

ITEM No ...6.....

REPORT TO: PENSION SUB-COMMITTEE OF THE CITY GOVERNANCE COMMITTEE & PENSION BOARD – 18 SEPTEMBER 2023

REPORT ON: PENSION ADMINISTRATION PERFORMANCE – QUARTERLY UPDATE TO 30 JUNE 2023

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 261-2023

1. PURPOSE OF REPORT

This report provides information on the recent quarter's operational performance in relation to Pension Administration.

2. RECOMMENDATIONS

The Sub-Committee is asked to note the contents of the report.

3. FINANCIAL IMPLICATIONS

There are no direct financial implications.

4. BACKGROUND

This report focusses on statutory performance and is subject to ongoing development to provide enhanced reporting functionality to improve the quality of information on administration performance and compliance.

5. SERVICE SUMMARY

5.1 Summary of Statutory Performance Requirements

The following table summarises the performance of the fund administration against statutory requirements:

| Category | Received | | | Completed | | | Statute Days | Average Days | | | Cases beyond Statute at end of Quarter |
|-----------------------|-------------|-------------|------------|-------------|-------------|------------|--------------|--------------|-------|----------|--|
| | Current | Prior | % change | Current | Prior | % change | | Current | Prior | % change | |
| New member processing | 211 | 205 | 3% | 147 | 313 | -53% | 60 | 15 | 27 | -45% | |
| Estimate | 196 | 160 | 23% | 188 | 195 | -4% | 60 | 75 | 74 | 1% | 4 |
| Options | 462 | 425 | 9% | 527 | 442 | 19% | 60 | 67 | 75 | -10% | 1 |
| Actual | 261 | 270 | -3% | 265 | 266 | 0% | 60 | 19 | 19 | -1% | |
| TV In | 22 | 39 | -44% | 30 | 23 | 30% | 60 | 36 | 52 | -31% | |
| TV Out | 152 | 127 | 20% | 86 | 121 | -29% | 90 | 33 | 37 | -11% | 1 |
| Deferred | 298 | 222 | 34% | 342 | 284 | 20% | 60 | 27 | 54 | -50% | 1 |
| Death | 223 | 183 | 22% | 164 | 223 | -26% | 60 | 14 | 15 | -5% | |
| Death Grant | 46 | 30 | 53% | 41 | 30 | 37% | 60 | 65 | 68 | -4% | |
| Dependant | 88 | 51 | 73% | 77 | 63 | 22% | 60 | 34 | 31 | 7% | |
| Divorce | 20 | 15 | 67% | 10 | 16 | -38% | 90 | 38 | 30 | 27% | |
| Total | 2470 | 1979 | 25% | 1877 | 1976 | -5% | | | | | 7 |

The following provides further detail on statutory task data:

Overall Caseload:

This quarter, case volumes received increased by 25%. There were a small number of cases were out-with statute at the end of the period.

Prioritised Tasks:

- **Issue of Pension Options & Pensions Brought into Payment**
The team continues to give priority to the payment of benefits in line with TPR priorities. Over the period the following points are relevant:
 - Pensions Options - an 8% increase in cases received was noted in the period. The team achieved a significant increase of 19% increase of cases completed and issued to members. A decrease in average processing days was also achieved.
 - Pensions brought into payment - consistent caseload completion.
- **Processing of Death Benefits, Payments of Death Grants, and Dependant Pensions**
 - Death Grant cases complexity continues to result in fluctuating processing times and number of cases completed.
 - A decrease in reported deaths of 25% was noted in the period.
 - An increase in dependent cases completed of 22% was noted in the period.

