

Staff and Pensions Committee

7 March 2022

Regulatory and Policy Update

Recommendation

That the Staff and Pensions Committee notes and comments on the content of the report.

1. Executive Summary

- 1.1 This report sets out the policies reviewed either as part of an annual review or where there have been minor amendments required.
- 1.2 The report also updates the Committee on regulatory developments in the pensions arena.

2. Financial Implications

None.

3. Environmental Implications

None.

4. Internal Disputes Resolution Procedure

- 4.1 All pension schemes are required by the Pension Regulator to have a procedure to resolve pension disputes raised by scheme members. The process is a three-stage approach with the first two stages comprising the Internal Disputes Resolution Procedure and the third stage involving referral to the Pension Ombudsman. In exceptional circumstances a member can refer their complaint to the Courts for resolution.
- 4.2 The procedure for the Local Government Pension Scheme, is set out in the LGPS Regulations 2013 and template documentation is provided by the Department for Levelling Up, Housing and Communities (DLUHC) for local authority funds to adapt for their use.

- 4.3 Officers have reviewed the procedure adopted by the Staff and Pensions Committee last March and consider that it remains fit for purpose.

5. Regulatory Update

Officers have previously agreed to keep the Committee updated on progress in several areas. The updates for those areas are:

5.1 Cost Management Mechanism

- 5.1.1 The judicial review challenging the legality of the Government's decision to allocate the costs arising from McCloud as a cost to scheme members is ongoing. Officers will provide further information as the case develops.

5.2 Pensions Dashboard

- 5.2.1 The Pensions Dashboard is a government initiative that will enable the public to have online access to all their pension records whether they are held by private sector or public sector occupational pension schemes and personal pension schemes registered with the Pension Regulator.

- 5.2.2 The Department for Work and Pensions has started a consultation exercise on 'indicative' Pensions Dashboard Regulations 2022, detailing the obligations of occupational pension scheme trustees and dashboards system providers. It proposes to introduce the obligation for schemes to provide data in stages starting in the summer of 2023 for schemes of at least 20,000 active and deferred members.

- 5.2.3 It is understood that public service pension schemes are in scope.

- 5.2.4 Officers are currently waiting for further guidance from the Local Government Association who it is expected will respond to the consultation.

- 5.2.5 Committee members should be reassured that local authority pension funds and their administration software providers have been aware of this initiative for several years and have been taking steps to ensure that member records are accurate.

5.3 The Pension Regulatory Single Code of Practice

- 5.3.1 Officers understand that the Pension Regulator is still reviewing comments received following the consultation document issued in 2021. The Regulator has acknowledged that issues raised by the public service pension schemes and particularly the LGPS are causing further thought on some parts of the Code.

5.3.2 Although the Single Code is likely to be delayed until later in 2022, officers continue to review how the changes to the Code may impact the management of the Fund.

6. Timescales associated with the decision and next steps

6.1 Officers will keep the Committee updated on further developments.

Appendices

None.

Background Papers

None.

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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: n/a