Scheme Advisory Board (SAB) Meeting

23 November 2026, 1.30pm – 3.30 pm

Beecham Room, 18 Smith Square, London and Microsoft Teams

AGENDA

Item		Paper	Timings
1	Welcome, apologies, introductions and declarations of interest	**Verbal**	1.30
2	Actions and agreements from meeting of 20 July 2026	**Paper A**	1.32
3	Matters arising	**Verbal**	1.35
4	LGPC update	**Paper B**	1.40
5	Risk Register	**Paper C**	1.50
6	SAB Governance structure review	**Paper D**	2.00
7	Board and Committee membership	**Paper E**	2:10
8	SAB communications update	**Paper F**	2.15
9	Practical guidance on setting RI policy	**Paper G** **Annex A (CONFIDENTIAL)**	2.25
10	Investment Committee report	**Paper H** **Annex A**	2.40
11	Compliance and Reporting Committee report	**Paper I** **Annex A** **Annex B(CONFIDENTIAL)**	2.50
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

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Scheme Advisory Board (SAB) Meeting

23 November 2026, 1.30pm

18 Smith Square, London and Microsoft Teams

Paper A: Actions and Agreements of meeting held on 20 July 2026

Present

Councillor Roger Phillips	Chair
Councillor John Beesley	Scheme Employer Representative
Councillor Toby Simon	Scheme Employer Representative (Liberal Democrat)
George Georgiou	Scheme Member Representative (GMB)
Les Timbey	Scheme Member Representative (GMB)
Ben Thomas	Scheme Member Representative (UNISON)
Debi Potter	Scheme Member Representative (UNISON)
John Neal	Scheme Member Representative (UNITE)
Tommy Bowler	Scheme Member Representative (UNITE)
Matt Gurden	Government Actuary's Department (GAD)
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)
Rosanna Thomson	MHCLG
Will King	MHCLG
Bramman Rajkumar	MHCLG
Sarah Graham	Nominated Scheme Employer Representative (non-local authority)

Secretariat

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

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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

1. WELCOME, APOLOGIES, INTRODUCTIONS AND DECLARATIONS OF INTEREST

The chair welcomed all in attendance. Apologies were received from Councillor Nathan Yeowell, Councillor Chris Weaver and Kirsty McLean. There were no declarations of interest.

Sarah Graham who has been nominated as the new non-local authority scheme employer representative for the educator sector. She is attending as an observer pending ministerial approval of her nomination.

The chair noted that this would have been Councillor Weaver's last meeting as he is stepping down after being appointed leader of Cardiff Council. And former Councillor Andrew Thornton's appointment on the Board has come to an end after the results of this year's local elections on 7 May 2026. The Board noted this membership change and wished to place on record thanks for both members' contribution.

Welcomed to the meeting were Rosanna Thomson and Will King who were attending their first Board meeting since becoming the Co-Heads of Pensions at MHCLG.

2. ACTIONS AND AGREEMENTS FROM PREVIOUS MEETING

The actions and agreements from the meeting held on 24 March 2026 were agreed as a true and correct record of the meeting except for one amendment raised on page 8 under agenda item 14 in relation to an increase in employer exits. Ben Thomas said that this comment should refer to the higher education sector rather than the academies sector.

3. MATTERS ARISING

There were several matters arising:

- In line with the action agreed at the last meeting, the pensions dashboard project and the LGA restructure have been added to the SAB risk register.
- Following the last meeting, the secretariat fed back the Board's comments that it wasn't sensible to set thresholds for establishing a single purpose

pensions authority (SPPA) as part of the wider local government reorganisation. Instead, it would be more appropriate to set parameters and functional tests, which would include; opportunities to improve service levels, better governance, improved capacity to undertake the pool shareholder role. It was also shared that MHCLG are working on some guidance to be issued shortly. The intended purpose of guidance is to remind local authorities to think about pensions and invite proposals for SPPAs, carefully based on evidence. The guidance would also include timelines for decisions and it was stated that if SPPA is under consideration then the affected authorities would need to tell MHCLG by March 2027.

- The Board requested representation on the Department for Work and Pensions' (DWP) working group on fiduciary duty has been approved and Clair Alcock has attended a working group since the last Board meeting.
- An amendment has been made to the Board Terms of Reference to better reflect the nomination process for the non-local authority scheme employer representative for the education sector.

4. LGPC UPDATE

Lorraine Bennett talked through the main points from Paper B, covering the significant member benefit changes and LGPC work to assist the scheme in implementing the changes. It was stated that in some instances, eg for survivor benefit changes, casework required backdating and complex administrative processing. This was leading to difficulties in hitting the targets set out in the statutory guidance.

A question was raised on whether there is data available on the take-up levels of councillors and mayors joining the scheme as it was thought it may be limited. There is some data available which reflects that take-up has been low and the Secretariat agreed to discuss with MHCLG whether standard data collection process should be established (either through annual reports or the SF3 statistical return).

There was also a discussion about the potential to increase the personal tax allowance for low earners. Councillor Toby Simon, who raised the matter, confirmed he would set out the specific issue in writing.

Ben Thomas asked if there were to be any transitional protections for the change in factors which followed the SCAPE rate change, where they impacted on scheme member benefits. In response, LB said that there was advanced warning in May

2026 and caveats should have been added to estimates, but there was no policy or protocol in place for how changes are introduced. It was agreed to consider setting up such a protocol, which would include how member representatives are able to feed into decisions.

MHCLG responded that the impact on members and the administrative burden of changes would be considered, but that this would have to be for future changes as all member benefits changes discussed in the paper have already been implemented.

The Board noted the other contents of the report.

5. FIT FOR THE FUTURE TECHNICAL CONSULTATION RESPONSE, REGULATIONS AND GUIDANCE

Jeremy Hughes (JH) confirmed that since the last Board meeting in March 2026, the relevant regulations and statutory guidance had been published. He added that the Board were grateful for the continued engagement throughout by MHCLG.

Paper C outlined how the Board would continue to assist funds to implement the changes, including the suggestion of where further Board guidance could be created. The Board were asked to note the workstreams would be established to consider further Board support on these areas:

- Conflicts of interest policy
- Knowledge and understanding
- Training strategy
- Governance strategy
- Pension Administration strategy working group
- Fund oversight of pools
- Pool reporting
- Local Investment

The chair commented that there was value in assisting in creating consistency in implementation and the Board agreed the proposed programme of support and guidance development in Paper C.

6. SAB GOVERNANCE STRUCTURE REVIEW

Ona Ehimuan provided a thorough overview to the Board on this item and the recommendations set out in Paper D and asked the Board for feedback. The paper

updated the Board on the mapping exercise carried out to determine existing networks supporting the scheme, the discussions held at the Investment Committee's last meeting on 22 June 2026 on the committee's membership, its workplan and its recommendations to the Board on changes needed to reflect post-Fit for the Future responsibilities.

The chair welcomed the work undertaken by the secretariat which reflected the significant change in the LGPS and the need for the Board's structures to move with it. Both Councillor John Beesley and Councillor Toby Simon expressed support for the proposals and the remarks from the chair, including having all six asset pools represented on the Investment Committee. It was also agreed to keep the perspective from outside the asset pools of investments in the role of investment consultations during this significant period of transition.

All recommendations in Paper D were agreed.

7. BOARD AND COMMITTEE MEMBERSHIP

Ben Lavelle provided a verbal update to the Board that MHCLG are making good progress putting together the recruitment campaign for the next Board chair. It is a role which is expected to be appointed by the Secretary of State with the process being managed by the MHCLG public appointments team and following their usual procedures. MHCLG would engage with secretariat on the detail of the plan, such as timings and wording of the invitation for applications.

The Board were guided through the membership changes since the last meeting and invited to appoint a new Investment Committee chair. Councillor John Beesley expressed an interest in taking on the role which received support from other Board members. This would be taken forward by the secretariat. On Paper E, the Board noted and approved all the recommendations as set out.

8. EDI SURVEY OF BOARD AND COMMITEES (AND SECRETARIAT)

JH introduced Paper F which set out a proposal to collect Equality, Diversity and Inclusion (EDI) data on Board members, pension committee members and Local Pension Board members. The Board agreed that it was important to understand who is involved in the governance of the LGPS and that more data on this was needed.

The Board agreed the approach set out in Paper F.

9. SAB COMMUNICATIONS UPDATE

Sophia Chivandire (SC) introduced Paper G to the Board. The Board commended her on the progress made with the SAB communications strategy and the ambitious range of planned events. SC also updated the Board on the website accessibility testing. The chair encouraged all Board members to put the Annual Assembly into their diaries and the Board agreed the recommendations in the paper.

10. INVESTMENT COMMITTEE UPDATE

The last committee meeting was chaired by Clair Alcock, instead of Andrew Thornton.

Paper H confirmed that the committee last met on the 22 June 2026 and discussed:

- Fit for the Future implementation and the committee's Strategic Action Plan
- Update of Board's guidance on MIFID II compliance
- Fiduciary duty in the LGPS
- Code of Transparency (CoT) data system
- Responsible Investment Advisory Group (RIAG) Report
- The committee workplan

The Board accepted the Committee's conclusion that the Board's MIFID guidance was still suitable and would be moved from the archive to the main part of the website.

Councillor Toby Simon reflected that consideration of the fiduciary duty continued to occupy a significant portion of committee time and the Board asked about the timetable for producing guidance from the wider fiduciary duty working group. OE said that Autumn was the expected deadline but this could shift depending on how work progressed on the guidance.

The Board agreed that the chair should write a welcome letter to the new Local Government Minister and ask him for an early meeting to include discussion of how best the scheme could collectively address the challenge around squaring its fiduciary duty with the requests made of it around responsible investment policy.

The Board noted the rest of the paper and agreed the committee's action plan.

11. COMPLIANCE AND REPORTING COMMITTEE (CRC)

Jeff Dong introduced Paper I which included an update on the work of the CRC, its working groups and the workplan following the Government's Fit for the Future regulations and guidance being introduced. The latest committee meeting on 29 June 2026 discussed:

- Separation of audit
- The Pensions Regulator update
- Annual report guidance
- Supplementary guidance development
- Other non-guidance activity
- Working groups summary
- Peer support project
- Peer support project training
- Peer support project pilot
- Peer support documentation
- Peer support project plan
- Local pension board support and guidance

The Board were pleased to note that MHCLG provided a significant update on decoupling of pension fund accounts proposals at the CRC meeting, which had been debated for some time. It was also noted that the Pensions Regulator attended the last committee meeting. Councillor Toby Simon asked whether a local authority's audit committee would still need to sign off the pension fund accounts. It was thought that this would still be the process but alternative options, such as sign-off by the pension committee, were being explored as part of the proposals.

The Board noted the update, agreed the updated Annual Report guidance and approved the committee's workplan.

12. COST MANAGEMENT, BENEFIT DESIGN AND ADMINISTRATION COMMITTEE (CMBDA)

JH introduced Paper J which updated the Board on the last CMBDA meeting which took place on Monday 6 July 2026. When the committee last met, they discussed:

- Local Government Pension Committee (LGPC) update
- HMG cost control mechanisms (2024 valuation)
- MHCLG review of Regulation 64A
- Gender Pensions Gap (GPG), including progress with the research commissioned jointly with Westminster City Council
- Review of Funding Strategy Statements
- 2025 local fund valuation summary report
- MHCLG benefits policy update
- Administration complexity and performance

- Committee workplan

The Board agreed the recommendation to take forward the proposal for the calculation of the cost control basis as the consumer price index (CPI) plus 2.8%.

