

Current Technical Issues

HM Revenue and Customs (HMRC)

Pension schemes newsletters <https://www.gov.uk/government/collections/hm-revenue-and-customs-pension-schemes-newsletters>

HMRC [published newsletter 138](#) on 29 April 2022

- relief at source
- the annual allowance calculator
- Scheme Pays reporting
- non-taxable payments following a member's death and Real Time Information (RTI) reporting — charity lump sum death benefits
- pension scheme migration
- accounting for tax returns
- registration statistics
- pension flexibility statistics

HMRC [published newsletter 139](#) on 31 May 2022

- relief at source — annual return of information for 2021 to 2022
- digitisation of relief at source
- managing Pension schemes service
- Accounting for Tax (AFT) returns

HMRC [published newsletter 140](#) on 30 June 2022

- Pension scheme arrears and interest (covering equalising for GMP)
- Managing pension schemes service
- Accounting for Tax returns
- The Pensions Regulator's blog post on pension scams
- Scheme pays reporting clarification

The Pensions Ombudsman

Latest news from the Pensions Ombudsman (TPO) New online application form launched

TPO recently launched an enhanced [online application form](#). The more user-friendly form is also smarter, with customers only required to answer relevant questions.

Updates from the Pensions Dashboards Programme (PDP)

Progress insights April 2022

The PDP published its April 2022 progress update report on 27 April 2022. On 29 April 2022 Chris Curry, PDP Principal, published a blog covering that report and hosted a webinar expanding on its content. You can read the PDP progress insights on the PDP website.

The blog covers:

- the need for pension schemes to act now to prepare for dashboards
- timelines and what to expect from DWP and the PDP
- ISP market development
- data matching and the need for improved data quality
- the process for partial matches.

Blog on consumer protection

David Reid, PDP Head of Policy, published a [blog covering the consumer protection landscape for pensions dashboards](#).

Scheme Advisory Board (SAB)

Scheme annual report 2021 On 13 June 2022 [SAB published the Scheme's annual report 2021](#).

The report provides a single source of information about the status of the LGPS for its members, employers and other stakeholders. The report collates information supplied by 86 administering authorities, as at 31 March 2021. Highlights include:

- total membership grew by 1.08 per cent from 6.160 million to 6.226 million
- total assets increased to £342 billion - a rise of 23.4 per cent
- local authority net return on investment from 1 April 2020 to 31 March 2021 was 20.56 per cent - reflective of market conditions
- a positive cash-flow was maintained overall, including investment income

- over 1.8 million pensioners were paid
- COVID-19 significantly impacted life expectancy - with a drop of 0.9 years and 0.5 years for males and females respectively (2019 figures versus 2020)
- total management charges increased by £196 million, an increase of 12.9 per cent - primarily driven by a rise in investment management charges, while administration, oversight and governance costs remained broadly stable.

DLUHC consultation on Oasis consolidation

The Department for Levelling Up, Housing and Communities (DLUHC) has confirmed it does not expect to make a final decision on the application to consolidate Oasis academies into one LGPS fund before autumn 2022.

DLUHC has twice consulted on the consolidation. The most recent one closed in February 2022. See bulletin 218 for more information.

Inducement to opt out

We have been made aware of a council job advert offering an additional cash allowance if staff opt out of the LGPS.

You may wish to remind your employers of the safeguards introduced by the Pensions Act 2008. The safeguards prohibit employers from discouraging members from joining or remaining in a workplace pension scheme (such as the LGPS).

See [Automatic enrolment detailed guidance no.8 \(safeguarding individuals\)](#) for more

TPR blog on climate reporting

On 10 June 2022, the Pensions Regulator (TPR) published a blog on climate reporting. This is in anticipation of around 100 pension schemes publishing their first reports, produced in line with the Climate Change Governance and Reporting Regulations.

TPR will review the reports. The outcome of their review will be used to provide high-level observations. It will also inform the Department for Work and Pension's review covering the:

- effectiveness of the regulations, and
- range of schemes to which the regulations should apply.

Cost Cap

GAD - Cost cap results published

On 29 June 2022, the Government Actuary's Department published the results of the first cost cap valuation for L G P S (England and Wales) and L G P S (Scotland).

The cost cap was introduced by the Public Service Pensions Act 2013. The Act requires the setting of an employer cost cap rate against which changes in the cost are to be measured. If the cost changes and falls outside a two per cent corridor above / below the rate, action must be taken to bring the cost back to the rate.

The results of the first valuations show that the cost has remained within the two per cent corridor for both schemes. This means no changes to benefits or member contributions are needed.

The employer cost cap rate for L G P S (England and Wales) is 14.6 per cent. [The results for the valuation as at 31 March 2016](#) show that the cost is 1.2 per cent below the cost cap rate.

The employer cost cap rate for L G P S (Scotland) is 15.2 per cent. [The results for the valuation as at 31 March 2017](#) show that the cost is 0.2 per cent above the cost cap rate.

Pension Dashboards

Pensions Dashboards Further consultation on dashboards launched

The DWP launched a further consultation on pension dashboards on 28 June 2022.

The further consultation supplements the consultation on the draft dashboard regulations. The consultation on the draft regulations ran from 31 January 2022 to 13 March 2022. See [bulletin 220](#) for more information.

The further consultation sets out two proposals. The first proposal provides clarity on the 'Dashboard Available Point' (DAP). The second proposal allows the Money and Pensions Service and the Pensions Regulator to share information about dashboards with each other.

The DAP is the point at which dashboards will be available to all members of the public. The consultation proposes that the DWP will decide on the DAP and then give pension schemes 90 days' notice. It is hoped that this will give schemes sufficient time to make final preparations.

The consultation closes on 19 July 2022.

You can find a link to the consultation on the non-scheme consultation pages of www.lgpsregs.org

Pensions Dashboards Programme (PDP) update

Speaking at the Pensions Age Northern Conference Chris Curry, Principal of the Pensions Dashboards Programme (PDP), confirmed that:

- The Department for Work and Pensions (DWP) is expected to respond to the consultation on the draft regulations for pensions dashboards before summer recess (21 July 2022), See [bulletin 222](#) for more information.
- The regulations will likely be laid in Parliament later this year.
- Dashboards are still on track for 2023, with less than 12 months until some schemes begin onboarding.
- Later in the year, PDP will run a further consultation on the specific standards for dashboards, which they will look to work with the industry through webinars and events.
- PDP has successfully tested an end to end version of the dashboards ecosystem and that the alpha phase of the project was complete.

TPR warns - your pensions dashboards deadline is coming

On 22 June 2022, TPR launched a new 'Deadline' campaign reminding trustees to start preparing for their pensions dashboards deadline. The campaign applies equally to scheme managers.

Staging Deadline

The staging deadline for the L G P S and all other public service pension schemes will be deferred from 30 April 2024 to 30 September 2024.

Schemes will be expected to meet the required standards (connection, security and technical) by 30 September 2024. They must also, by that date, be able to respond to find requests, complete matching and provide administrative and signpost data on request.

Administering authorities will need to be able to provide value data (accrued and projected values) by 1 April 2025. Though they can provide this earlier if they wish.

You can access the consultation documents on the:

- [non-scheme consultations](#) page of www.lgpsregs.org

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