

Update of Matters circulating that are likely to affect Scheme Administration SEPT 2017

Organisation	Subject	Link	Comments
HM Treasury	Pensions scams: consultation	https://www.gov.uk/government/consultations/pension-scams/pensions-scams-consultation	Awaiting response to consultation
	Indexation and equalisation of GMP in public service pension schemes Published on 28 November 2016 Consultation ended 20 February 2017	https://www.gov.uk/government/consultations/indexation-and-equalisation-of-gmp-in-public-service-pension-schemes	APF responded to consultation in Feb 2017 HM treasury to respond sometime next year [2018].
	Reforms to public sector exit payments: response to the consultation	https://www.gov.uk/government/consultations/further-consultation-on-limiting-public-sector-exit-payments http://www.legislation.gov.uk/uksi/2017/70/pdfs/uksi_20170070_en.pdf	Put back as a result of General Election and lack of Parliamentary time Further consultation on the claw back for re-employment in first year and setting the exit cap at £95k are now expected in Oct/Nov 2017 The third more broader proposals in the third consultation no further development on these
HM Revenues & Customs	Revenue and Customs Brief 14 (2016): VAT, Deduction of VAT on pension fund management costs following Court of Justice of the European Union decision in PPG	https://www.gov.uk/government/publications/revenue-and-customs-brief-14-2016-vat-deduction-of-vat-on-pension-fund-management-costs-following-court-of-justice-of-the-european-union-decision/revenue-and-customs-brief-14-2016-vat-deduction-of-vat-on-pension-fund-management-costs-following-court-of-justice-of-the-european-union-decision	Changes to the reclamation of VAT on fund management costs may affect LGPS funds once pooling is in place. These changes were originally due with effect from 1st January 2017 but have now been pushed back to 1st January 2018. Project Brunel will be keeping an eye on how it is evolving and take appropriate advice. Consultation closed 31 December 2017
DCLG	LGPS Regulations: Draft Amendment Regulations with Best Value & Fair Deal consultation and freedom and Choice options	https://www.gov.uk/government/consultations/local-government-pension-scheme-regulations	This consultation covered Best Value and Fair Deal for the transfer of staff.. Changes to regulations for Freedom and Choice s The other amendments were operational Consultations for Fair Deal assimilations expected Oct/Nov 2017 No further details on progress on others.

The Pension Regulator (TPR)	TPR provides guidance for trustees setting and monitoring investment strategies PN17-12 [30/03/2017]	http://www.thepensionsregulator.gov.uk/press/pn17-12.aspx	As part of its strategy to produce simpler guidance for occupational pension schemes, The Pensions Regulator (TPR) has recently published new investment guidance for trustees.
	Clarification sought from TPR on LGPS implications [27/4/2017] (Follow up sent 30/05/2017)	Response from TPR	The guidance was developed for trust-based DB schemes and is not explicitly for LGPS funds, but some of the principles will apply to LGPS funds so they may wish to consider it as appropriate.
Financial Conduct Authority (FCA)	CP16/29: Markets in Financial Instruments Directive II implementation – Consultation Paper III	https://www.fca.org.uk/publications/consultation-papers/cp16-29-mifid-ii-implementation	The FCA will be issuing its response and any changes to the criteria to enable LGPS funds to opt up more easily by end of June 2017. The FCA has set the opt up criteria to take the LGPS decision making characteristics into account. The opt up template for LGPS funds has been issued. Funds are required to opt up before 1 Jan 2018
Scheme Advisory Board(SAB)	Academies' review	http://www.lgpsboard.org/index.php/structure-reform/review-of-academies	Ministers agreed that DfE, DCLG, GAD and the Board should continue to work closely together to pursue solutions, engaging key stakeholders including pension funds, actuarial firms and academy trusts as appropriate. The next stage will be to gather relevant evidence and develop specific proposals for change that the Board will consider before submitting its recommendations to Ministers for their consideration.
	SAB consultations Academies		The SAB is undertaking work to set out options for managing the academy sector within the LGPS. The have published a consultation on the objectives for the next stage of the consultation. The Fund's response and covering letter are in Appendix 3.
	Cross Pooling		The SAB has agreed in principle to establish an elected member led Cross Pool Forum to share and disseminate information on the pooling of LGPS assets. The consultation covers the remit, membership and frequency of the proposed forum. The same consultation also seeks views on whether a one off open session on progress towards pooling should be organised for chairs of committees and boards. The Fund's response and covering letter are in Appendix XX.

Those highlighted in Grey are those previously reported but no further developments have occurred

These will then be removed from next list unless further developments are expected