On MHCLG's review of regulation 64a (review of rates and adjustments certificate: scheme employer contributions), Rosanna shared that due to the political change ongoing, the estimated timing for issuing a principles-based consultation would now be September 2026.

The Board noted the update from the committee.

13. 2027/28 SAB BUDGET (CONFIDENTIAL)

The Board received Paper K which updated the Board on how the proposed budget for 27/28 was being developed. The paper contained detail of the resources needed to deliver the planned workstreams as well as savings from those that were coming to an end. The Board noted with concern that while there was a clear business case to expand the Secretariat team, this was hindered by the considerable uncertainty that still arose from the restructuring exercise being undertaken by the Local Government Association(LGA).

Proposals were agreed which included budget increases to support taking on additional staff within the secretariat team. This was justified as the Board was busier than ever and there was increasing demand for support from funds.

Noting that the figures quoted in paper were only modelling options (as opposed to an attempt at forecasting particular trajectories) the Board considered the potential options for future funding of the peer support offer as it was grown and eventually rolled out. The Board asked for more consideration of the two main funding options: one for all of the peer support activity to be funded from the levy and the other for costs to be met from the fund receiving the peer support. It was agreed that the budget paper brought to the November meeting would include the pros and cons of both options plus a clear recommendation. It was hoped that if the pilot went ahead then this would also help inform the Secretariat's thinking.

ACTION – That the secretariat develops an evidence base for future model options for the peer support programme.

14. ANY OTHER BUSINESS

There was one minor item of AOB from the secretariat team which, due to the meeting over-running, would be dealt with by correspondence. No other items were put forward.

15. DATES OF NEXT MEETING

The date of the next meeting is 23 November 2026 at 1.30pm to be held on a hybrid basis on Microsoft Teams and at 18 Smith Square, London.

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Paper B: LGPC update

Key points to note

This paper provides an update on key legislative changes impacting LGPS administration and the work of the LGPC secretariat.

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 subscriptions from LGPS administering authorities, as well as training and qualification income.

Recommendation

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

Member benefit changes

We expect the second phase of the Access and Fairness changes to be legislated for in April 2027. These include:

- changes to forfeiture provisions
- collection of opt-out data
- removing the requirement to pay refunds within five years of leaving
- other miscellaneous changes.

We also expect the remaining changes consulted on in the Access and Protections consultation to be legislated for in 2027, including:

- changes relating to the increase in the normal minimum pension age
- New Fair Deal - proposals to implement Fair Deal protections in the LGPS, ensuring continued access to the LGPS for outsourced workers
- academies and applications for a change in administering authority.

We are working with MHCLG on the implementation of these changes, including reviewing draft legislation and supporting the development of guidance. We will issue

a special bulletin setting out the changes and the actions required once the legislation has been made.

Some changes will require significant preparation by administering authorities and employers. In particular, the collection of opt-out data will require new processes and system changes for employers and administering authorities.

New Fair Deal represents a significant change and will place new responsibilities on administering authorities and employers in relation to outsourced workers, requiring changes to existing processes and practices.

MHCLG has asked for recommendations for phase three changes, and we have submitted a paper setting out our proposals. We do not expect any phase three changes taken forward to be implemented before April 2028.

Inheritance tax

From 6 April 2027, most unused pension funds and pension death benefits will form part of a deceased member's estate for inheritance tax purposes.

The changes will create new responsibilities for LGPS administering authorities. These include calculating the value of a deceased member's notional pension property and providing information to personal representatives and beneficiaries. In some cases, administering authorities may also be required to withhold part of a death benefit or pay inheritance tax to HMRC.

We will publish guidance to support administering authorities with these new responsibilities.

Legal advice

We commissioned legal advice in four areas where administering authorities have identified uncertainty or inconsistent approaches.

We have now published advice on:

Backdated payments relating to survivor equalisation and death grants

The advice considers the legal issues involved in making backdated payments to an estate or beneficiary following the Access and Fairness changes that equalised survivor benefits from April 2026.

Cohabiting partner eligibility

The advice covers assessing entitlement to a cohabiting partner's pension where the member or their partner spent an extended period in a care home or hospital during the two years before the member's death.

The advice confirms that living at different addresses does not, in itself, prevent a surviving partner from qualifying for a cohabiting partner's pension. For example, a period in a care home or hospital does not automatically break cohabitation. However, the length of the separation, the level of continuing contact and the couple's intentions are relevant when assessing whether the statutory conditions remain satisfied.

The advice also provides a step-by-step guide to handling care home and hospital cases, helping administering authorities reduce the risk of decisions being substantively or procedurally unreasonable.

Both opinions are available on the legal opinions page of www.lgpsregs.org.

We are awaiting advice on:

Unclaimed benefits

Administering authorities are increasingly dealing with cases where benefits become payable, but the member cannot be traced or refuses to engage. The advice will consider appropriate tracing activity, processes and record keeping, with a view to establishing a consistent approach across the LGPS.

Beneficiaries in prison

The advice will consider whether, and in what circumstances, imprisonment may be relevant when determining the recipient of a death grant. It will also consider practical issues relating to the payment of benefits where a beneficiary is serving a prison sentence.

Pensions dashboards

The legal deadline for pension schemes to connect to the pensions dashboards ecosystem was 31 October 2026.

We are not aware of any LGPS administering authorities that have not connected to the ecosystem.

We expect the Government to announce the dashboards available point (DAP) in the

coming months. This is the point at which pensions dashboards become available for members to use. Pension schemes will receive at least six months' notice before the DAP and we currently expect it to fall during the 2027/28 financial year.

We are contributing to the national communications planned by the Money and Pensions Service (MaPS) and will also work with the LGPS National Communications Working Group on communications.

We are also procuring legal advice on the data protection implications for administering authorities related to the definition of relevant member for pensions dashboards. The dashboard legislation only permits data for relevant members to be sent to dashboards.

An active or deferred member who also has a pension in payment from the Scheme is not a relevant member. The Pensions Regulator has confirmed that pension schemes may still be able to provide data for these members where they are satisfied that the legitimate interests test has been met. We have asked Osborne Clarke to provide advice to assist administering authorities with this assessment.

Two-year time limit for lump sum death benefits

As announced at Budget 2026, the pensions tax two-year rule has been removed.

For death grants paid on or after 28 October 2026 in respect of a member who died before age 75, the tax treatment will no longer depend on whether the payment is made within two years of the scheme administrator first becoming aware of the member's death.

New administrator and employer website

We recently launched a new website for LGPS administrators and employers in England and Wales.

The URL of the website remains the same: www.lgpsregs.org, but we have made changes to the design and structure of the site.

There are significant changes to the training and qualifications, employer guidance and administrator guidance pages. We have also changed how technical queries are submitted and how administering authorities update their contact details and submit vacancies for advertising on the site.

To help users navigate the site, we have published a short guide.

2027 training programme

We plan to launch the 2027 training programme in December 2026.

The programme will set out what training will be offered in 2027 for employers, administrators, officers with governance responsibilities and pension committee and local pension board members.

PMI Pinnacle Awards

The team received two nominations in the the PMI Pinnacle Awards:

- the team was nominated in the Impact on Learning and Professional Development category
- Toni Durrant, training and development adviser, was nominated in the Pensions Tutor of the Year category.

Staff changes

The LGPC team currently has no administrative support due to maternity leave and an unsuccessful appointment earlier in the year. We are in discussions with the Senior Leadership Team at the LGA about the impact on our service, due to the continued recruitment freeze as part of the organisation's wider restructure.

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Paper C: Update to Board Risk Register

Key points to note

The Board has a risk register which is reviewed periodically. The risks on the register are a combination of both risks to the scheme and those which apply to the delivery of an effective secretariat function. The latest version is at Annex A. There are three significant changes in the risk profile from the last time this was reviewed by the Board in March 2026.

Recommendation

That the Board notes and approves the changes to the Risk Register.

Summary

Risk 9: Failure or closure of pool company or operating company

The risks here have continued to diminish since the March meeting, which is testament to the huge amount of work being done to successfully manage the transition. The deadline for transferring all assets (or control of legacy assets) to pools has passed (it was 30 September 2026) while the deadline for FCA regulation as either a full-scope UK AIFM (Alternative Investment Fund Manager) or as a MiFID investment firm is not until 30 September 2027. While that is a while away, given the scale of the changes required to comply with this and to be able to offer the full range of services envisaged under Fit for the Future, the risk has not entirely been removed.

Risk 15: Breach of equality duties around accessibility of the website

The redesign and launch of the new website has proved a great success. As part of the contract for updating the site, Landscape agreed to arrange for an accessibility review of the new site by the Shaw Trust and rectification of any issues identified by them. There remain some outstanding teething issues with the site, and we have not yet received confirmation from the Shaw Trust that the issues they identified in their review (primarily around the inclusion of older pdf documents) have been resolved.

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Risk 20: Transition to new Fit for the Future arrangements

When the Board last reviewed the risk register in March 2026, this item was focussed on risks arising from the publication of final guidance and regulations implementing the Fit for the Future reforms. We had concerns that these could create issues for funds, not least as there were so many changes being made at the same time across almost every aspect of the scheme - covering member benefits, fund governance and pooling arrangements against a background where funds are trying to address significant administrative challenges such as McCloud implementation, other member benefit changes, preparations for dashboards and the need to recruit and retain a highly skilled and dedicated workforce.

We have re-drafted Risk 20 as the risks now are mainly around implementation and compliance. The statutory deadline for the appointment of an LGPS Senior Officer and the Independent Person is 31 December 2026 and we are aware that not all funds have yet made appointments to both roles.

There are also deadlines for the revision of the Investment Strategy Statement, Responsible Investment policy and arrangements for an Independent Governance Review (IGR) that funds will need to heed. There is separate discussion in the CRC paper on the challenges with effectively procuring an IGR in that timescale.

Scheme Advisory Board (SAB) Meeting
23 November 2026, 1.30pm
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Paper D: Scheme Advisory Board (SAB) Governance structure review

Key points to note

The recommendations agreed in relation to the Investment Committee have been implemented. Insights from these activities are provided in the paper.

The secretariat recommends that the membership changes to the Investment Committee are made permanent.

Further considerations for the Investment Committee and the Compliance and Reporting Committee are set out in this paper.

The governance review has been an iterative process to enable responsiveness to the evolving architecture of the scheme. The review has drawn out a number of changes that have improved the SAB's ability to discuss priority issues with practitioners best placed to address them. Pending the Board's approval of the recommendations set out in this paper, this workstream can now be closed with the focus shifting to the implementation and maintenance of the changes agreed by the Board.

Recommendations

The Board is asked to agree:

- to confirm the current six LGPS pool representatives and six fund representatives as permanent members of the Investment Committee, with those representatives invited to its next meeting on 18 February 2027
- that the secretariat explores the future inclusion of Independent Person(s) on the Investment Committee, including the process for assessing suitable candidates and the timing of recruitment, recognising that appointments at funds must be made first
- that the secretariat explores the process for assessing suitable candidates to represent LGPS Senior Officers and Independent Persons on the Compliance and Reporting Committee (CRC), recognising that appointments at funds must be made first

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- that the secretariat review the Terms of Reference for all three SAB committees in the new year to reflect the changes made over the past year and promote consistency, with the updated Investment Committee Terms of Reference submitted to the Board for approval on 22 March 2027

Background

A paper providing feedback on the activities of the SAB's governance structure review was presented at the last Board meeting on 20 July 2026. In line with the agreed actions at that meeting, the secretariat has:

- continued to invite representatives from the six asset pooling companies to attend the Investment Committee (IC) meetings
- recruited a further four new fund representatives to the IC on a trial basis to balance with the increased pool presence and invited them to the meeting on 19 October 2026
- established three new working groups on pool oversight, local investment and reporting which met for the first time in the week commencing 28 September
- made arrangements to put in place an additional working group to support the Responsible Investment Advisory Group (RIAG) fulfil the directive from the Board to explore outputs to support responsible investment implementation; and
- continued consideration of the changes needed to the Compliance and Reporting Committee (CRC) as part of the governance review.

