Scheme Advisory Board (SAB) Meeting

20 July 2026, 1.30pm – 3.30 pm

Beecham Room, 18 Smith Square, London

and Microsoft Teams

SAB | Local Government Pension Scheme Advisory Board England & Wales

AGENDA

Item		Paper	Timings
1	Welcome, apologies, introductions and declarations of interest	**Verbal**	1.30
2	Actions and agreements from meeting of 23 March 2026	**Paper A**	1.32
3	Matters arising	**Verbal**	1.35
4	LGPC update	**Paper B**	1.40
5	Fit for the Future technical consultation response, regulations and guidance	**Paper C**	1.50
6	SAB Governance structure review	**Paper D**	2.00
7	Board and Committee membership	**Paper E**	2:15
8	EDI Survey of Board and committees (and secretariat)	**Paper F**	2.25
9	SAB communications update	**Paper G**	2.30
10	Investment Committee report	**Paper H**	2.45
11	Compliance and Reporting Committee report	**Paper I**	2.55
12	Cost Management, Benefit Design and Administration Committee report	**Paper J**	3.05
13	2027/28 SAB Budget	**Paper K (CONFIDENTIAL)**	3.15
14	Any other business	**Verbal**	3.25
15	Date of next meeting	**Verbal**	3.30

Email: SABSecretariat@local.gov.uk **Website:** LGPS Board

Paper A: Actions and Agreements of meeting held on 23 March 2026

Present

Councillor Roger Phillips	Chair
Councillor Nathan Yeowell	Scheme Employer Representative/Local Government Pension Committee (LGPC) Chair
Councillor Andrew Thornton	Scheme Employer Representative
Councillor Christopher Weaver	Scheme Employer Representative
Councillor John Beesley	Scheme Employer Representative
Councillor John Fuller	Scheme Employer Representative
George Georgiou	Scheme Member Representative (GMB)
Les Timbey	Scheme Member Representative (GMB)
Ben Thomas	Scheme Member Representative (UNISON)
John Neal	Scheme Member Representative (UNITE)
Tommy Bowler	Scheme Member Representative (UNITE)
Matt Gurden	Government Actuary's Department (GAD)
Kirsty McLean	Squire Patton Boggs (SPB)
Tiffany Tsang	Pensions UK
Neil Mason	Practitioner Representative (Surrey Pension Fund)
Kelvin Menon	Association of Local Authority Treasurers (ALATS)
Nick Kirby	Trades Union Congress (TUC)
Jeff Dong	Compliance and Reporting Committee Chair
Annette Greenslade	Scottish Public Pensions Agency (SPPA)
David Murphy	Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC)
Ben Lavelle	Ministry of Housing, Communities and Local Government (MHCLG)
Rachel Howcroft	MHCLG
Cllr Toby Simon	Nominated Scheme Employer Representative (Liberal Democrat) (Observer))

Secretariat

Clair Alcock	Local Government Association (LGA) – Head of Pensions and Board Secretary

Jeremy Hughes	LGA – Deputy Board Secretary
Lorraine Bennett	LGA – Principal Pensions Adviser
Becky Clough	LGA – Board Support and Policy Officer
Ona Ehimuan	LGA – Pensions Secretary
Sophia Chivandire	LGA – Pensions and Policy Support Officer
Sarah Tingey	LGA – Research and Data Analyst

1. WELCOME, APOLOGIES, INTRODUCTIONS AND DECLARATIONS OF INTEREST

The Chair welcomed all in attendance including:

- Ben Thomas who is joining as an officer scheme member representative for UNISON
- Neil Mason who is joining as a new non-voting member
- Kirsty McLean who is joining as the Board's new legal advisor and
- Tiffany Tsang who is joining as the Board's new pensions policy advisor.

Apologies for absence were received from Debi Potter (UNISON) who had been appointed lay member scheme member representative for UNISON in March 2026. Apologies were also received from Michelle Warbis (Deputy Director, Local Tax and Pensions, MHCLG); Rachel Howcroft and Ben Lavelle were in attendance.

The Board were informed that Charity Main has stepped down after departing from her role as Chief Financial Officer and Chief Operating Officer at Anglian Learning. The secretariat were awaiting a nomination for her replacement from the Department for Education.

Cllr John Fuller OBE (The Lord Fuller) was attending his last meeting before the end of his tenure in June 2026. The chair thanked him for his contributions, noting his presence on the Shadow Scheme Advisory Board and the Scheme Advisory Board. Cllr Toby Simon had been approved by the Minister in March 2026 as the new Scheme Employer Representative (Liberal Democrat) once Lord Fuller steps down. Cllr Simon was in attendance as an observer.

Annette Greenslade was in attendance as an observer for Scottish Public Pensions Agency (SPPA) whilst Alan Wilkinson is on secondment and was taking over from Eva Sobek who left SPPA after the last Board meeting.

The Board were notified that Teresa Clay (Head of Pensions at MHCLG) had retired at the end of February 2026 and thanked her for her contributions.

There were no declarations of interest.

2. ACTIONS AND AGREEMENTS FROM PREVIOUS MEETING

The actions and agreements from the meeting held on 24 November 2025 were agreed as a true and correct record of the meeting.

3. MATTERS ARISING

There were no matters arising; actions from the last meeting were covered in the substantive discussion of the meeting.

4. 2026/27 SAB BUDGET AND STAFFING UPDATE

The Board were notified that a budget of £725,000 for 2026/27 had been approved by Local Government Minister, Alison McGovern MP on 12 March 2026. Clair Alcock (CA) provided an update on matters currently under internal consultation within the LGA. The Board noted the potential implication for the LGA pension team and emphasised the importance of maintaining appropriate capacity and expertise. The Board agreed that it wished to express its support for the work of the Pensions team and would reflect on how best to convey this sentiment through appropriate channels.

5. UPDATE TO SAB RISK REGISTER

Jeremy Hughes (JH) introduced paper B to the Board. The full risk register was circulated to the Board as annex A prior to the meeting. Changes had been made to the SAB risk register to upgrade risks on administration software and suppliers, downgrade risks to the failure or closure of asset pool companies or operating companies and downgrade risks on the transition to new Fit for the Future arrangements. The Board approve d the register and agreed to add the LGA restructure as an operational risk to the register.

ACTION: that the LGA restructure is added as an operational risk to the SAB risk register

ACTION: that the secretariat adds the pensions dashboard to the risk register

6. LGPC UPDATE

Lorraine Bennett (LB) introduced paper C to the committee which gave an update on the work being undertaken by the Local Government Pension Committee (LGPC).

The update confirmed that:

- significant member benefit changes will take effect from April 2026
- councillors and mayors in England will be eligible to join the LGPS from 11 May 2026
- work on pensions dashboards continues
- new tools to help promote the LGPS will be published soon.

The Board noted the contents of the update.

7. FIT FOR THE FUTURE REGULATION UPDATE

CA provided the Board with an update on the 2026 Local Government Pension Scheme (Amendment) Regulations and the 2026 Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations

which will legislate the changes confirmed in the government's response to the Fit for the Future consultation. It was confirmed that the Pension Schemes Bill would not receive Royal Assent before 1 April 2026. As a result, the secondary legislation and statutory guidance for the Fit for the Future changes would be delayed and backdated to the 1 April deadline once published.

Representatives from the Ministry for Housing, Communities and Local Government (MHCLG) confirmed that the responses from the consultations on the regulations and the guidance issued in December 2025 are informing the changes to the final products.

The Board expressed a need for clarity on changes being made from the department as soon as possible given that the regulations and statutory guidance will be delayed. MHCLG representatives said that would be communications laying out the headline changes to the regulations and guidance from MHCLG in the coming weeks.

The Board noted the update.

8. SAB GOVERNANCE STRUCTURE CHANGES POST FIT FOR THE FUTURE

Ona Ehimuan (OE) introduced paper D to the Board which laid out the progress that had been made in establishing a closer formalised link between the pools and the Board. Since the last Board meeting, the proposals had been discussed with the pools, the chair, the Responsible Investment Advisory Group (RIAG) and the

Investment Committee. A summary of the key points from each of those discussions and the current position could be found in the paper.
The Board were invited to discuss the progress made and approve the secretariat's recommendation to invite representatives from each of the six pools will be invited to the Investment Committee on the 22 June 2025. The Board were also asked to agree the next steps to be actioned by the secretariat. It was agreed that an iterative approach would need to be taken to construct a new structure that would effectively support a closer formalised link between the Board and the six asset pools. The Board agreed the recommendations in the paper and agreed that the SAB governance structure review be added as a standing item to the Board's agenda for the foreseeable future.

ACTION: invite representatives from each of the six pools will be invited to the next Investment Committee meeting on the 22 June 2025 in the first instance and feedback on the meeting outcomes would be brought back to the Board

ACTION: that a mapping exercise to identify existing groups that currently support funds and pools across investment, governance and administration be carried out by the secretariat

ACTION: that the SAB governance structure review be added as a standing item to the Board's agenda for the foreseeable future

9. LOCAL GOVERNMENT REORGANISATION AND SINGLE PURPOSE PENSIONS AUTHORITIES

Jeremy Hughes (JH) introduced the item to the Board. At the last meeting on 24 November 2025, the Board agreed to consider drafting objective criteria for when establishing a single purpose pensions authority (SPPA) could be a viable option. The update provided the Board with an overview of some key considerations which included asset size.

The Board discussed the criteria and concluded that it would be important to consider the lower asset size limit carefully, along with additional factors such as staffing levels. It was agreed that the secretariat would continue to work with MHCLG on the development of these criteria.

ACTION: that the secretariat continues to work with MHCLG to agree objective

criteria to determine the viability of establishing an SPPA and brings an update on discussions to the next Board meeting

10. SAB WEBSITE, COMMUNICATIONS AND ENGAGEMENT

Sophia Chivandire (SC) introduced paper E to the Board. The Board's communications and engagement strategy continues to be rolled out, and events are being put together to support this. A meeting with pension committee chairs on topical issues in the LGPS took place on 17 March 2026. 44 attendees representing 39 funds and five pools attended and received an update from Michelle Warbis (Deputy Director, Local Tax and Pensions at MHCLG). The secretariat also led sessions on valuation outcomes and updates from the Board. Attendees were particularly interested whether the Minister would be providing a response to the Board's Palestine Solidarity Campaign (PSC) letter sent on 13 October 2025. It was confirmed after the meeting that a response will be provided in the coming weeks. The secretariat also collated and shared the unanswered questions from the event with MHCLG; the responses are awaited.
A new SAB LinkedIn page is now live, and events planned for the coming months included a meeting with pension board chairs on 12 May 2026 and the Board Annual Assembly on 22 October 2026.
OE confirmed that the new SAB website went live on 26 January 2026, and positive feedback had been received on the ease of navigation and information retrieval. The final accessibility testing would be taking place shortly and the site's accreditation would be issued upon resolution of any potential issues identified during the test. Data from Google Analytics will reveal trends in usage over time and information on this will be collected.
Templates with the Board's new branding have also been rolled out.
The Board noted the update.

