

City of London Corporation Committee Report

Committee(s): Police Pensions Board	Dated: 10 February 2025
Subject: CoL Police Pension Scheme – Administrator’s Update	Public report: For Information
This proposal: <ul style="list-style-type: none"> • provides statutory duties • provides business enabling functions 	
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain’s Department?	n/a
Report of:	The Chamberlain
Report author:	Graham Newman – Chamberlain’s Department

Summary

The administration of the City of London Police Pension Scheme (the Scheme) is undertaken by the Pensions Team within the Chamberlain’s Department.

The table below provides a summary of general information around a range of topics in relation to the administration of the Scheme since the last Board meeting on 5 November 2024. Members are asked to note the report and provide feedback.

Item	Update
Annual schedule of events for the Pensions Scheme	Update provided (Appendix 1).
Information of Scheme Record Keeping	No amendments since the last Board meeting.
A record of any complaints or disputes under the Scheme’s complaints procedure	There have been no complaints made under the Internal Dispute Resolution Procedures (IDRP) since the last Board meeting.
Any recent Police Pension Scheme breaches of the law	None to report.
Any audit reports relating to the administration of the Scheme	None to report.

Data Protection Act 2018 (DPA18) – Data Retention Policy	No amendments since last Board meeting.
General Data Protection Regulation (GDPR) / Data Protection Act 2018 (DPA18) – Privacy Notice	No amendments since the last Board meeting.
Guaranteed Minimum Pensions (GMP) Reconciliation	The project is still ongoing. A report will be brought to the Board once the reconciliation has been completed.
Procurement of Pension Administration System	<p>The Pensions Office has rolled-out the Online Member Portal which allows members to access their pension record, make amendments to selected personal data (i.e. name and death grant nominees) and to run their own retirement estimates.</p> <p>The portal was used for providing the 2024 annual benefit statements and provides a potential platform for future bulk mailings.</p> <p>The system has been rolled out to all active scheme members and is now also available to retired and deferred members so that access to the portal can continue as active members leave the organisation. An advertising campaign to existing City Pensioners will begin shortly to encourage sign-up, but will make it clear that this is not compulsory.</p> <p>A similar campaign for existing deferred members will follow on from this.</p>
Legal Challenge 1	<p><u>Lord Chancellor and Secretary of State for Justice v McCloud and others</u></p> <p>On 10 March 2022 the Public Service Pensions and Judicial Offices Act 2022 received Royal Assent.</p> <p>The main purpose of the Act was to implement the ‘McCloud Remedy’ in the public service pension schemes and it is to be implemented in two phases.</p> <p>Phase one was to move all remaining active members of the ‘legacy’ schemes (Police Pension Schemes 1987 and 2006) into the new scheme (Police Pension Scheme 2015) with effect from 1 April 2022.</p> <p>Phase two was implemented with effect from 1 October 2023. This second phase provides the deferred choice underpin which gives eligible members the choice between legacy scheme or new scheme membership for the period 1 April 2015 to 31 March 2022.</p> <p>The Pensions Office has implemented the Remedy in respect of active scheme members and all retirements that have occurred since this date (i.e. 1 October 2023) have been processed on this basis.</p> <p>For eligible members, the 2024 Annual Benefit Statement included a ‘Remediable Service Statement’ (RSS) that</p>

provided comparative figures showing the benefits if the member accepted the Remedy together with those if they choose to reject it.

In addition, a Remediable Pension Savings Statement was sent to all members whose pension growth exceeded the Annual Allowance during the Remedy Period as a result of the Remedy implementation.

For the majority of officers whose legacy scheme was the 2006 Scheme, a refund of overpaid contributions was due if they elected to accept the terms of the Remedy. Where a valid election to accept the Remedy was received, the 'contribution adjustment' was paid to officers with either their December 2024 or January 2025 salary payment with the interest applied adjusted accordingly.

For those officers whose legacy scheme was the 1987 Scheme, in many cases if the officer elected to accept the terms of the Remedy they owed underpaid contributions to the scheme.

Where a valid election to accept the Remedy was received, the 'contribution adjustment' to collect the outstanding contributions took effect from January 2025 with the contributions being collected from officer's pay to ensure the tax relief was made via PAYE.

The Pensions Office, together with the City of London Police, is in the process of assessing and contacting all eligible retired and deferred officers to offer them their choices in respect of the Remedy.

Work in this respect had started in Summer 2024, but an issue with regards to the taxation of certain commutation lump sum arrears payments had caused a pause while discussions took place between the National Police Chief's Council (NPCC), His Majesty's Treasury (HMT) and His Majesty's Revenue and Collection (HMRC).

