Cost Management, Benefit Design and Administration (CMBDA) Committee

9 November 2026 11.00am

Jamieson Room, 18 Smith Square, London and Microsoft Teams

AGENDA

Item		Paper	Timings
1	Welcome, apologies, introductions and declarations of interest	**Verbal**	11.00
2	Actions and agreements from meeting of 6 July 2025	**Paper A**	11.05
3	Local government pension committee (LGPC) update	**Paper B**	11.10
4	MHCLG Update, covering; factor review process, New Fair Deal, Normal Minimum Pension Age, Regulation 64A consultation and future benefits proposals	**Verbal Update**	11:20
5	HMG cost control mechanisms (2024 valuation)	**GAD Update**	11.45
6	SAB Scheme Cost Assessment	**GAD Update**	11:55
7	Review of local fund valuation reports (s13)	**GAD Update**	12:05
8	PPI research project	**Verbal Update**	12.15
9	Gender Pensions Gap update	**Paper C**	12.20
10	Equality Survey of Pension Committees and Boards	**Paper D**	12.30
11	Pension administration strategy guidance	**Paper E**	12.40
12	Workplan	**Paper F**	12.50
13	Any other business	**Verbal**	12.55
14	Date of next meeting	**Verbal**	12.59

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Cost Management, Benefit Design and Administration (CMBDA) Committee
9 November 2026 11.00am
Jamieson Room, 18 Smith Square, London and Microsoft Teams

Paper A: Actions and agreements of meeting held on 6 July 2026

Present

Kev Gerard	Practitioner – Dyfed Pension Fund
Simon Taylor	Practitioner – West Midlands Pension Fund
Emma Mayall	Practitioner – Greater Manchester Pension Fund
Paul Guilliotti	Practitioner – Richmond and Wandsworth Pension Fund
Glyn Jenkins	Member representative (UNISON)
Richard Lane	Academies representative
Richard Paul	Higher Education representative
Becky Durran	Actuaries representative – Aon
Melanie Durrant	Actuaries representative – Barnett Waddingham
Michelle Doman	Actuaries representative – Mercer
Matt Gurden	Government Actuary's Department (GAD)
Garth Foster	Government Actuary's Department (GAD)
Jenny Bullen	Government Actuary's Department (GAD)
Richard Warden	Actuaries representative – Hymans Robertson
Ben Lavelle	Ministry for Housing, Communities and Local Government (MHCLG)
Will King	MHCLG)

Secretariat

Clair Alcock	Local Government Association (LGA) – Board Secretary
Lorraine Bennett	LGA – Principal Pensions Adviser
Jeremy Hughes	LGA – Senior Pensions Secretary
Sophia Chivandire	LGA – Pensions Policy and Support Officer

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1. WELCOME, APOLOGIES, INTRODUCTIONS AND DECLARATIONS OF INTEREST

With the agreement of the Committee, Clair Alcock chaired in the absence of George Georgiou. She welcomed all in attendance to the meeting and there were apologies from George Georgiou (GMB), John Neal (Unite), Robert Bilton (Hymans Robertson), Matthew Trebilcock (Gloucestershire Pension Fund). Becky Clough, Ona Ehimuan and Sarah Tingey were absent from the secretariat team.
There were no conflicts of interest declared.

2. ACTIONS AND AGREEMENTS FROM PREVIOUS MEETING

The minutes of the meeting on 6 July 2026 were agreed as a fair and true record of the meeting.

3. LOCAL GOVERNMENT PENSION COMMITTEE (LGPC) UPDATE

Lorraine Bennett (LB) introduced paper B to the committee which gave an update of key LGPC workstreams.

The two recommendations from the National Pension Officers' Group were explained by LB. The first recommendation was accepted without discussion. The second, which concerned removing the need for a written election to defer benefits on reaching normal pension age, was approved on the understanding that the basis of all decisions would still be properly evidenced.

The committee also welcomed that legal advice was being taken on the question of eligibility for cohabiting partner survivor benefits, where the scheme member was not living with the partner at the time of death (e.g. because they were in residential care). Glyn Jenkins (GJ) said that Unison had also taken legal advice on this point and it would be worth comparing the opinions received.

A question was also raised regarding payment of death grants where the nominated beneficiary was in prison. It was noted that some administering authorities are uncertain about the appropriate approach in these circumstances and Emma Mayall (EM) said she would write to the Board on this matter.

It was noted that most funds would not hit the targets in statutory guidance for reviewing and correcting survivor benefits to address the changes made under the Access and Fairness proposals. This was largely due to software issues, as was the case with McCloud rectification, but LB said that work to address this was ongoing.

The committee also discussed the factor revision process that was triggered by the SCAPE rate change, and the appropriateness of transitional measures in situations like this. GJ expressed concern that members would be adversely affected by the changes to early retirement factors, with very little time to adjust their retirement planning. He expressed the view that the process should have been more transparent and included member representatives so they could have advised members as to what was likely to happen and when. The secretariat had similarly proposed that there be a documented process in place to manage expectations on all sides. Will King (WK) recognised that the process could be improved for the future and said that he was open to discussing this further outside the meeting. However, it was not possible to delay or change the implementation of these particular changes.

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

ACTION – that WK discusses the introduction of a documented policy or process to follow at future factor reviews

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4. HMG COST CONTROL MECHANISMS (2024 VALUATION)

GAD presented the 2024 scheme cost valuation and cost control process. The committee were reminded that some assumptions would be set by HM Treasury (such as the discount rate, which would be the SCAPE rate, currently CPI +2%) while others would be set by MHCLG to reflect particular scheme experience.

GAD shared with the committee in confidence some of the analysis, which also reviewed how well the assumptions made at the previous valuation had held up against experience. In setting assumptions GAD said that they would be led by the data. GAD confirmed that while this initial work was confidential, their completed analysis will be published and will inform the advice to ministers. It was expected that advice would be submitted by GAD in the next few months.