11. BOARD AND COMMITTEE MEMBERSHIP

OE introduced paper F to the Board. The Board noted the approval of ministerially appointed Board members and approved the additional changes in Board and Committee membership. Ben Lavelle (BL) provided the Board with an update on MHCLG's proposals for the recruitment of a new Board Chair. The Board emphasised that the process should be open to all candidates with the necessary level of knowledge, experience and understanding including elected members. MHCLG noted the feedback received and will be continuing discussions with the secretariat to inform the process to appoint a new chair by April 2027.

12. INVESTMENT COMMITTEE REPORT

Cllr Andrew Thornton (AT) introduced paper G to the Board. The Investment Committee last met on the 23 February 2026 and discussed:

- an update from Ministry of Housing, Communities and Local Government (MHCLG) on the Pension Schemes Bill and the Fit for the Future regulations and guidance products
- the progress on the project to establish a new cost reporting framework and plans to close down the centralised data system
- the updated proposals on changes to the SAB governance structure post Fit for the Future
- the key topics discussed at the [Responsible Investment Advisory Group (RIAG) meeting on 9 February 2026]
- Updates to the committee workplan

The Board noted the contents of the report and flagged upon review of the workplan that the Department for Work and Pensions (DWP) has established a working group to work on statutory guidance on fiduciary duty. The Board agreed to explore whether the SAB can be represented on this group. The Board approved the committee workplan at annex A.

ACTION – that the Board requests addition to DWP's working group on fiduciary duty

13. COMPLIANCE AND REPORTING (CRC) COMMITTEE REPORT

Jeff Dong introduced paper H to the Board, thanking the secretariat, committee members and working groups for the significant amount of work done over the last few months. He thanked Jo Quarterman from Norfolk Pension Fund for her contributions to the Good Governance working group ahead of her retirement at the end of March 2026 and Fiona Miller as a member of the committee who is planning to retire this year. The Compliance and Reporting Committee last met on 2 March 2026 and discussed:

- progress made by its working groups including the peer support working group
- the plans to establish a peer support pilot programme this year
- the next steps for the CRC workplan once the Government's Fit for the Future regulations and guidance are introduced

- updates to the fund annual report guidance to align with the Fit for the Future changes
- progress on the analysis of 2024/25 fund annual reports being done by the Board's Research and Data Analyst, Sarah Tingey for the 2025 Scheme Annual Report

The Board noted the report and approved the peer support pilot project governance plan included at annex A and the updated CRC workplan at annex B. recommendations and updated workplans contained within the committee reports were approved.

14. COST MANAGEMENT, BENEFIT DESIGN AND ADMINISTRATION COMMITTEE REPORT

George Georgiou (GG) introduced paper I to the Board. The committee last met on 9 March 2026 and discussed:

- the update received from LGPC which included details on the Government responses to the Access and Fairness and Access and Protections consultations
- progress of the 2025 triennial fund valuations and the Government Actuary's Department's (GAD) plans to the consistency of approach between funds as part of their s13 review of fund valuations
- MHCLG's review of Regulation 64A following on from a commitment to do this by Michelle Warbis, Deputy Director of Local Tax and Pensions in March 2025
- an update from the Gender Pensions Gap working group
- a summary report of findings resulting from the Board's survey on employer exits
- updates to the committee workplan

The Board noted the contents of the update with members expressing a need to remain alive to increase in employer exits particularly in the academies sector where some are looking to crystallise strong returns and avoid the risk of future deficit positions. The Board approved the committee workplan included at annex A.

15. ANY OTHER BUSINESS

There were no items of other business.

16. DATES OF NEXT MEETING

The date of the next meeting is 20 July 2026 at 1.30pm to be held on a hybrid basis on Microsoft Teams and at 18 Smith Square, London.

Paper B: LGPC update

Key points to note

- significant member benefit changes were introduced in April and May 2026, including implementation of the first phase of the Government's Access and Fairness reforms and the introduction of LGPS membership for councillors and mayors in England
- the increase in the SCAPE discount rate has required a review of actuarial factors, resulting in the temporary suspension of certain calculations and the publication of transitional guidance
- legal advice is being commissioned on several complex administration issues to promote consistency across the LGPS
- a new LGPS promotion toolkit has been launched
- procurement for a new host for the National Insurance Database (NIDB) will start shortly.

Recommendation

The Board is asked to note the content of this report.

Background

The Local Government Pension Committee (LGPC) is a committee of councillors constituted by the LGA. It represents local authority interests in dealing with Government and others on local government pension issues. Its work is carried out by the LGPC secretariat at the LGA.

The LGPC secretariat also provides an advisory and training service to LGPS administering authorities across the UK. The service is funded by a subscription on LGPS authorities as well as training and qualification income.

Member benefit changes

Significant member benefit changes were legislated for and introduced in April and May 2026. Changes include:

- equalising survivor benefits
- changes to death grant provisions

- improved pension protection during child-related leave and other types of unpaid leave
- changes following the abolition of the Lifetime Allowance
- councillors and mayors became eligible to join the LGPS in England.

The LGPC secretariat has supported LGPS administering authorities and employers by providing detailed technical guidance, special bulletins, template member communications and employer resources, together with ongoing engagement and support across the sector.

SCAPE discount rate change

In May 2026, the Government announced an increase in the SCAPE discount rate from CPI + 1.7% to CPI + 2.0%. The SCAPE rate is used across public service pension schemes, including the LGPS, to calculate a range of actuarial factors. As a result of the change, the Government Actuary's Department (GAD) began reviewing and updating the affected factors.

Pending the release of revised factors, certain transfer calculations were temporarily suspended from 19 May 2026. The first batch of updated factors was released on 9 June 2026, allowing some suspended calculations to resume.

The LGPC Secretariat has produced a transitional table setting out the implementation instructions and transitional arrangements that apply to the new factors. We are liaising with MHCLG on implementation dates for the remaining factors and will update the transitional table as further factors are released.

Legal advice

We are seeking legal advice in three areas to support administering authorities and promote consistency across the LGPS. These issues have been identified as areas of complexity and inconsistency in current practice, where national guidance informed by legal advice would be beneficial.

Unclaimed benefits - administering authorities are increasingly dealing with cases where benefits must be paid (eg redundancy, ill health, age 75 cases), but the member either cannot be traced or refuses to engage. The issue has been highlighted because of pensions dashboards.

There is currently no consistent national approach. Legal advice is being sought to clarify what steps should be taken to trace or engage members, the appropriate processes and record keeping. The aim is to establish a clear, consistent framework for all funds.

Payments to estates / deceased beneficiaries - recent changes (including backdated death grants for members age 75+ and survivor benefit equalisation) have created cases where payments are due, but the intended recipient or the personal representative has died. These cases raise complex issues such as:

- whether estates can be re-opened
- what to do if personal representatives cannot be traced
- the use of discretionary powers to pay amounts of less than £5,000 without the need for grant of probate or letters of administration.

Legal advice will support a practical process for handling these scenarios, ensuring consistency and managing risk.

Cohabiting partner eligibility - complexities arise where one partner has moved into care or hospital before death, raising questions about whether the cohabitation criteria are still met. Legal advice is being sought to clarify:

- how to interpret the legislation in these circumstances
- what evidence should be considered
- how to ensure fair, consistent and defensible decisions.

LGPS Promotion Toolkit

We have developed a new set of resources designed to help employers promote the value of the LGPS to members and prospective members.

As employers place increasing emphasis on financial wellbeing and total reward, the LGPS remains one of the most valuable benefits available to employees. These resources are designed to support employers in communicating that value clearly and consistently.

With around 16,000 active employers participating in the LGPS, collaboration across the sector is key to ensuring this message reaches as many people as possible. We have asked the sector for support in helping raise awareness of these materials.

The LGPS promotion toolkit can also be used by employers, administering authorities, representative organisations and other stakeholders to support engagement with members and potential members.

What's included in the toolkit?

- **Promotional video** – 'Your future, your tomorrow, your pension'.

- **Promotional leaflet** – available in Word and PDF, as well as a flipbook
- **Posters** – available in standard and print-ready formats
- **Email footer** – to reinforce key messages in everyday communications
- **Social media posts** – a set of five images with suggested wording and links, provided in a range of sizes for different platforms.

LGPS dashboards guidance updated

In June 2026, the LGPC updated its LGPS pensions dashboards guides to reflect the latest regulatory developments, industry guidance and user research.

Updates include revised matching terminology, clarification of the definition of a relevant member, updated guidance on illustration dates and data breaches, and the inclusion of the AVC Memorandum of Understanding.

The guides also reflect confirmation that the MoneyHelper pensions dashboard is expected to be available to the public during the 2027/28 financial year. These resources aim to help administering authorities and AVC providers prepare for consistent and effective dashboards implementation.

Lower earners' pension payment

From August 2026, HMRC will begin contacting around one million eligible individuals about the new low earner's pension payment, which is designed to ensure that low earners receive comparable pension tax relief regardless of the type of workplace pension scheme they belong to.

No action is required from employers. HMRC will identify eligible individuals and contact them directly. Employees may qualify if, from the 2024/25 tax year onwards, they paid pension contributions to a net pay arrangement scheme, such as the LGPS, without receiving income tax relief.

Individuals do not need to apply for the payment. Eligible members should wait to be contacted by HMRC and follow the instructions provided. Employers may wish to remind employees to remain alert to scams, as HMRC will never ask for passwords, PINs or money transfers.

NIDB changes

We are seeking a new host for the National Insurance Database (NIDB), which is currently hosted by South Yorkshire Pensions Authority (SYPA). Procurement for a replacement hosting arrangement will commence shortly, following notice from SYPA that it will terminate the current hosting agreement with effect from 31 March 2027.

The NIDB plays a key role in LGPS administration by enabling administering authorities to identify members' records held across different LGPS funds. This helps ensure that pension benefits are administered accurately, efficiently and in accordance with Scheme regulations.

New administrator and employer website launch delayed

The launch of the new administrator and employer website has been deferred to allow additional work to be completed on the site build and to reflect current team capacity. The new website is now expected to launch in early September.

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Paper C: Fit for the Future - Government response, regulations and guidance

Key points to note

The Pension Schemes Act has received Royal Assent and the Government has now published its response to the consultation, the associated regulations and statutory guidance. This largely marks the end of the Fit for the Future policy development phase, and we are now shifting into a policy implementation phase.
In due course, these new arrangements will become "business as usual" but the secretariat believe that the Board still has a significant role to play in helping these changes to bed down.

Recommendation

That the Board notes these developments and considers the proposed programme of implementation support and guidance development.