Other Statutory Tasks:

- **New Member Processing:** These number increased due to end of year processing, as employers inform of details of new members unreported during the year.
- **Estimates:** Cases received during the quarter decreased very slightly against the previous quarter (8%). With the introduction of the ability for members to process their own estimates via the Member Self Service Portal, these estimates continue to be the more complex which cannot be processed via MSS but the member. The 4 cases outstanding at the end of the quarter, were completed at the start of the following quarter.
- **Deferred Member Processing:** An increase of 4% of new cases was seen in this quarter. However, the team achieved an increase in cases completed of 20%, with a 50% reduction in average processing days.
- **Outbound Benefit Transfers:** Case volumes completed saw a decrease caused by the suspension of Cash Equivalent Transfer Values in relation to the review of Government Actuaries Department factors due to the change in the SCAPE rate (explained later in report in detail).
- **Inbound Benefit Transfers:** A reduction both in cases received and processed was noted during this period. This area of work is also impacted by the SCAPE rate Factor review.
- **Divorces:** Cases received in the quarter were complex and as such impact on case completion and processing days.

5.2 Other Pension Operations

The following table summarises the other operations undertaken in addition to statutory requirements:

| Category | Received | | | Completed | | | Average Days | | |
|---|----------|-------|----------|-----------|-------|----------|--------------|-------|----------|
| | Current | Prior | % change | Current | Prior | % change | Current | Prior | % change |
| Amendments | 404 | 346 | 17% | 509 | 307 | 66% | 35 | 24 | 43% |
| Certificates | 40 | 67 | -40% | 131 | 21 | 524% | 157 | 32 | 396% |
| Other admin tasks (e.g. age 55 reviews) | 818 | 718 | 14% | 820 | 601 | 36% | 48 | 37 | 28% |

| | | | | | | | | | |
|---|-----|------|------|-----|-----|-----|-----|-----|----|
| Other pensions processes (e.g. refunds) | 879 | 1087 | -19% | 809 | 507 | 60% | 215 | 202 | 6% |
|---|-----|------|------|-----|-----|-----|-----|-----|----|

With the three new Clerical Assistants joining the team during the period, their training been concentrated initially on the above noted areas and this is reflected in the number of cases closed.

5.3 Employer Contributions

In the period there were 6 instances of late upload of employer/employee contribution details due to queries with employers. There was also 2 instances of late payment. All were quickly chased with the employers and resolved swiftly.

5.4 Employers and Member Online Portals

- **MSS Update** - As at 30th June, 18,745 members out of a possible 42,256 are registered for the Member Self Service Portal. This represents a current uptake rate of 44%.
- **I-Connect Update** – Only 4 employers were not fully using the I-Connect system for communications with the Fund. All employers had previously been advised that as of April 2023, they must be fully utilising the system for monthly uploads, and these employers have been addressed.

5.5 End of Year Update

At end of June, all but 4 employers had completed and uploaded their end of year data submission the financial year 2022/23. These were received shortly following the end of the quarter, and thus, no further delays were encountered.

5.6 Annual Benefits Statements

As of 30/06/2023 all new active members received ABS Election forms to give them the option to elect for a paper copy of their Annual Benefit Statement. A news item and election form was also created and uploaded onto the Fund's website. Annual Benefit Statements will be generated and issued either via upload to MSS or via post by the deadline of 31st August to all active and deferred members Full details of the annual exercise will be provided in the next quarter.

5.7 Call Centre

There was a reduction of inbound calls this quarter. Calls answered totalled 2989, a decrease of 672 calls from the last quarter. Over the period, a total of 582 hours of staff time were spent on incoming calls, which continues to be a major resource for the team.

5.8 Dundee House – Customer Services/Reception

From 1 April 2023 Dundee City Council Customer Services no longer provide a face-to-face service for enquiries at Dundee House. A post-box for receiving inbound documents will be available, until further notice, within Dundee House reception. The Fund does continue to offer face to face meetings, but only by appointment only. A website notice was issued to alert members to this change service.

5.9 Prudential AVC

Prudential hosted an online forum on 18 May 2023 for all LGPS funds. A variety of subjects were covered including:

- Additional documents available online to members
- Additional functionality of portal, enabling members to:
 - View plan value and investment breakdown
 - View contribution and charges history
 - Make fund switch and redirection requests
 - Use live chat and secure messaging

They also confirmed that their Client Management Team are working with Local Government AVC employers to make them aware of the secure upload portal for pension contributions, requests and queries.