It was noted that while the increase in SCAPE rate since the 2020 valuation meant that the assessment of scheme cost under both the core cost cap and economic check were likely to fall, there was very little chance of their being a breach of the +/- 3% corridor in the same direction with the core cost control process and the economic check. Hence it was not expected that there would be any recommendation for a change in benefits or contribution rates.

On the parallel SAB cost evaluation process, Matt Gurden from GAD explained that the Board's policy to date had been to stick closely to HMG assumptions and only diverge from it where there was a good reason for doing this. The committee agreed that it was appropriate to follow that precedent.

However, there was some discussion of what the appropriate discount rate should be. Previously this had held at the same rate since the 2016 valuation at CPI +2.8%. Alternative approaches had been discussed, such as following SCAPE or the average fund real discount rate from the most recent local valuations. Both of these would introduce more volatility. However, it was agreed that for an open defined benefit scheme with strong employer covenant, it would be defensible to set a discount rate that was higher than gilts or even the SCAPE rate. It was agreed to consider this further outside the meeting and come to the Board meeting with an agreed recommendation.

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

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5. 2025 LOCAL FUND VALUATION SUMMARY REPORT

The committee noted that the local fund valuation summary report had been completed by Barnett Waddingham (on a pro bono basis). The Secretariat reminded the committee that all source data is in the public domain and the analysis has also been shared with fund actuaries.

The committee found the analysis helpful and asked whether the consistency of funding levels and contribution rate setting over time for individual funds could be included in the analysis. It was agreed to add charts showing this into the document which would be published ahead of the Board meeting. The secretariat would aim to get this published as soon as possible.

POST MEETING NOTE – This report was published on the Board's website on 14 July.

6. REVIEW OF LOCAL FUND VALUATION REPORTS (s13)

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

7. REVIEW OF FUNDING STRATEGY STATEMENTS

Jeremy Hughes (JH) introduced this item. The committee were invited to contact the Secretariat with any comments or feedback on the paper and any suggestions they have to improve the FSS guidance. The timeline for this would be to have revised funding strategy statement guidance ready in advance of the 2028 local valuation round.

8. REVISION OF RATES AND ADJUSTMENT CERTIFICATES

Ben Lavelle (BL) introduced this item and said that what follows was based on current ministers' views and so was potentially subject to change if as expected there was a change in Prime Minister. He said that their intention currently was to issue a principles based consultation on revision to Regulation 64A (Revision of

rates and adjustments certificate: scheme employer contributions), so one unlikely to include detailed regulatory amendments. Initial discussions had already been had on this with different stakeholders, and the focus was likely to be more on improving the process and clarifying that temporary changes in market conditions should not be considered a trigger. It was agreed that MHCLG officials would keep the secretariat informed of developments with new ministers and engage with them once the policy direction was confirmed.

9. GENDER PENSIONS GAP UPDATE

JH introduced the report to the committee and updated them on progress with a joint GPG research project with Investors for Purpose and Westminster Pension Fund. This was being co-funded by the Board, Westminster Pension Fund and Hymans Robertson.

Bruna Bauer (BB) from Investors for Purpose reported that the qualitative research had been completed, with 30 interviews with staff members about their attitudes to the pension scheme and to saving more generally. There were significant differences in financial literacy, in attitudes to saving but also in (necessary) financial discipline. It seemed that while retirement goals for members were quite clear, they did not have such a clear path to achieve them. It was hoped that this qualitative work would help inform future communication about the scheme and help staff make informed choices.

The quantitative research (looking at ethnicity and disability pension gaps) was also proceeding well and a final report is expected in September 2026. It was noted that scheme design had a very significant impact on equality of outcomes, with the CARE scheme being much fairer than the historic final salary benefits. It was agreed to consider equality arguments as part of the wider work to outline factually the benefits of the scheme over other models, such as defined contribution saving schemes.

10. MHCLG BENEFITS POLICY UPDATE

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

A question was raised regarding employers pre-empting the implementation of the New Fair Deal provisions before the regulations come into force, and whether the

provisions could subsequently be backdated to the date the draft regulations were published. The Department advised that it would first need evidence that this is occurring in practice and that it is sufficiently widespread, noting that retrospective changes would present legal challenges.

11. ADMINISTRATION COMPLEXITY AND PERFORMANCE

Will King (WK) confirmed that the effectiveness of scheme administration was a major priority, now that the Fit for the Future regulations and guidance were issued. WK noted that the regulations make a pension administration strategy mandatory for administering authorities and require them to act in accordance with guidance issued by the Secretary of State. Officials would be developing that statutory guidance. As well as the existing focus on working with employers, the guidance would address accountability and highlight cyber risk. WK noted the need to work with CMBDA to develop that guidance.

Clair Alcock (CA) noted the overlap with existing Compliance and Reporting Committee workstreams and suggested setting up a working group that drew on the knowledge and understanding of the two committees. In order for the new guidance to be produced using a collaborative approach, the committee agreed to set up a working group that would have representation from beyond the committee – including third party administrators and software providers – and report to both committees in parallel.

12. VIRGIN MEDIA CASE RESOLUTION

The Committee received a reminder of why the judgment in this case created legal risk and potentially changes to scheme rules. With the passing of the Pension Scheme Act 2026 there was now a pragmatic remedy to retrospectively address these concerns. However, developing that remedy could be time-consuming for GAD and there was not a set date by which it would be achieved.

Members noted the importance of achieving a timely resolution to this, particularly as some auditors are expected to raise the matter with administering authorities as part of the accounts clearance process, which is already underway. The Committee impressed on GAD the importance to them of resolving the issue as quickly as possible.

13. COMMITTEE WORKPLAN

Jeremy Hughes (JH) introduced paper F to the committee which gave an overview of the key workstreams expected for 2026. The workplan would remain agile to

respond to priorities as they arise. With the addition of an item to reflect the work on preventing employers offering incentives to leave LGPS, it was agreed to submit the 2026 workplan to the Board for approval.

