

# **Staff and Pensions Committee**

**6 March 2023**

## **Regulatory and Policy Update**

### **Recommendation**

That the Committee notes and comments on the updates contained in this Report.

### **1. Executive Summary**

- 1.1 This Report covers the review of a number of policies held and operated by Warwickshire Pension Fund (the Fund). The Fund reviews its policies annually to ensure that they remain fit for purpose. There are no significant changes recommended as a result of the current review
- 1.2 This Report also provides an update in respect of regulatory issues that have arisen in the Local Government Pension Scheme (LGPS) arena since January 2023.

### **2. Financial Implications**

- 2.1 There are no financial implications arising directly from this report. Any implications arising from changes to specific policies have been dealt with in the body of the report

### **3. Environmental Implications**

- 3.1 There are no environmental implications arising directly from this Report.

### **4. Supporting Information**

#### ***Review of Policy and Process***

- 4.1 The Fund has reviewed its Bribery and Fraud Policy and considers that no amendments are currently required.

- 4.2 The Fund is in the process of reviewing its Internal Dispute Resolution Procedure as part of the planned review cycle and no material changes are anticipated at this stage.
- 4.3 The Fund felt that it was best to postpone the review of the Governance Process until the Scheme Advisory Board (SAB) has released the findings of their Good Governance Review. If the findings are not released before the end of this year this review will take place within the next committee cycle. One of the areas that Officers feel will need to be included in the next update of our Governance Processes and the Corporate Governance Policy Statement later in the year will be an account of how the Fund will best deal with succession planning to both the Staff and Pension Committee and Local Pension Board.
- 4.4 Our Fund Discretions have also been reviewed and the Fund considers that no circumstances have arisen that require it to make any amendments.
- 4.5 Officers have also reviewed the Fund Business Plan, and the Business Continuity Plan. These are covered by other reports on this agenda and the second will be presented as an exempt report because of the nature of its content.

#### ***Regulator Updates since January 2023***

- 4.6 The Single Code of Practice, which will be renamed as the General Code of Practice was expected to have been laid before Parliament by the end of January 2023. The lead officer at The Pensions Regulator (TPR) has however confirmed that there will be a short delay and that it is intended that the DWP will lay it before Parliament by the end of February 2023. At the time of writing this report we have not received any further information.
- 4.7 The Local Government Association has published its response to the HMRC consultation on The Public Services Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023 (resulting from the McCloud judgement). As the LGA response covers the same main areas of concern held by the Fund Warwickshire Pension Fund has not made its own individual response.
- 4.8 The Scheme Advisory Board's Secretariat is currently planning for the Scheme Advisory Board's 2022 Scheme Valuation Report. The Report is aggregated using data from individual fund Valuation Reports and provides a central reference for the Government.
- 4.9 The LGPS employee contribution bandings have been published, they will be published on the website and communicated to our employers.
- 4.10 On 30 January 2023, the Department for Levelling Up, Housing and Communities launched a consultation on changes to the Scheme Advisory Board's (SAB) cost management process. The consultation closes on 24 March 2023. This is the mechanism designed to ensure a fair balance of risk

regarding the cost of providing public service defined benefit (DB) pension schemes between members of those schemes and the Exchequer (and by extension taxpayers). The Fund will review the consultation and decide whether to make a response.

- 4.11 On 12 January 2023, The Pension Regulator (TPR) published a new version of the “Dealing with Transfer Requests” guidance with updates made to the section headed ‘Direct members to mandatory guidance from MoneyHelper’. The guidance assists pension schemes when applying the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021. Under the new guidance, when telling members that they must receive guidance about scams from MoneyHelper, schemes should provide a link to book online or by telephone to obtain that guidance. The guidance also now makes it clearer that members must use this link to book a MoneyHelper safeguarding guidance appointment. Otherwise, they may accidentally book a Pension Wise appointment or obtain general MoneyHelper advice. The Fund will use this information to assist members in making informed decisions about their transfers.

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

Local Member(s): Not applicable

Other members: Cllrs Bill Gifford and Andy Jenns