreed to delay implementation of the group, so as not to add pressures to those already faced by administering authorities due to COVID-19. At the meeting of 1 October 2020, the group agreed that this area had fallen by the wayside in levels of importance due to conflicting priorities (McCloud, Exit Cap etc). They also noted that the Scheme Advisory Board Good Governance review is also moving along and thus agreed to push this work back to 2021.

To note

22) LGA technical queries with MHCLG

All [LGA technical queries](#) with MHCLG can be found on the 'technical group minutes' page of www.lgpsregs.org and www.scotlgps.org. The latest version is dated 21 April 2021.

To note

23) Historical list of decisions made by the group

All [recommendations / agreements / outcome of decisions](#) made by the National LGPS Technical Group from 1 April 2014 to date can be found on the 'technical group minutes' page of www.lgpsregs.org and www.scotlgps.org.

To note

24) List of recommendations made to the SAB England and Wales

[Recommendations](#) made to the SAB England and Wales from November 2018 to date can be found on the 'technical group minutes' page of www.lgpsregs.org and www.scotlgps.org.

Update from MHCLG

This item is ongoing with MHCLG.

25) Group membership

The current list of [group membership](#) can be found on the 'technical group minutes' page of www.lgpsregs.org and www.scotlgps.org.

Update

- Phil Drury has replaced Jo Walton as a representative from EMPOG
- Emma Sanders has replaced Kathryn Shore as a representative from SWAPOG

26) Any other business

To be sent by email to the chairperson before the start of the meeting.

Disclosure requirements for annual benefit statements

[Query raised by Zena Kee concerning the disclosure requirements](#) surrounding active annual benefits statements that are placed on a website for viewing.

Group discussion

There was a general discussion around the communications that take place when active annual benefit statements are placed online. Individual members confirmed a range of practices, administering authorities:

- send an email to the member (where a valid email address is held) or send written notification
- ask the employers to notify members that their statement is available online
- only notify members that their statement is available online if they have registered for the online service
- send a newsletter to members notifying them that their statement is available online

Group agreement

It was agreed that:

- group members would contact regional pension officer groups to determine local disclosures practices and [feedback the outcome to Jayne Wiberg, using the pre-populated standard proforma](#), before the next National LGPS Technical Group meeting (by no later than 12 noon on 9 September 2021)
- LGA would place an article in June 2021 bulletin setting out the regulatory requirements.

27) Date of next meetings

1 October 2021

MS Teams – 9.30am till 2.00pm

New agenda items, updates for existing agenda items and updates from Government Departments for meeting of 1 October 2021, to be supplied to Kelly.Scotford@royalgreenwich.gov.uk the Secretary and jayne.wiberg@local.gov.uk LGA by no later than 12 noon on 9 September 2021 using the [blank template for agenda items](#).

7 December 2021

MS Teams – 9.30am till 2.00pm

New agenda items, updates for existing agenda items and updates from Government Departments for meeting of 7 December 2021 to be supplied to Kelly.Scotford@royalgreenwich.gov.uk the Secretary and jayne.wiberg@local.gov.uk LGA by no later than 12 noon on 23 November 2021 using the [blank template for agenda items](#).