14. – AOB AND DATE OF NEXT MEETING

There were no items of other business.

The date of the next meeting was confirmed as 9 November 2026 at 11am.

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Cost Management, Benefit Design and Administration (CMBDA) Committee
9 November 2026 11.00am
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Paper B: LGPC Update

Key points to note

- The September 2026 CPI rate was 3.5 per cent. Subject to Government confirmation, this is expected to determine the increase to LGPS pensions in payment and deferred benefits, and the revaluation of active pension accounts, from April 2027.
- Inheritance tax changes from April 2027 will create new duties for LGPS administering authorities. We will publish a guide to support them with these new responsibilities.
- We have published legal advice on backdated payments relating to survivor equalisation and death grants and on cohabiting partner eligibility. Further advice is being prepared on unclaimed benefits and beneficiaries in prison.
- The pensions tax two-year rule has been removed for certain lump sum death benefits paid on or after 28 October 2026.
- We expect pensions dashboards to become available to members during 2027/28.
- A new website for LGPS administrators and employers has been launched.
- We are planning an annual conference for LGPS administrators, with the first event expected in May 2028.
- We plan to launch the 2027 training programme in December.

Recommendation

The Committee is asked to note the update.

Background

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

The LGPC also provides advisory and training services to LGPS administering authorities across the UK. The service is funded by subscriptions from LGPS

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authorities and training income.

September 2026 CPI rate

On 21 October 2026, the Office for National Statistics announced that the annual rate of Consumer Prices Index (CPI) inflation for September 2026 was 3.5 per cent.

In recent years, Government has used the September CPI rate to determine pension increases under the Pensions (Increase) Act 1971 and the revaluation of active pension accounts under the Public Service Pensions Act 2013. Subject to confirmation by Government, we expect the increase applied to active pension accounts, deferred pensions and pensions in payment from April 2027 to be 3.5 per cent.

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.

These 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.

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 under 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. There are also changes to the way technical queries are submitted to us, administering authorities update their contact details and notify us of jobs they want to advertise on the site.

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

Annual administrator conference

We are planning to run an annual conference for LGPS administrators. The first conference is provisionally planned for May 2028 in York. Further details will be provided over the coming months.

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.

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Paper C: Gender pensions gap (GPG) update

Key points to note

The paper provides an update on progress on the GPG work programme. Updates are provided on the further research project, the latest working group meeting and an updated action plan.

Recommendation

That the committee notes this update and the publication of the research report produced by Investors for Purpose and jointly commissioned with Westminster City Council and Hymans Robertson. We would welcome views of committee members on the report's findings and proposed next steps. The committee are also encouraged to provide views on priorities for future activity and the updated action plan at Annex A.

Further research

The final report, Making Pensions Exciting: Closing the Diversity Pension Gap in the LGPS, has now been published. This report is a key deliverable within the committee's workplan and explores the scale of ethnicity and disability pension gaps, alongside the ways in which these characteristics intersect with gender to influence pension outcomes. The research was undertaken by Investors for Purpose, with co-sponsorship from Westminster City Council, the Board and Hymans Robertson.

The research combined quantitative analysis of pension and workforce data from Westminster City Council with qualitative insights gathered through 30 in-depth interviews with employees of Westminster City Council. This mixed-method approach enabled researchers to quantify disparities in pension outcomes while also exploring members' experiences, behaviours and perceptions of pension saving.

The committee is invited to discuss the findings of the report and consider the implications for the LGPS. In particular, the committee may wish to reflect on several key conclusions emerging from the research:

- Pension inequalities are influenced by a range of factors beyond pension

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scheme design, including pay disparities, career progression, caring responsibilities, working patterns, financial confidence and engagement with pension saving

- While there is clear evidence of ethnicity pension gaps alongside gender pension gaps, the interplay between gender and other characteristics is also important to recognise and is not straightforward
- Younger members, particularly Generation Z employees, demonstrated lower levels of pension participation and engagement, which may create future retirement adequacy challenges if not addressed
- Many members have clear aspirations for retirement but a limited understanding of how their pension works, the benefits they have accrued, or whether they are on track to achieve their desired retirement outcomes
- The research identifies a clear need for more personalised, targeted and accessible pension communications that reflect different life stages, financial circumstances and member experiences

The publication of the report provides an important evidence base to support future policy development and engagement activity. Specifically, the findings should inform discussions with MHCLG regarding the benefits in extending pension gap reporting beyond just gender and the future development of diversity-related reporting requirements within the LGPS.

Since the report was published in September 2026, the secretariat has been promoting the findings to LGPS funds, scheme employers and other key stakeholders, including through LinkedIn communications, presentations and a dedicated LGPS live webinar. The committee is invited to consider any additional channels, stakeholders or networks through which the findings could be promoted.

Subject to the committee's views, the proposed next steps are:

- To further share the research findings through stakeholder engagement and dissemination activity to raise awareness of the report findings across LGPS funds, scheme employers, membership representative bodies and other interested stakeholders
- To discuss the findings with MHCLG officials and consider how the evidence base may support ongoing discussions regarding gender pension gap reporting and the wider development of diversity-related collection of data and

reporting within the LGPS

- To explore opportunities for further collaboration with different LGPS funds, including whether similar data collection and analysis across a broader range of LGPS funds would help establish a more comprehensive understanding of diversity pension gaps across the Scheme

- To consider what further practical guidance, good practice resources or case studies could be developed, addition to what has been developed/planned by the National Communications Working Group to assist funds and employers in improving pension engagement and addressing identified inequalities.

Working group meeting

Following publication of the research, the secretariat reconvened the working group to consider the findings and discuss potential next steps. An official from MHCLG also attended to provide an update on the latest position regarding GPG reporting, opt outs and other related policy work.

