

Synopsis of Prospective Changes to LGPS & Overriding Pension Legislation June 2017

Organisation	Subject	Link	Comments
HM Treasury	Pensions scams: consultation	https://www.gov.uk/government/consultations/pension-scams/pensions-scams-consultation	<p>Published 5 December and closing on 13 February 2017 – MPF submitted a response.</p> <p>This consultation sets out a package of measures aimed at tackling three different areas of pensions scams, a cold calling ban; consulting on clarifying the law so that Funds can block pension transfers and making it harder to open fraudulent schemes.</p> <p>The Fund response supported the suggested actions within the consultation</p>
HM Treasury	Indexation and equalisation of GMP in public service pension schemes	https://www.gov.uk/government/consultations/indexation-and-equalisation-of-gmp-in-public-service-pension-schemes	<p>Published on 28 November 2016, and a response sent from MPF.</p> <p>This consultation gave three options for increasing Guaranteed Minimum Pensions (GMP) within the public sector for those people reaching State Pension age from 6 December 2018.</p> <p>The Fund's preferred approach of converting the GMP into scheme benefits, was presented as the simpler, longer term solution</p>

<p>HM Treasury</p>	<p>Reforms to Public Sector exit payments: response to the consultation</p>	<p>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/555304/reforms_to_public_sector_exit_payments_consultation_response.pdf</p> <p>http://www.legislation.gov.uk/ukxi/2017/70/pdfs/ukxi_20170070_en.pdf</p>	<p>Introduction of new regulations for exit payments appear to have been further delayed as a result of the recent General Election.</p> <p>Summary of proposed changes:</p> <ol style="list-style-type: none"> 1. recovery of exit payments for high earners who are reemployed - actual regulations expected any time 2. the £95k cap for exit. Employment Enterprise Regulations have commencement regulations effective from 1 February 2017 short consultation possible awaiting further information 3. third tranche on exit payments Government responded to the consultation on reforming exit payments across the Public Sector. <p>Government departments asked to submit details of their proposals; including limits on employer funded early access to pension benefits (e.g. redundancy and business efficiency retirements in the LGPS)</p>
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<p>DCLG</p>	<p>LGPS Regulations: Draft Amendment Regulations with Best Value & Fair Deal consultation and freedom and Choice options</p>	<p>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/526538/Consultation_on_Local_Government_Pension_Scheme_Regulations.pdf</p>	<p>This consultation reviews the approach for Best Value and Fair Deal for the transfer of staff. Closed 20 August 2016.</p> <p>Responses led to DCLG deciding to split these away from the amendment regulations as a rethink was required.</p> <p>Nothing expected before June 2017</p> <p>The other amendments will be processed earlier but need changes to the Freedom and Choice section so short consultation may be required.</p> <p>Expected implementation delayed because of General Election</p>
<p>Government Actuaries Department (GAD)</p>	<p>Managing risks in the public service pension schemes</p>	<p>https://www.gov.uk/government/publications/managing-risks-in-public-service-pension-schemes-thoughts-on-measures-and-control-mechanisms</p>	<p>GAD has published a document outlining its thoughts on a report published in June, from the National Audit Office on the Government's Public Sector pension liability.</p> <p>The document sets out some ideas on appraising long-term risks for public sector pension schemes.</p>

<p>Scheme Advisory Board (SAB)</p>	<p>Academies' review</p>	<p>http://www.lgpsboard.org/index.php/structure-reform/review-of-academies</p>	<p>Ministers agreed that DfE, DCLG, GAD and the SAB should continue to work closely together to pursue solutions, engaging key stakeholders; including pension funds, actuarial firms and academy trusts as appropriate.</p> <p>The next stage will be to gather relevant evidence and develop specific proposals for change that the SAB will consider before submitting its recommendations to Ministers for their consideration</p>
<p>Scheme Advisory Board (SAB)</p>	<p>Committees – membership & remit</p>	<p>http://www.lgpsboard.org/index.php/sub-comms/membership-remit</p>	<p>The Scheme Advisory Board have requested that a further review of ill-health retirement benefits be carried out; taking on-board the recommendation previously made by the Shadow sub-committee. A Working Group has been set-up.</p>