Insights from these activities are provided in this paper.

Committee structure and membership

The Board has been considering the changes needed so the committees can adequately address the significant programme(s) of work resulting from the 2026 investment scheme reforms. An initial set of changes have been made to the IC's membership which have proven to be successful; the secretariat's recommendations following on from this can be found in the opening 'Recommendations' section of this paper

The secretariat is considering whether changes to CRC membership will be required to reflect the introduction of the LGPS Senior Officer role and to include representation from Independent Persons. As administering authorities are not required to make these appointments until December 2027, it is expected that

dedicated CRC positions for these roles will be established once appointments have been made.

The Board should note that a review of the CRC's Terms of Reference is needed to consider the concentration of membership terms ending in 2027, possible staggering of future appointments and more consistency across each of the Board's committees. The secretariat also recommends that the Terms of Reference for the other committees are also reviewed to ensure consistency across the committee structure.

In line with the action agreed on 20 July 2026, the secretariat have increased the number of fund representatives on the IC from two to six on a trial basis and invited the four new fund representatives to the meeting on 19 October. Officers were invited to submit a 150-250 word expression of interest to the secretariat. The secretariat reviewed these with the aim to achieve a balance of fund types and pool representation. Where there was more than one expression of interest for a particular pool, consideration was also given to maintaining some continuity of existing committee membership during this trial period. The recommendations were shared with the IC Chair, Cllr John Beesley and subsequently approved by the Board Chair on 29 September 2026.

The new approved representatives in attendance at the meeting were:

- Sherief Loutfy, Head of Pension Fund (Senior LGPS Officer), Worcestershire Pension Fund (Non-metropolitan county/unitary, LGPS Central)
- Paul Audu, Head of Pensions and Treasury (Interim), LB Tower Hamlets (London fund, London CIV)
- Michelle King, Senior LGPS Officer, Head of Pensions & Deputy s151 Officer, Swansea Pension Fund (Welsh fund, Wales Pension Partnership)
- Joanne Donnelly, Chief Executive Officer, London Pension Fund Authority (LPFA) (Single purpose pensions authority, Local Pension Partnership Investments (LPPI)); substituted for Lana Watson, Director of Pensions, LPFA (Also Vice Chair of the LPPI Partner Fund Working Group)

The inclusion of additional fund officers built on the contributions of existing fund officer committee members (Nick Buckland, Head of Pensions and Treasury at Kent and Peter Wallach, Director of Pensions at Merseyside) and provided opportunity for diversity of thought from the committee on the agenda items.

The IC received a paper on committee membership which also proposed changes to

the naming of specific members' roles from observatory to reporting to better reflect their contributions to the committee.

The IC also revisited the proposed addition of the Independent Person(s) to the membership ultimately to replace the investment consultant representatives on the committee. It was agreed that whilst this would be a logical change to align with the scheme reforms, this would take some time to implement as many administering authorities are still in the process of appointing the Independent Person. The secretariat will also need to think about the process for assessing successful candidates to join the committee. It was agreed that the investment consultants remain on the committee in the interim.

Update on the new investment working groups

As agreed by the Board on 20 July 2026, the working groups on local investment, pool oversight and reporting have been established and met for the first time in the week commencing 28 September 2026. The initial meetings have demonstrated the value of bringing together practitioners with relevant experience to explore these areas in greater detail before issues are considered by the Investment Committee. This provides additional capacity for the Committee's expanding work programme while allowing it to retain strategic oversight. A summary of the discussions at the working groups meetings can be found in the Committee Workplan paper submitted to the Investment Committee on 19 October 2026.

Proposed Investment Committee changes

The process of shaping the committee's future membership has been conducted in a gradual manner to ensure that the changes implemented are well thought out and best suited to the influx of issues that the committee will need to address over the coming months. Whilst there remains open considerations about additional stakeholder groups that may be usefully added to the committee, the current model of six pool and six fund representatives in addition to the existing representative groups (scheme employee representatives, an education sector representative, a LAPFF representative and a treasurers' representative) is proving to be productive and the secretariat would recommend that this be implemented for future meetings.

When recruiting the additional fund officers to the committee, the secretariat made clear that consideration would be given to whether a further process is needed if the Board seeks to make the change permanent. The fund officers in attendance at the last meeting were all sufficiently qualified and experienced to participate effectively in

the committee discussions. There was also an indication in the initial process that some funds had coordinated discussions on the candidate to put forward for consideration. Taking this into consideration, the secretariat does not believe an additional process will be needed and propose that with the Board's approval, the new fund representatives are made permanent additions to the Investment Committee.

The secretariat also proposes that the new pool officers are made permanent. For reference these are:

- Richard Law-Deeks, Chief Executive Officer at (LGPS Central),
- Dean Bowden, Chief Executive Officer at London CIV
- Paras Anand, Chief Executive Officer at Northern LGPS and;
- Andrew Johnston, Chief Investment Officer at Wales Pension Partnership.

This is in addition to the existing reps from LPPI (Chris Rule, Chief Executive Officer of LPPI) and Border to Coast (previously Fiona Miller, Deputy Chief Executive Officer at Border to Coast. As detailed in paper E, Ewan McCulloch, Chief Stakeholder Officer at Border to Coast was approved to replace her by the Board Chair on 8 October 2026).

Next steps

Subject to the Board's approval, the secretariat will confirm the permanent Investment Committee membership arrangements ahead of its meeting on 18 February 2027. Work will continue on future Independent Person representation on the Investment Committee and LGPS Senior Officer and Independent Person representation on the CRC, recognising that appointments at funds must be made first. The secretariat will review all three committees' Terms of Reference in the new year and submit the updated Investment Committee Terms of Reference to the Board for approval on 22 March 2027.

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Scheme Advisory Board (SAB) Meeting
23 November 2026, 1.30pm
Beecham Room, 18 Smith Square, London
and Microsoft Teams

Paper E: Board and Committee membership

Key points to note

The Board is asked to note:

- the progress made to recruit a new Board Chair ahead of the departure of Cllr Roger Phillips OBE in March 2027
- the membership changes approved via correspondence since the last meeting, and
- the identified pressure points for membership changes in the coming months and years.

The Board is also asked to approve a proposed committee appointment and agree the approval arrangements for filling the advertised practitioner vacancies.

Recommendation

The Board is asked to:

- note the update on recruitment of a new Board Chair;
- note the Board membership nominations and committee and advisory group changes, including appointments already approved by correspondence;
- approve the appointment of Martin Doyle, Chair of the National Pension Officer Group, to the CMBDA committee;
- agree that recommendations to fill the advertised practitioner vacancies on the CRC and CMBDA committee be submitted to the Board Chair for approval ahead of their next meetings; and
- note the forthcoming membership renewal pressures and the planned further update.

Board Chair recruitment

Ahead of Cllr Phillips' tenure ending in March 2027, the Ministry of Housing, Communities and Local Government (MHCLG) have launched a recruitment exercise to appoint a new chair.

The recruitment exercise, which follows a full public appointments process, opened on 5 November 2026 and closes at 5pm on 3 December 2026. The secretariat has published a news story highlighting this development and has shared the advert via the Board's communications channels. MHCLG is expected to interview shortlisted candidates in the new year and to be in a position to appoint a new Chair before March 2027. Cllr Phillips is scheduled to chair his final Board meeting on 22 March 2027.

Membership changes

Board

Following Cllr Chris Weaver's decision to step down from the Board in July 2026, the secretariat has been informed by the Welsh LGA (WLGA) that a nomination has been made for a new scheme employer representative. The nomination is currently under consideration, and a further update will be provided in due course.

Following Cllr Nathan Yeowell stepping down from the Board and as Chair of the Local Government Pension Committee in July 2026, the new chair Cllr Jim Robbins (Swindon Borough Council) has been nominated by the LGA to be the new scheme employer representative from the Local Government Pension Committee (LGPC). The nomination has been submitted to MHCLG for ministerial approval.

As reported at the last meeting, Sarah Graham, Director of Compliance, Policy and Legal and Chief Audit Executive at Oasis Community Learning has been nominated as the new scheme employer representative for the education sector by the Department for Education. The secretariat submitted the nomination to MHCLG in the summer. Ministerial approval remains outstanding, and the secretariat continues to follow up with MHCLG.

A nomination has been sought from the LGA political group offices to replace former Cllr Andrew Thornton. The secretariat has been formally notified by the Reform group office that Cllr Sarah Emberson (Chair of Kent Pension Committee) has been nominated for ministerial consideration as the new scheme employer representative. We are in the process of gathering the necessary background information to submit a formal nomination to the minister.

Committees and Advisory Groups

Euan Miller, Managing Director at West Yorkshire Pension Fund has stepped down from the Investment Committee as practitioner representative as a result of the shift

to having a more balanced representation of funds and pools on the committee. Previously, the committee included representatives from two LGPS Northern partner funds. Peter Wallach, Director of Pensions at Merseyside Pension Fund, remains on the committee as a practitioner representative. The Board thanks Euan for his contributions to the committee over the years. More detail about the broader changes to the Investment Committee can be found in paper D.

Fiona Miller, Deputy Chief Executive Officer at Border to Coast has stepped down from the Compliance and Reporting Committee (CRC) and the Investment Committee in September 2026 ahead of her retirement. The Board thanks Fiona for the significant contributions she has made to the Board's committees over the years. The secretariat was notified that Ewan McCulloch, Chief Stakeholder Officer at Border to Coast had been nominated to replace her on the Investment Committee. The Investment Committee Chair was notified of this on 7 October 2026, and the nomination was approved by the Board Chair via correspondence on 8 October 2026.

Fiona was recruited to the CRC due to experience as a senior pool officer, previous head of fund and pension board chair and the secretariat continues to consider the most suitable candidate to replace her on the committee. Given the broader changes in the scheme, there is an ongoing assessment of the stakeholder group(s) most relevant to the needs of the committee. An update on the secretariat recommendations will be brought to the next meeting. Paper D expands on the current considerations on the CRC in relation to the recent scheme reforms.

Kevin Gerard, Pensions Manager at Dyfed Pension Fund has stepped down from the CRC and from the Cost Management, Benefit Design and Administration (CMBDA) committee as a practitioner representative. The Board thanks him for his contributions to the Board's committees over the years. An advert has been shared via the Board's communications channels for expressions of interest in the practitioner representative role on the CRC. It is proposed that once these have been reviewed, a recommendation is sent to the Board Chair to approve ahead of the next CRC meeting on 1 March 2027.

Kevin initially joined the CMBDA committee in 2016 as Chair of the Technical Group, now the National Pension Officer Group (NPOG). Although he remained on the committee as a practitioner representative after his role on the Technical Group, the secretariat recommends restoring NPOG representation on the committee. The current Chair of NPOG, Martin Doyle, Assistant Director of Pensions Shared Service at Richmond and Wandsworth Councils, has indicated that he would be interested in

this role. The secretariat therefore recommends that the Board approve his appointment to the committee.