AVC disinvestment times remain consistent over the period, with funds being issued by Prudential within approximately 4 weeks after the disinvestment instruction is issued. The requirement for improvement of this was also covered in this meeting.

5.10 Compliance

National Fraud Initiative:

For the 2022/23 exercise, 9 overpayments remain, with a total outstanding value of £18076.31 in the process of being recovered as follows:

- Overpayments requested direct from banks for 6 members totalling £14735.11.
- Next of kin's recovery notified in respect of 2 members totalling £3158.60.
- Survivor notified of recovery in respect of 1 member totalling £182.60.

GDPR: During the quarter there were no recorded instances of a GDPR breach reported.

5.11 Recruitment

In late May / early June, the team gained 3 new clerical assistants and a Pensions Assistant. At the end of the quarter, only 1 Pensions Assistant post remains vacant and this has been advertised and interviews will be held during the next quarter.

OTHER ACTIVITIES

5.12 Queries & Complaints

- 4176 emails were received into the generic email account in the quarter to 30th June, this equates to approximately 64 emails per working day over the quarter. This is a decrease of 212 emails from the last period. E mail tasks continue to be a significant work allocation to all Pensions Assistants within the Team.
- Complaints to Prudential: No escalated complaints received during this quarter
- Complaints to TPF: No complaints were received in this period.

5.13 Staff Training

- **Online System Training**
 - New Starts – The recent new recruits to the team have been utilising the Online Training Tool. This has provided the ability to learn how to navigate the specialised pension administration system in a standardised, concise and methodical manner.
 - Webinar in respect of pension dashboards was attended over the period.
 - Webinar in forthcoming system releases was attended. These give the senior staff in the team an opportunity to see the new release in an active setting prior to the issue of the written guidance and system upgrade.
 - User Groups held via Ms teams, covered I-Connect, Dashboards and Annual Benefit Statements.
- **In House Training**

During the quarter, both face to face and MS Teams based training was provided to the new employees carrying out Clerical Assistant and Pensions Assistant roles. Whilst the majority of training is delivered in-house by experienced staff, it is also recognised that caseload completion is impacted, as resources are stretched to accommodate.

5.14 Insights (Interactive Performance Tool)

An additional service will be introduced to support the increased requirements of Pensions Dashboards and to improve performance. This new functionality provides the team with interactive dashboards alongside the system reporting tool. More information as to implementation will be provided in future reports.

These dashboards provide:

- Real-time data assessments against a comprehensive set of validation tests, including The Pensions Regulator Scheme Return requirements.
- A suite of Workload Management dashboards, which enables better performance visualisation and workload planning against both internal and regulatory SLAs (including CIPFA performance returns).
- Improved Pension Sub-Committee & Board reporting, providing up-to-date elements such as membership demographic graphics and admin KPI performance reports.

On an operational level, Insights will also provide an additional operational efficiency by

- reducing time spent on data formatting,
- reducing time and risk in relation to manual data manipulation of data for report production,
- enabling almost instant data gathering

It will also help the Fund meet regulatory commitments as it will help support and track large projects such as McCloud and GMP equalisation.

5.15 Pension Dashboard Data Readiness Assessment

An assessment of the Fund's current dashboard data readiness was carried out by the pension system provider to ensure that Fund's data is dashboards ready and maintained on an ongoing basis, as data quality is key to delivering a smooth experience for both members and the Fund.

There are two types of data relevant to Pensions Dashboards:

- **Find Data** - This is the personal data used to match a member who has logged into the dashboard to their records held by the Fund.
- **View Data** - This is information about a member's pension benefits which is returned to the user via the Pensions Dashboards.

The assessment assessed the Fund's data to determine onboarding readiness, and exception items was given a rating, based on both the impact of the issue (on members and admin team) and the volumes of specific issues using a traffic light system.

No red areas were identified, but amber areas were identified in relation to the following:

Find Data

- Member names – middle and previous names are not necessarily held on our records
- Unlinked Members – Altair will, on creation link together member records, however this has not always been in place and as such some remain unlinked.

View Data

- Missing previous employer data – this was identified in records which were converted from a previous system onto the current pension system.