Discussion points

Discussions focused on the importance of member education and engagement, improving pension communications for different member groups, increasing awareness of LGPS flexibilities such as the 50/50 section, and understanding barriers to pension participation among younger members and underrepresented groups. The group also highlighted the opportunities presented by the coming launch of the pensions dashboard and the potential value of more targeted approaches to member communications.

Members welcomed the publication of the research report and highlighted the value of combining pension fund data with workforce data to better understand pension gaps across protected characteristics. Westminster shared some of the operational practicalities of the project, including having robust data sharing agreements in place.

The group found the qualitative interviews particularly insightful, reinforcing the importance of financial education and member engagement in addressing pension inequalities. A recurring theme was the need to improve member understanding of pensions and develop more effective approaches to pension education throughout an employee's career.

Members discussed the challenges of engaging younger employees, particularly given lower levels of pension participation and changing preferences for how information is accessed and consumed.

There was broad support for more segmented and targeted communications, recognising that different member groups may require different approaches and messaging. It was also noted that currently there were no statutory guidance on creation of a Communications Strategy within the LGPS regulations 2013.

Concerns were raised about the quality and reliability of pension information sourced through emerging technologies like AI and the need to ensure members can access trusted sources of guidance. Examples were shared of initiatives that could support engagement, including employee networks, induction materials for new starters, face-to-face engagement sessions and simplified communications.

Particular challenges were highlighted in reaching employees working within schools/academies and multi-academy trusts, where engagement routes can be more complex than in other employer settings.

MHCLG update to the group

MHCLG provided an update that work on opt outs was continuing with a response to the Access and Fairness consultation expected soon and consideration being given to what could be provided for 2026/27 before future mandatory reporting. Members welcomed proposals to create consistency of reporting and highlighted the importance of understanding which groups are opting out of the scheme and why.

On GPG reporting for 2028, MHCLG advised that it continues to explore employer-level reporting, including assessing the scale of the pension savings gap and how data could be segmented to provide more meaningful analysis. Actuarial colleagues within the group emphasised the importance of early engagement on future reporting requirements to align with the 2028 valuation to provide sufficient time for system development, data collection and implementation planning.

Following the research report, MHCLG noted ongoing interest in exploring broader diversity reporting, including consideration of other protected characteristics such as age-related/diversity analysis alongside gender pension gap reporting.

Discussion also covered scheme member awareness of LGPS flexibilities, including the 50/50 section, with examples shared of members opting out unnecessarily due to a lack of understanding of available options.

Agreed working group actions

- The secretariat would engage with the Department for Education regarding LGPS communications and possibly representation within the working group
- Continue engaging through the Communications Working Group whether additional national resources or templates are required (in addition to those already produced or planned)
- Continue engagement with MHCLG on the development of pension gap and opt-out reporting requirements and share findings from the research to inform future policy development.

Best practice guide for employers

The updated *Mind the Gap* guide produced by the Pensions Equity Group provides a useful foundation and due to the working group's work is now considered more relevant to the LGPS than previous versions. However, there remains support within the working group for a tailored LGPS/public sector resource that reflects the diverse employer landscape within the Scheme and provides practical actions that employers can take to address identified gaps. The secretariat remains committed to creating a LGPS specific version of this guidance and on this work has been intentionally slowed to allow the findings from the Gender Pensions Gap research project to inform the approach and reflects the issues identified.

While initial scoping work has been undertaken, some of the wider engagement activity anticipated in the previous update has not yet progressed. In particular, the secretariat has not yet been able to undertake planned engagement with HR networks and employer representative groups to better understand what support, guidance and communications would be most valuable to employers. This engagement is expected to be an important part of developing future guidance and ensuring it addresses the underlying drivers of pension inequality, including issues such as caring responsibilities and workforce participation patterns.

The secretariat intends to revisit this work once the research findings have been fully considered and the committee is invited to provide its views on the proposed approach, including whether there are existing employer, HR or workforce networks that would be beneficial for the secretariat to engage with as this work develops.

Annex A – Gender pensions gap action plan

Action	Status
A. Explore and propose a standard GPG definition and reporting approach (including methodology) for the Local Government Pension Scheme, including both for funds and employers	Reporting proposal agreed in February 2025 (**Completed**) Board response submitted to the Access and Fairness consultation (**Completed**) To work with MHCLG and GAD on the guidance for reporting (including methodology) (**Completed)** To work with MHCLG and LGPC to scope out the work needed to develop GPG reporting for 2028 in line with the Access and Fairness consultation response (**Ongoing)**
B. Explore with the Pension Equity Group (PEG) how to adapt the 'Mind the Gap' employer best practise guide for the Public Sector	Meeting with other public sector pension schemes to be arranged (**Ongoing**) Identify appropriate networks for employer engagement (**Ongoing**) Include in the further research specification (**Completed**)

C. Work with MHCLG (as required) to conduct a more detailed review of treatment of authorised unpaid leave and produce proposals for consultation on amendment to the LGPS regulations and SCAPC's	Access and Fairness consultation launched with proposals for changes to unpaid leave (**Completed**)
D. Analyse the responses from the GPG survey to local government employers	Results issued in February 2025 (**Completed**)
E. Investigate and identify how pension member self-service portals and other communication tools can help to communicate the impact of breaks, life events and improve financial planning for women	Engagement with one software provider (Heywoods) taken place **(Ongoing)**
F. Identify the communication needed to employers on the GPG to raise awareness of the specific issues which impact the GPG within the LGPS regulations, particularly during scheme member life events.	Roundtable event with employer representatives and industry experts organised (**Completed**) Consultation response to address specific issues and ideas (**Completed**) For the Secretariat to identify the most appropriate employer forums and routes to continue to engage with LGPS employers. (**Ongoing**)
G. Further research into the pensions gap for individuals with other protected characteristics, including the intersection of these with the already established gender pensions gap.	Research underway and final report findings expected in summer 2026 (**Completed**)

H. Update the annual reports guidance to facilitate the publication of opt-out data in line with the Access and Fairness consultation response.	To be confirmed
I. Support the next steps for collection of additional opt-out data in the scheme opt out form template	To be confirmed

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Paper D: Equality Survey of Pension Committees and Boards

Key points to note

The equality survey of pension committees and boards provides an evidence base on the composition of LGPS governing bodies, including the Scheme Advisory Board and secretariat. Respondents generally recognised the importance of this information and supported its collection and publication in an anonymised form.

