

Current issues in the LGPS

May 2021

Achieving a just transition to net zero

The All-Party Parliamentary Group for Local Authority Pensions (APPG) is keen to see a just shift to a net zero carbon economy that avoids hardship for workers and communities affected by any necessary industrial changes. Its [inquiry](#), backed by the LAPFF, includes a call for evidence to which we have [responded](#). We think that a combination of collaboration, education, research and development, regulations and employee reskilling will be essential for goals to be achieved in this area. We look forward to the findings of the inquiry which are due to be published ahead of the UN climate change conference (COP 26) in Glasgow in November.

Make a real (climate) change at the 2022 valuations

The subject of climate risk is inescapable at the moment, with so many events each week that it's impossible to go to all of them. We expect climate change disclosure requirements in the LGPS by 2022/23, but more important than knowing what to disclose is knowing what you actually need to do (if anything) to tackle this important risk. Later this year we're launching our [new approach to climate risk](#), designed to integrate it into strategy decision-making for the first time. Look out for more information from your Hymans contact in the run up to the 2022 valuations.

And in other climate risk news...

The fast pace continues on this key topic. Further to the update in our last Edit, the Scheme Advisory Board's new responsible investment [A to Z guide](#) has now gone live. The content has been prepared by SAB with the assistance of the newly established Responsible Investment Advisory Group (RIAG) and will continue to be monitored and updated on a regular basis. The website also provides the opportunity to provide feedback as well as case studies to help demonstrate the positive steps many LGPS funds are taking to address responsible investment issues. The EU is also looking at classification - it's developing a taxonomy to help investors identify what constitutes a "green" investment. The detail runs to over 500 pages but you can save time by reading our short [summary](#). The UK plans to develop its own "green taxonomy". And finally, please click [here](#) to read about the Pensions Regulator's new climate change strategy, which sets out how it plans to help pension schemes manage the risks and opportunities associated with climate change.

Minimum NPA and LGPS impact

The Government's latest [consultation](#) on increasing the normal minimum pension age (NMPA) from 55 to 57 from April 2028 closed recently. The increase in NMPA to age 57 was nothing new, as the policy position had been confirmed for some time. The transitional protections for those aged 55+ may well prove more interesting for administering authorities, however, given the greater flexibility these days for members to take benefits early without employer consent.

Virtual meetings update

In news which will come as a blow to fans of Jackie Weaver, the High Court has ruled that from 7 May, council meetings in England can no longer be conducted remotely. The ruling follows a case brought by the Association of Democratic Services Officers, Lawyers in Local Government and Hertfordshire CC, which argued local authorities already had sufficient powers to run virtual meetings. The return to face-to-face meetings only applies in England. Different legislation in Scotland and Wales means that local authorities there will have greater flexibility over how meetings are held.

Goodwin consultation for Teachers' Pension Scheme

The DfE has begun consulting on changes to the Teachers' Pension Scheme 2010 designed to provide female members in an opposite-sex marriage or civil partnership with the same survivor pension rights as female members in a same-sex marriage or civil partnership. It is expected that similar legislation will apply to the LGPS in due course. The [consultation](#) closes on 1 June.

Launch of online LGPS Learning Academy

We are delighted that this month we will be launching an [online LGPS Learning Academy](#) to support training needs for Pension Committee members, Pension Board members and Pension Officers. Covering the key elements of the CIPFA knowledge and skills framework and TPR Code of Practice, these bite-sized training videos will supplement all LGPS funds' training plans. Along with the core video support, there will be jargon busters and quizzes. Hot topics such as McCloud are covered, and we will continually look to update content with the most relevant issues affecting the LGPS. Please contact [Andrew McKerns](#) if you would like to find out more details for your Fund.

Keeping the LGPS connected

Make sure you don't miss our [latest webinar](#), where Valborg Lie, Stewardship Manager from LGPS Central, will discuss the practicalities of implementing the new Stewardship Code. Taking place on 12 May, we will focus on linking the stewardship agenda to your investment goals, beliefs and strategy and measuring engagement activity and outcomes.

And, in case you missed our webinar with Nick Gannon from TPR on what the new code of practice means for the LGPS, you can [catch the recording here](#).

Appendix

Achieving a just transition to net zero

[‘Responsible investment for a Just Transition’ – LAPFF-backed inquiry is seeking your views | LAPFF \(lapfforum.org\)](#)

[Just Transition Call for Evidence - Hymans Robertson.pdf](#)

Make a real (climate) change at the 2022 valuations

[Climate risk at the heart of ‘stress testing’ ahead of 2022 LGPS valuations | Room 151](#)

And in other climate risk news...

[Responsible Investment Database - Items \(lgpsboard.org\)](#)

[Sixty Second Summary - EU taxonomy for sustainable activities - Hymans Robertson](#)

[Sixty Second Summary - The Pensions Regulator’s climate change strategy - Hymans Robertson](#)

Minimum NPA and LGPS impact

[NMPA_consultation_2021.02.10.pdf \(publishing.service.gov.uk\)](#)

Goodwin Consultation for Teachers’ Pension Scheme

[Teachers’ Pension Scheme - proposed changes to regulations - Department for Education - Citizen Space](#)

Launch for online LGPS Learning Academy

[LGPS Online Learning Academy - Hymans Robertson](#)

Keeping the LGPS connected

[Registration \(gotowebinar.com\)](#)

[Keeping the LGPS connected on Vimeo](#)