The fund are taking actions to address the above, but also putting in place a package of data readiness products including:

- ongoing data cleansing and enrichment services
- mortality and address tracing service
- product for dashboard readiness.

Over the coming months these additional services will be put in place and details will be reported.

5.16 Annual Pension Increase

The 2023 Pensions Increase was applied to all pensioners with effect from 10th April 2023. The percentage increase was 10.1%. For Pensioners, this provided them with a partial increase for April of 9 days and the old rate and 21 days at the new rate, with the full monthly increase coming into effect from May. A notice was also posted on to the Fund website to provide details of the increase.

5.17 Employers

A meeting was held with a scheme employer their new payroll provider. The session covered I Connect functionality, payment of employee/employer contributions and AVC payments.

5.18 Club transfers

- **Extending the 12-month transfer time limit** - During April, the Cabinet Office clarified that Club transfers (from other public sector funds) may take place outside the 12-month time limit, in exceptional circumstances and providing both the sending and receiving schemes agree.
- **New factors and revised memorandum** - In May, the Cabinet Office announced that they plan to issue new Club factors and a revised memorandum. These are intended to come into force on 1 October 2023. The new factors take account of the change to the superannuation contributions adjusted for past experience (SCAPE) discount rate made in March 2023. The revised memorandum will contain instructions for members affected by McCloud and have minimal impact on members not affected by McCloud.

5.19 McCloud remedy consultation

On 26 June 2023, the Scottish Government published a consultation and draft regulations concerning the McCloud remedy. The consultation closed on 31 July 2023. It sought views on proposals to address discrimination found by the courts in the McCloud case. This follows the consultation the Scottish Government which ran in 2020.

The Scottish Government is consulting on new approaches in certain areas that reflect responses to the 2020 consultation and more closely align the LGPS to policies adopted by other public service pension schemes. They are seeking views on the following proposals:

- **No aggregation requirement:** underpin protection will extend to a new pension account that started before 1 April 2022, even if the earlier period of membership is not aggregated, as long as there has not been a disqualifying break.
- **Previous membership of another public service pension scheme on or before 31 March 2012:** a member will qualify for underpin protection because of earlier membership of another public service pension scheme, even if the pension rights from the other scheme have not been transferred to the LGPS, as long as there has not been a disqualifying break.
- **Flexible retirement:** a member with underpin protection who takes flexible retirement before 1 April 2022 will also have underpin protection on any benefits built up after flexible retirement and before the end of the underpin period. The consultation also considers how the underpin will operate when a member takes partial flexible retirement.

The consultation also covers topics that were not included in the 2020 consultation. These include:

- policies for individuals with excess teacher
- when a member may be paid compensation if they have suffered a loss relating to the discrimination found in the McCloud case or the McCloud remedy
- the interest terms that will apply when payments are made late due to the McCloud discrimination.

5.20 SCAPE discount rate and impact on actuarial factors – update

At the end of May, the Scottish Public Pensions Agency, emailed administering authorities with version 2023-01 of the Government Actuary's Department (GAD) factor spreadsheet.

The new factors are effective from 30 May 2023 and impact the calculations listed below

- non-club cash equivalent transfer values (CEVs)
- cash equivalent values (CEVs) on divorce for active and deferred members who are under normal pension age
- pensioner CEVs on divorce and CEVs on divorce for active and deferred members who are at or over their normal pension age
- club transfers out – new critical retirement age factors in
- pension credits – new factors in tables
- pension debits where the debited member retires on ill health

These factors have been forwarded to the pension system provider so that they may update the necessary tables and calculations.

5.21 Death grant process

On 6 April 2023, notification was received from HMRC in respect of the impact of the changes to the Lifetime Allowance (LTA) announced in the March budget. HMRC confirms that schemes can continue the current process when paying death grants that may exceed the lifetime allowance (LTA).

Under this process, the member's personal representative identifies if there is an excess amount after the administering authority has paid the death grant and, if so, reports this to HMRC, who then assesses the tax due. This process will continue until HMRC develop a longer-term position for the full abolition of the LTA from 6 April 2024.