However, comparable data on scheme members is currently available only for age and gender. This limits our ability to compare the characteristics of those running the scheme with those who are members of it. The lack of wider demographic data has also emerged as a limitation through work on gender and other pension gaps.

The Committee is invited to agree the recommendations set out in this paper for submission to the Board.

Background

The Board previously approved a survey of Pension Committee and Local Pension Board members to collect information on the diversity and representation of those involved in LGPS governance. Having agreed to hold itself to the same standard, it also invited its own members to provide data.

This survey was issued to each fund, via officers, who were invited to forward on to individual Pension Committee and Local Pension Board members so that they could anonymously submit their data. This also meant that data from individual administering authorities cannot be identified.

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

The results of the survey help us better understand the current composition of LGPS governing bodies, identify any gaps in representation, and provide an evidence base

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to support future governance guidance and policy development.

To enable comparison with the results of the most recent census of local councillors in England[1], the LGA found that:

- 59% were male, and 41% female
- The average age was 60 years
- 92% described their ethnic background as white;
- 16 per cent had a disability.

Recommendations

The committee agrees to recommend to the Board that:

1) This survey should be repeated periodically to provide transparency and comparison over time;
2) While publication at fund level is difficult for privacy and data protection reasons, consideration should be given to mandating the collection and reporting of this data from funds for reporting at an aggregate level;
3) Collection of a broader range of member demographic data would assist in identifying pensions gaps and also in assessing representativeness of those governing the scheme on members' behalf
4) The results of this survey should be published along with a call for a wider range of people to get involved in the governance of the scheme alongside information on the different routes into pension committee and local pension board membership

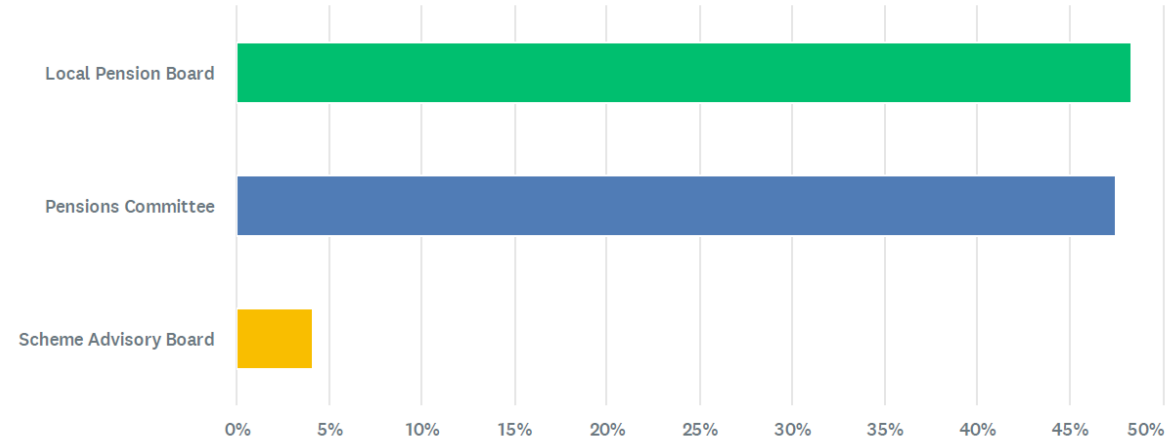
Survey Results

We received 369 responses to the survey: 178 from LPB members, 174 from PC members and 15 responses from SAB members (two respondents didn't provide this information).

Participation was voluntary, and the findings describe those who responded rather than providing a complete picture of LGPS governing bodies

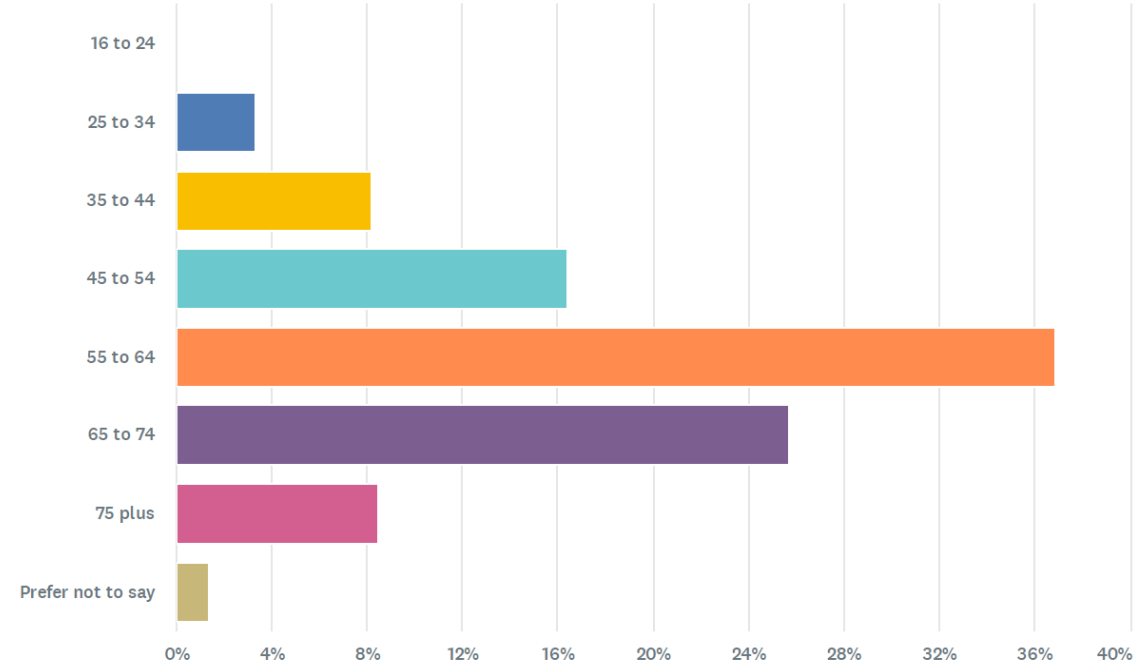
[1] National census of local authority councillors 2022 | Local Government Association

