

APPENDIX 1 – REGULATORY UPDATE

Item	Latest Position	Relevant Links	Action by Fund / Next Steps
<p>Pensions Review / General Governance</p>	<p>LPPI Work continues to transition the Fund’s assets from Brunel to LPPI.</p> <p>Consultations On 9 December 2025, MHCLG issued a closed consultation with regard to the draft investment, pooling and governance guidance that will accompany the new LGPS investment, and LGPS Amendment Regulations.</p> <p>Whilst a closed consultation, the Scheme Advisory Board responded on 9 January 2026. The consultation closed on 12 January 2026. LGPC also submitted comments to MHCLG and echoed the Board’s concerns that introducing significant changes simultaneously across member benefits, governance and investments could undermine effective implementation and pose risks to the reputation of the LGPS. The importance of adequate notice and sufficient time to implement change (prior to any further reforms) has been stressed.</p> <p>On 20 November 2025, MHCLG launched the “Fit for the Future – technical consultation” seeking views on draft statutory instruments – the LGPS (Pooling, Management and Investment of Funds) Regulations 2026, which will replace the LGPS (Management and Investment of Funds) Regulations 2016 and give legal effect to pooling/local investment changes emerging from the Fit for the Future consultation, and the LGPS (Amendment) Regulations 2026, which will implement the governance proposals from the consultation. Both sets of Regulations will be supported by guidance and will come into force from 1 April 2026 (subject to the Pensions Schemes Bill’s passage through Parliament).</p> <p>The LGPC issued a response to the consultation on 22 December 2025, and the Scheme Advisory Board’s published its response on 23 December 2025. The consultation closed on 2 January 2026.</p> <p>A response to both consultations from the government is now awaited.</p>	<p>https://lgpsboard.org/wp-content/uploads/2026/01/SAB-response-to-MHCLG-FFF-guidance-closed-consultation-FINAL-1.pdf</p> <p>https://lgpslibrary.org/assets/cons/lgpsew/20260102%20Fit%20for%20the%20future%20technical%20response.pdf</p> <p>https://lgpsboard.org/wp-content/uploads/2026/01/Fit-for-the-Future-technical-consultation-SAB-response-FINAL-1.pdf</p>	<p>The latest position around the transition to LPPI and other updates on pooling will be considered further by the Head of Pensions and the investment team alongside advisors and reported separately.</p> <p>The latest position around the governance requirements and how the Fund will comply with these will be reported separately.</p> <p>Overall, as highlighted by LGPC and SAB, the simultaneous changes that will emerge across multiple areas of the Fund will need to be managed/resourced effectively to ensure the Fund meets the new requirements.</p>
<p>Pension Schemes Bill</p>	<p>The Pension Schemes Bill 2025 continues to make its way through Parliament and is now at the Committee stage in the House of Lords.</p> <p>A number of amendments continue to be debated in relation to the Bill, some of which will have implications for the LGPS both in relation to pooling, governance, and more recently potential implications for funding. It is now expected that the government will consult on changes to Regulation 64A later in the year, which relates to the review of contributions between actuarial valuations.</p>	<p>https://bills.parliament.uk/bills/3982</p>	<p>The Bill will have implications for how the outcomes of the Fit for the Future consultation are implemented and so will impact the investment and governance teams, in particular. Developments will be monitored and the impact considered further should any changes be made and/or further details are released.</p> <p>Aside from the Fit for the Future implications, the Fund will continue to monitor how the approach to remedying the problems caused by the Virgin Media judgment will be implemented and also observe potential changes to Regulation 64A which may emerge following the expected consultation later in the year, which will have implications for the Fund’s policies, the employer team, and employers themselves.</p>

			Regulation 64a relates to: Revision of rates and adjustments certificate: Scheme employer contributions
Access and Protection Consultation	<p>Responses to the “Access and Protection” consultation were published by the Scheme Advisory Board on 18 December 2025 and the LGPC on 22 December 2025 (which included comment on the proposed draft Regulations). The Board’s response endorsed much of that included in the LGPC response although there were differences in the introduction of the NMPA and the need for protection for existing members given the composition of the Board’s membership.</p> <p>The Fund also submitted its own response and liaised with Mercer on their response.</p> <p>On 24 February 2026, the government published a response to the section of the consultation relating to access to the LGPS in England for elected Councilor members. The response confirms that elected members will be eligible for membership (on an opt-in basis) with effect from 11 May 2026. The benefits will be closely aligned with those for non-elected members but there will be some exceptions.</p> <p>The government’s response to the other three areas of the consultation (minimum pension age, academy consolidations, and New Fair Deal) is expected to be available later in the year.</p>	<p>https://lgpsboard.org/wp-content/uploads/2026/01/Access-and-Protections-SAB-response-FINAL-1.pdf</p> <p>https://lgpslibrary.org/assets/cons/lgpsew/202512_22_Access_Protections_response.pdf</p> <p>https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-scheme-improvements-access-and-protections/outcome/local-government-pension-scheme-in-england-and-wales-access-for-elected-members-government-response#introduction</p>	<p>The proposals in the consultation will have implications for the Fund in a number of areas given the impact on members, employers, administration and governance. As with the Access and Fairness proposals (see below), as changes emerge in 2026 it is important for the Fund to factor these into business planning and budget considerations for the year ahead.</p> <p>The announcement of the effective date for the Councilor / Mayor Scheme in May 2026 means that the Fund will need to liaise closely with software providers to ensure system functionality is available and consider what communications, website updates etc. will be required.</p> <p>Given MHCLGs decision to approve the transfer of Oasis academies to LPFA, the administration team are currently considering what the next steps will be in relation to the transfer process to LPFA.</p>
Access and Fairness Consultation	<p>On 2 February 2026, the government published its response to the “Access and Fairness” consultation that was released in May 2025 and closed in August 2025. The response acknowledges the concerns raised regarding administrative impact and confirms that the government will proceed with a phased implementation. Phase one changes will be introduced in April 2026, and phase two later in the year. A statutory instrument implementing the phase one changes will be laid at the start of March and take effect from 1 April 2026.</p> <p>The first phase will prioritise changes to the following:</p> <ul style="list-style-type: none"> • Survivor benefits and death grants • Gender pension gap (unpaid absence) • Gender pension gap reporting (reduced version for 2025) • McCloud remedy • Abolition of Lifetime Allowance <p>The second phase will focus on implementing changes to:</p> <ul style="list-style-type: none"> • Gender pension gap reporting (fuller version ahead of 2028) • Opt-out reporting • Forfeiture • All other Regulation changes set out in the consultation response <p>Where appropriate, guidance will be produced in collaboration with stakeholders.</p>	<p>https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-access-and-fairness/outcome/local-government-pension-scheme-in-england-and-wales-access-and-fairness-government-response</p>	<p>Whilst the changes to this consultation are being staggered, it does not give LGPS Funds or system providers the time to plan and implement changes to deal with the work in an efficient way, and it all comes in a year when McCloud Remedy is to be completed and potentially Pensions Dashboard goes live. This has the potential to overwhelm LGPS Funds administration teams.</p> <p>Implementing the various changes can only be started when guidance is given, which is not expected until April 2026 at the earliest. This is particularly critical for the rectification of survivor benefits, which has been confirmed as being an historic review.</p> <p>The Funds Actuary has incorporated Gender Pension Gap reporting into the 2025 valuation results schedules and their formal actuarial valuation report. It remains to be seen whether any employers will request further information of their own position in due course.</p>