Background

On 21 May the Government published its response to the technical consultation that was issued on 20 November last year. The associated guidance (on governance, Investment Strategy Statement, and pooling arrangements) was published on 29 June.

This process of evolving each committee's workplan to reflect these changes has already started. We are also considering what changes to committee membership are appropriate and there is a separate paper on that.

Next steps

While we are not expecting further statutory guidance from the Government, there remain a number of areas where practical implementation guidance is needed. The working assumption is that this guidance would be developed by SAB rather than issued by Government. statutory guidance. Each is a substantial item and once the requirements of the guidance by Government and funds is clearer, we can

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incorporate these into our existing workplans. These areas are:

- conflicts of interest policy
- knowledge and understanding
- training strategy

There will be different timescales for the development of these products, and some will also require CIPFA involvement. Further detail of the anticipated timeframes for production will be provided through the CRC. Discussions are still ongoing with MHCLG in relation to the form and content of guidance on the newly obligatory administration strategy and the broader governance strategy (which will need to take into account any policy changes arising from the separation of pension fund audit from that of the host authority). There is likely to be some overlap with the work of the CMBDA Committee, particularly where implementation guidance has implications for pension administration, governance and wider fund operations.

On the investment side, we will continue to work with key stakeholders to build on the model established by the Ministry in regulations and guidance to identify common principles for oversight of pools, including exploring existing models and what lessons can be learnt from outside the scheme.

We will also work with key stakeholders to determine reporting principles for pools, both publicly and to partner funds - including performance monitoring standards and value for money assessments.

Another priority is to explore the process by which developing relationships with strategic authorities can help to identify local investment opportunities and how to assess these in line with LGPS fiduciary duty.

The report from the Investment committee includes recommendations to establish working groups to provide SAB guidance on:

- Fund oversight of pools
- Pool reporting
- Local Investment

Paper D: Scheme Advisory Board (SAB) Governance structure review

Key points to note

The secretariat has conducted a mapping exercise to identify groups supporting those managing the scheme and their remit. A summary of the findings and the secretariat's insights are contained in this paper.

The recommendations in this paper focus primarily on the future role and composition of the IC. This reflects both the scale of the "Fit for the Future" (FFtF) reforms affecting the relationship between funds and pools and the significant volume of new work these reforms have generated requiring the Board to respond at pace over the coming months. The proposals brought forward have been considered carefully to make sure that there is an appropriate balance between the interests of the six pools and the 86 LGPS funds, ensuring that no perspectives are excluded from discussions and decisions that may directly affect them.

The governance review remains an iterative process and will be addressed at future Board meetings to ensure that the structure in place and focus of each group remains responsive to the evolving architecture of the scheme.

Recommendation

That the Board discusses the considerations laid out in this paper and agrees:

- the continued inclusion of representatives of each of the six asset pool companies for the next Investment Committee (IC) meeting on 19 October 2026
- additional membership changes to fund representation, to take effect from the next IC meeting
- the key areas of focus for the Investment Committee and the method of delivery for this

That the secretariat continues to keep governance under review and updates the Board on the experience of the latest changes at its next meeting, on 23 November 2026.

Background

A paper setting out key considerations for the shaping of the SAB's governance structure was presented at the last Board meeting on 23 March 2026. In line with the agreed actions at that meeting, the secretariat has

- conducted a mapping exercise of the current network supporting those managing the LGPS, and
- invited representatives from the six asset pooling companies to attend the most recent IC meeting on 22 June 2026.

Insights from these activities are provided in this paper.

Mapping of existing networks

At the last meeting on 23 March 2026, it was agreed that the Board should launch a mapping exercise to determine the existing groups supporting the LGPS and enable a better understanding of what groups have already been established, identify any gaps and ultimately optimise engagement with our stakeholders. This was launched on 28 April 2026 and concluded on 29 May 2026. 22 responses were received.

The responses show that there are a range of networks of groups which are typically informal but support officers with knowledge sharing across various areas, most prominently with administration followed by governance and communications though many groups span more than one area. As expected, there is an indication that some of these groups are having increasing discussion on pool and fund relationships.

These responses did not identify any groups in existence at the pool level, though discussions held with pool representatives suggest there have been groups for pool officers in the past. These groups performed a similar knowledge sharing function to fund-level groups. Plans to re-establish some of these groups remain under consideration by pool officers.

The secretariat believes that there are a number of areas where SAB-led groups can add value, particularly with regards to establishing scheme-level standards and principles. This is because the responses to the mapping exercise show that the existing groups tend to be regional or limited to the partner funds of specific pools, and few were focussed on investment-related issues.

While we may not have captured all existing groups through this exercise, the responses do provide an insight to the current working patterns and styles of practitioner groups and what gaps can be usefully addressed by the Board.

Pool participation

In line with the action agreed by the Board at its last meeting, representatives from each of the six pools were invited to the Investment Committee on 22 June 2026 and five were in attendance on the day. Written information was provided by the representative not in attendance which formed part of the meeting discussion.

The meeting included a paper and extensive discussion on the workplan, method of delivery for the workplan and committee membership. This valuable discussion informed the proposed changes to the committee's workplan, delivery model and membership

Committee structure and membership.

The FFtF reforms have generated a significant programme of new work for the Investment Committee. The proposals below therefore concentrate on recommendations on the committee's future workplan, delivery model and membership arrangements. Reflecting the Board's preference for an iterative approach to governance changes, further proposals will be brought forward following the next committee cycle.

The Compliance and Reporting Committee's (CRC) is also considering whether changes to its membership are required to reflect recent governance changes, including differentiating the "practitioner" from the "LGPS Senior Officer" roles and also including representation of Independent Persons. However, its workplan is felt to be well placed to address issues raised through the FFtF changes.

At present there are no planned changes to the Cost Management, Benefit Design and Administration (CMBDA) Committee. Neither are changes proposed for the Responsible Investment Advisory Group (RIAG) at this stage.

Whilst no further structural changes are proposed at this stage, we will continue to keep under review how the committees and advisory groups interact. A number of issues have relevance across more than one body, and it will be important to ensure appropriate information sharing and coordination so that committees remain aware of developments in related areas and can consider their implications within their respective remits.

Proposed Investment Committee changes

Proposals have been brought forward for changes to the IC's workplan, working model and membership and the Board is asked for their consideration of these. Reflecting the Board's preference to take an iterative approach to governance changes, further proposals will be brought forward to the next Board meeting based on experience of the next committee cycle.

The IC agreed that key areas to investigate further through working groups were:

- Fiduciary oversight of pools
- The common principles or guidelines for reporting publicly and to partner funds
- Developing the capacity for local investment projects including relationship building with strategic authorities and due diligence assessments for potential investment projects
- Implementation of funds' responsible investment strategies by pools (committee have proposed to direct this stream to the Responsible Investment Advisory Group (RIAG))

The secretariat proposes that an initial three working groups are established over the summer to address the new proposed items for the Investment Committee's workplan (see annex A of paper H for the full workplan) and provide an update on progress to the committee at its next meeting on 19 October 2026. Membership of these groups would be expected to go beyond the membership of the IC and include more working-level contacts from the funds and investment pools.

The IC also suggested that the Board continues with the inclusion of the six pools at the next meeting but that it also increases the number of fund representatives to six. It proposed that the funds be selected according to fund type with regard being given to the fund's pool to ensure a balanced spread.

The fund types proposed as follows:

- London
- Metropolitan areas
- Non-metropolitan county/unitary (two representatives)
- Wales
- Single purpose pensions authority (including EAPF)

The committee did not reach a conclusion on whether investment consultants should remain on the committee (currently four investment consultants attend the IC). There was a suggestion that this should be allowed in the short term, whilst pools develop their in-house capacity to provide investment advice to their partner funds. However, there was also a view that the pace of change made it more sensible to act now and trial having no investment consultants present at the next committee meeting. On balance, the secretariat recommend that investment consultants continue to attend, pending consideration of what other professionals might usefully attend the IC to give a wider industry perspective on investment topics.

The IC also considered whether spaces should be offered to representatives of the new Independent Person role, who are likely to have a significant role in governance of the investment function. There was no definitive steer from the committee on the this and the secretariat propose to keep this under review, depending on the types of appointments made in the coming months.

The secretariat recommend that the Board approve:

- ***the invitation of the six LGPS pools to the next Investment Committee meeting on 19 October 2026***
- ***the further proposed changes to increase the fund representation on the Investment Committee to six funds***
- ***no further changes to the committee membership at this stage***
- ***the proposed workstreams and working groups to be established under the Investment Committee***

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Paper E: Board and Committee membership

Key points to note

The Board is asked to nominate a new Investment Committee chair as per the committee's Terms of Reference due to ex-Cllr Andrew Thornton losing his seat for Royds Ward in Bradford Metropolitan District Council. A new scheme employer representative for the Board will also need to be sought from the LGA's political group offices to replace him in that capacity.

Cllr Chris Weaver is stepping down from the Board after this meeting and the Welsh LGA (WLGA) will be nominating another scheme employer representative to replace him when its Executive Board meets on 24 July.

There are also a number of changes in membership for the Board to approve on the committees.

A proposal on longer term changes to the Investment Committee will be brought to the next meeting. Interim proposals can be found in paper D.

The Ministry of Housing, Communities and Local Government (MHCLG) have been invited to provide a verbal update on the recruitment for the new Board Chair ahead of the departure of Cllr Roger Phillips OBE in March 2027.

Recommendation

That the Board notes and approves the changes in membership. That the Board nominates a new chair of the Investment Committee. That the Board notes the verbal update from the MHCLG on the recruitment for a new Board Chair.

Membership changes

Board

Charity Main has stepped down from the Board after departing from her role as Chief Financial Officer and Chief Operating Officer at Anglian Learning at the end of February 2026. The Board thanks her for her contributions to the SAB's work via the Board and the Cost Management, Benefit Design and Administration (CMBDA) committee. The secretariat have been formally notified that Sarah Graham, Director of Compliance, Policy and Legal and Chief Audit Executive at Oasis Community Learning has been nominated for ministerial consideration as the new scheme employer representative for the education sector by the Department for Education.

The secretariat has received notification from the Welsh LGA (WLGA) that Cllr Chris Weaver will be stepping down from the Board after being nominated as leader of Cardiff Council. The Board thanks him for his contributions over the course of his tenure and wishes him the best in his new endeavours. The secretariat is liaising with the WLGA to ascertain the new nominee which once received will be passed on to MHCLG for ministerial approval.

A new scheme employer representative will need to be sought from the LGA's political group offices to replace ex-Cllr Andrew Thornton who lost his seat as a councillor in Royds Ward in Bradford Metropolitan District Council, which is the administering authority for the West Yorkshire Pension Fund at the last local elections on 7 May 2026. MHCLG have been notified and will formally terminate his membership in line with their procedures.