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

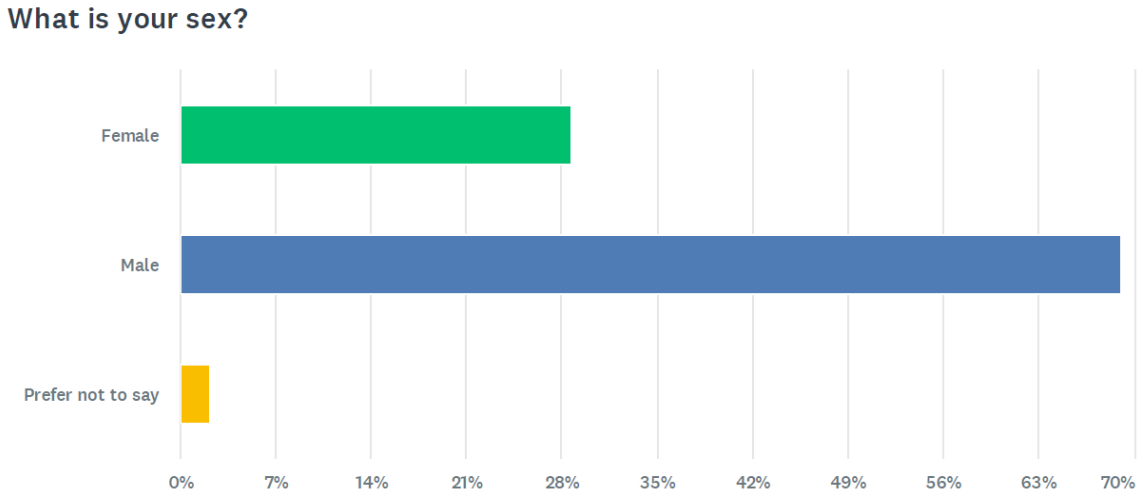


The average age of an active member of LGPS is around 46. However, the age profile of respondents is tilted towards an older demographic. While the trend for councillors to be older is well established, it is perhaps surprising that this pattern is similar for both LPB and PC respondents.

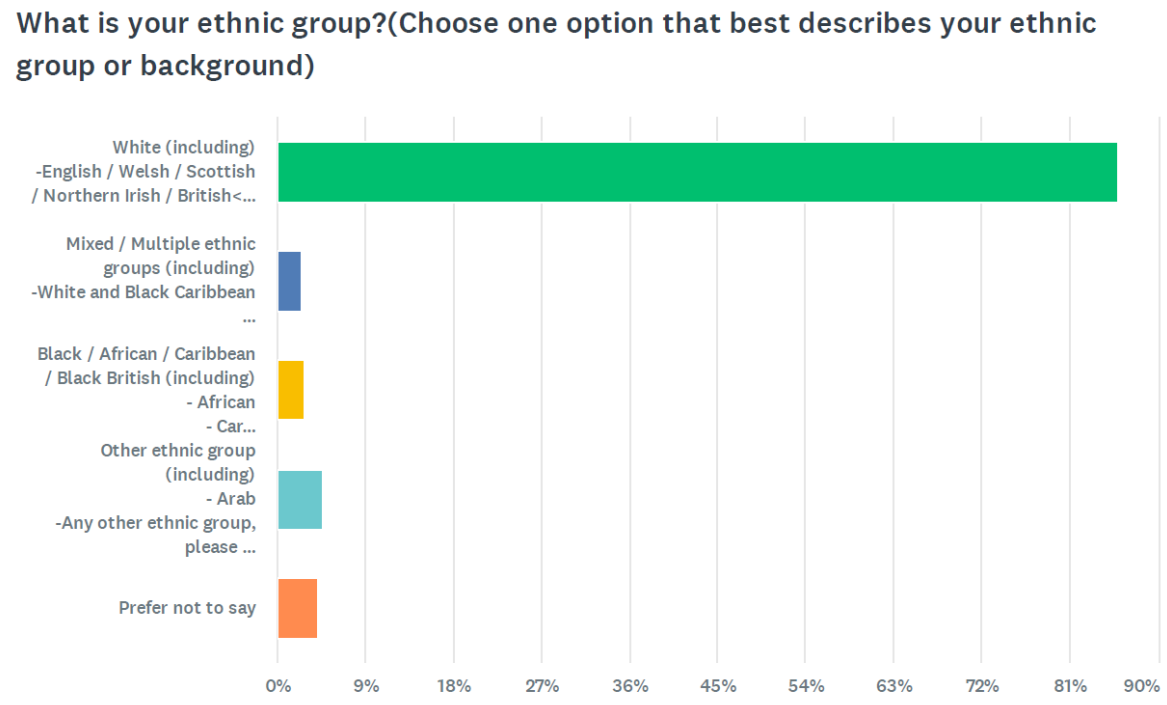
Which of the following age bands are you in?



Strikingly, while scheme membership is around 75% female, 69% of those involved in the governance of the scheme are men.