<p>Pensions Dashboard</p>	<p>Various publications/updates relating to Pension Dashboards including updated support for LGPS Funds to comply with the necessary requirements have been released and are summarised below:</p> <p>PDP On 28 January 2026, PDP issued a consultation on changes it has proposed to the latest draft of its reporting standards (version 2.1). The updated draft changes how data will be reported to MaPs but does not change what data must be generated, recorded, or reported. The consultation closes on 25 March 2026.</p> <p>On 8 January 2026, PDP issued a consultation on how they can work with the industry to deliver Private Sector Dashboard (PSDs). The consultation closed on 10 February 2026.</p> <p>PDP have also published further articles on preparing data for dashboards, their December 2025 progress update report, and a blog around getting data ready.</p> <p>LGA Connection/Administration Guides In response to an update from TPR on 17 December 2025 the LGA will be updating their Dashboard Connection / AVC guides to reflect these changes, which relate to:</p> <ul style="list-style-type: none"> - Aligning illustration dates for LGPS benefits e.g., main/AVC benefits and, - Unavailable codes and 10-day deadline for submitting value data, with TPR setting out its expectations for administering authorities here and what should be recorded/reported etc. 	<p>https://www.pensionsdashboardsprogramme.org.uk/publications/blogs/reporting-standards-latest-update-and-consultation</p> <p>https://www.pensionsdashboardsprogramme.org.uk/publications/news/proposed-approach-to-collaborating-with-industry-to-deliver-private-sector-dashboards</p> <p>https://www.pensionsdashboardsprogramme.org.uk/publications/blogs/preparing-data-for-dashboards-what-you-need-to-do</p> <p>https://www.pensionsdashboardsprogramme.org.uk/progress-update-report</p> <p>https://www.pensionsdashboardsprogramme.org.uk/publications/blogs/getting-data-ready-for-dashboards-benefits-for-savers-and-schemes</p>	<p>The Fund joined the Pensions Dashboard ecosystem by 31 October 2025, with contracts having been signed by all parties including our AVC providers.</p> <p>We are continuously monitoring and improving our data, identifying any new areas which need attention in line with issued guidance. In advance of the Dashboard going live, we are creating BAU admin procedures to process Dashboard-related requests within the timescales prescribed under the Regulations.</p>
<p>Pension Taxation</p>	<p>On 26 November 2025, the Chancellor delivered the Autumn Budget. The changes set out included direct implications for the LGPS on:</p> <ul style="list-style-type: none"> - Salary Sacrifice – a limit of £2000 on the value of contributions made through such arrangements that can receive employer and employee national insurance contributions relief. This will impact those members using such arrangements to make AVCs. Guidance has also been produced. - Inheritance Tax – confirmation that the government will proceed with previously announced proposals to include certain unused pension funds and death benefits within the estate for inheritance tax purposes for deaths after April 2027. A policy paper was also produced. - Stamp Duty Land Tax Relief (SDLT) – An amendment to the rules to provide a time limited (5 years) SDLT exemption for transfers of real estate assets from LGPS funds to the pools. <p>Since the Budget, Bills relating to National Insurance Contributions and Inheritance Tax are progressing through Parliament.</p>	<p>https://www.gov.uk/government/publications/budget-2025-document</p> <p>https://www.gov.uk/government/publications/changes-to-salary-sacrifice-for-pensions-from-april-2029/changes-to-salary-sacrifice-for-pensions-from-april-2029</p> <p>https://www.gov.uk/government/publications/inheritance-tax-unused-pension-funds-and-death-benefits</p> <p>https://bills.parliament.uk/bills/4046</p> <p>https://bills.parliament.uk/bills/4042/stages</p>	<p>The Technical team will continue to monitor the outcomes of the two bills making their way through Parliament to ensure that the necessary communications can be made to members as to what the implications will be and the requirements for them alongside any required changes to calculation routines.</p>