Emma Mayall, Assistant Director, Pensions Administration - Pensions Policy at Greater Manchester Pension Fund has stepped down from the CMBDA due to her term as a practitioner representative expiring in November 2026. The Board thanks her for her contributions to the CMBDA for the last ten years. An advert has been shared via the Board's communications channels for expressions of interest in the practitioner representative role on the CMBDA. It is proposed that once these have been reviewed, a recommendation is sent to the Board Chair to approve ahead of the next CMBDA meeting on 8 March 2027.

As reported at the last meeting, Ashley Hamilton Claxton stepped down as an asset manager's representative and Graham Cook stepped down as a wider industry representative on the Responsible Investment Advisory Group (RIAG). The secretariat was considering expressions of interest, and the Board agreed that recommendations should be submitted to the Board Chair for approval by correspondence. On 11 August 2026, the Board Chair approved Carlota Garcia Manas, Head of Climate Transition and ESG Engagement at Royal London Asset Management (RLAM), as the new asset manager representative and Laasya Shekaran, Head of Community at Investors for Purpose, as the new wider industry representative.

Kenny Dick has also stepped down from the RIAG, and we await notification from the Scottish SAB on who they will be nominating to replace him.

Membership renewals and succession planning

In addition to the membership changes outlined above, 13 CRC members will be eligible to renew their terms in May 2027. The secretariat will establish how many wish to renew and report the outcome to the Board at the next meeting.

The concentration of renewal and term-end dates creates succession-planning pressures, particularly for the CRC and RIAG. For the CRC, these arise in May 2027 and potentially May 2032, depending on how many members renew their terms next year. For the RIAG, six members' terms end in March 2029.

The secretariat is considering how best to manage these pressures, including whether staggered term lengths would be appropriate. Some membership changes are expected to occur naturally over time, but further measures may be needed. Proposals will be brought to the Board at the next meeting.

Similar considerations may apply to the Investment Committee, given the large number of new members proposed for approval at this meeting (see paper D).

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

Scheme Advisory Board (SAB) Meeting
23 November 2026, 1.30pm – 3.30pm
Beecham Room, 18 Smith Square, London
and Microsoft Teams

Paper F: 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 the update on events held during 2026 and provides feedback on the proposed 2027 calendar, including event priorities, dates and opportunities to strengthen engagement.

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 the following events since the last Board meeting.

- Local Pension Board Forum - 7 September 2026
- Welcome Event for Newly Appointed Councillors – 15 September 2026
- Independent Governance Review Workshop – 1 October 2026
- Board Annual Assembly – 22 October 2026
- LGPS Live – 5 August 2026; 7 October 2026 and 2 December (planned)

A summary of each event is provided below.

Local Pension Board Forum - 7 September 2026

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

On 7 September, the Secretariat held its first Local Pension Board Forum. The virtual event was well received and provided a valuable opportunity for Local Pension Board Chairs to network, share experiences and discuss emerging challenges.

The forum brought together Chairs from 37 LGPS funds, making it our most widely attended Chairs' event of the year in terms of fund representation.

Discussions were wide-ranging and covered several common priorities, including:

- Implementation of new governance requirements and regulatory changes;
- Recruitment and retention to governance roles;
- Local government reorganisation;
- Pension administration challenges;
- Training and development.

Feedback from attendees was positive, with suggestions for the forum to be held regularly. Attendees also indicated that they would attend future forums and recommend them to others, demonstrating the value of providing dedicated opportunities for peer networking and knowledge sharing.

Welcome event for newly appointed councillors – 15 September 2026

The Secretariat held a virtual welcome event for newly appointed councillors with responsibilities for the LGPS on 15 September 2026, from 5.00pm to 6.00pm. The event was attended by 58 councillors representing 27 LGPS funds.

Polls conducted during the webinar highlighted varying levels of confidence among attendees in their understanding of the LGPS. Governance and pooling were identified as the two main areas where councillors felt they needed further support.

Responses also highlighted the wider importance of building knowledge and understanding of the scheme and the different roles and responsibilities within it.

Feedback was positive, with attendees particularly valuing the opportunity to ask questions during the Q&A session with the Board Chair and Secretariat. Attendees also expressed an interest in learning more about the Board and its work, highlighting an opportunity for further engagement and support for newly appointed councillors.

Independent Governance Review workshop – 1 October 2026

On 1 October, the Secretariat held an in-person workshop for fund officers on Independent Governance Reviews (IGRs). The event was well attended, with 43 officers representing 43 LGPS funds, alongside colleagues from the National LGPS Frameworks Team and the Pensions Regulator. Feedback from the workshop was largely positive, with 88% of respondents rating the event as Good or Excellent. A further 82% indicated that they would attend again, while 94% would recommend the event to others.

Feedback from the workshop indicated broad support for IGRs but highlighted the need for greater national clarity and consistency around standards, specifications, independence, evidence requirements, procurement, capacity, costs and how findings will be used and published. In response to this feedback, the secretariat has established a working group with fund officers and the National LGPS Frameworks Team to develop a practical core specification for IGRs, helping to support a more consistent approach across the Scheme.

Attendees also expressed a strong interest in further events specifically aimed at senior fund officers, highlighting the value of providing opportunities for peer discussion, sharing experiences and addressing common challenges.

Board Annual Assembly – 22 October 2026

The Board's second Annual Assembly was held on 22 October 2026 at Bevin Hall, Smith Square, with chairs representing 38 LGPS funds in attendance.

Discussions covered administration pressures, investment oversight, funding matters, governance and opportunities for training and development. The Assembly also provided a valuable opportunity for peer networking, allowing chairs to share experiences, discuss common challenges and exchange ideas with colleagues from across the LGPS, helping to strengthen relationships and encourage greater collaboration across the Scheme.

Feedback from the event was positive, with attendees indicating that they would attend future events and recommend the event to others. The most popular session was the panel session with fellow chairs.

Overview of event attendance

An analysis of attendance across these six events highlighted varying levels of engagement among LGPS funds.

It is important to note that whilst we didn't ask for apologies when sending out invitations, non-response was a consistent trend, with between 33 and 45 funds not responding to invitations for each event although the secretariat is aware of some clashes with other events. Four funds did not respond to any of the six invitations.

Overall, 15 funds did not have any representation attend any of the six events. In contrast, seven funds demonstrated strong engagement, attending at least five of the six events.

The table below summarises attendance across the six events.

Event	Funds Attended	Did Not Respond	Did Not Show
17 March 2026 – Virtual event **Pension Committee Chairs discussion**	38	33	11
12 May 2026 – Virtual event **Local Pension Board Chairs discussion**	42	33	8
7 September 2026 – Virtual event **Local Pension Board Forum**	37	36	4
15 September 2026 – Virtual event **Welcome event for newly appointed councillors**	27	43	14
22 October 2026 – In person event **SAB Annual Assembly (number of Board Chairs attended)**	24	44	10
22 October 2026 – In person event **SAB Annual Assembly (number of Committee Chairs attended)**	22	45	10

Overall, 71 funds (83%) attended at least one event, while 15 funds (17%) had no recorded attendance. The 2026 attendance data demonstrates that SAB's events programme has achieved broad engagement across the LGPS, with 83% of funds represented at least once.

As planning begins for 2027, the findings provide a useful basis for reviewing the events programme, strengthening communication with less active funds and building on established engagement with chairs. In preparing the 2027 Board events calendar, the secretariat is reviewing other LGPS organisations' event calendars and liaising with stakeholders to confirm their planned event dates, to avoid any known clashes.

LGPS Live

The secretariat has continued to see strong attendance and engagement for the LGPS Live. The webinar is open to all LGPS stakeholders and attracts a broad range of attendees from across the Scheme. Previous sessions have been attended by representatives from administering authorities, investment pools, advisers, actuaries, policy representatives and governance specialists.

The session on the jointly commissioned Gender Pension Gap report saw the highest engagement and representation yet. Attendees extended across England, Scotland and Northern Ireland providing a broad UK-wide perspective. Feedback around the webinars has been rated as excellent with informative and relevant content.

Further communications activity

As part of this update, the Board Communications Policy has been reviewed, and the secretariat isn't recommending any amendments at this stage. However, we would welcome any comments the Board has on whether any further activities should be undertaken.

With the Pensions Dashboard expected to become publicly available during the 2027/28 financial year, the National Communications Working Group is establishing a working group to consider communications ahead of its launch, with the LGPC focusing on developing supporting materials. The Board is invited to consider whether it wishes to develop its own communications or focus on amplifying materials produced by the LGPC and the working group.

We are proposing the following events for next year (dates to be confirmed) and

would welcome the Board's views on the proposed programme, including suggestions for any additional events or areas of focus.

- Independent Person workshop
- LGPS Senior Officer workshop
- A decade of Leadership: Reflections with Cllr Phillips OBE
- SAB Local investment Event
- Pension Committee Discussion
- Local Pension Board Forum
- Welcome event for councillors with LGPS responsibilities
- SAB Annual Assembly

Social media update

The Board's presence on LinkedIn continues to grow, with the page now attracting over 1,500 followers. Engagement with our content has also increased, particularly during our autumn programme of events, which provided opportunities to highlight the Board's activities and encourage wider participation. The page continues to be used to raise awareness of the Board's work and share scheme-level updates. It is also providing an additional avenue for feedback, with discussions on posts generating suggestions and areas for the Board to consider as part of its ongoing work.

Paper G: Practical guidance on setting Responsible Investment (RI) Policy

Key points to note

The Board has committed to producing guidance for funds on what to consider when setting their responsible investment policies. This guidance has been developed in consultation with a working group established for this specific purpose, the Responsible Investment Advisory Group (RIAG), the Investment Committee and the Ministry of Housing, Communities and Local Government (MHCLG).

The draft at annex A is submitted to the Board for final comments and ultimately approval.

MHCLG have indicated a desire to have the draft reviewed by their lawyer. Depending on comments from stakeholders and the Board on the draft as submitted, there may be areas that are identified as prudent to test ahead of publication.

The secretariat has considered the communications approach necessary for the publication of this guidance and recommends that the Board takes a proactive approach.

The guidance is intended to remain a live product, with periodic reviews to ensure it remains up to date.

Recommendation

That the Board:

- notes the process undertaken to produce robust, practical guidance on RI policy setting
- notes the Ministry of Housing, Communities and Local Government's (MHCLG) indication that the draft will be submitted for legal review by their lawyers
- considers the draft RI policy setting guidance submitted in confidence and approves a draft for publication
- asks the secretariat to draft a press statement and brief for the pensions press ahead of the guidance being published (to be cleared by the Chair and vice-

chair).

Background

In June 2025, RIAG considered a proposal that the Board should develop practical guidance to support administering authorities in setting their RI policies. Following publication of the final regulations and statutory guidance in June 2026, the secretariat drafted guidance reflecting the proposed scope and content agreed by the RIAG and discussed this with a working group comprising representatives from funds, pools and trade unions, pension committee chairs and also with RIAG members.

The guidance has been the subject of consultation with the RI guidance working group, the Responsible Investment Advisory Group (RIAG), the Investment Committee and the Ministry of Housing, Communities and Local Government (MHCLG). The comments submitted by these stakeholders have informed the draft circulated to the Board in confidence at annex A.

Considerations

An initial draft on the guidance dated 18 September 2026 was submitted to the RI guidance working group and the RIAG. A high-level summary of their comments was submitted to the Investment Committee on 19 October 2026. The guidance has been developed iteratively in response to the comments submitted to the secretariat from September to date. Inevitably, there have been differences of tone or emphasis between different stakeholders, but the secretariat has worked hard to reach compromises and ensure that the guidance presented here balances the views of all the different stakeholder groups.