Committees and Advisory Groups

Ex-Cllr Thornton was appointed as the Chair of the Investment Committee by the Board at the meeting on 25 November 2024. Due to the loss of his seat as a councillor in May 2026, a new chair will need to be appointed by the Board in line with the committee's Terms of Reference which states that the committee's chair 'shall be nominated from and agreed by the members of the Board but does not have to be a voting member of the Board.' The Board is asked to agree the new committee chair.

Fiona Miller will be retiring from her role as Deputy Chief Executive Officer at Border to Coast and will step down from the Compliance and Reporting Committee (CRC) and the Investment Committee in September 2026. As set out in paper D, the longer-term proposal for the Investment Committee's membership structure is still being worked out however the Board has been asked for approval for representatives from all six pools to attend the next committee meeting on 19 October 2026. Subject to the Board's approval, a new representative from Border to Coast will be invited to the next Investment Committee meeting.

The secretariat have considered the next steps for recruiting a replacement asset pool representative for Fiona to the CRC, which meets next on 2 November 2026. Fiona was recruited to the role given her unique breadth of experience as a senior pool officer, previous head of fund and pension board chair, The secretariat recommends that the committee be asked to review its membership and Terms of Reference when it next meets, having regard to the Fit for the Future changes and the need for pool representation in delivering its workplan.

Jeff Dong was agreed as the new chair of the Compliance and Reporting Committee (CRC) at the Board meeting on 24 March 2025. The nomination was also approved by CIPFA's Public Finance and Management Board (PFMB) at their next meeting on 27 March 2025. At the time of his appointment, Jeff served as the Deputy Section 151 Officer & Deputy Chief Finance Officer at Swansea Council. In May 2026, Jeff left this role to become Head of Investment Strategy & Stewardship at Wales Pension Partnership (WPP). The secretariat has considered whether this move would necessitate the appointment of a new committee chair currently serving as an LGPS fund practitioner. It is recommended that Jeff remains the chair of the committee due to his established experience as an S151 officer which is not negated or diminished by his new role. CIPFA have also been asked for their approval of Jeff continuing as committee chair. Jeff will however be stepping down as lead officer of the Good Governance working group and a new lead officer will be recruited.

Jack Bower has stepped down as an observer on the Compliance and Reporting Committee due to leaving his role at Institute of Chartered Accountants in England and Wales (ICAEW). It is recommended that the link with ICAEW is retained and his replacement once confirmed will be invited to join the committee. In the interim Henning Diederichs, Director for Public and Not-For-Profit Sectors at ICAEW has been invited to attend CRC meetings.

Peter Turner is stepping down from his role as the treasurers' representative on the CRC due to increasing competing commitments in his capacity as S151 officer at London Borough of Bromley and Secretary of Association of Local Authorities Treasurers Societies (ALATS). Daniel Omisore, S151 officer at London Borough of Camden has been nominated by ALATS as the new representative.

Jacqueline Jackson, Chief Sustainability Officer at London CIV has rejoined the Responsible Investment Advisory Group (RIAG) after being on maternity leave. Tim Manuel, Head of Responsible Investment at Border to Coast, has put himself forward to replace Sallie Wilson, Pool Analyst at ACCESS as an asset pool representative now that the pool is being wound down. Currently Border to Coast is the only asset pool which doesn't have either direct representation or a partner fund represented at RIAG.

Ashley Hamilton Claxton stepped down from her role as an asset manager's representative the group in February 2026. Graham Cook also stepped from his role as a wider industry representative prior to the group meeting on 8 February 2026. An advert for the two roles was published via the Board's communications channels and a number of expressions of interest have been received. The secretariat are reviewing these at the time of writing this paper and propose to clear the recommendations for the appropriate candidates with the chair.

Paper F - EDI Survey of Board and committees (and secretariat)

Key points to note

The Board previously approved a proposal to undertake a survey of Pension Committee and Local Pension Board members to collect information on the diversity and representation of those involved in LGPS governance.

This exercise, undertaken in 2025, sought information from administering authorities about the demographic composition of their committees and boards as well as current data collection practices. While that exercise provided some useful insights, the response rate was lower than anticipated and many administering authorities advised that they did not routinely collect the demographic information requested, or did not want to provide it on behalf of their members due to GDPR concerns. As a result, the data available was not sufficient to provide a reliable picture of representation across LGPS governance bodies.

To address this evidence gap, it is proposed that a new survey is issued to individual Pension Committee and Local Pension Board members so that they can anonymously submit their data, so that individual administering authorities are not identifiable. Collecting information directly from individuals could potentially improve response rates, increase the quality and consistency of the data collected and provide a more accurate understanding of representation within LGPS governance arrangements. The Board has previously decided that we should also invite the Board and secretariat team to complete the survey, to show we were holding ourselves to the same standard.

Participation in the survey will be voluntary. Responses will be held in an anonymised form and reported only at an aggregate level. No information will be published that could identify individual respondents and the findings will be used solely to support the SAB's work on governance and best practice within the LGPS.

The results of the survey will help the SAB better understand the current composition of LGPS governing bodies, identify any gaps in representation, and provide an evidence base to support future governance guidance and policy development.

Email: SABSecretariat@local.gov.uk **Website:** [LGPS Board]()

Recommendations

The Board is recommended to note and approve the proposed survey of Pension Committee and Local Pension Board members and to support its distribution across the LGPS. A draft of the proposed survey is at Annex A.

Background

The Scheme Advisory Board has a statutory responsibility to promote best practice within the LGPS and to advise on matters relating to the effective governance and administration of the Scheme. As part of its ongoing review of LGPS governance arrangements, the SAB is considering the extent to which Pension Committees and Local Pension Boards reflect the diversity of the communities and scheme members they serve.

In 2025, the SAB commissioned a survey of administering authorities to understand current practice regarding Equality, Diversity and Inclusion (EDI) policies, demographic data collection and the reporting of information relating to Pension Committee and Local Pension Board members. The findings indicated that relatively few funds currently collect or publish demographic data, although many respondents expressed a willingness to do so if a consistent framework or requirement were introduced.

The survey also highlighted several practical challenges, including the fact that many administering authorities do not themselves hold demographic information about Committee and Board members. Consequently, the exercise was more successful in identifying current practices and attitudes towards data collection than in establishing a clear picture of the diversity of LGPS governance bodies themselves.

To build on this work, the SAB proposes a new survey that will collect demographic information directly from Committee and Board members. This approach is expected to provide a more reliable and comprehensive dataset while ensuring that participation remains voluntary and that individual privacy is protected through anonymised reporting.

The findings from the survey will support the SAB's consideration of governance best practice and may inform future guidance relating to governance, representation and inclusion within the LGPS. The survey is intended to establish a baseline understanding of the current makeup of Pension Committees and Local Pension Boards and to provide evidence to inform future discussions and policy development in this area.

The draft survey does not ask respondents to indicate the fund that they are involved with, but views are invited as to whether this is necessary. The secretariat considered that it might inhibit responses as the number of individuals on any committee or pension board will be quite small. As the purpose of the survey is to give an idea of representativeness across the scheme and not for any particular fund, it was also not thought to be essential.

In choosing the categories proposed for respondents to use, regard was had to established standards used in official statistics, and the source for these are indicated below:

- Age - Age and date of birth harmonised standard – Government Analysis Function
- Sex - Sex harmonisation guidance – Government Analysis Function
- Ethnicity - Ethnicity harmonised standard – Government Analysis Function

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Annex A - Proposed survey

Introduction

The Scheme Advisory Board (SAB) is committed to promoting good governance and best practice across the Local Government Pension Scheme (LGPS). As part of its ongoing review of LGPS governance arrangements, the SAB is seeking to better understand the diversity and representativeness of Pension Committees and Local Pension Boards.

Understanding who is represented in LGPS governance is important. The Pensions Regulator has said that it believes that diverse governing bodies bring a wider range of benefits. That includes embracing different perspectives, experiences and skills, supporting effective decision-making and helping governance arrangements reflect the communities and scheme members they serve.

The information collected through this survey will help the SAB identify current levels of representation across the LGPS, understand any gaps that may exist, and inform future discussions about governance best practice.

Participation in this survey is entirely voluntary. We encourage all Pension Committee and Local Pension Board members to take part, as every response helps improve the quality and accuracy of the analysis. The results will be reported only at an aggregated level and will contribute to the SAB's work on governance and representation across the LGPS.

Thank you for taking the time to complete this survey and support this important piece of work.

Are you a member of a Local Pension Board or Pension Committee?

Local Pension Board

Pension Committee

Scheme Advisory Board/Secretariat

Which of the following age bands are you in?

16 to 24

25 to 34

35 to 44

45 to 54

55 to 64

65 to 74

75 to 84

85 plus

Prefer not to say

What is your sex?

Female

Male

Prefer not to say

What is your ethnic group?

(Choose one option that best describes your ethnic group or background)

White

1. English / Welsh / Scottish / Northern Irish / British
2. Irish
3. Gypsy or Irish Traveller
4. Any other White background, please describe

Mixed / Multiple ethnic groups

1. White and Black Caribbean
2. White and Black African
3. White and Asian
4. Any other Mixed / Multiple ethnic background, please describe

Asian / Asian British

1. Indian
2. Pakistani
3. Bangladeshi
4. Chinese
5. Any other Asian background, please describe

Black / African / Caribbean / Black British

1. African
2. Caribbean
3. Any other Black / African / Caribbean background, please describe

Other ethnic group

1. Arab
2. Any other ethnic group, please describe

Prefer not to say

Do you consider yourself to have a disability?

Yes

No

Prefer not to say

Does your pension team record and retain your demographic information?

Yes

No

Not sure

Would you be happy for your pension fund to publish this information in an anonymised aggregated way?

Yes

No

Please provide further information on the reason behind your answer

____

How important do you believe it is to be aware of the demographic make-up of Local Pension Boards and Pension Committees?

Very important

Somewhat important

Neither important nor unimportant

Somewhat unimportant

Very unimportant

Not sure/prefer not to say

Paper G: SAB communications update

Key points to note

This paper provides an update on Board communication activities. It outlines planned engagement events, developments in the Board's digital presence and a short update on the website project.

Recommendation

That the Board notes this update and provides feedback on the events planned.

Background

The Board has previously approved its Communications Strategy, which means the secretariat is now delivering a significantly expanded programme of events to engage with stakeholders. This report sets out the activities planned or underway in line with the approved strategy.

Communications update

The secretariat has held or is planning the following events and a summary of each event is provided below.