6. REGULATIONS

Details of regulatory matters are contained in Appendix 1.

7. POLICY IMPLICATIONS

This report has been subject to the Pre-IIA Screening Tool and does not make any recommendations for change to strategy, policy, procedures, services or funding and so has not been subject to an Integrated Impact Assessment. An appropriate senior manager has reviewed and agreed with this assessment.

8. CONSULTATIONS

The Chief Executive and Head of Democratic and Legal Services have been consulted in the preparation of this report.

BACKGROUND PAPERS

None

ROBERT EMMOTT

EXECUTIVE DIRECTOR OF CORPORATE SERVICES

08 September 2023

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REGULATORY COMMUNICATIONS

The Scottish Scheme Advisory Board (SAB)

SAB's February 2023 meeting minutes were published in May 2023.

<https://lgpsab.scot/minutes-february-2023/>

At the meeting, the SAB discussed the following:

- cost transparency reporting tool
- GAD request for costs for L G P S services
- Scottish Public Pensions Agency (SPPA) update
- training workshop
- National Care Service
- additional specialist support
- workplan.

Wider Landscape

- **HMRC**

Pension schemes newsletter 149

<https://www.gov.uk/government/publications/pension-schemes-newsletter-149-april-2023/pension-schemes-newsletter-149-april-2023>

- the annual allowance calculator – currently members cannot use it for tax year 2023/24 Pension Scheme Returns
- reminding schemes to use the Managing Pension Schemes service to submit any new Accounting for Tax returns for any quarter beginning on or after 1 April 2020
- an update on submitting Event Reports.

Pension schemes newsletter 150

<https://www.gov.uk/government/publications/pension-schemes-newsletter-150-may-2023>

- The newsletter includes information on the Managing Pension Schemes service.

Pension schemes newsletter 151

<https://www.gov.uk/government/publications/pension-schemes-newsletter-151-june-2023/newsletter-151-june-2023>

- The newsletter confirms that the annual allowance calculator can now be used for the 2023/24 tax year.
- It also includes information on the Managing Pension Schemes service.

Consultation on second set of rectification regulations

In May, HMRC launched a consultation on The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) (No.2) Regulations 2023.

The draft regulations supplement The Public Service Pension Schemes (Rectification of Unlawful Discrimination) (Tax) Regulations 2023 ('first set of regulations'), which came into force on 6 April 2023.

The first set of regulations modifies various tax legislation, so the correct tax treatment is applied when public service schemes implement the McCloud remedy. For more information, see the commentary provided by the LGA.

https://lgpslibrary.org/assets/cons/nonscheme/20230522_McCloud_tax_No2_CR.pdf

The draft regulations propose further modifications. HMRC will shortly publish guidance on the draft regulations. As part of the consultation, HMRC will hold several round tables. These will provide an opportunity to raise any technical points on the draft regulations.

The consultation closes on 19 June 2023.

Remedy newsletter – May 2023

In May, HMRC published Remedy newsletter May 2023.

<https://www.gov.uk/government/publications/public-service-pensions-remedy-newsletter-may-2023>

The newsletter provides information on the following topics:

- Draft regulations: summarises the draft rectification regulations mentioned in the previous article.
- HMRC processes: HMRC is developing processes it will need to support the McCloud remedy. As part of this, they will provide a single point of contact for each public service organisation. The newsletter also asks for details of a named contact within each organisation to set up initial meetings to help develop the processes.
- Guidance: HMRC is drafting McCloud remedy guidance, which they hope to publish in Autumn 2023.

In June, Steven Moseley of the LGA emailed administering authorities letting them know about clarification we have received regarding the article on HMRC processes

“HMRC processes - We are currently developing the processes that will be needed to support the public service pensions remedy. As part of this work, we will be providing a single point of contact for each public service organisation, with the aim being to work together on how the processes will impact you and the day to day running of remedy. Email us at publicservicepensionsremedy@hmrc.gov.uk with details of a named contact within your organisation that we can use to set up some initial meetings.”

The LGA had contacted HMRC to gain clarification if that the named contact should be at local or national level. HMRC confirmed they would like each administering authority to provide a named contact.

