

Pensions Shared Service
Camden • Merton • Richmond
Waltham Forest • Wandsworth



Local Pension Board

PENSIONS UPDATE

MARTIN DOYLE – HEAD OF PENSIONS SHARED SERVICE

7 FEBRUARY 2023



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Ministerial changes

LGPS minister DLUHC	Secretary of State DLUHC	Pensions Minister DWP
Kemi Badenoch Sept 2021 to 6 July	Michael Gove Sept 2021 to 6 July	Guy Opperman June 2017 to 8 Sept
Paul Scully 7 July to 27 Oct	Greg Clark 7 July to 6 Sept	Alex Burghart 20 Sept to 27 Oct
Lee Rowley 27 Oct	Simon Clarke 6 Sept to 25 Oct	Laura Trott 27 Oct
	Michael Gove 25 Oct	

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Official

On the Horizon

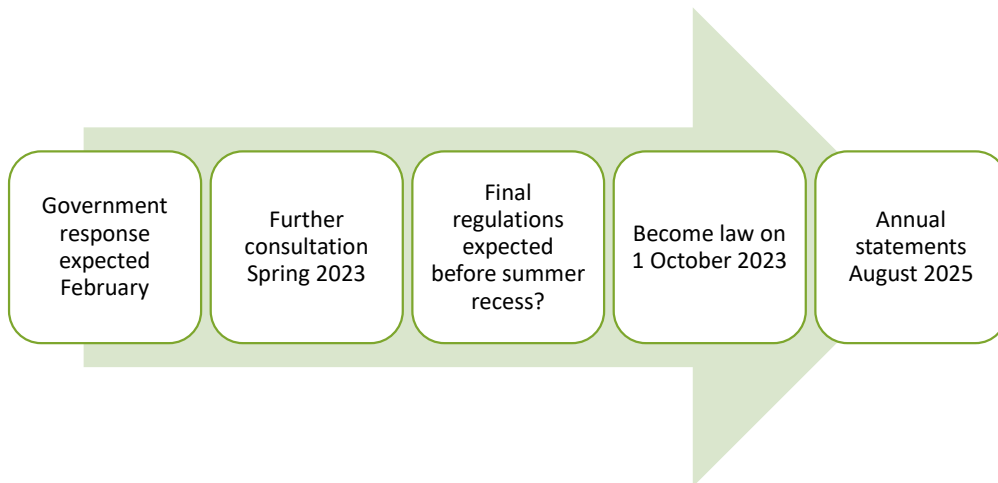


- McCloud remedy
- Survivor benefits
- Revaluation date
- Good governance
- Pooling
- Climate risk reporting
- Boycotts, divestments and sanctions
- Cost control



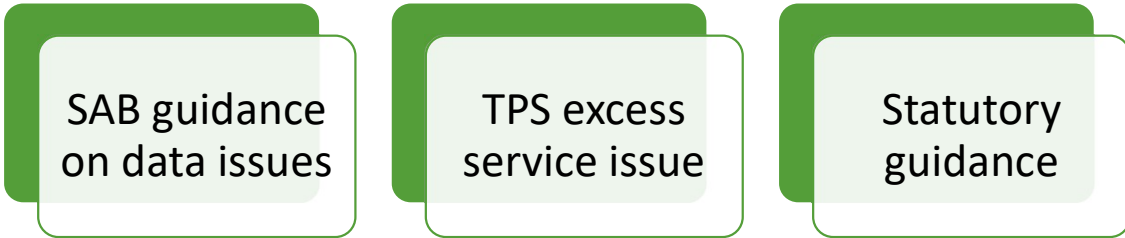
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McCloud timeline



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McCloud remedy



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Survivor benefits

- Equalising widower's benefits
- Removing age 75 limit for death grant
- Both retrospective
- Consultation in Spring

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Revaluation date

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Pension Scheme

- Consultation on moving from 1 to 6 April
- To fix annual allowance issue
- Scheme year stays the same
- Too late for software suppliers to automate pensions increase
- Overpayments / Manual calculations / Club transfers?
- Impact on McCloud?



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Good governance

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Pension Scheme

- Almost all SAB's recommendations being taken forward
- Workforce strategy
- Monthly data collection mandated
- Administration KPIs
- Enhanced training requirements
- Demonstrating compliance and offering resilience

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Investment Policy - pooling

Since the 2015 Budget...

A variety of models are still being explored

Lack of direction and consistency of interest from Ministers

RBKC decision not entirely unexpected

When will the long-awaited consultation emerge?

Greater clarity and transparency are the keys

Focus on desired outcomes and success criteria

We need a firm decision, but the right one

Is consensus possible?

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Investment Policy – now for a bit of politics

Climate risk reporting

- DLUHC consultation closed in November (120 responses)
- Regulations unlikely by 1 April
- But data collection needs to be in place by then
- Role of pools in delivering consistency and excellence

Boycotts, Divestment and Sanctions

- We understand a draft Bill is nearly ready
- How prescriptive, how monitored and how enforced?
- This isn't straightforward – Israel/OPT, Russia, China

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Cost Control

- 2016 Scheme valuation concluded but judicial review pending
- 2020 Scheme valuation - reformed process
- Consultation on changes to SAB cost control expected