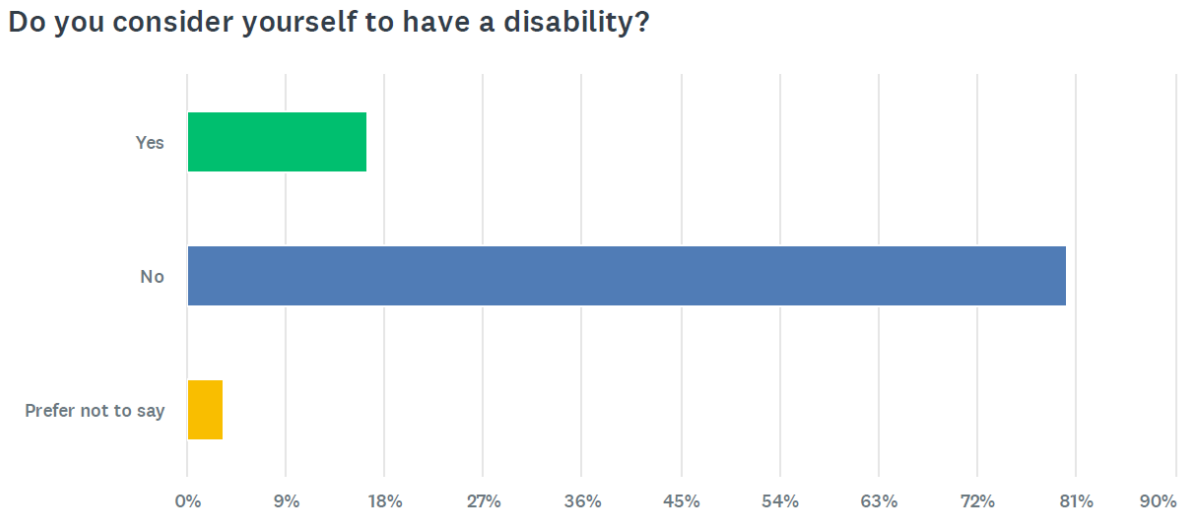
There is no breakdown of scheme membership by ethnicity but ONS figures suggest that around 80% of the population of England and Wales identify as white[2]. 86% of respondents to our survey identified as white, showing a degree of over-representation in LGPS governance.



Again, there is no record of what proportion of LGPS members have a disability, but the ONS figures give a general prevalence in the population of around 18%[3]. That is broadly in line with survey responses which gave a prevalence of around 16%.

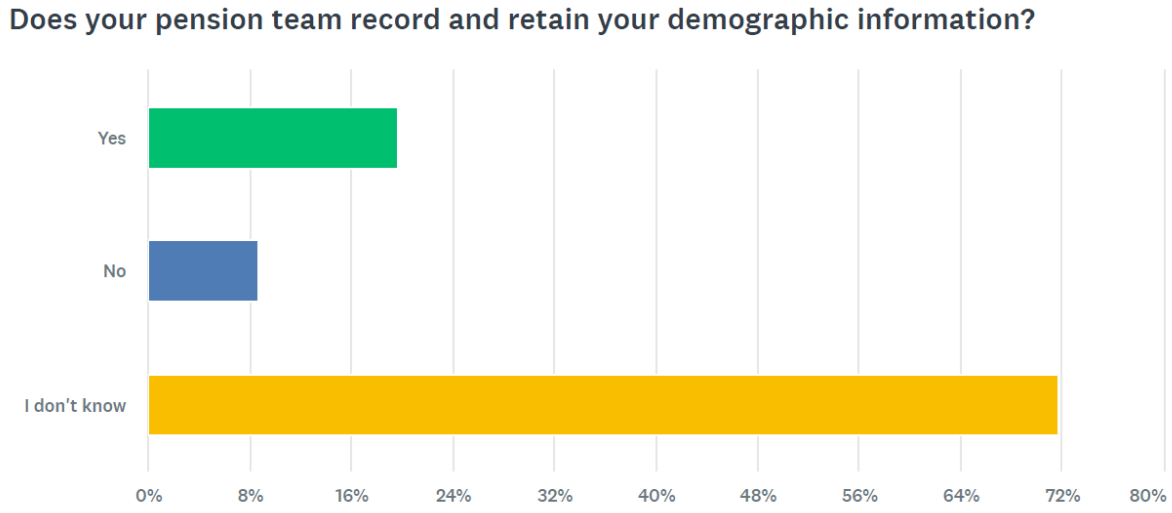
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[2] Ethnic group, England and Wales - Office for National Statistics
[3] Disability, England and Wales - Office for National Statistics



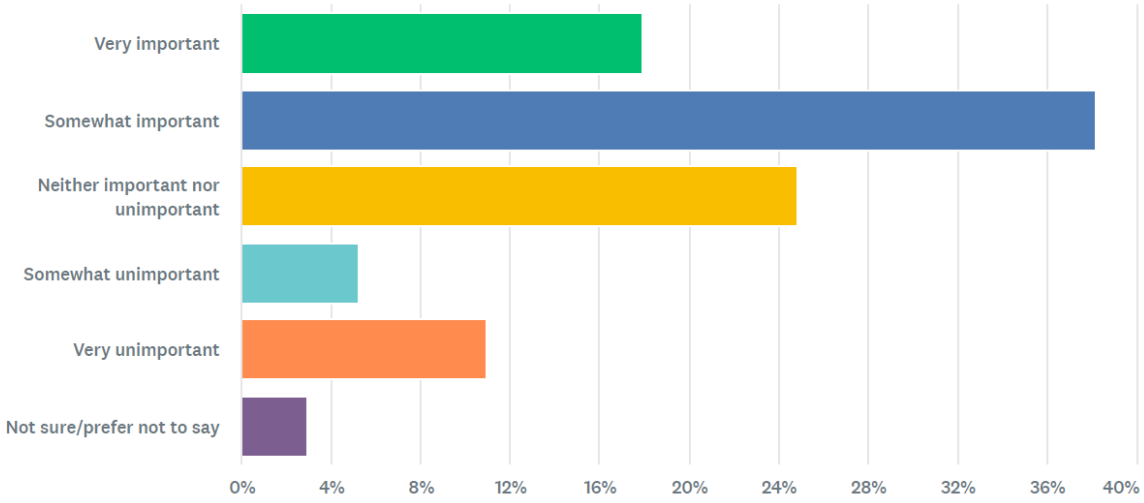
For all of these categories, the patterns of response between PC and LPB were remarkably similar.

