

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

Organisation	Subject	Link	Comments
<p><b>HM Treasury</b></p> <p>UPDATED</p>	<p>Pensions scams: consultation</p>	<p><a href="https://www.gov.uk/government/consultations/pension-scams/pensions-scams-consultation">https://www.gov.uk/government/consultations/pension-scams/pensions-scams-consultation</a></p> <p><a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/638844/Pension_Scams_consultation_response.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/638844/Pension_Scams_consultation_response.pdf</a></p>	<p>Awaiting response to consultation</p> <p>Government Response issued August 2017 outlines key areas</p> <p>a ban on cold calling in relation to pensions, to help stop fraudsters contacting individuals</p> <p>limiting the statutory right to transfer to some occupational pension schemes</p> <p>making it harder for fraudsters to open pension schemes</p>
<p>UPDATED</p>	<p>Indexation and equalisation of GMP in public service pension schemes Published on 28 November 2016 Consultation ended 20 February 2017</p>	<p><a href="https://www.gov.uk/government/consultations/indexation-and-equalisation-of-gmp-in-public-service-pension-schemes">https://www.gov.uk/government/consultations/indexation-and-equalisation-of-gmp-in-public-service-pension-schemes</a></p>	<p>APF responded to consultation in Feb 2017 HM treasury were expected to respond sometime next year [2018]. Indications are that this will now been reported that HMRC may be responding earlier on this before the end of the 2017</p>
	<p>Reforms to public sector exit payments: response to the consultation</p>	<p><a href="https://www.gov.uk/government/consultations/further-consultation-on-limiting-public-sector-exit-payments">https://www.gov.uk/government/consultations/further-consultation-on-limiting-public-sector-exit-payments</a></p> <p><a href="http://www.legislation.gov.uk/uksi/2017/70/pdfs/uksi_20170070_en.pdf">http://www.legislation.gov.uk/uksi/2017/70/pdfs/uksi_20170070_en.pdf</a></p>	<p>Put back as a result of General Election and lack of Parliamentary time</p> <p>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</p> <p>The third more broader proposals in the third consultation no further development on these</p>
<p><b>HM Revenues &amp; Customs</b></p>	<p>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</p>	<p><a href="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">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</a></p>	<p>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</p>

<b>DCLG</b>	LGPS Regulations: Draft Amendment Regulations with Best Value & Fair Deal consultation and freedom and Choice options	<a href="https://www.gov.uk/government/consultations/local-government-pension-scheme-regulations">https://www.gov.uk/government/consultations/local-government-pension-scheme-regulations</a>	This consultation covered Best Value and Fair Deal for the transfer of staff. Changes to regulations for Freedom and Choice The other amendments were operational  Some movement on Consultations is expected in Autumn
	DCLG Resources		DCLG have staffing pressures where a member of staff has left and will not be replaced  Also with other more pressing demands DCLG have limited access to any legal resource for producing legislation
<b>The Pension Regulator (TPR)</b>  <b>UPDATED</b>	TPR provides guidance for trustees setting and monitoring investment strategies PN17-12 [30/03/2017]  Clarification sought from TPR on LGPS implications [27/4/2017] (Follow up sent 30/05/2017)	<a href="http://www.thepensionsregulator.gov.uk/press/pn17-12.aspx">http://www.thepensionsregulator.gov.uk/press/pn17-12.aspx</a>  Response from TPR	As part of its strategy to produce simpler guidance for occupational pension schemes, The Pensions Regulator (TPR) has recently published new <a href="#">investment guidance</a> for trustees.  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.
<b>NEW</b>	Public Sector pensions website update	<a href="http://www.thepensionsregulator.gov.uk/public-service-schemes.aspx">http://www.thepensionsregulator.gov.uk/public-service-schemes.aspx</a>	The Regulator dedicated public sector web pages provides a wealth of information regarding its Code of Practice 14 and public service toolkit. The toolkit which provides a foundation to effective scheme governance and administration has been updated and additional guides and checklist published.
<b>NEW</b>	Annual survey of public sector schemes	<a href="http://www.thepensionsregulator.gov.uk/docs/public-service-research-2017.pdf">http://www.thepensionsregulator.gov.uk/docs/public-service-research-2017.pdf</a>	The 2017 annual benefit statements were despatched and the Fund will be considering the findings of the Regulator's 2016 annual survey results and any actions required to be implemented relating to governance, internal controls, record keeping and member communication.
<b>Information Commissioners Office</b>  <b>NEW</b>	General Data Protection Regulations (GDPR)	<a href="https://ico.org.uk/for-organisations/dataprotection-reform/overview-of-the-gdpr/">https://ico.org.uk/for-organisations/dataprotection-reform/overview-of-the-gdpr/</a>	Comes into effect in May 2018 and replaces the Data Protection Act 1998. Introduces new obligations on data controllers. The Fund is both a data controller and a data processor and needs to ensure that it has appropriate processes in place in order to comply with the changes being introduced.  Avon Pension Fund is working closely with other depts. In B&NES and seeking cooperation with other Funds in developing project plans, Sessions have been held with the Chief Auditor. The Pensions Manager is involved within the B&NES process for rolling out.

<b>Financial Conduct Authority (FCA)</b>  <b>UPDATED</b>	CP16/29: Markets in Financial Instruments Directive II implementation – Consultation Paper III	<a href="https://www.fca.org.uk/publication/consultation-papers/cp16-29-mifid-ii-implementation">https://www.fca.org.uk/publication/consultation-papers/cp16-29-mifid-ii-implementation</a>	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. <b>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</b>
<b>Scheme Advisory Board(SAB)</b>  consultation	Academies' review  Academies	<a href="http://www.lgpsboard.org/index.php/structure-reform/review-of-academies">http://www.lgpsboard.org/index.php/structure-reform/review-of-academies</a>	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.  <b>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 was approved at Sept 2017 Pensions Committee.</b>
consultation	Cross Pooling		<b>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 was approved at Sept 2017 Pensions Committee.</b>
NEW	Tier 3 employers	<a href="http://www.lgpsboard.org/index.php/board-publications/invitation-to-bid">http://www.lgpsboard.org/index.php/board-publications/invitation-to-bid</a>	Covers those Fund employers with no tax raising powers or guarantee. SAB is keen to identify the risk to LGPS Funds of default by such employers.  There are currently two concurrent phases of work involved – collating data and identification of issues.  SAB will then assess the risks to Funds and consider next steps.

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

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