The comments submitted by stakeholders have indicated that this guidance will be highly useful to Administering Authorities (AAs) and that timely publication will be important if it is to inform each AA's Investment Strategy Statement (ISS) ahead of the 31 March 2027.

The draft submitted to the Board is non-statutory, process-focused guidance for AAs that are developing, reviewing or updating their responsible investment (RI) policy. The guidance makes clear that this may be as a standalone document or within the ISS. The guidance does not create any additional legal requirements, nor does it prescribe decision making at the AA level or replace professional advice.

It emphasises the importance of fiduciary duty for all decision makers and the need to consider all factors pertinent to investment decisions within this lens. The need to

adhere with government regulations and statutory guidance is also made clear in this draft.

The main content covered in the guidance are:

- the principles underpinning RI policy
- a clear definition of RI
- the relationship between the AA's RI policy and ISS
- the application of RI considerations to decision-making
- the distinction between financially material vs non-financially material considerations and how these should be assessed
- the consideration of scheme member and scheme employer views
- how to decide what the RI policy should focus on
- the roles and responsibilities of decision makers in the scheme (including the desirability of alignment of RI policies between AAs)
- how to engage with scheme members
- how to communicate the RI policy and:
- how to respond to external interest.

The guidance also contains an annex with practical resources for designing surveys.

The guidance will be published on the Board's website, as a practical online resource enabling users to navigate directly to the chapters most relevant to them. The guidance has therefore been drafted with each chapter designed to stand alone where possible, supported by appropriate cross-references to related sections. This approach necessarily results in some repetition of key principles and is relevant when considering the overall length of the draft.

Throughout drafting, stakeholders have commented on the guidance's approach to understanding member views and the proportion of the document devoted to this subject. These comments have been carefully considered. The secretariat considers the coverage proportionate, at approximately two and a half pages, reflecting the practical purpose of the guidance while maintaining the primacy of fiduciary decision-making.

MHCLG have indicated that they would like to undertake a legal review of the guidance given the content matter. We have asked that this be completed in time for the guidance to be published in the coming weeks.

The draft submitted to the Board, has also been shared with the working group, the

Investment Committee and the RIAG. Depending on comments received from these groups and the Board on the draft as submitted, there may be particular points that it is prudent to test further ahead of publication.

The Board's guidance is being brought forward shortly after DWP published draft guidance on pension trustees' investment and fiduciary duties for consultation in November 2026. The DWP guidance does not apply directly to the LGPS, which has its own statutory framework, but may influence wider understanding and practice over time. The outcome of that consultation and the final DWP guidance will therefore be relevant to future reviews of the Board's guidance, without anticipating changes to the LGPS framework.

Once published the guidance will be kept under review depending on feedback from stakeholders and will be considered a live document which will evolve as administering authorities continue to perform their new duties.

The Board is asked for any final comments on the draft as submitted and whether it is content to approve the guidance for publication.

Communications approach

The secretariat will be developing communications to be issued alongside the published guidance. The approach to be taken was discussed with the RIAG and Investment Committee and given the likely attention it would receive, it was recommended that a proactive approach be taken to try and shape the narrative around it as much as possible. The intention would be to include clear contextual information along with the guidance to mitigate the risk of the guidance being quoted selectively. It is proposed that a Board statement is issued and the pensions press are briefed, so that the purpose and scope of the guidance are clearly explained. This will also ensure that as many stakeholders as possible are aware of the existence of the guidance in time to inform development of their ISS.

Next steps

- the Board considers the draft as submitted for approval
- the guidance is published in line with the recommended communications approach
- the guidance is kept under review to ensure that it remains fit for purpose.

Scheme Advisory Board (SAB) Meeting
23 November 2026, 1.30pm
Beecham Room, 18 Smith Square, London
and Microsoft Teams

Paper H: Investment Committee report

Key points to note

The committee requested more clarity from Ministry of Housing, Communities and Local Government (MHCLG) on how the government's announcements on sanctions in the Israeli West Bank would have an effect on the LGPS.

The committee also discussed the draft practical guidance on setting responsible investment (RI) policy being developed by the Board and provided feedback to inform the draft that will be put to the Board to clear at its next meeting.

The Board, will work with Pensions UK and the Investment Association (IA) and a stakeholder group to update the Cost Transparency Initiative (CTI) templates and agree arrangements for periodic review. The secretariat will engage with pools to encourage the use of the Cost Transparency and Benchmarking framework and consistent interpretation of cost data.

The Department for Work and Pensions' (DWP) guidance on fiduciary duty will be consulted on in November; publication is expected in spring 2027.

The committee discussed further membership changes and the key points from that discussion can be found in paper D.

The 2027 committee workplan was agreed for submission to the Board for approval.

Recommendation

That the Board:

- notes this update and approves the 2027 committee workplan at annex A
- considers the Investment Committee's recommendation to write to the Local Government Minister requesting clarity on wording and application of the Investment Strategy Statement guidance in relation to sector exclusions
- approves the proposed RIAG meeting frequency of three scheduled meetings a year, with additional ad hoc meetings as required, from 2027 onwards.

Summary

MHCLG update

Rosanna Thomson (RT) confirmed that MHCLG's current priorities were implementing the Fit for the Future reforms and supporting the local investment agenda. She committed to providing a response to the committee on whether the CMA order on reporting and procurement requirements applied to the LGPS.

Questions were raised about whether the sanctions brought in by the Government's on illegal settlements in Israeli West Bank would have an effect on the LGPS and whether further sanctions were expected. RT explained she could not confirm at this stage any detail of when legal sanctions would come into effect or their precise scope. Members raised that some administering authorities had received requests for information from the All-Party Parliamentary Group (APPG) in relation to this topic, though the number could not be confirmed. It was agreed that the secretariat reach out to try and quantify this.

On the government's commitments on climate risk reporting and transition planning, officials confirmed that this remained on the agenda but there was not any specific timeline for implementation.

Code of Transparency (CoT) update

The committee received an update on the Board's work since the last meeting and noted information on the usage of the Cost Transparency and Benchmarking framework which showed some engagement though further communications would be needed by the secretariat to encourage take up of the services available.

The centralised data system for collecting these templates closed down on 28 August 2026 and the Board was awaiting confirmation of secure data destruction from Byhiras.

The secretariat have held discussions with Pensions UK and the Investment Association on the updating of the Cost Transparency Initiative (CTI) templates including:

- a list of stakeholders who will be tasked with considering template updates
- future governance plans to keep the templates under regular review and
- methods that could assist with private market data collection

The identified links between cost transparency, oversight of the pools and value for

money assessments were discussed by the committee. The new investment working groups on pool oversight and reporting also discussed these issues at their first meetings and it was expected that this would continue to have a place in these discussions and potentially feed into the outputs of the group. Fund representatives present at the meeting welcomed the exploration of this as some pension committee members were asking increased questions about value for money. It was said by the committee that there would need to be consistency of data submissions by underlying asset managers and consistency in the interpretation of the data to form reliable assessments.

Department for Work and Pensions' (DWP) guidance on fiduciary duty

The committee received a verbal update from Clair Alcock (CA) on the guidance which will be consulted on starting in November for a period of 12 weeks. The contents of the guidance could not be shared until that point, however it was noted that whilst the guidance was not for the LGPS specifically, it would still have persuasive effect. It is expected that the guidance will be published in spring 2027.

The committee noted the Hansard record of the debate of the then Pension Schemes Bill held on March 23 2026, that the commitment was to produce guidance trust-based private pensions sector only (column 1290 onwards), though column 1292 did add that the LGPS would be engaged in the production on this guidance.

Responsible Investment Advisory Group (RIAG) Report

The committee received a report from the RIAG chair which gave an update of the last meeting on 5 October 2026 which included an overview of its discussions on:

- the update received from MHCLG
- investment in conflict zones
- DWP's guidance on fiduciary duty
- practical guidance on setting responsible investment (RI) policy
- proposals for a new RI implementation working group (the Board agreed that RI implementation be directed to the RIAG and it was agreed by the group that a new working group would be optimal to address this)
- meeting frequency for 2027 and
- the staggering of membership term lengths to support succession planning

The committee discussed the wording in the Investment Strategy Statement (ISS) guidance which prohibits administering authorities from making reference to countries, investment styles and companies but does not reference specific sectors.

At the RIAG meeting, it was confirmed by MHCLG that the wording in the guidance was intentional. RT said that ISS policies that made reference to particular sectors should be practically applied by the pool having regard to the wider legal and fiduciary framework that they are bound by – including consideration of practicality, scale and value for money. The committee suggested that the Board considers asking the Minister to clarify this issue on the record, to enable consistent understanding of the ISS guidance.

With regards to the group's meeting frequency for 2027, it was agreed that a proposal to align with the Board and committees' three meetings a year with additional ad hoc meetings be submitted for approval. The Board is therefore asked to approve this change for 2027 onwards. If approved the secretariat will make a minor update to the Terms of Reference to reflect this.

Practical guidance on setting RI policy

The committee received a paper on the progress that had been made in developing this guidance. The paper included a draft of the guidance which remained in production at the time. The committee's feedback shaped the near final draft submitted to the working group tasked with producing the guidance. A detailed paper on the guidance and the draft for approval has been submitted to the Board at paper G.

Knowledge and understanding guidance

The committee received a verbal update from Becky Clough (BC) on the Compliance and Reporting Committee's work to produce knowledge and understanding guidance for pension committee members. The update included a presentation on the substantive elements of the guidance which included a section of investment related areas. A draft of the guidance would be shared after the meeting and which members were asked to review and provide comments on once shared.

Committee workplan

The committee received a paper setting out the key workstreams for 2027; it was agreed to submit the 2027 workplan to the Board for approval. This can be found at annex A.

The paper also included an overview of the membership, discussions and actions from the first meetings of the new investment working groups on pool oversight, local investment and reporting.

Committee membership

The committee considered membership changes arising from the Board's governance structure review in response to the Fit for the Future reforms. Further details are provided in paper D.

