

**CYNGOR SIR POWYS COUNTY COUNCIL**

**Powys Pension Board  
14<sup>th</sup> September 2021**

**REPORT BY: Board Secretary**

**SUBJECT: New Legislation and Guidance Update**

---

**REPORT FOR: Information**

---

**1. Summary**

Since the last Pension Board meeting, the LGA have published Bulletins [212](#) and [213](#), which contain important updates for administering authorities and scheme employers. It also provides a general update for all LGPS stakeholders.

This report provides the Board with an update on any new legislative changes and guidance that has been issued recently, including the above.

**2. LGPS England & Wales Scheme Advisory Board (SAB)**

**2.1 SAB no longer collecting death data**

The SAB for England and Wales has stopped collecting data from administering authorities, with effect from April 2021 onwards.

SAB collected pensioner death data from February 2020 to March 2021 to help understand the impact of COVID-19 on the LGPS. SAB has published a summary of the data on their [Covid-19 Mortality](#) page on the Board's website

**2.2 SAB responds to HMT consultation on the cost control mechanism**

The Scheme Advisory Board (SAB) (England and Wales) has responded to HMT's Public service pensions: cost control mechanism consultation. In the response SAB states that:

- the SAB operates a separate cost management process that already functions as an 'economic check'
- including only reformed scheme costs will be difficult to achieve in the LGPS because the underpin relates to the legacy scheme but will increase the reformed scheme benefits of some members

- widening the corridor to 3 per cent would mean that scheme changes would be more significant if there is a breach
- the SCAPE discount rate as an economic measure is not appropriate for the LGPS and that a measure that takes into account actual discount rates in operation would be more appropriate.

### **3. Other Updates**

#### **3.1 Pensions dashboards update**

The latest developments with regards to Pensions Dashboards Programme are published on the Pensions Dashboard [website](#).

Some of the recent announcements and publications include:

- [seven major data providers signed up for initial testing phase](#)
- Pensions dashboards [blogs](#) covering early connection and how pensions dashboards fit into the wider MaPS vision of improving understanding and outcomes.

### **4. The Pensions Regulator (TPR)**

#### **4.1 Automatic enrolment detailed guidance**

Since the last meeting and the subsequent information on automatic enrolment that was shared, TPR have updated the [Automatic enrolment guidance](#). The guidance has been updated to remove:

- out of date content relating to an employer's staging date
- the effect on the qualifying person exception as a result of the changes to the cross-border pension requirements following the UK's exit from the EU.

#### **4.2 Climate-risk reporting guidance consultation**

On 5 July 2021, TPR launched a consultation on climate-risk reporting guidance. The guidance is aimed at pension schemes who will be required to meet the new climate-risk reporting regulations.

The guidance describes what schemes need to do and report on to comply. Though the regulations do not apply to the LGPS, the guidance says that:

“decision makers at Local Government Pension Schemes, may wish to follow this guidance to improve the governance and resilience of their schemes in relation to climate change.”

#### **4.3 Governance and Administration Survey 2020–21 results**

On 1<sup>st</sup> July 2021, TPR published the [results from the Public Service Pension Scheme Governance and Administration Survey 2020-21](#).

The survey found little change since 2019 for the key processes that TPR monitors as key indicators of performance. Two-thirds of LGPS

administering authorities who responded to the survey had all six processes in place. The six key processes are:

- have a documented policy to manage board members' conflicts of interest
- have access to the knowledge, understanding and skills needed to properly run the scheme
- have documented procedures for assessing and managing risk
- have processes to monitor records for accuracy and completeness
- have a process for resolving contribution payment issues
- have procedures to identify, assess and report breaches of the law

The results also show improvements in risk management processes, cyber controls and the proportion of members receiving their annual benefit statement on time.

#### **4.4 TPR issue interim response to new code of practice consultation**

The Pensions Regulator (TPR) has published an [interim response](#) to the new code of practice consultation. TPR has issued the interim response to allow time to consider these responses and to incorporate code content arising from the Pension Schemes Act 2021 in the new code.

#### **4.5 Scheme return**

TPR is sending out scheme return notices to managers of public service pension schemes in September

#### **5. Recommendation**

Board are asked to note the contents of this report.