- 17 March 2026 – Discussion with Pension Committee chairs
- 12 May 2026 – Local Pension Board chairs meeting
- 7 September 2026 - Local Pension Board Forum
- 15 September 2026 - Welcome event for new Pension Committee Chairs
- 1 October 2026 - SAB Independence Governance Review Workshop
- 22 October 2026 - SAB Annual Assembly

On 17 March 2026, the Board Chair held a meeting with pension committee chairs to discuss topical issues in the LGPS, particularly the changes coming in from the Fit for the Future legislation. 44 attendees representing 39 funds and five pools attended, where they received an update from Michelle Warbis (Deputy Director, Local Tax and Pensions at MHCLG). The secretariat led sessions on valuation outcomes and a topical update from the Board. Feedback from attendees indicated that the update from MHCLG was particularly well received, highlighting the value of direct engagement with the Department and the opportunity to hear first-hand about current developments

In May 2026, the Board Chair hosted the first virtual event for Local Pension Board chairs and 51 attendees from LGPS funds in England and Wales joined to discuss the priorities of Local Pension Boards and how they would like to engage with Board. Attendees heard from the co-Heads of Pensions, Will King and Rosanna Thomson, at MHCLG on delivering Fit for the Future: implications across the LGPS landscape; a panel session with other Local Pension Board chairs and a representative from The Pension Regulator (TPR) on the Local Pension Board role and current issues they are facing; and a presentation on the Board project to establish LGPS Peer Support.

In line with feedback that LPB chairs would like more interactive and networking opportunities, the secretariat is organising a Local Pension Board Chairs Forum. The first event will be virtual and held on 7 September 2026 from 11.00am – 12.00pm and if well received will become a regular event. We hope that the forum will provide support for peer learning and networking and offer a space for open discussion on current issues affecting Local Pension Boards and the wider LGPS governance landscape. While the event is planned to be run informally, to allow ample discussion between chairs, it will also include an update from the secretariat on topical matters.

Following the recent local elections, the Chair has asked the secretariat to arrange a welcome event for newly appointed councillors with responsibilities for the LGPS. The event will also be virtual and will be held 15 September 2026 5.00pm – 6.00pm. The session will provide an introduction to the LGPS, the role of the SAB and the wider governance framework within which funds operate. It will also offer an opportunity for councillors to gain an understanding of key issues currently affecting the Scheme and hear from those working across the LGPS. The secretariat will also invite the heads of LGA political group offices to join, so that they also get a better appreciation of the work we do and the support offered to elected members with LGPS responsibilities.

The statutory guidance supporting ‘Fit for the Future’ has now been published and while that has provided much needed clarity on some issues, the secretariat is planning an event around Independent Governance Reviews (IGRs) on 1 October 2026 for senior officers. The agenda is currently being developed however colleagues from the National LGPS Frameworks team and TPR have expressed interested in attending. As IGRs are an entirely new initiative, the purpose of this event will be to provide a forum for funds to compare notes on what specifically they need to procure and what are the most efficient ways of doing so. Further details of this event, including proposed format and delivery arrangements, will be developed over the summer.

The Board Annual Assembly is scheduled for 22 October 2026 and will be held at a similar time as last year (10:30am - 16:00pm) at Bevin Hall, Local Government Association, Smith Square. A “save the date” is due to be sent to Pension Committee and Local Pension Board Chairs and registration opened on 8 July 2026. The event is free to attend and as last year will be held in person only. This year’s theme is: ‘Leading Together: Shaping the Future of the LGPS’. The detailed agenda is currently being developed but is expected to include updates from the Board Chair, Secretary and the Minister for Local Government who has been invited to attend. A panel session is also planned for chairs to share their perspectives.

The secretariat would welcome support from the Board to develop future engagement opportunities specifically for Independent Persons and Senior LGPS Officers. The purpose of these events would be to facilitate networking, support consistency and effectiveness for those undertaking these new roles. Further details, including proposed format and delivery arrangements, are under consideration and will be brought to the next Board meeting. It is initially anticipated that the Independent Person event would be organised for early 2027, to allow for this new role to be embedded. Feedback from the Board is also welcome on future engagement with Senior LGPS Officers and whether a regular (virtual) event to bring these officers together would add value.

The secretariat has also been reflecting on the SAB's contribution to LGPS Live and how the webinar series might evolve over time. Attendance figures for the 2025 webinars demonstrate continued strong engagement and, as our own communications channels continue to grow, we see opportunities to use this channel to increase our direct reach while continuing to benefit from its established audience and reputation within the sector.

The secretariat's view is that we would like to continue the longstanding partnership with DG Publishing and maintain SAB's contribution to LGPS Live through providing regular SAB updates and suggesting topics for the main discussion. The arrangement has worked well over many years and we remain grateful for the important role DG plays in hosting, marketing and promoting the webinars, particularly in helping us reach audiences that we may not otherwise engage with directly, including investment stakeholders.

At the same time, we are exploring the potential for a separate, occasional SAB webinar programme to complement, rather than replace, our involvement in LGPS Live. We are keen to understand whether there would be an appetite for additional SAB-led content and, if so, what format would be most valuable to stakeholders. This could include shorter webinars focused on specific topics, training and knowledge-sharing sessions, or discussions of current issues affecting the LGPS. We welcome the Board's thoughts on how such an offer might sit alongside LGPS Live and any opportunities to ensure that both programmes add value to the sector.

To support this increased activity, we are developing a database for speakers to register their interest to participate in future Board events. This will allow us to identify a broader range of individuals to speak at our events and invite both experienced and those who may be considering speaking at a Board event for the first time. It is hoped this form will encourage more individuals to register their interest in sharing practical experience, lessons learned and different perspectives to help make our events more valuable and engaging for attendees.

Social media update

The Board's presence on LinkedIn continues to grow. Since its launch in February 2026, it has attracted 500 followers, with regular content helping to increase the page's visibility and attract new followers. Posts shared on our speaking events has seen the most engagement however we continue to use the page to highlight the Board's work, including sharing Board statements and scheme-level updates.

SAB website update

The accessibility report for the Board website was received on 11 June 2026. The secretariat is working with Landscape to finalise needed updates and arrange the receipt of the final certification from the Shaw Trust.

Paper H: Investment Committee report

Key points to note

The committee received an update from Ministry of Housing, Communities and Local Government (MHCLG) on the Pension Schemes Act 2026 and the Fit for the Future regulations and guidance products. In light of the changes being implemented, changes to the committee's working model and membership were discussed, and this has informed the proposals included as paper D for this Board meeting.

A final Code of Transparency (CoT) compliance report from the Byhiras system was provided to the committee along with an update on the new Cost Transparency and Benchmarking framework and the secretariat's proposals for future cost transparency work.

The committee also discussed the practical guidance on setting responsible investment (RI) policy being developed by the Board and provided feedback to inform the draft.

As the Board's work programme evolves in response to the Fit for the Future reforms, a number of issues now span multiple committees and advisory groups. The secretariat will continue to support appropriate information sharing and coordination between bodies to ensure that related workstreams remain aligned.

An update to the committee workplan has been made and can be found at annex A.

Recommendation

That the Board notes this update and approves the committee workplan at annex A.

Summary

MHCLG update

Rosanna Thomson (RT) confirmed that the Pension Schemes Act 2026 received Royal Assent on 30 April 2026. At the time of the meeting, the regulations had been made and guidance was expected in the coming weeks. Since the meeting, regulations came into force on 30 June 2026 and statutory guidance was published on 29 June 2026.

Fit for the Future implementation – Strategic Action Plan

The committee received a paper with proposals for the committee's workplan, method of delivery and membership in light of the large programme of work needed to support scheme practitioners as the Fit for the Future (FFtF) reforms are implemented. A substantive discussion was held on each area, and the secretariat have drafted a paper to the Board on the recommendations for changes to the committee (see paper D).

Update of Board's guidance on MIFID II compliance

The committee received a paper confirming that the secretariat had reviewed the Board's MIFID II opting up templates including discussions with pools, the Financial Conduct Authority (FCA) and MHCLG. The guidance had been held in the archive section of the Board website pending the review. There had been no indication from the discussions that the Board guidance was no longer fit for use and the secretariat recommended that the relevant material be moved from the archive section of the Board website to the live site. The committee welcomed the review and agreed the recommendation.

Fiduciary duty in the LGPS

The committee received a paper containing an update on the Board's work on fiduciary duty. The Board had accepted an invitation to join the Department for Work and Pensions' (DWP) working group on fiduciary duty which would be producing guidance for trustee-based schemes. The paper contained the key points of discussion from the Responsible Investment Advisory Group (RIAG) (see report below). The committee were asked for views on whether additional work was needed by the Board in this space. It was agreed that the Board's position was well established and combined with the wider industry outputs, such as the Law Commission's advice, the Financial Markets Law Committee (FMLC) paper on fiduciary duty and the forthcoming DWP guidance, was sufficient to interpret how fiduciary duty should be applied.

Code of Transparency (CoT) data system

The committee received an update on the rate of template completion including initial compliance data for 2025/26. As the system used to compile the data would be closing down at the end of August, the report was the final batch of data that the secretariat would compile using the system. The nature of the Board's oversight of compliance with the code would evolve going forwards. Information on compliance will be collected from providers on the new Cost Transparency and Benchmarking framework in the first instance, with alternative methods being be explored if needed.

The new Cost Transparency and Benchmarking framework was launched on 11 May 2026 and notices have been published and sent to stakeholders about the shutdown of the Byhiras system and the need to make alternative arrangements for collecting cost data. Plans for secure data destruction and assurance of this had been confirmed with Byhiras.

The new statutory pooling guidance and Investment Strategy Statement (ISS) guidance from MHCLG makes reference to and gives the first explicit endorsement of the COT in investment guidance by the Government. Moving forward, the secretariat will be focused on wider considerations for cost transparency including exploring updating the Cost Transparency Initiative (CTI) templates alongside Pensions UK and the Investment Association (IA).

Responsible Investment Advisory Group (RIAG) Report

The committee noted the report from the RIAG chair which gave an update of the last meeting on 8 June 2026. Rachel Howcroft (RH) from MHCLG gave an update to the group. Some changes were being made to the wording in the responsible investment section of the new statutory guidance, but this was mainly to better align the wording with the government's policy intent and did not represent a shift in government position. Action to implement the Labour Party manifesto commitment requiring all pension schemes to undertake climate risk and transition planning remained on the government agenda for the LGPS, but timings could not be confirmed.

The group had a discussion on further actions the Board could take to support funds on dealing with lobbying. The Government's response to the Board letter on investment in conflict zones (dated 13 October 2025) was received from Local Government Minister, Alison McGovern MP on 12 May 2026. The group said the lines between legitimate lobbying and undue pressure were crossed with some campaigns. It also echoed the Board's disappointment that the letter from the Minister did not elaborate on circumstances where it might be appropriate to take into account international law. It was agreed that an item on training for pension board and committee members and on TPR's revision of their toolkit be brought to the next meeting.

The group received a paper with an update on the practical guidance on setting responsible investment (RI) policy being developed by the Board and were asked for any additional feedback to that given by the working group feeding into the draft. The means by which member views should be sought and taken into account were discussed, including through the presence of representatives on pension committees. The group agreed to share examples or case studies of how member views had been tested, and this would be taken into account by the secretariat in drafting the guidance.