Annex A - Investment Committee workplan for 2027

Workstream	Details	Action for next committee	Status and forward timings
Cost Transparency	Explore how cost information is utilised to form part of value for money assessments. Review and update the Cost Transparency Initiative (CTI) templates with Pensions UK and the Investment Association (IA) utilising the expertise of LGPS and wider pensions professionals to consider and agree changes to templates. Agree governance arrangement with Pensions UK and the IA to maintain the CTI and further explore improvements in private markets cost reporting. Update the Code of Transparency FAQs including reference to the updated CTI templates and the Cost Transparency and	Confirm the timelines for the review of the CTI templates via correspondence with the Investment Committee and the Board before the first cycle of 2027 meetings. Bring a draft of updated FAQs for the Investment Committee to consider. Engage relevant LGPS stakeholders to encourage usage of the framework. Confirm the secure destruction of data from the now closed centralised data system with Byhiras.	This workstream is expected to continue into 2027. The new Investment Strategy Statement (ISS) Guidance and Pooling Guidance makes reference to the Code of Transparency in addition to existing references in the Annual Report Guidance. The new reporting and pool oversight working groups have had initial discussions about how cost information is utilised to form part of value for money assessments. It is expected that these discussions will continue and feed into the working group outputs. The work to update of CTI templates is underway. Exact timelines will be confirmed. Further updates to the FAQs will be considered now that the Cost Transparency and Benchmarking Services framework has launched

Workstream	Details	Action for next committee	Status and forward timings
	Benchmarking Services launched on 11 May 2026. Continue work with the National LGPS Framework team to encourage usage of the framework. Monitor compliance with the CoT using high level data agreements with providers on the framework and information from annual reports. Consider the frequency of compliance oversight activities and any other methods which the Board may wish to use to do so. Confirm the secure destruction of data from the now closed centralised data system with Byhiras.		alongside the CTI template review. The engagement of LGPS stakeholders to encourage framework usage will be responsive to discussions and indications of current plans to collate, analyse and benchmark investment costs. The use of the high-level data agreements to maintain oversight of compliance with the CoT may be employed as needed in 2027. The collation of data from 2025/26 annual reports due on or before 1 December 2026 will be explored for the 2026 Scheme Annual Report which will be published in 2027. It is expected that confirmation of the secure destruction of data from the now closed data system will be provided shortly and we are awaiting a response from Byhiras.
Fit for the Future implementation	Work with the Ministry of Housing Communities and	Consider recommendations to the Board on any additional guidance or	The 2026 LGPS regulations came into force on 30 June 2026. Statutory

Workstream	Details	Action for next committee	Status and forward timings
	Local Government (MHCLG) to ensure the statutory guidance and regulations are implementable by administering authorities and pools. Formalise long term arrangements to ensure the committee is well resourced to support the scheme including balanced representation of all relevant stakeholders and a closer, formalised link between the pools and the Board Support the development of common principles and/or guidance needed for the implementation of reforms.	events needed to supplement and support funds now that the statutory guidance and regulations have been published. Continue work with the newly established investment working groups on: • Pool oversight • Local investment • Reporting An additional directive was provided to the RIAG to explore the responsible investment areas of the reforms. An update on this can be found under the Responsible Investment workstream section of this plan.	guidance was published on 29 June 2026. SAB working groups have been established to support the implementation of the reforms; these groups will be active throughout 2027. Provisional changes have been made to the committee's membership adding new pool and fund officers which are currently being approved on a rolling basis. The long-term arrangements will be formalised in 2027. Changes to committee's ToR will need to be made in 2027; these will be considered as part of the Board's governance structure review and will be brought to the committee for consideration and submission to the Board for approval. Working groups with areas of overlap between this committee and the other Board committees will be reported on and aligned as needed.

Workstream	Details	Action for next committee	Status and forward timings
Pool oversight	Work with key stakeholders to build on the new statutory guidance to identify common principles for the oversight of pools including any models that can be created and existing models that can be built upon. Establish working group to support this.	1. Revise the draft terms of reference 2. Further develop oversight models including inviting working group members to present on emerging thinking on this between funds at their pool at future meetings 3. Explore opportunities to invite practitioners from other pension schemes to share learnings from their oversight arrangements 4. Consider how to communicate with administering authorities in the interim that this working group is actively looking at	Workstream expected to continue throughout 2027. Exact timescales to be confirmed once all outputs agreed.

Workstream	Details	Action for next committee	Status and forward timings
		this issue to help mitigate multiple misaligned approaches developing while the group's work progresses 5. Reconvene the working group following the Investment Committee meeting on 19 October	
Reporting	Work with key stakeholders to determine reporting flows between asset pools, administering authorities, governance bodies, scheme members, government and the public including performance monitoring standards and value for money assessments. Establish working group to explore this.	1. Revise the draft terms of reference 2. Consider additional members to strengthen representation of all stakeholder groups 3. Obtain checklists of what is currently provided in pool reports	Workstream expected to continue throughout 2027. Exact timescales to be confirmed once all outputs agreed. Working group to reconvene once membership has been reviewed and the current reporting arrangements have been mapped.

Workstream	Details	Action for next committee	Status and forward timings
		4. Create a matrix of different reporting outputs and their primary audience (noting that the primary audience is not the only audience) 5. Identify gaps and overlaps in the current reporting products 6. Work towards developing a prioritised work programme and agreeing the group's outputs 7. Reconvene the working group after the initial mapping and membership review to agree deliverables, responsibilities and priorities.	
Local investment	Discuss process for developing relationships with strategic authorities to identify local	1. Revise the draft terms of	Workstream expected to continue throughout 2027. Exact timescales to

Workstream	Details	Action for next committee	Status and forward timings
	investment opportunities and how to assess these in line with LGPS fiduciary duty. Establish working group to explore this.	reference 2. Gather information from working group members on existing LGPS local investment approaches and examples of established models including identifying local investment opportunities and how these are assessed and due diligence undertaken 3. Consider how this group will feed into related work which may be explored by other working groups such as reporting on the impact of local investments 4. Consider timing for engaging strategic authority representatives to understand	be confirmed once all outputs agreed.

Workstream	Details	Action for next committee	Status and forward timings
		what they need from LGPS investors and what investors require from authorities. 5. Consider convening a roundtable involving LGPS funds, pools, strategic authorities and other relevant stakeholders. 6. Use the evidence gathered from these activities to determine whether practical guidance or a set of principles would be helpful. 7. Reconvene the working group following the Investment Committee meeting on 19 October	
Fiduciary duty in the	Seek legal opinion with follow up questions on fiduciary duty	Continue discussions at committee meetings with recommendations to	The legal opinions and advice already commissioned by the Board can be

Workstream	Details	Action for next committee	Status and forward timings
LGPS	and conflicts of interest. These opinions have been published and can be found on the Board website.	be made to the Board on any proposals for further work on fiduciary duty in the LGPS. Consider a Board response to the expected Department for Work and Pensions (DWP) consultation on the fiduciary duty guidance being developed for trustee-based schemes.	found on the Board website. It is expected that discussions will continue into 2027. The committee agreed that additional LGPS specific products on fiduciary duty may create unintended complexity however the LGPS will need to have regard to the new DWP guidance so consideration of a response to the consultation on this will be given once launched. It is also expected that the topic will remain of importance alongside the other workstreams detailed in this plan.
Responsible investment (RI)	Committee agenda informed by Responsible Investment Advisory Group (RIAG). Areas in need of committee input will be included as separate items in addition to the RIAG meeting report. Key items of discussion for the group include: • Fiduciary duty in the	Submit near final draft RI guidance to the Board at its meeting on 23 November 2026 for approval. Publish and circulate the guidance in line with an agreed communications approach. Consider the timing for the first RI implementation working group meeting.	It is expected that the group will continue to address the ongoing topics of discussion throughout 2027. The RI policy setting guidance is expected by the end of 2026 to inform revision of the ISS. The new RI implementation working group will meet for the first time after this. At some point we expect climate risk

Workstream	Details	Action for next committee	Status and forward timings
	LGPS • Investment in conflict zones • Setting responsible investment policies • Implementation of administering authority RI policies by pools • Climate risk reporting regulations and transition plans for the LGPS RIAG agreed to develop practical guidance for setting RI policy with the support of a dedicated working group. It was previously agreed to explore whether a common standard for local investing reporting can be identified for the Scheme however this has been directed to the reporting working group under the Investment Committee. There		reporting regulations and requirement for transition plans to be implemented for LGPS. Timings for this remain unconfirmed by MHCLG. Exploration of the feasibility of trialling deliberative democratic models such as member assemblies in the LGPS to engage scheme members on topical issues such as RI will commence in early 2027.

Workstream	Details	Action for next committee	Status and forward timings
	are linkages with the local investment working group which will need to feed into the development of these principles. RIAG 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 and proposals for a working group to address this was approved by the group on 5 October 2026. 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.		

Scheme Advisory Board (SAB) meeting
23 November 2026, 1.30pm to 3.30pm
Beecham Room, 18 Smith Square, London
and Microsoft Teams

Paper I: Compliance and Reporting Committee (CRC) update

Key points to note

The CRC's work is helping translate the Fit for the Future reforms into practical guidance and support for administering authorities, while continuing to inform emerging policy on pension fund reporting and audit. This paper sets out progress following the committee's meeting on 2 November 2026 and the proposed next steps across its workplan.

The immediate priorities are knowledge and understanding guidance, conflicts of interest policy guidance and a draft specification for Independent Governance Reviews. Alongside these products, the secretariat proposes bringing together the wider guidance, engagement and support activities into a coordinated Fit for the Future support programme. The updated workplan at Annex C brings these activities together and provides the Board with an opportunity to confirm the priorities and direction of the programme.

The paper also explains how the peer support offer is being developed and tested before wider roll-out. The extended, levy-funded pilot stage will provide practical evidence to inform future recommendations on sustainable funding arrangements. No decision on the longer-term funding model is sought at this meeting.

Recommendation

That the Board:

- Notes progress across the CRC's workstreams, including pension fund accounts separation and the development of peer support.
- Comments on the proposed approach in the draft Knowledge and Understanding guidance at Annex B (confidential).
- Agrees that approval of the final Knowledge and Understanding guidance be delegated to the Chair, following consideration of feedback.

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

- Endorses the CRC's recommendation that the secretariat develop a draft IGR specification, with a target of completion by the end of 2026.
- Approves the updated CRC workplan at Annex C.

Key developments

Pension fund accounts separation

The committee received a substantive update from MHCLG on the decoupling of pension fund accounts from the administering authority accounts. Detailed work from the CRC's working group has contributed to MHCLG's policy proposals on this.

The working group's discussions have centred on a number of key policy areas where the proposals have continued to develop, including; the publication timetable, governance and approval processes, the need for a value for money assessment and public inspection rights.

In terms of the future publication timetable for pension fund accounts and annual reports, MHCLG has indicated support for pension fund accounts being audited and published earlier in the year than administering authority accounts. It has mooted a deadline for publication of pension fund accounts by 31 October and over time bringing forward the deadline for the publication of the annual report to coincide with that. The practical difficulties of accelerating publication timetables, including auditor capacity and reporting processes, have formed an important part of stakeholder feedback.

MHCLG have proposed the introduction of a pension fund-specific Annual Governance Statement (AGS) and a separate Statement of Responsibilities for pension fund accounts, signed by the administering authority's Chief Financial Officer. The intention is to strengthen the visibility of pension fund governance and accountability arrangements whilst avoiding unnecessary duplication with wider administering authority governance reporting. This function could be delegated to the LGPS Senior Officer if they met the regulatory requirements to sign off accounts.

Many elements of current audit arrangements would remain unchanged. MHCLG's emerging policy position is that auditor powers, including public interest reports, statutory recommendations and advisory notices, should continue to apply through the administering authority as the relevant legal entity. Similarly, existing Value for Money assessment arrangements would remain in place in the short term, although views have been sought on whether pension fund-specific approaches may be

appropriate as part of wider local audit reform programmes.

The proposals continue to evolve through engagement with stakeholders, but the overall direction of travel has remained consistent. MHCLG is pursuing a pragmatic decoupling model which would increase the visibility and transparency of pension fund reporting through separate accounts and governance reporting, whilst retaining existing governance structures, accountability arrangements and audit responsibilities.

Audit roundtable

The annual audit roundtable (which comprises representatives of fund practitioners, local government sector audit firms, actuaries, regulators and standard setting bodies) is scheduled for 19 November 2026 from 11.00am to 1.00pm, ahead of the Board meeting. Any significant matters arising will be reported verbally at the Board meeting.

CIPFA consultation on the 2027/28 Code of Practice on Local Authority Accounting in the UK

The committee noted the Board's response to this consultation, which focussed on addressing some of the practical challenges associated with the current IAS 19 accounting framework. In compiling its response, the working group and other stakeholders were consulted.