Guidance has now been released in respect of the issue that had arisen, however the NPCC have stated that the guidance is extremely complex and may not provide the full information that administrators need. They have therefore commissioned the Government Actuary's Department (GAD) to write additional guidance that helps to fill any gaps.

Work on producing RSS's for pensioner and deferred member cohorts can now recommence, but until the GAD guidance is issued there may be a number of cases that cannot be completed.

All RSS's for these ex-officers must be issued before the 31 March 2025 deadline.

Updates regarding the implementation of the McCloud Remedy will continue to be brought to each Board meeting.

<p>Legal Challenge 2</p>	<p><u>Evans & Ashcroft vs Chief Constable of South Wales</u></p> <p>This is a court of appeal case in respect of the Police (Injury Benefit) Regulations 2006.</p> <p>Guidance from the Home Office / Police Pensions Technical Group is awaited. Once received, a communication that can be sent to officers that make enquiries will be prepared.</p>
<p>Pensions Dashboards</p>	<p>Introduced by the Department for Work and Pensions (DWP), Pensions Dashboards have been designed to provide an online platform that will allow individuals to access details of their accrued pension benefits from multiple sources in one place. The intention is to support better planning for retirement, and help individuals reconnect with any pension pots they may have lost over time.</p> <p>In respect of Public Sector Pension Schemes, the initial expectation was that schemes would be required to connect to the online dashboard infrastructure by 30 September 2024.</p> <p>However, a written Ministerial Statement made on 2 March 2023 stated that delays setting up the dashboard programme has meant that the original timetables have been re-considered.</p> <p>A revised staging timetable has been set out in guidance with all schemes in scope given a single connection deadline of 31 October 2026, by which time they are legally required to be connected to the pensions dashboard ecosystem and be ready to respond to requests for pensions information.</p> <p>However, the guidance also sets out a staging timetable which provides a recommended connection date based upon scheme size and type – the connection date for public sector pension schemes is 31 October 2025.</p> <p>The Pensions Regulator (TPR) updated its ‘Failing to comply with dashboards duties’ guidance in June 2023: (https://www.thepensionsregulator.gov.uk/en/trustees/contributions-data-and-transfers/dashboards-guidance/failing-to-comply-with-pensions-dashboards-duties). The purpose of the guidance is to outline what schemes will need to do to demonstrate that they have had regard to the staging timetable that will be set out in the connection guidance.</p> <p>TPR expectations of schemes to show they ‘have regards to the connection guidance’ includes:</p> <ul style="list-style-type: none"> • Connect to dashboards by the connection deadline of 31 October 2026 that is set out in legislation. Failure to do so could result in regulatory action by TPR. • A revised staging timetable is set out in guidance which indicates when schemes are scheduled to connect. All trustees and scheme managers must have regard to this guidance. Failure to do so will be a breach.

	<ul style="list-style-type: none"> • Although the timelines in the guidance are not mandatory, schemes will be expected to demonstrate how they have had regard to the guidance. • A phased approach to staging enables a controlled and well-planned connection, reduces the risk of provider capacity constraints and means savers can realise the benefits of dashboards as early as possible. • Continuing to prepare for dashboards by engaging with those who will support them and their dashboard duties. <p>The Pensions Dashboards Programme (PDP) has updated their FAQs to reflect the new connection deadline announcement https://www.pensionsdashboardsprogramme.org.uk/faqs/</p> <p>The National LGPS Framework was set up to provide procurement facilities for all LGPS Funds to allow for an efficient route for sourcing external services by a compliant route.</p> <p>There are several Integrated Service Providers (ISPs) listed on the National LGPS Framework and the Pensions Office has started the process of making contact with these providers as a first step towards ensuring compliance with the staging deadline.</p> <p>It should be noted that this project will be carried out in conjunction with the administration of the Local Government Pension Scheme and is not ‘stand-alone’ for the Police Pension Scheme.</p> <p>Updates regarding the progress being made in respect of the Dashboards project will be brought to each Board meeting.</p>
Task Statistics	Update provided (Appendix 2).
Pension Board Training	<p>Board Members are asked to consider any topics of training they would like to cover in the coming year ahead.</p> <p>Details in respect of tPR training modules completed by each Member are included on the Non-Public agenda. (Appendix 3).</p>

Recommendation

Members are requested to review the information and provide any comments.

Appendices:

- Appendix 1 – Annual Schedule of events
- Appendix 2 – Key Performance Indicators
- Appendix 3 – Member Training (NON-PUBLIC)

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