The group received a paper including an update the Board's addition to the Department for Work and Pensions' working group on fiduciary duty and a restatement of the Board's position on fiduciary duty. The key points raised were that:

- Though the DWP's guidance will not directly be applicable to the LGPS, it will be an authoritative statement of government's view of the issue and so funds will need to have regard to it, once in existence
- There were questions asked around whether the guidance ought to apply directly to the LGPS (e.g. through an amendment to the Investment Regulations or adoption in the coming statutory guidance)
- It will be important for the definition established within this guidance to not create widely divergent definitions of fiduciary duty across the pensions sector
- The guidance should establish general principles that extend across the sector to ensure that there is flexibility to apply in different contexts
- The LGPS's work in understanding and applying the fiduciary duty in our particular context is currently more advanced than with other occupational schemes and there is an opportunity to contribute learnings from LGPS to the DWP's working group
- Clarity on when the environmental, social and governance (ESG) risks have to be taken account because they are financially material could be useful; and this could be provided via the DWP guidance
- Guidance could also set out how ESG risks can crystallise as financial implications when improperly managed and how this can be safeguarded against
- The guidance would hopefully add to and not detract from the approach in the Law Commission and 2016 ISS guidance, which emphasised that there were two tests for when non-financial considerations could be applied by trustees

In response to the report, the committee expressed support for trialling innovative methods of gaining member views such as deliberative democracy approaches.

Committee Workplan

The committee agreed additions to the committee workplan; the updates can be found at annex A of this paper for the Board's approval.

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Annex A - Investment Committee workplan update

Workstream	Details	Action for next committee	Status and forward timings
Code of Transparency	Work with the National LGPS Framework team to develop a framework for funds to procure investment cost data monitoring and benchmarking services Revise Code to launch alongside the framework.	Confirm the completion of the project including secure destruction of data from the Byhiras system. Bring updated FAQs to the committee for review.	The Code has been revised and published along with updated FAQs. Further updates to the FAQs will be needed now the framework has launched. The new framework for Cost Transparency and Benchmarking Services launched on 11 May 2026. Preparations are being made for the end of the contract with Byhiras in August 2026.
Cost Transparency and review of CTI templates	Discuss updates needed to the Cost Transparency Initiative CTI) templates. Consider methods of continuing Board oversight of compliance in addition to the expected data reports from	Bring an update on discussions with Pensions UK of CTI template revision and confirm forward timings for project completion.	Discussions have been held with Pensions UK about updating the CTI templates. It was agreed that further work be undertaken in the autumn to assess updates needed. The new Investment Strategy Statement (ISS) Guidance and Pooling Guidance makes reference to the Code of Transparency in addition

Workstream	Details	Action for next committee	Status and forward timings
	providers on the new framework. Explore how cost information is utilised to form part of value for money assessments.		to existing references in the Annual Report Guidance.
Fit for the Future implementation	Work with the Ministry of Housing Communities and Local Government (MHCLG) to ensure the draft Bill is implementable by funds and pools, minimising the risk of unintended consequences. Establish a closer, formalised link between the pools and the Board Support the development of guidance needed for the implementation of reforms.	Identify areas to support funds with as the Fit for the Future proposals and associated guidance and legislation continues to be rolled out. Make recommendations to the Board on any additional guidance or events needed to supplement and support funds.	The Pension Schemes Act received Royal Assent on 30 April 2026. New pooling arrangements were required to be in place from 1 April 2026. The government response to the technical consultation was issued on 21 May 2026 and the regulations came into force on 30 June 2026. Statutory guidance was published on 29 June 2026. The governance arrangements for the SAB going forward remain under discussion. The Board approved the inclusion of representatives from all six asset pooling companies at 22 June 2026 committee meeting, further revisions in membership will be approved on a rolling basis whilst longer term arrangements for the

Workstream	Details	Action for next committee	Status and forward timings
			formalisation of closer links between the pools and the Board are being considered. Changes to committee's ToR will need to be made; these will be considered as part of the Board's governance structure review and will be brought to the committee once additional changes to the committee's membership have been trialled. Following discussion at the last committee meeting, working groups will be set up in support of the implementation of the reforms and their priority level. The priorities are: • Fund oversight of pools • Reporting • Local Investment An additional directive has been provided to the RIAG to explore the responsible investment areas of the reforms. Working groups with areas of overlap between this committee and the other

Workstream	Details	Action for next committee	Status and forward timings
			Board committees will be reported on and aligned as needed.
Fiduciary oversight of pools	Work with key stakeholders to build on the new statutory guidance to identify common principles for fiduciary oversight of pools including any models that can be created and existing models that can be built upon. Establish working group to support this.	Recruit officers to working group. Provide update to the committee on working group's first meeting including recommendation on working group's output(s) and Terms of Reference for approval.	TBD
Reporting	Work with key stakeholders to determine reporting principles for pools, both publicly and to partner funds - including performance monitoring standards and value for money assessments. Establish working group to explore this.	As above.	TBD
Development of local investment pipelines	Discuss process for developing relationships with strategic	As above.	TBD

Workstream	Details	Action for next committee	Status and forward timings
	authorities to identify local investment opportunities and how to assess these in line with LGPS fiduciary duty. Establish working group to explore this.		
Fiduciary duty advice	Seek legal opinion with follow up questions on fiduciary duty and conflicts of interest. These opinions have been published and can be found on the Board website.	Continue discussions at committee meetings with recommendations to be made to the Board on any proposals for further work on fiduciary duty in the LGPS. Provide feedback from Responsible Investment Advisory Group (RIAG) and the Investment Committee to the Department for Work and Pensions (DWP) working group on fiduciary duty.	Discussions to continue in 2026. The Board is now represented on the DWP working group on fiduciary duty. Feedback has been provided by the RIAG and the Investment Committee on key messages to provide to that working group. Consideration of further products to support the scheme in this area has been invited.
Responsible investment (RI)	Committee agenda informed by RIAG. The group have discussed how Fit for the Future proposals interact with RI policies and fund requirements.	Continue drafting RI guidance with input from RIAG members and fund officers. Final draft to be submitted to the committee for comment on 19 October 2026 and the Board at its meeting on 20 November 2026 for	The Pension Schemes Bill (now Act) received Royal Assent on 30 April 2026. The ISS and Pooling Guidance published on 29 June set out government expectations on

Workstream	Details	Action for next committee	Status and forward timings
	Group have agreed to develop practical guidance for setting RI policy and explore whether a common standard for local investing reporting can be identified for the Scheme. A working group has been set up to support this piece of work. The group have been directed by the Investment Committee to explore how the funds and pools can work together to achieve consensus on suitable RI products that meet fund RI policies. At some point we expect climate risk reporting regulations and requirement for transition plans to be implemented for LGPS.	approval.	responsible investment, including the requirement for funds to set out their RI policy and pools to work with their partner funds to implement this. SAB RI guidance to complement this is under draft and will be informed by the high topic list presented to the RIAG and this committee and further information collected from the working group supporting this piece of work. It is expected that the final draft will be brought to the next meeting for comment and approved by the Board in November. The secretariat will also be exploring the feasibility of trialling deliberative democratic models such as member assemblies in the LGPS to engage scheme members on topical issues such as RI. Work on common reporting standards for local investment reporting is under consideration. Further direction from MHCLG on climate change reporting for funds is

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Workstream	Details	Action for next committee	Status and forward timings
			expected but timescales are not confirmed.

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Paper I: Compliance and Reporting Committee (CRC) update

Key points to note

This paper summarises the work undertaken by the CRC, its working groups and the workplan following the Government's Fit for the Future regulations and guidance being introduced. It also includes an update on the Annual Report guidance.

Recommendation

That the Board notes this update and:

- Approves the updated Annual Report guidance at Annex A
- Notes the progress made with the peer support project and key milestones at Annex B
- Approves the CRC's workplan and secretariat's proposal for post Fit for the Future workplan at Annex C

Key developments

Separation of audit

The committee met on 29 June 2026 and a substantive update was provided from MHCLG on the decoupling of pension fund accounts, which is a key item on the audit working group's workplan. A more detailed policy paper was shared with the committee in confidence ahead of the meeting, setting out the Government's preferred approach to decoupling and its impact on issues such as annual governance statements, value for money assessments, approval of accounts, reporting deadlines and auditor requirements.

More formal consultation on these measures would begin shortly and the committee agreed that further discussion through the audit working group would be beneficial, particularly given the potential implications for future annual reporting guidance and the lessons that may be drawn from reporting arrangements already operating in Wales. The secretariat will organise a meeting of the audit working group, aiming for July 2026.

The Pensions Regulator update

Representatives from TPR outlined the regulator's ambition to increase engagement and visibility across the public service pensions sector. TPR would be paying particularly close interest to the implementation of Independent Governance Reviews, the development of skills and capabilities among those responsible for LGPS governance and the apparent inconsistencies of approach between LGPS funds in reporting breaches. It was agreed that the secretariat would look into drawing up some guidance on the recording, materiality assessment and reporting of breaches to provide some greater consistency. It was recognised that TPR might not be able to endorse such guidance but it could be shared with them to ensure they did not object to it.

Members discussed the challenges associated with defining TPR's role in relation to pooling and wider governance reforms, recognising that funding and investment issues currently sit outside the regulator's remit. TPR noted that it would seek greater clarity regarding the governance of the investment function and risk thresholds within the LGPS governance framework.

The committee also considered third-party administration risks. TPR encouraged early engagement where concerns arise and highlighted increasing interest in the performance and resilience of not just service providers but also software suppliers. TPR recognised that while McCloud implementation appears to be moving into business-as-usual activity across most funds, the cumulative volume of change within the LGPS remains a significant challenge for administering authorities.

Annual report guidance

The secretariat provided an update on possible changes to the Annual Report guidance for scheme year 2026/27. Revisions are largely intended to reflect the governance reforms arising from Fit for the Future.

A list of anticipated amendments was agreed by the Committee and are now proposed to the Board:

- **Introduction:** updates to the notes for new wording of regulation 57 (inclusion of policies in the annual report) and insertion of new statutory roles.
- **Section 2: Overall fund management:** added new roles of Independent Person and LGPS Senior Officer
- **Section 3: Governance and Training:** Amend reference to the following policies: Governance Strategy from Governance Compliance Statement,

added Conflicts of Interest policy and delivery of Training Strategy in reporting year. Added requirement to report the recommendations and action plan of an Independent Governance Review in the reporting period.

- **Section 6: Investments and funding**: changes to align with new asset pooling requirements including Investment Strategy Statement in the statutory guidance and removal of references to 'levelling up'. Added reporting of the exercise of voting rights and any climate risk or other relevant reports. Also added how the responsible investment and environmental, social and corporate governance policy has been implemented. Added clarification on reporting on local investments.

The new guidance for approval is at Annex A.