MHCLG update – member benefits and investments/governance

MHCLG officials updated the committee on plans from recent member benefit consultations covering opt-out reporting, forfeiture provisions, New Fair Deal, normal minimum pension age and academy consolidation. MHCLG was beginning to consider a phase three package for April 2028 and would work with SAB and LGA colleagues to identify and develop possible in scope measures.

MHCLG remains committed to producing Pension Administration Strategy guidance by the end of the scheme year. They were also monitoring implementation of the reforms and recognised concerns about capacity and the operation of Independent Governance Reviews, while early feedback on recruitment of independent persons had been positive.

Fit for the Future supplementary guidance update

The committee received an update on the secretariat's view on the actions needed

to support implementation of the Fit for the Future reforms.

In line with the committee's previous consideration of priorities, the secretariat has focused on the development of the two supplementary guidance documents covering conflicts of interest and knowledge and understanding.

At the last committee, it had been anticipated that both guidance products would be developed through summer and autumn 2026 and brought forward for consideration to the November meeting. While good progress has been made, delivery timescales have subsequently been affected by volume of other asks on the secretariat and the inability of the secretariat to grow the team given the ongoing restructuring at the Local Government Association (LGA).

The committee agreed a revised timetable to publish the knowledge and understanding guidance in December 2026 and the conflicts of interest guidance in early 2027.

Knowledge and understanding guidance

The secretariat has reviewed the Pension Committee member section of the 2021 CIPFA Knowledge and Skills Framework to consider whether it remains fit for purpose following the introduction of statutory knowledge and understanding requirements through the Fit for the Future reforms. The review has been deliberately limited to the Pension Committee member section of the previous framework. This reflects the priority attached to supporting administering authorities in implementing the new statutory requirements for committee members and ensuring there is practical guidance available to help funds assess, evidence and develop knowledge and understanding for these roles.

Whilst the original CIPFA framework also covered Senior Officers, there is a broader question as to whether and how Senior Officer competencies should continue to form part of the same framework, given the different treatment of this role within the new statutory guidance.

The draft guidance also introduces a revised structure for assessing depth of knowledge. This approach is intended to provide a clearer articulation of the level of knowledge expected across different competency areas and to support funds in designing proportionate training and development frameworks.

The guidance is intended to provide a principles-based framework for developing knowledge and understanding across the nine key areas, with the levels indicating

the appropriate depth of understanding rather than prescribing an exhaustive syllabus or how training should be delivered. It forms one part of a wider package of governance guidance and support, to be developed incrementally, including guidance on Training Strategies and Governance Strategies to support funds in applying, evidencing and monitoring knowledge and understanding in practice.

Draft guidance has been shared with the working group for review and is also being provided to the Board at Annex B (confidential) in draft form to illustrate the proposed direction of travel. Subject to any further feedback, it is anticipated that approval of the final version of the guidance will be delegated to the Chair and provided via correspondence.

The Board is invited to comment on the draft guidance and agree the proposed arrangements for final approval and publication.

Conflicts of Interest policy guidance

Work on guidance for creating an LGPS-specific conflicts of interest policy is also progressing. The initial work has focused on establishing scope and structure, drawing on the approach used in the Board's Funding Strategy Statement guidance and Preparing the Fund Annual Report guidance.

The guidance will focus on what a good Conflicts of Interest Policy should cover, rather than prescribing how funds should identify, assess or manage conflicts in practice. It is expected to be available this guidance will be available in early 2027.

It is anticipated that approval of the final version of the guidance will be delegated to the Chair and provided via correspondence

Independent Governance Review (IGR)

Since the June Committee meeting, a series of stakeholder discussions and a practitioner workshop have been undertaken to explore the purpose, scope and operation of the IGR process set out in statutory guidance.

The workshop held on 1 October 2026, brought together administering authorities, the Pensions Regulator (TPR) and representatives from the National LGPS Frameworks Team to explore the practical implementation of IGRs. A high-level briefing note was produced summarising the key themes raised by participants. The workshop demonstrated significant interest from funds in understanding how IGRs may be approached in practice and highlighted a strong appetite for collaboration and the sharing of emerging good practice. In particular, attendees identified value in

greater consistency around the specification, scope and procurement of reviews, both to support funds undertaking reviews and to help develop market understanding of expectations.

The committee agreed to recommend that the secretariat lead the development of a draft specification for an IGR, ideally by the end of the calendar year.

Broader Fit for the Future support programme

Following publication of the final Fit for the Future statutory guidance, the secretariat proposes bringing together the guidance and support requested by MHCLG and funds into a coordinated Fit for the Future support programme. Ongoing engagement with administering authorities and other stakeholders has helped clarify the implementation challenges and the support needed.

The table at Annex C summarises the secretariat's updated proposed programme of guidance, engagement and support activities, recognising that priorities may continue to evolve as implementation progresses.

Local pension board support and guidance

The CRC welcomed the establishment of a regular forum for local pension board chairs, intended both to support peer discussion and to provide feedback to SAB. A further forum will be held in early 2027.

The secretariat is also refreshing the 2016 local pension board guidance to reflect ten years of experience and emerging governance arrangements, including the relationship with independent persons, meeting arrangements and different committee and board models. The secretariat is establishing the scope and membership of the local pension board guidance work and will bring a further update to the committee.

Workplan and Terms of Reference

The CRC agreed the workplan at Annex C, reflecting the committee's current priorities and the developing Fit for the Future support programme.

The committee also noted that its Terms of Reference will need to be reviewed ahead of the concentration of membership terms ending in 2027. The review will consider the potential staggering of future appointments and whether the committee's membership appropriately reflects the developing governance landscape, including representation from LGPS senior officers, independent

persons, local pension boards and pools.

As part of that review, the secretariat will also consider whether the committee's existing working groups remain appropriate or whether some would be better established as task and finish groups aligned to specific workplan priorities. Proposals will be brought back to the committee for consideration.

Peer support project

The date set for our first pilot with Camden was September 2026 and the secretariat had recruited a peer team and a LGA peer manager to facilitate the pensions-specific programme.

Due to the Camden October 2026 by-elections, the pilot was postponed and we expect it now to go ahead in the new year. However, the preparatory work undertaken to assemble the peer team has proved invaluable in testing and refining the proposed peer selection process. This provided the secretariat with an early opportunity to apply the recruitment and matching approach in practice, helping to identify the key factors involved in building an effective peer team.

The experience has strengthened our understanding of the importance of maintaining accurate peer data, developing a diverse and well-connected peer network, and ensuring that peer skills and experience can be effectively matched to the needs of individual funds. These lessons will help inform future pilots and the wider rollout of the peer support programme.

The proposed peer selection framework is now taking shape, with draft eligibility criteria and matching arrangements developed for each peer role. However, successful implementation will depend on further development of the supporting peer infrastructure. This includes establishing and maintaining an up-to-date peer database, expanding the pool of trained peers through targeted recruitment and engagement activity, and working closely with administering authorities to identify individuals with the appropriate skills and experience.

The peer support working group has contributed to the drafting of numerous documents that will support both LGPS peers participating in the programme and administering authorities receiving peer support. An overview of each document and its intended purpose is set out below.

- **Draft LGPS Peer Support Induction Pack (pre-training)**
  This induction pack will be provided to individuals who volunteer to become

peers and will be issued prior to training. Its purpose is to provide an overview of the peer role and the peer support programme

- **Draft LGPS Fund Guidance**
  This guidance is intended for pilot funds participating in a peer support event

- **Draft Peer Team Guidance Note (post-training)**
  This guidance is designed to support peers before and during a peer support event. It will be tailored and issued to the peer team once an event has been confirmed

- **Peer Support Framework**
  This framework outlines the broad themes of a peer support event and is intended to provide a consistent structure on which each review can be based

We have also published Frequently Asked Questions to help with both communications around the project and to address the feedback we have received.

Longer-term funding model for peer support

At its July 2026 meeting, the Board requested further consideration of the longer-term funding model for LGPS peer support, specifically the relative merits of funding the programme through the levy or recovering costs from participating funds. Following the postponement of the initial pilot, the secretariat is now planning for an extended pilot stage, funded through the levy as previously agreed. This allows more time to consider the longer-term funding model and gather a stronger evidence base to inform decisions on sustainable funding arrangements for the wider roll-out.

The SAB budget update at item 14 provides illustrative projections for different funding models, rather than a formal recommendation at this stage. Work to explore the funding options will continue alongside pilot delivery and evaluation, with recommendations being brought forward once practical experience of the model has been gained.

Peer support and IGRs

The statutory guidance recognises peer support as a mechanism for addressing governance improvement needs identified through Independent Governance Reviews (IGRs). The peer support programme also has a wider role as a sector-led improvement offer, beyond responding to IGR findings.

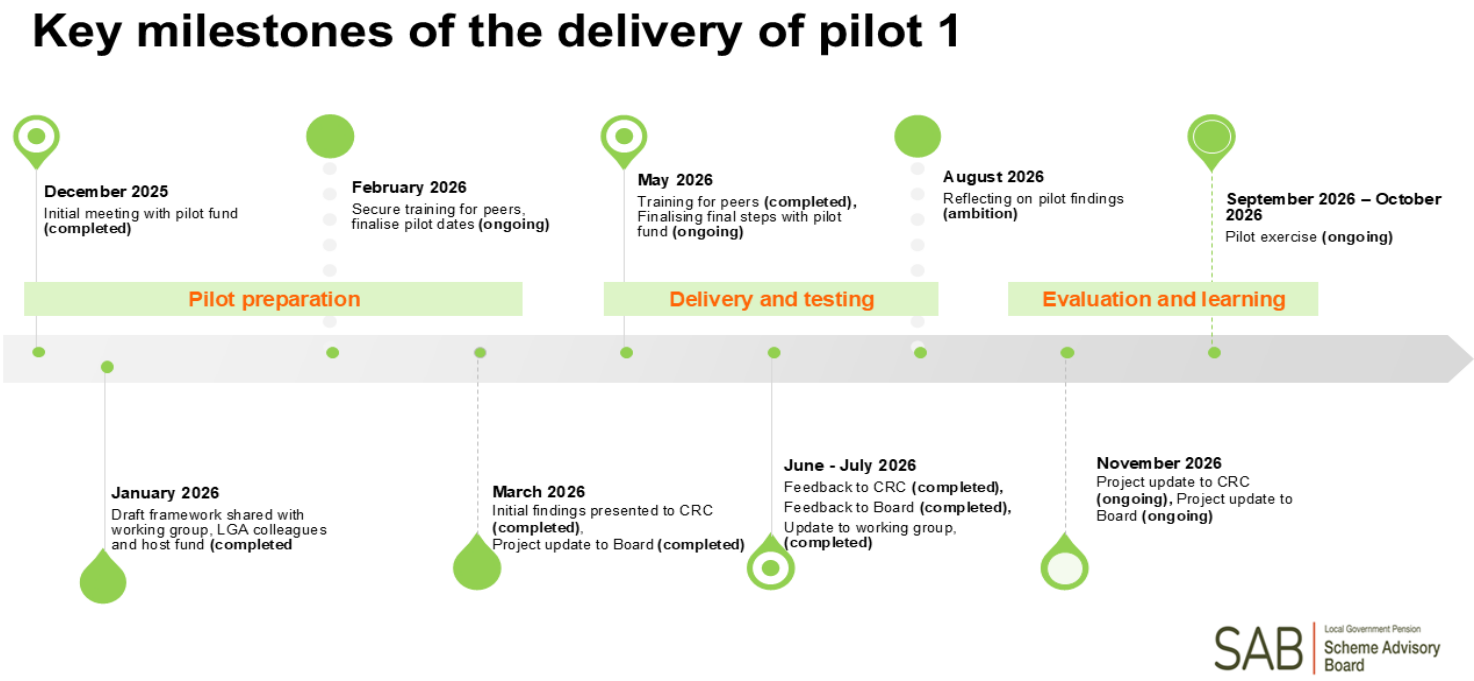
Feedback from funds suggests that preparation for the March 2028 IGR deadline is

currently taking priority over participation in the development of peer support. This highlights a potential constraint on fund engagement during the programme's development.