Most respondents didn't know if their fund recorded or retained their demographic information.



However, the vast majority, nearly 80%, said that they would be happy for this information to be collected and published (subject to anonymisation). And while there was a spready of views, the consensus seemed to be that this information was important. However, it is worth noting that there was a substantial group of PC members (11%) who felt that this was very unimportant.

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



Cost Management, Benefit Design and Administration (CMBDA) Committee
9 November 2026 11.00am
Jamieson Room, 18 Smith Square, London and Microsoft Teams

Paper E: Pension Administration Strategy guidance

Key points to note

Following agreement at the July committee meeting a working group has been set up to support MHCLG in the development of Pension Administration Strategy (PAS) statutory guidance. The group has met twice and a summary of the discussions is provided in this paper.

Recommendation

To note this report.

Current position

As part of the Fit for the Future reforms, MHCLG amended the LGPS regulations to require each Administering Authority (AA) to prepare a pensions administration strategy in line with guidance issued by the Secretary of State. While that duty is already in effect, the associated guidance has not yet been drafted.

The working group that has been established to support drafting this guidance has now met twice and agreed Terms of Reference setting out its purpose, scope and objectives. Initially the group has been practitioner-led including only representatives from administering authorities but it is intended that wider engagement from other key stakeholders will be sequenced into the timeframe. Including specifically employer representatives, who are a key party to a PAS.

The group's remit is to support the development of practical guidance that reflects the requirements of Regulation 59 whilst distinguishing statutory requirements from good practice and ensuring clear links with other related policies and strategies.

At its first two meetings, the working group received presentations from MHCLG to draw out the current structure and content of the PAS's and request practitioner feedback on how a PAS is currently used by those AAs which have one. Within these discussions, cyber security and operational resilience have been highlighted as areas that MHCLG would like to feature prominently within the guidance. Members

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of the working group acknowledged the importance of these issues but noted that cyber risk extends beyond pension administration and forms part of a fund's wider risk management, governance and business continuity arrangements. Feedback from the group emphasised that any guidance should recognise this broader context and avoid creating duplication with existing cyber and risk management frameworks. MHCLG officials acknowledged this distinction and confirmed that this would be considered as the guidance continues to develop.

MHCLG officials also shared some thoughts on proposals for high-level contents and scope of the PAS guidance which funds will need to follow.

During the working group meetings, discussions have focused on:

- the purpose, audience and status of the PAS, including how, reflecting the current drafting of the regulation, these are currently used as a document which sets out fund and employer responsibilities, employer engagement and accountability, including mechanisms to support employer compliance with their statutory responsibilities and set out data requirements and quality measures;
- the relationship between pension administration and wider fund governance arrangements, ensuring clear alignment with governance compliance statements, training frameworks and other statutory policies;
- the use of administration performance measures, key performance indicators and other reporting arrangements
- how different administration service delivery models should be considered in the guidance, including where services are outsourced
- the impact of employer third party payroll providers and how these responsibilities are reflected within local strategies;
- operational resilience and cyber security, including how strategies can support funds in identifying, monitoring and mitigating administration-related risks; and
- the need for proportionality and flexibility in the final guidance to reflect the differing governance and administration arrangements operating across LGPS funds and not make the PAS too unwieldly in its size

MHCLG is drafting guidance informed by the working group's feedback, including further consideration of whether cyber requirements form part of that guide or as a separate guidance document. The working group is planned to meet on Wednesday 4 November and a verbal update will be provided on the discussions in that meeting.

It is expected that draft guidance will have been shared with the working group for comment by the time this committee meets.

Cost Management, Benefit Design and Administration (CMBDA) Committee
9 November 2026 11.00am
18 Smith Square, London and Microsoft Teams

Paper F: Workplan Update

Key points to note

The committee continues to advance a workplan which includes a number of longer-term aims.

Recommendation

That the committee to submit the committee workplan at Annex A to the Board for approval.

Background

The workplan at Annex A details the main items of work that are expected to be undertaken by the committee over the next year.

We will put this workplan on the Board's website to ensure that administering authorities are aware of the work proposed by the committee. This paper will be updated and brought to all subsequent meetings to give an update of activity.

A more detailed account of the Gender Pensions Gap working group's programme of activity can be found in Paper E.

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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 2026-27, 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 A&F proposals on opt-outs and forfeiture. Government response on rest of Access and Protections expected soon.	Waiting detailed timetable from MHCLG but expectation that this work is completed by the end of the calendar year.
HMT Cost Control Mechanism and SAB Scheme Cost Assessment	Process for the 2024 CCM approaching conclusion (results have been published for several other public sector schemes)	We expect an update on timetable from GAD at this meeting	Ongoing
Board survey showed evidence that employer exits are increasing significantly, driven by	Board agreed to: - systematise gathering of data on employer exits - Clarify regulations on when exit credits are due	We have written to MHCLG proposing these actions and will report back to the committee when we have a response	Awaiting response from MHCLG, timescales will be set for the work once we have a response

Workstream	Details	Action for next Committee	Timescales
financial pressure and possibility of exit credits.	- Propose to government that they ban incentivisation of members opting out		
Gender pensions gap (GPG)	There is a detailed paper and programme of work on this under agenda item 9	Work is progressing and committee should expect updates in relation to: - Explore and propose a standard GPG definition and reporting approach - Adapt the 'Mind the Gap' employer best practise guide - Explore 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 paper under agenda item 9 for timelines for the various elements
Pension Administration Strategy (PAS) Guidance	Support MHCLGs 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.	See paper under agenda item 11