City of London Corporation Committee Report

Committee(s): Pensions Committee	**Dated:** 23 September 2026
Subject: Pensions Scheme – Administrator's Update	**Public report:** For Information
This proposal: • **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 Local Government 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 Committee meeting on 6 July 2026. Members are asked to note the report and provide feedback.

Item	Update
Annual schedule of events for the administration of the Pensions Scheme	**Appendix A** provides details of the events / dates that form the main diary of the Scheme administration.
Information of Scheme Record Keeping	As the Scheme's administrating authority, the City is responsible for making sure the scheme has good records. The City is required to ensure it has accurate, complete and up-to-date records and should have controls and processes in place to maintain these standards. Failure to maintain complete and accurate records can risk not meeting legal obligations as set by the Pensions Regulator which could lead to fines and/or enforcement action being taken.

	The City's scheme data is measured once a year and the data scores are submitted to the Pensions Regulator (tPR) in the annual scheme return. The most recent return was submitted on 3 December 2025.
Complaints or disputes under the Scheme's Internal Disputes Resolution Process (IDRP)	None to report.
Public Service Pensions - Reporting Breaches of Pension Law	None to report
Any audit reports relating to the administration of the Scheme	The City of London Internal Audit team has completed a review of the Pension Fund Administration function and the Internal Audit Update report will go to the September Audit & Risk Committee.
Any reports relating to the administration of the Pension Scheme which have been considered by other Committees	None to report.
Pension Administration System	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. The portal has been used for providing the annual benefit statements since 2024 and provides a potential platform for future bulk mailings. The system is available to all active, deferred and retired scheme members meaning that access to the portal can continue as active scheme members leave the organisation.
Implementation of the new Payroll System for Salaries and Pensions Payroll	<u>Pensions Payroll</u> User Acceptance Testing (UAT) of the new Pensions Payroll system, SAP, is due to re-start in September 2026. The Pensions Office only has 2 members of staff dedicated to operating the Pensions Payroll and has therefore highlighted the need for additional resources to allow business as usual to be maintained throughout the testing period. The SAP project has confirmed that pensioner self-service functionality will be made available once the system goes live. This will allow pensioner members to access their

	payroll record, view payslips and P60s and update/amend the personal and bank details. This system provides much more functionality than the self-service system currently offered via the pensions administration software, Altair, and it is therefore hoped that once rolled out and publicised it will become the system of choice for the pensioner members. Salaries Payroll Pensions data is currently provided to the Pensions Office on an annual basis at the end of each financial year. This data allows the pensions administration system to be updated with details in respect of pensionable pay and contributions paid which in turn allows for the creation of the annual benefit statements. SAP will be using a system known as iConnect that will allow for the equivalent data to be provided on a monthly basis and automatically uploaded into Altair. This will ensure that the information in Altair is as up-to-date as possible and preclude the need for lengthy year-end validation and checking. In addition, the monthly uploads will also include details of all new starters, leavers and amendments that have been made to employee records (change of address, change of hours). Another new aspect of SAP as opposed to iTrent is in relation to contribution banding. Currently, the contribution band that each scheme member falls into is determined every April based upon the pensionable pay received in the previous year. This is then re-assessed in October to take account of any changes that may have taken place in the intervening period. The SAP 'standard' is to assess the band applicable to each scheme member on a monthly basis. Each pay period, the system will annualise the pensionable pay due to be paid to them to determine the contribution band to be applied. For the majority of scheme members this will make no difference, but for those whose pensionable pay varies from month to month, for example those that receive regular overtime, this may mean that their contribution band changes from month to month. It is expected that the City of London will issue communications to advise members of this change.
Public Sector Pensions Legal Challenge	Lord Chancellor and Secretary of State for Justice v McCloud and others With effect from April 2015 (April 2014 for the LGPS) all public sector pension schemes were subjected to reforms that changed the way benefits were accrued and the date from which they would become payable.

	However, the legality of these reforms was successfully challenged and they were found to be discriminatory on the grounds of age. This challenge came to be referred to as 'McCloud'. The government consulted on what method of 'Remedy' should be used to remove the discrimination and on 10 March 2022 the Public Service Pensions and Judicial Offices Act 2022 received Royal Assent. The main purpose of the Act was to set out the intention of the 'McCloud Remedy' and implement it in the public service pension schemes. Further consultation determined the form the Remedy would take in respect of the LGPS and the regulations were formally laid and then implemented with effect from 1 October 2023. For active scheme members retiring after the implementation date, their McCloud eligibility is assessed by the Pensions Office and if appropriate their benefits are based upon the terms of the Remedy. In addition, from 2025 onwards, all Annual Benefit Statements issued to active and deferred members must include details in respect of the Remedy and how it affects their individual benefits. With regards to retired members, all retirements since the introduction of the career average scheme in April 2014 will need to be assessed for eligibility for the McCloud Remedy. For those deemed to be eligible and whose benefits are already in payment, the necessary recalculations have now been made and the appropriate adjustments have been made and arrears paid. This process also applies for the pensions being paid to the survivors/dependants of an eligible member who passed away before the Remedy was implemented. The Pensions Office has implemented the Remedy in respect of active scheme members and all retirements that have occurred since the implementation date (i.e. 1 October 2023) have been processed on this basis. The 2026 Annual Benefit Statements (ABS) for eligible scheme members were issued by the 31 August 2026 deadline and included the estimated underpin protection as provided for by the McCloud Remedy. The Pensions Office has calculated the arrears and interest owed for all eligible pensioner members affected by the Remedy and currently in receipt of their City of London pension. Payments of these amounts were made in the December 2025 and January 2026 monthly pension payments.

	Updates regarding the implementation of the McCloud Remedy will continue to be brought to each Committee meeting.
Pension Committee Training	All Members of the Committee are expected to register for tPR online training and complete the modules in respect of **public sector pension schemes**. The link for the online training is: https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes/understanding-your-role/learn-about-managing-public-service-schemes Following a trial period by officers, Members of the Committee have agreed to complete the online LGPS training that has been created by our actuary Barnett Waddingham. The training module is called 'Enlighten' and is specifically directed at LGPS Committees, Boards and officers. There are currently six courses available; each consisting of several bitesize videos and followed by a quiz. Details in respect of training modules completed by each Member are included on the non-public agenda (**Appendix B**). Members are expected to re-do the tPR training modules every 3 years. Under the new 'The Local Government Pension Scheme (Amendment) (Governance) Regulations 2026', Members must meet knowledge and understanding requirements within three months of joining or before their first meeting, whichever is sooner. Where there is non-compliance with the requirements, the LGPS Senior Officer should notify tPR of non-compliance with scheme regulations.
Guaranteed Minimum Pension (GMP) Reconciliation	The reconciliation data has now been received from the company commissioned to provide this piece of work (Aptia, previously Mercer) and the Pensions Office is working through the differences / issues that it has highlighted. A paper will be brought to Committee once this process has been completed.
Pensions Dashboards	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. Following revisions to the original staging dates, the deadline for public sector pension schemes to connect to

	the national infrastructure was 31 October 2025. The City of London met this deadline. All schemes are legally obliged to be connected to the national infrastructure by 31 October 2026 with the expected public go-live date to follow. Schemes will be given at least 6 months' notice before the public go-live date – at the date of writing this report, no such notice had been received.

Recommendation

The Committee is asked to note the report and provide any feedback in relation to this information.

Appendices:

Appendix A – Annual Schedule of Events (Administration)
Appendix B – Member Training (NON PUBLIC)

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