• **DWP**

During May, the Department for Work and Pensions (DWP) published a call for evidence on the alternative quality requirement used by defined benefit schemes for automatic enrolment (AE). The call for evidence closes on 19 June 2023. The existing requirements allow for simpler alternative tests to be used so the scheme can demonstrate it is of sufficient quality to be used by employers to fulfil their AE duty. The call for evidence from employers aims to conclude whether the government’s policy in this area continues to be achieved.

In June, DWP published a review of the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021.

They had agreed to publish the review within 18 months of the regulations being operational. The review considered the following questions:

- are the regulations effective?
- are there any unintended consequences?
- what does the pension fraud landscape look like following the regulations?
- are the red and amber flags still appropriate?

The report concludes that the original policy intent remains appropriate. However, there is concern about applying the regulations, in particular regarding the incentive red flag and overseas investment amber flag. DWP will work with industry and TPR to consider if changes could be made to the regulations to improve the transfer experience, without undermining the policy intent.

The full report can be viewed at <https://www.gov.uk/government/publications/conditions-for-transfers-regulations-2021-review-report>

- **HM Treasury**

Public Service Pensions – cost control mechanism and reformed scheme only design

In May, HM Treasury published a written ministerial statement and further detail, on the cost control mechanism and reformed scheme only design. The publications confirm only the reformed scheme design will be included in the cost control mechanism. Any cost increases associated with final salary benefits and the impact of the underpin will be excluded.

<https://questions-statements.parliament.uk/written-statements/detail/2023-05-15/hcws771>

<https://www.gov.uk/government/publications/public-service-pensions-cost-control-mechanism-and-the-reformed-scheme-only-design>

- **The Pensions Ombudsman (TPO)**

In April, The Pensions Ombudsman (TPO) published a factsheet titled 'Where to go for help with your pension complaint'. The factsheet helps members to decide if to refer their complaint to TPO or the Financial Ombudsman Service. <https://www.pensions-ombudsman.org.uk/publication/where-go-help-your-pension-complaint>

TPO expands network of volunteers

The Pensions Ombudsman (TPO) is expanding its network of volunteer advisers. It currently has a network of around 200 pension professionals, who in 2022 helped to close 1,390 cases.

For anyone interested to be a volunteer, email TPO's Network Manager Paul Day at paul.day@pensions-ombudsman.org.uk.

For more information, see the press release. <https://www.pensions-ombudsman.org.uk/news-item/tpo-expand-its-network-volunteer-advisers>

- **Pensions Dashboards**

The Pensions Regulator held a webinar on dashboards on 30 March 2023. The webinar covered data preparation duties and the steps schemes need to take to ensure their data is accurate, complete, up-to-date and digitally accessible.

A recording of the webinar can be found at - <https://www.thepensionsregulator.gov.uk/en/media-hub/speeches-and-speakers/pension-dashboards-webinar-march-2023>

Consent and authorisation wording for dashboards

The Pensions Dashboards Programme (PDP) commissioned Ipsos to undertake research to help develop consent and authorisation wording for dashboards.

A research group covering a range of ages, income levels and pension types was asked to provide feedback on draft versions of consent and authorisation wording that would appear on dashboards. The wording explained what the Money and Pensions Service would and would not do with users' data and asked for consent for these uses. The feedback was positive and will be used to further shape the wording.

<https://www.pensionsdashboardsprogramme.org.uk/2023/05/09/research-to-develop-consents-and-authorisation-pensions-dashboards/>

In May, they also published their Progress update report on dashboards. <https://www.pensionsdashboardsprogramme.org.uk/pur/>

There are articles on:

- the Department for Work & Pensions (DWP's) written ministerial statement on pensions dashboards connection times confirming that there will be an update before parliamentary recess in July
- programme reset following the written ministerial statement – reset got underway on 20 March and more information will be available before parliamentary recess in July
- consent comprehension research - a research into users' understanding of how their data will be used during the dashboards journey
- preparing for dashboards – connection, data, matching, awareness and understanding legal and regulatory obligations
- updates from DWP, the Financial Conduct Authority and the Pensions Regulator
- useful resources
- subscribing to PDP's newsletter.

