

Bath & North East Somerset Council		
MEETING	AVON PENSION FUND LOCAL PENSION BOARD	
MEETING	8 December 2022	Agenda Item Number
		09
TITLE:	Update on Legislation	
WARD:	All	
AN OPEN PUBLIC ITEM		

1 THE ISSUES

- 1.1 The purpose of this report is to update the Pension Fund Board on the latest position concerning the Local Government Pension Scheme [LGPS] and any proposed regulatory matters that could affect scheme administration. An updated list is available to view in the Modern Gov Library.

2 RECOMMENDATION

The Board is asked to:

- 2.1 Note the current position regarding the developments that could affect the administration of the fund.

3 THE REPORT

The table below provides a summary of the main regulatory updates since the last meeting covering McCloud and Pension Dashboards, including brief comment on what the implications are for the Fund and what next steps will be. Confirmation of the new DLUHC minister is also included for reference alongside brief comment on a couple of areas where further updates are expected in the coming weeks, which could have implications for the administration team. Further details can be found in the updated list which is accessible on the Modern Gov library via the following text path – **Modern Gov/Library/Avon Pension Fund/2022-2023 Quarter 03/01 Regulatory Update**

Item	Latest Position	Relevant Links	Action by Fund / Next Steps
New DLUHC Minister	Lee Rowley was appointed Minister of State at the Department for Levelling Up, Housing and Communities on 27 October 2022 replacing Paul Scully who had been in post since 8 July.	https://www.gov.uk/government/ministers/parliamentary-under-secretary-of-state--172 https://lgpsboard.org/images/Other/Letter to Lee Rowley M P from Cllr Phillips November 2022.pdf	<p>No action – just to note and to acknowledge that the appointment of the new minister and potential for further delays in current workstreams.</p> <p>The Chair of the Scheme Advisory Board has written to the new minister to welcome him to his new role.</p>
McCloud Judgment	<p>It is expected that the expected timing for guidance and regulations will be delayed (relative to the earlier timetable issued by DLUHC).</p> <p>It has been confirmed that certain Teachers will also be eligible for LGPS membership due to the McCloud remedy.</p>		<p>Fund to continue work on collating/analysing data from employers in relation to implementing the remedy An officer from the Fund is also represented on the scoping group setup to discuss how Funds can implement the remedy.</p> <p>Any delays in the relevant stages may have administrative implications given the time available to respond/progress may be shortened.</p> <p>The inclusion of certain Teachers in relation to the LGPS remedy will also add to the administrative burden and further guidance awaited on how to deal with such cases.</p>
Pension Dashboard	<p>The Pension Dashboard Programme gathers pace with developments in a number of areas.</p> <p>The main development over recent months was the laying of a draft of The Pensions Dashboard Regulations 2022 before each House of Parliament by DWP. These were debated on 15 November by MPs and Peers and approved.</p>	https://www.legislation.gov.uk/ukdsi/2022/9780348239645/contents? https://www.pensionsdashboardprogramme.org.uk/2022/11/16/dashboards-standards-released-following-consultation/	<p>The Fund will continue its preparations towards meeting the necessary Pensions Dashboard requirements and awaits further guidance from central bodies e.g. LGA in relation to what action LGPS Funds should be considering.</p> <p>A separate update will be provided on this item in the administration report in relation to what actions have/are being taken by the Fund.</p>

	<p>The rules that will ensure the stability and security of pensions dashboards have also been finalised and published by the PDP.</p> <p>Further information can be found on the PDP and PASA websites.</p>	<p>https://www.pensionsdashboardsprogramme.org.uk/pur/</p>	
<p>Other areas expected to have implications for administration team (expected shortly)</p>	<p>SCAPE Discount Rate Response to June 2021 consultation expected in coming weeks, including potential revision to SCAPE discount rate.</p> <p>Oasis Academy Consultation Response to December 2021 consultation expected in coming weeks.</p> <p>CARE Revaluation Date Consideration currently being given to amending the revaluation date to 6 April from 1 April to increasing number of members potentially subject to annual allowance charges.</p>		<p>Once decisions emerge in these areas, depending on the outcomes, there is likely to be knock-on implications for the administration team, which will need to be considered as required in terms of resource management / stakeholder communication / process changes etc.</p>

4 FINANCIAL IMPLICATIONS

- 4.1 The administrative and management costs incurred by Avon Pension Fund are recovered from the employing bodies through the employer's contribution rates.
- 4.2 Any other specific financial implications will be reported as appropriate.

5 RISK MANAGEMENT

- 5.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

6 EQUALITIES STATEMENT

- 6.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

7 CLIMATE CHANGE

- 7.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint. The Fund acknowledges the financial risk to its assets from climate change and is addressing this through its strategic asset allocation to Low Carbon Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

8 OTHER OPTIONS CONSIDERED

- 8.1 None

9 CONSULTATION

- 9.1 The report has been consulted with the Head of Pensions and Director – One West and have cleared it for publication.

Contact person	<i>Geoff Cleak, Pensions Manager; Tel 01225 395277</i>
Background papers	<i>LGA Bulletins SAB Meeting Minutes National Technical Group Meeting Minutes</i>
Please contact the report author if you need to access this report in an alternative format	