Supplementary guidance development

The CRC agreed the following key areas where funds may require supplementary guidance from the Board to fully implement the Fit for the Future reforms:

- Conflicts of interest policy
- Knowledge and understanding

The secretariat would seek to produce draft versions of these guidance documents over summer 2026 and take to the November 2026 CRC for consideration and ideally subsequent adoption by the Board at its November meeting. It was agreed that existing working groups (Good Governance and Knowledge and Understanding) will be utilised to test and inform the development of these supplementary guidance products.

Some additional guidance products, covering the Governance Strategy and Training Strategy, will be undertaken over a longer timeframe, as most funds are expected to already have established approaches in these areas.

It is expected that some guidance products will also be of interest across other committees and working groups. The secretariat will continue to support appropriate information sharing and coordination between bodies to ensure that related workstreams remain aligned and that developments are considered from all relevant perspectives. To note that subsequently, CMBDA agreed to form a working group to work with MHCLG and SAB on statutory guidance for a pension administration strategy, which is expected to be of interest to CRC.

Other non-guidance activity

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In addition to the development of supplementary guidance, the CRC agreed to:

- Facilitate discussions with relevant stakeholders on the Independent Governance Review criteria and process
- Establish and support an Independent Person network
- Establish and support a LGPS Senior Officer network
- Continue developing opportunities for ongoing engagement with Local Pension Board chairs and Pension Committee chairs

Working groups summary

None of the Committee's working groups had met before the CRC due to the final statutory guidance not yet being released. The next round of working group meetings has now been scheduled for July 2026 and where possible a verbal update will be provided at the Board meeting.

Peer support project

Peer support project training

The secretariat successfully delivered the first LGPS Peer Support Training in May 2026. The session was facilitated by Gary Hughes who leads the Local Government Association (LGA)'s improvement programme. A total of 24 attendees comprising Senior LGPS officers, Pension Committee representatives and Local Pension Board representatives, with both in-person and online attendance.

The training included details of the LGA improvement programme for councils, how this could apply to the LGPS, the draft LGPS peer support framework and a role-playing session of what might happen during a peer support event. The training aimed to help attendees to understand the peer role, expected behaviours and the balance between support and constructive challenge.

Feedback for the training was positive, with some suggestions to extend the case study section, although there was a recognition that a one-day programme cannot cover every possible scenario. There are currently 22 people on the waiting list for the next training event, demonstrating continued interest.

The secretariat is looking to recruit more peers, especially from elected members. Discussions are continuing with the LGA Political Group Officers, who would like to assist in identifying suitable members through their political groups and the secretariat is working with them on the practical arrangements for this.

Peer support project pilot

Camden remains committed to being our pilot fund. We had hoped to undertake this in July, but the local elections in May 2026 resulted in a new committee chair and some other changes to membership. To allow new members time to settle, the pilot has been moved to September.

The secretariat is starting to plan for a second pilot to build on learning from the initial pilot and currently identifying a fund willing to participate in a second pilot.

Peer support documentation

The secretariat has drafted a peer induction document which provides a general introduction to the role of a peer and a fund guidance document which covers the process, focus and arrangements of a peer support event. A peer data form has also been drafted to capture personal data, professional qualifications, skills and equality, diversity and inclusion information. These documents were shared with the CRC and working group for feedback, a verbal update will be provided to the Board.

The secretariat now joins the cross-LGA meetings with other teams delivering service specific versions of the Corporate Peer Challenge. This provides a useful opportunity to learn from their approaches and experiences, helping to strengthen and enhance our own peer support offer and create these documents.

As the LGPS Peer Support programme continues to develop, the Secretariat is exploring the use of a Customer Relationship Management (CRM) system, similar to that used by the LGA to support its peer programmes. The system would enable the secretariat to maintain peer information, including skills, experience and recent peer activity, making it easier to identify suitable peers for future reviews and manage the growing peer network effectively.

Peer support project plan

Updated key milestones is annex A and these are based on our understanding of the project to date and learning from LGA colleagues on similar projects.

Corporately, the LGA still has not published the conclusion to its internal consultation undertaken earlier in the year concerning its future operating and funding model. We expect greater clarity to emerge over the summer but there remains some uncertainty regarding longer-term LGA support for this project (and the Board more generally). However, the Secretariat continues to explore options for how the LGPS Peer Support programme could scale up as it develops. This includes engaging with other service-specific peer support teams to learn from their approaches and considering the resources and funding that may be required to support future delivery.

Local pension board support and guidance

Following the Board's agreement to a programme of work to strengthen support, networking and learning opportunities for local pension board (LPB) members and chairs, the CRC received an update on recent and planned activity relating to LPBs.

The committee noted the success of the Board's first dedicated event for LPB Chairs and Deputy Chairs, held on 12 May 2026 and attended by representatives from 58 funds. The event focused on understanding LPB priorities and how LPB members wish to engage with the Board, alongside updates on Fit for the Future reforms, the changing role of LPBs and the emerging peer support programme.

Feedback from attendees was overwhelmingly positive, with all respondents indicating that they would attend a future event and recommend it to others. Members particularly valued the focus on LGPS reform, the opportunity to hear from a range of stakeholders and the ability to share experiences with peers. Feedback also highlighted a desire for greater opportunities for networking and discussion, further support on implementation of Fit for the Future, and consideration of issues such as LPB recruitment and training.

In light of this positive response, the committee agreed the proposal to establish a LPB forum to provide a more informal environment for LPB Chairs to discuss common issues, share experiences and strengthen engagement across the LGPS. The first forum is scheduled for September 2026.

The committee also considered proposals to review and update the Board's LPB guidance. Members noted that the current guidance was published in 2015 to support the establishment of LPBs and, while still providing a useful foundation, no longer reflects the significant legislative, regulatory and governance developments that have taken place over the last decade. The committee agreed that the guidance should be refreshed to reflect current practice, the impact of Fit for the Future reforms, developments in governance and administration, and the evolving role of LPBs within the wider LGPS assurance framework.

The committee supported a collaborative approach to revising the guidance through a dedicated working group involving key stakeholders, practitioners and LPB representatives. The revised guidance should place greater emphasis on practical application, examples of good practice, training and reporting expectations, and the relationship between LPBs and other governance bodies. The Committee agreed that updating the guidance would provide a valuable opportunity to reinforce the role of LPBs as a key component of effective LGPS governance.

Annex A – Annual report guidance

Guidance circulated via email.

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Annex B – Compliance and reporting committee workplan 2026

Workstream	Details	Timescale
Audit issues	To share views and expertise of administering authorities and scheme employers with government to assist in shaping the proposal and implementation for decoupling the pension fund accounts from the main administering authority accounts To recommend agenda items for the Audit Roundtable meetings.	Target completion date is to be confirmed once timetable confirmed with MHCLG Audit roundtable to be scheduled in Autumn 2026.
Knowledge and understanding	To feed views and expertise into updated knowledge and understanding supplementary guidance	To be approved by the CRC in November 2026
Good Governance	To feed views and expertise into conflicts of interest policy supplementary guidance	To be approved by the CRC in November 2026
Peer Support	To scope out the feasibility of creating a LGPS peer support offer and delivery peer support pilot events (see more detailed paper and timetable at agenda item 6).	Ongoing.
Annual Report guidance	To consider any changes needed to the guidance, considering the outcome of the Fit for the Future consultation and feedback from funds	For the Board to approve during the July 2026 meeting.
Local pension board support and guidance	To strength the support, networking and learning opportunities for local pension board (LPB) members	Aiming for November 2026 for first draft.

Annex C - Key milestones of the delivery of pilot 1

This milestone plan provides a high-level overview of the key stages involved in delivering the peer support pilot, including planning and coordination as the project moves from development into implementation.

Stage 1: Initiation and Scoping Discovery: (November 2024 – March 2025)

Stage 2: Design and development: (April 2025 – September 2025)

Stage 3: Approval and mobilisation: (July 2025 – November 2025)

Stage 4: Pilot preparation: (December 2025 – August 2026)

Stage 5: Pilot progress: (May 2026 – August 2026)

Stage 6: Delivery and testing: (September 2026 – November 2026)

Stage 7: Evaluation and learning: (December 2026 – January 2027)

Project stage		**Focus**	**Tasks**	**Milestone/Approval**
1	**Initiation and Scoping Discovery** November 2024 – March 2025	Meet and set up project plan Meet with LGA peer review team for advice/support Prep for CRC Meeting Meet with MHCLG to discuss proposal	Pensions Policy and Support Officer and Board Support and Policy Officer to meet and set up project plan for the peer support officer. Secretariat to meet with LGA to discuss LGA peer review process. Pensions Policy Support Officer to make any amendments to project proposal following meet. Draft the working group Terms of Reference (ToR) Draft CRC report, draft project ToR and high-level project plan for CRC meeting.	**Approval:** Working group ToR, peer support ToR, high level project plan completed and approved by CRC. **Milestone:** LGA peer support process outlined by LGA. Peer support process defined from IGR. Volunteers for working group recruited.

			Secretariat to send comms in January bulletin inviting funds interested to register interest in joining a working group Secretariat to meet with MHCLG to discuss the project proposal.	
2	**Design and development** April 2025 – September 2025	Decision at Board meeting with SAB managers Organise working group meetings dates LGA peer challenge shadowing	Papers taken to the Board similar to CRC, Secretariat to shadow LGA peer challenge for better understanding of the process Discussion with managers around costs Pensions Policy and Support officer to arrange meetings with volunteered funds and other stakeholders Pensions policy and support officer to schedule regular meetings with all and separate meetings with stakeholders for updates Secretariat to meet regularly for updates on project.	**Milestone:** Peer support project update provided. Working group met 3x over 5 months. Board Policy Officer and Pension Policy and Support shadowed two different LGA peer challenges.
3	**Drafting of pilot proposal and approval** (July 2025 –	Draft LGPS peer support framework and available in time for CRC and Board	Draft framework and project proposal presented to working group, CRC and Board	**Approval:** Framework models approved at CRC.