Pilot project update

The overall project milestones have evolved as the pilot deliverables have been identified. See Annex A for an updated plan of the key milestones within delivery of the first pilot.

Annex A - key milestones within delivery of the first pilot.



Annex B –Draft knowledge and understanding guidance confidential – shared in draft with the Board.

Annex C – Compliance and reporting committee workplan

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 being held on 19 November 2026.
Knowledge and understanding	To feed views and expertise into updated knowledge and understanding supplementary guidance	Publication December 2026
Good Governance	To feed views and expertise into conflicts of interest policy supplementary guidance	Publication January 2027
Peer Support	To develop and test the LGPS peer support offer through pilot delivery and evaluation, including the supporting peer infrastructure, and use the learning to inform wider roll-out and future funding arrangements.	Pilot delivery and evaluation ongoing; future delivery and funding arrangements to be informed by the pilot findings.
Annual Report guidance	To consider any changes needed to the guidance as they arise, including potentially opt out reporting, Pension Administration Strategy guidance and feedback from funds	To be confirmed
Local pension board support and guidance	To strengthen the support, networking and learning opportunities for local pension board (LPB) members	Ongoing. A further local pension board chairs forum will be held in early 2027.

Workstream	Details	Timescale
Independent governance review	Specification for procurement initially, then further engagement on other work required.	Development of a specification for an IGR, ideally by the end of the calendar year.
Governance Strategy guidance	Guidance on the preparation of a Governance Strategy	To be confirmed
Training Strategy guidance	Guidance on the preparation of a Training Strategy	To be confirmed
Independent person network	To be scoped out	To be confirmed
LGPS Senior Officer network	To be scoped out	To be confirmed
Breaches framework support	Guidance on reporting specific LGPS breaches to TPR	To be confirmed
CRC governance and Terms of Reference	Review the CRC's Terms of Reference, membership arrangements and supporting working group structure to ensure they remain appropriate for the developing governance landscape.	Ahead of the next cycle of committee appointments.

Scheme Advisory Board (SAB) Meeting
23 November 2026, 1.30pm
Beecham Room, 18 Smith Square, London and Microsoft Teams

Paper J: Cost management, benefit design and administration (CMBDA) committee report

Key points to note

The CMBDA committee met on 9 November 2026 and considered a substantial programme of work across cost management, benefit design and administration. This report sets out how the committee is testing the value of cost oversight, contributing to future scheme development and supporting effective administration and member engagement. Key developments include:

- **Cost management:** near-final results from HM Treasury's Cost Control Mechanism and the Board's separate Scheme Cost Assessment indicated that no changes to member benefits or contributions were required. Final reports remain to be published. The committee is seeking clearer cost information to assess whether the separate Board exercise continues to provide sufficient additional value following changes to the Treasury mechanism.

- **Benefit design:** MHCLG is scoping potential scheme reforms for April 2028, including possible measures addressing pension inequalities, ill-health retirement and changing retirement patterns. The committee has been invited to provide views on potential reforms and priorities, creating an opportunity to help inform the next phase of scheme development.

- **Administration:** the committee is supporting the development of statutory Pension Administration Strategy guidance to clarify responsibilities between administering authorities and employers, with an emphasis on guidance that is concise and usable. It also identified pensions dashboards as a significant opportunity to strengthen member and employer engagement and asked the secretariat to consider whether a dedicated Board engagement strategy would help realise that opportunity.

The proposed 2027 workplan at annex A sets out the committee's continuing priorities for the Board's approval.

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

Recommendation

That the Board notes the progress and next steps outlined in this report and approves the committee's 2027 workplan at annex A.

Summary

LGPC report

Steven Moseley presented the LGPC update on behalf of Lorraine Bennett. The committee asked for a dedicated dashboards session and for the secretariat to consider whether the Board should develop a specific member and employer engagement strategy to make the most of this 'once in a generation' opportunity.

MHCLG update

Paul Duggins from MHCLG reported that regulations and guidance on opt-outs, forfeiture and five-year refunds are expected by the end of January 2027. The government response to the consultation on Normal Minimum Pension Age, academy direction orders and New Fair Deal was expected by the end of November 2026, with more detailed guidance and regulations expected by mid-2027.

MHCLG was also scoping potential scheme reforms for April 2028. These might include further measures to tackle the gender pensions gap or extend this to other protected characteristics, improvement to ill-health retirement options or changes to reflect evolving retirement patterns (such as making flexible retirement easier).

The committee was invited to provide further views on potential reforms and priorities for the April 2028 package.

Government Actuary's Department (GAD) update

The near-final results of the HM Treasury run cost control mechanism presented by Garth Foster from GAD confirmed that no changes to member benefits or contributions were required. Although the core cost cap mechanism and economic check continued to move in different directions, there was no breach. The next substantive review of the mechanism, including the 3 per cent corridor, was expected around 2030.

The separate Scheme Cost Assessment commissioned by the Board also resulted in no recommendations for benefit changes. The assessed cost was 1.4 per cent

above the original target and remained within the 3 per cent corridor, broadly consistent with the original balance.

With neither exercise requiring benefit changes, the committee's focus turned to whether the separate Board assessment continued to provide sufficient additional value following changes to the Treasury mechanism. GAD agreed to provide a clearer figure for the cost of the exercise so that the committee could weigh its value against its cost before making a recommendation to the Board.

GAD also outlined progress with the Section 13 review of the 2025 local fund valuations, covering consistency, compliance, solvency and long-term cost efficiency. The review provides an important independent assessment of how funds approach their valuations, with the scope being extended to examine employer engagement and the treatment of academy schools. GAD aimed to report in spring 2027 but would engage with the Board on draft proposals as they emerged.

Proposal for LGPS research

The committee noted that there had been discussions between the secretariat, Pensions UK, funds and pools about commissioning a professionally presented, evidence-based piece of research into LGPS membership, benefits and costs. The purpose was to support accurate briefing of journalists, politicians and other stakeholders amid increasingly politicised commentary about public-service pensions.

The committee expressed strong support for the project. Members emphasised pension adequacy, the benefit to employers of being able to offer LGPS membership for recruitment and retention and alignment with the Pensions Commission's expected spring 2027 recommendations. It was agreed to consider possible funding routes, including funding a contribution through the Board levy.

The paper on the Board budget for 2027/2028 does not yet include a potential allocation of resources for this work, but can be amended to include this is agreed by the Board.

Gender Pensions Gap

The committee noted the research commissioned with Westminster Pension Fund, Hymans Robertson and Investors for Purpose. It combined new quantitative data into pension gaps for ethnicity and disability and the intersection of these with gender. It also had more qualitative research about member understanding and

experience of the scheme, based on 30 interviews. The findings showed that pension inequalities reflected pay, career progression, caring responsibilities, working patterns and engagement, as well as scheme design. Younger employees, particularly Generation Z, were more likely to be outside or disengaged from the scheme. The committee agreed that targeted communications remain important to explain the full value of LGPS membership, including death-in-service and ill-health protection.

The committee also noted the excellent work being done with Higher Education employers on this, which highlighted the use of annual pension savings-gap measures. The committee also discussed dealing with multiple employments (sometimes with different schemes) and the impact of employers' increased use of casual work. A robust LGPS methodology and careful interpretation would be developed with MHCLG for 2028 valuation round reporting.

The committee supported further dissemination, work with the National Communications Working Group, more LGPS-specific and employer-specific Mind the Gap material, and exploration of a statutory basis for administering authorities to hold diversity data.

Equality survey of Pension Committees and Local Pension Boards

Nearly 400 responses had been received to the secretariat's survey over the summer of decision makers in LGPS. Respondents were older than the general population and showed a marked gender imbalance: the LGPS membership is approximately 73 per cent female, while around 69 per cent of committee and board respondents are male. Ethnicity was broadly similar to the Councillor population and the country as a whole. Most respondents were unsure whether their authority collected equality information, while the Board's earlier survey found that this information was not being collected. Taken together, these findings highlight a gap in the evidence available to understand the demographic composition of LGPS governing bodies, something a clear majority of respondents considered important.

The committee agreed that the aggregate results should be published and the survey repeated periodically, but no more frequently than annually. The findings should inform wider work to encourage more representative participation in local democracy and LGPS decision-making.

Pensions Administration Strategy guidance

The committee heard that the working group to develop this guidance had met four

times since September. It was helping MHCLG develop statutory guidance following strengthening of the statutory requirement for this policy as part of the Fit for the Future proposals. A key issue was defining the scope of a Pension Administration Strategy as a relationship and accountability document between administering authorities and employers.

Once this group has developed some initial proposals, MHCLG will share these with member representatives and this committee.

The group questioned whether detailed cyber-security standards belonged in this guidance, as cyber security was a wider governance and risk-management issue. Members stressed that the guidance should remain concise and usable. Wider engagement, including employer, member and third-party payroll representatives, was expected in the new year.

The committee discussed the importance of data quality and the need to monitor service standards from third-party payroll providers.

Committee workplan

The committee agreed to submit the 2027 workplan to the Board for approval. This can be found at annex A.

Annex A – CMBDA 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 expect MHCLG to have published draft regulation changes and guidance before the date of the next meeting	Government's intention is to require opt-out reporting as at year-end FY 2026/2027, reported in fund annual reports for that year
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.	Linked to timetable from MHCLG but expectation that this work is completed by the end of the calendar year 2027.
HMT Cost Control Mechanism and SAB Scheme Cost Assessment	Near-final results from the 2024 HMT Cost Control Mechanism and the SAB Scheme Cost Assessment have been received. Neither indicated that changes to member benefits or contributions are required.	Final results and reports are to be published. SAB to consider whether the SAB scheme cost assessment exercise continues to provide sufficient additional value following changes to the HMT mechanism.	Publication of final results and reports awaited. The committee will consider the future of the SAB Scheme Cost Assessment once the additional cost information is available.
Board survey showed evidence that employer exits are increasing	Board agreed to: - systematise gathering of data on employer exits	We have written to MHCLG proposing these actions and will report back to the committee when we	Awaiting response from MHCLG, timescales will be set for the work once we

Workstream	Details	Action for next Committee	Timescales
significantly, driven by financial pressure and possibility of exit credits.	- Clarify regulations on when exit credits are due - Propose to government that they ban incentivisation of members opting out	have a response	have a response
Gender pensions gap (GPG)	There is a separate detailed programme of work for this workstream.	Work is progressing and committee will receive updates in relation to: - Explore and propose a standard GPG definition and reporting approach - Adapt the 'Mind the Gap' employer best practice guide - Explore the ability of member self-service portals and other tools to communicate more flexible career histories - Support the next steps for collection of additional opt-out data	See separate specific workplan for the various elements
Pension Administration Strategy (PAS) Guidance	Support MHCLG's development of statutory guidance through a PAS working group	Work is progressing and committee should expect updates in relation to discussions so far, decisions made and expected timescales for delivery.	For the guidance to be available by March 2027.