Pensions Dashboards (Prohibition of Indemnification) Act 2023

On 2 May 2023, the Pensions Dashboards (Prohibition of Indemnification) Act 2023 received Royal Assent. <https://www.pensionsdashboardsprogramme.org.uk/pur/>

The Act will prohibit trustees and managers of occupational and personal pension schemes from being reimbursed out of scheme assets for any penalties imposed on them under the dashboard regulations. <https://www.legislation.gov.uk/ukxi/2022/1220/contents/made>

The Act applies to the United Kingdom and comes into force on a date determined by the Department for Work and Pensions.

DWP push back dashboard deadline

On 8 June 2023, Laura Trott, Parliamentary Under Secretary of State for Pensions, published a written ministerial statement giving an update on dashboards. <https://questions-statements.parliament.uk/written-statements/detail/2023-06-08/hcws836>

The statement confirms the Department for Work and Pensions (DWP) has laid the draft Pension Dashboards (Amendment) Regulations 2023 before each House of Parliament for approval. Neither house has set a date to debate and approve the regulations. The regulations will apply to England, Scotland and Wales.

The draft regulations remove the phased staging timeline, replacing it with a single connection deadline of 31 October 2026. The regulations will allow the DWP and the Money and Pensions Service (MaPS) to issue guidance setting out a staged connection timeline for individual schemes, to which administering authorities should have regard. MaPS will consult the industry on establishing the timeline. <https://www.legislation.gov.uk/ukdsi/2023/9780348248661/memorandum/contents>

PASA publishes dashboards value data guidance

On 8 June 2023, the Pensions Administration Standards Association (PASA) published value data guidance. <https://www.pasa-uk.com/pasa-releases-dashboards-values-guidance/>

The guidance provides pension schemes with 'good practice' approaches to providing value data to dashboards. It is designed for use by both defined benefit and defined contribution schemes and covers twenty topics. It includes possible approaches for dealing with issues such as late retirements, underpins, partial retirements and split normal retirement ages.

The LGPC secretariat contributed to this guidance. They ensured there are specific recommendations for public service pension schemes which we hope will help administering authorities. Further guidance is expected over the coming months.

The Pensions Regulator (TPR) encourages administering authorities to read and consider the guidance to provide a consistent approach across schemes.

In June 2023, the Pensions Dashboards Programme (PDP) published its Latest news on dashboards. <https://www.pensionsdashboardsprogramme.org.uk/>

There are articles on:

- DWP's written ministerial statement on pensions dashboards connection times, confirming there will be an update before parliamentary recess in July – additional guidance will be published in due course
- frequently asked questions on the new approach to connection

TPR dashboard blog

On 14 June 2023, TPR published a blog 'Make time to get your data dashboard-ready'. https://blog.thepensionsregulator.gov.uk/2023/06/14/make-time-to-get-your-data-dashboards-ready/?_gl=1*50dsgx*_ga*MTgwNTgyNDIxOS4xNTkxMTEwNTcw*_ga_3TNQC2MS2Q*MTY4Njc0MzlyNi42Mi4xLjE2ODY3NDMyMzUuMC4wLjA.

The blog encourages pension schemes to continue working on their data to ensure they are ready for dashboards. It also sets out what schemes should be considering as part of their preparations.

TPR responds to dashboard delay

TPR has amended its dashboard guidance following DWP's written ministerial statement on 8 June 2023. <https://questions-statements.parliament.uk/written-statements/detail/2023-06-08/hcws836>

TPR expects administering authorities to continue to prepare for dashboards. Administering authorities should continue engaging with parties who are supporting them with their dashboard duties. This may include third-party administrators (if appropriate), software/ISP providers, employers, AVC providers.

They should:

- assess the potential impact of these changes on their fund and to agree a practical delivery plan
- continue activity on getting to grips with members' data, and
- avoid competing demands on capacity and other resources.

These expectations are reinforced in TPR's new dashboards content toolkit published on 14 June 2023. The toolkit contains key messages for administering authorities.