	November 2025)	Project proposal which includes consideration of budget and other constraints to be delivered to the Board for decision	for approval.	Pilot proposal and budget approved by the Board.
4	**Pilot preparation** (December 2025 – March 2026)	Commence pilot scoping	Initial meeting with pilot fund Draft framework shared with working group, LGA colleagues and host fund Drafting and developing key project documents, such as peer and fund guidance note, peer induction pack, timetable, peer charter, peer database, email templates of information Identifying and considering additional pensions specific documentation that may be required pilot such as Insurance policy, whistle blowing policy, expenses policy, expression of Interest, form for peers, terms and conditions for peers and funds, Draft project governance structures and updated key milestones Identify LGA support Scoping meeting with	**Milestone:** Meeting with pilot fund completed Framework draft completed and feedback received from LGA colleagues, working group and pilot fund Training secured Pilot dates finalised Project update to Board and CRC

			fund Secure training with LGA CPC team Meeting with LGA facilitator Create budget and expenses tracker Identify secretariat support Project update to CRC & Board	
5	**Pilot progress** (May 2026 – August 2026)	Pilot preparations	Training for peers, Finalising final steps with pilot fund Finalising peer support framework. Finalising Fund Guidance, Peer Team Guidance Confirm pilot peer team Finalise pilot dates with fund	**Milestone:** Training for peers completed Next steps with pilot completed
6	**Delivery and testing:** (September 2026 – November 2026)	Pilot delivery, evaluation and next steps	Pilot exercise Feedback to Board Reflecting on pilot findings	To be confirmed
7	**Evaluation and learning:** (December 2026 – January 2027)		Update to working group Project update to CRC Project update to Board	To be confirmed

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Paper J: Cost Management, Benefit Design and Administration Committee (CMBDA) update

Key points to note

The committee discussed a broad range of issues of direct relevance to scheme members and employers. They focused on the Government's scheme valuation and cost control process, as well as a review of the recently completed local fund valuations. The committee also noted ongoing, innovative research being done in partnership with Westminster City Council and Investors for Purpose in the field of pensions equality.

Recommendation

That the Board notes this update.

Summary

This paper summarises the work undertaken by the CMBDA since the last Board meeting on 23 March 2026. A revised workplan for the Committee is at Annex A.

Local Government Pension Committee (LGPC) update

The committee received a paper from LGPC which outlined the reasons behind two recommendations for changes to LGPS regulations which were referred to the Board by the National Pensions Officers Group. The first was a technical change relating to contracting out rules and was approved without discussion. The second was recognised as more substantive as it proposed to amend the regulations to revert to the position that scheme administrators would need evidence of an election from a member to defer members past normal pension age rather than the current requirement which is for a written election. This was approved on the understanding that the basis for believing an election had been made would be evidenced.

The committee also welcomed that legal advice was being taken on the question of eligibility for cohabiting partner survivor benefits, where the scheme member was not living with the partner at the time of death (e.g. because they were in residential care).

The committee also discussed the factor revision process that was triggered by the SCAPE rate change, and the appropriateness of transitional measures in situations like this.

There was a request for administering authorities to inform their members that from August 2026, HMRC will be contacting around 1 million eligible individuals directly about the low earner's pension payment, previously referred to as the low earner's anomaly. This payment makes sure low earners achieve similar outcomes regardless of the type of workplace pension scheme they are in. This was published in the LGPC June 2026 Bulletin.

A question was raised regarding nominations for death grants where a beneficiary is in prison. It was noted that some administering authorities are uncertain about the appropriate approach in these circumstances. There was also a suggestion that software providers should be included in any future discussions.

HMG cost control mechanisms (2024 valuation)

The committee heard from the Government Actuary's Department (GAD) about progress with the 2024 scheme cost valuation and cost control process. The committee were reminded that some assumptions would be set by HM Treasury (such as the discount rate, which would be the SCAPE rate) while others would be set by MHCLG to reflect particular scheme experience.

GAD shared with the committee in confidence some of the analysis, which will eventually be published, which will inform the advice to ministers. It was expected that advice would be submitted by GAD in the next few months. It was noted that while the increase in SCAPE rate since the 2020 valuation meant that the assessment of scheme cost under both the core cost cap and economic check were likely to fall, there was very little chance of their being a breach of the +/-3% corridor in the same direction. Hence it was not expected that there would be any recommendation for a change in benefits or contribution rates.

On the parallel SAB cost evaluation process, Matt Gurden from GAD explained that the Board's policy to date had been to stick closely to HMG assumptions and only diverge from it where there was a good reason for doing this. The committee agreed that it was appropriate to follow that precedent. However, there was some discussion of what the appropriate discount rate should be. Previously this had not followed SCAPE or the average fund real discount rate from the most recent valuation. Instead, it had been held constant since the 2016 valuation at CPI +2.8%. It was

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agreed to discuss this further outside the meeting and come to the Board meeting with an agreed recommendation.

A question was raised as to whether GAD's assumptions take account of the potential impact on the total workforce (and hence active member base) due to Local Government reorganisation (LGR) and increased digitalisation of services. GAD confirmed that there is no explicit allowance for these developments within the current assumptions, as their impacts are not yet sufficiently evidenced. Their effect will be monitored and reflected in future valuations where appropriate.

MHCLG review of Regulation 64A

Due to an expected change in Government, the current Ministerial steer cannot be progressed. As a result, the timetable for consulting on potential changes to regulation 64a has changed. Instead, principles-based regulations, which had originally been expected alongside this work, will now be published later in the year. The Department will continue to work with the Secretariat on the development of this work and will keep the committee updated as it progresses.

The committee welcomed confirmation from MHCLG officials that they still anticipated launching a principles-based consultation on changes to the LGPS regulation which gives greater clarity on the trigger and process for reviews of employer contribution rates between valuation cycles. It hoped it would make it clearer what the role of the actuary was in signing off any changes agreed by the pensions committee. It was also expected to make clear that changes in market conditions were not an appropriate trigger, even where this was the basis of a request from an employer.

Gender Pensions Gap (GPG)

The secretariat also updated the committee on progress with a joint GPG research project with Investors for Purpose and Westminster Pension Fund. This was being co-funded by the Board, Westminster Pension Fund and Hymans. Research had been completed with interviews with staff members about their attitudes to the pension scheme and to saving more generally. There were significant differences in financial literacy, in attitudes to saving but also in (necessary) financial discipline. It was hoped that this qualitative work would help inform future communication about the scheme and with staff more generally. The quantitative research (looking at ethnicity and disability pension gaps) was also proceeding well and a final report is expected in September 2026.

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It was noted that scheme design had a very significant impact on equality of outcomes, with the CARE scheme being much fairer than the historic final salary benefits. It was agreed to consider equality arguments as part of the wider work top outline factually the benefits of the scheme over other models, such as defined contribution saving schemes.

Review of Funding Strategy Statements

The committee were invited to contact the Secretariat with any comments or feedback on the paper and any suggestions they have to improve the FSS guidance. The timeline for this would be to have revised guidance ready for the 2028 local valuation round.

2025 local fund valuation summary report

The committee noted that the local fund valuation summary report had been completed by Barnett Waddingham (on a pro bono basis). The committee found the analysis helpful and asked whether the consistency of funding levels and contribution rate setting over time for individual funds could be included in the analysis. It was agreed to add charts showing this into the document which would be published ahead of the Board meeting. The Secretariat reminded the committee that all source data is in the public domain and the analysis has also been shared with fund actuaries

In relation to GAD's review of local valuation reports (Section 13), it was noted that the Minister had asked GAD to consider the methods being adopted by fund actuaries for managing risk and reflecting the long-term funding objectives of the scheme. GAD had also been charged with looking at whether pension funds and their actuaries are engaging effectively with employers on the setting of contribution rates, including whether the information is being provided in a way that is comprehensible to the lay reader. GAD reminded the committee that it aimed to publishing its Section 13 report next spring, an acceleration of previous timetables.

MHCLG benefits policy update

The committee heard from MHCLG officials about the timetable for putting into effect the changes consulted on as part of "Access and Protections", including New Fair Deal. A consultation on draft regulations and guidance was aimed to be undertaken before the end of the calendar year, with a target date for new arrangements coming into force of 1 April 2027.

A question was raised regarding employers pre-empting the implementation of the New Fair Deal provisions before the regulations come into force, and whether the provisions could subsequently be backdated to the date the draft regulations were published. The Department advised that it would first need evidence that this is occurring in practice and that it is sufficiently widespread, noting that retrospective changes would present legal challenges.

Administration complexity and performance

MHCLG officials confirmed that it was a major priority, now that the Fit for the Future regulations and guidance were issued, to look into providing guidance to underpin the new requirement to have an administration strategy. As well as the existing focus on working with employers, the guidance would address accountability and highlight cyber risk. Given the overlap with existing Compliance and Reporting Committee workstreams, it was agreed to find ways of sharing the knowledge and understanding of these issues between the two committees. In order for the new guidance to be produced using a collaborative approach, the committee agreed to set up a working group that would have representation of expertise from beyond the committee – including third party administrators and software providers.

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Annex A – Committee Workplan

Workstream	Details	Action for next Committee	Timescales
Opt out data	Work with MHCLG to devise a system to enable collection and analysis of opt out data	Detail of content and timing of actions to be agreed with MHCLG. We hope to have detailed proposals by the November 2026 meeting	Government's intend was to require opt-out reporting from 2026-27, with reporting fund annual reports for that year. That now seems at risk
MHCLG consultations on member benefits	Government response to Access and Fairness has now been issued. Partial response to Access and Protections (in relation to mayors and councillors) also issued. The committee will continue to work with MHCLG on the government response to Access and Protections	Work still needed on Access and Fairness proposals on opt-outs and forfeiture. Government response on rest of Access and Protections expected soon.	Waiting detailed timetable from MHCLG but expectation that this work is completed by the end of the calendar year.
Review of local fund valuations	Barnett Waddingham have produced scheme-wide valuation report (as in previous rounds) GAD will update on work with section13 report Secretariat undertaking review of sample of FSS to assess effectiveness of new guidance and consistency around exit credit policies	Findings from scheme-wide review presented at this meeting Hope to have initial indications of s13 recommendations See separate paper on timetable for the review of FSS guidance	July 2026 for publication of BW scheme-wide report GAD have expressed ambition to conclude section 13 review quicker this time around (review of 2022 round was published August 2024)
HMT Cost	Process for the 2024	We expect an	Ongoing

Workstream	Details	Action for next Committee	Timescales
Control Mechanism and SAB Scheme Cost Assessment	CCM has started with data gathering and analysis	update on timetable from GAD at this meeting and advice on assumption setting	
Board survey showed evidence that employer exits are increasing significantly, driven by financial pressure and possibility of exit credits.	Board agreed to: - systematise gathering of data on employer exits - Clarify regulations on when exit credits are due - Propose to government that they ban incentivisation of members opting out	We have written to MHCLG proposing these actions and will report back to the committee when we have a response	Awaiting response from MHCLG, timescales will be set for the work once we have a response
Gender pensions gap (GPG)	There is a detailed paper and programme of work on this under agenda item E	Work is progressing and committee should expect updates in relation to: - further research with Westminster Pension Fund and Investors for Purpose - development of an employer guide to best practice in reducing their GPG - scoping out employer level GPG reporting requirements for 2028 with MHCLG	See paper under agenda item E for timelines for the various elements
Pension administration strategy working	To set up a new working group that would have representation of expertise from beyond	To report back to the committee actions taken and reports from the	MHCLG have not yet indicated a timetable for the guidance.

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Workstream	Details	Action for next Committee	Timescales
group	the committee – including third party administrators and software providers to consider the Pension Administration Strategy guidance	first working group	