• The Pensions Regulator (tPR)

On 21 April 2023, TPR published its Corporate Plan for 2023/24. The plan outlines their key priorities for the year. These include:

- working with the Financial Conduct Authority and DWP to develop a value for money framework
- launching the new defined benefit funding code
- laying foundations for a significant increase in addressing quality outcomes in defined contribution schemes
- increasing its attention on tackling scammers
- supporting schemes to prepare for dashboards.

Further details are available at - <https://www.thepensionsregulator.gov.uk/en/media-hub/press-releases/2023-press-releases/value-for-money-at-the-heart-of-tprs-new-corporate-plan>

On 13 April 2023, TPR authorised the UK's first collective defined contribution (C D C) scheme: The Royal Mail Collective Pension Plan.

Transfers to CDC schemes listed as authorised by TPR satisfy 'the First condition' for the purposes of The Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021.

See TPR's press release for more information <https://www.thepensionsregulator.gov.uk/en/media-hub/press-releases/2023-press-releases/tp-authorises-the-uks-first-cdc-pension-scheme>

- In May, TPR refreshed their guidance to support trustees dealing with employer stress or distress during economic challenges. They urge trustees to revisit this guidance, and, where appropriate, take action and engage with TPR at an early stage. <https://blog.thepensionsregulator.gov.uk/2023/05/10/refreshed-guidance-for-trustees-in-challenging-times/>
- They also published a blog on why ignoring environmental, social and governance (ESG) factors is no longer an option for trustees. The blog discusses developments in government policy, increased regulations, industry initiatives and greater industry awareness of the implications for life. <https://blog.thepensionsregulator.gov.uk/2023/05/17/the-esg-elephant-is-now-in-the-room/>
- TPR have) updated its website with a page covering the Capita cyber security incident. This follows a security breach where it is now known that some data has been exfiltrated from Capita's servers. TPR encourages all administrators who use Capita's services to check whether their pension scheme data could be affected. <https://www.thepensionsregulator.gov.uk/en/document-library/statements/capita-cyber-security-incident>
- In June, TPR published a blog on protecting savers from economic volatility. Although there are signs of recovery from some financial markets, TP reminds trustees to stay focussed to protect savers. The impact on defined benefit schemes appears to have settled, though trustees must remain vigilant. TPR reminds trustees to continue to act on their guidance on managing risks in liability-driven investments. <https://blog.thepensionsregulator.gov.uk/2023/06/06/trustees-must-not-lose-focus-on-protecting-savers-from-economic-volatility/>

Miscellaneous

• Voluntary NI contributions deadline extended

In a written ministerial statement published in March, the Government announced it was extending the deadline to pay voluntary National Insurance (NI) contributions from 5 April 2023 to 31 July 2023. This applies for tax years 2006/07 to 2016/17.

Paying voluntary NI contributions enables individuals to fill gaps in their NI record to boost their State Pension. <https://questions-statements.parliament.uk/written-statements/detail/2023-03-07/hcws608>

On 12 June 2023, the Government announced it was extending the deadline to pay voluntary National Insurance (NI) contributions from 31 July 2023 to 5 April 2025. This applies for tax years 2006/07 to 2017/18. <https://questions-statements.parliament.uk/written-statements/detail/2023-06-12/hcws843>

• Economic Activity of Public Bodies (Overseas Matters) Bill

On 19 June 2023, the U K Government introduced into Parliament the Economic Activity of Public Bodies (Overseas Matters) Bill.

The Bill aims to prevent public bodies from being influenced by political or moral disapproval of foreign states when taking certain economic decisions, subject to certain exceptions. The Bill will extend to LGPS investment decisions. The Pensions Regulator will be given power to enforce the ban on LGPS administering authorities.

The Bill will apply to England, Northern Ireland, Scotland and Wales and is scheduled for a second reading on 3 July 2023.

- **McCloud – unions granted right to appeal cost cap mechanism**

The Court of Appeal has granted unions permission to appeal against the recent High Court judgment over the government's proposed method of meeting the cost of implementing the McCloud remedy in public sector schemes.

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