



This bulletin from the Staffordshire Pension Fund, focuses on the current issues that you should be aware of relating to the Local Government Pension Scheme.

Issue August 2023

The Scheme Advisory Board (SAB) Annual Report 2022

The aim of the [SAB annual report](#) is to provide a single source of information about the status of the LGPS for its Members, Employers and other stakeholders. Continually improving key information about the Scheme as a whole is one of the top priorities of the Board. This report aggregates information supplied in the 86 Pension Fund's annual reports, as of 31 March 2022. Highlights include:

- Total membership of the LGPS increased slightly, growing by **161,871 (2.6%) to 6.39 million members in 2022 from 6.23 million in 2021.**
- The total assets of the LGPS increased to £369 billionn (a change of 7.8%). These assets were invested **in pooled investment vehicles (67%), public equities (12%) bonds (3%), direct property (3%), as well as other asset classes (15%).**
- The LGPS return on investments over 2021/22 was 8.1%. This compares to UK CPI year on year inflation of 8.8% (Sept – Sept).
- The scheme maintained a positive cash-flow position overall, including investment income.
- Over **1.95 million** pensioners were paid over the year.
- Life expectancy rebounded to similar levels of those pre-covid with an increase by **0.8 years & 0.6 years** for males and females respectively (2021 figures v 2022).
- Total management charges increased by £385 million (+22.5%) from £1,711 million. This was primarily driven by a £381 million (25.6%) rise in investment management charges, while administration and oversight and governance costs remained broadly stable.



Reminder - Annual Benefit Statement – My Pension Portal (MPP)

Every year we issue Members with their Annual Benefit Statement (ABS) on the [My Pension Portal](#) area of the Pension Fund’s website. The ABS is a statement that tells Members about the pension benefits they have added to their pension pot over the previous financial year. It is important that they are aware of their ABS and make sure that things such as their pay and contribution levels are correct. Since 2020 all ABS’s are only provided online, unless a Member makes a written request to continue to receive their ABS in a paper format.

Under the Pension Regulations, each time the Fund uses a website to provide an ABS to an active member, the Fund must first have informed the Member of that fact and explain to them how they can access and read the statement.

The Local Government Association’s (LGA) view is that these requirements would be met by bringing the information to the Members attention via Scheme Employers. Therefore, we would very much appreciate your assistance in cascading the following message via your internal mail system, intranet site, news bulletins, notice boards etc.

Draft email –

Staffordshire Pension Fund - Your Annual Benefit Statement (ABS)

If you are a Member of the Staffordshire Pension Fund, then your Annual Benefit Statement will be available online via [My Pension Portal \(MPP\)](#) from 31 August 2023.

If you have not yet registered for MPP you will need to do so by applying for an [activation code](#) on the Fund’s website. The activation code will then be sent to your home address (Please allow up to 20 working days).By logging on to MPP after 31 August 2023, to check your annual benefit statement, you can make sure that any other information we hold for you is correct.



By accessing My Pension Portal, you can also:

- View your personal, financial and membership details.
- Produce your own pension quotes, helping you to plan for retirement.
- Run estimates on your pension with pension calculators.
- View information about the valuable life assurance and dependents pension provided.

Pension Early Retirement Costs Invoicing

When an Employer agrees to the early retirement of an Employee from age 55, and they are a member of the LGPS, if this is on the grounds of redundancy or “flexible retirement”, there can be an additional Employer’s contribution payable to the Pension Fund; this additional payment is known as an **actuarial strain** and is the cost to the Employer of permitting the early payment of a pension benefit.

If you request a pension estimate that incurs an **actuarial strain** cost the Fund will notify you of the cost at that time. If you agree to the retirement, we will no longer provide you with a further notification of the Employer cost (letter when the retirement payment is processed), but will invoice you, as the Employer, after the member has left employment.

Pensions Dashboard delayed until October 2026

On 8 June 2023, Laura Trott, Parliamentary Under Secretary of State for Pensions, published a [written ministerial statement](#) giving an update on the Pensions Dashboard. The key headline details from the statement included:

- Legislation will be updated to set an overall connection deadline for all schemes, which will be 31 October 2026.
- The individual connection deadlines for schemes will be set out in guidance and will be before the final deadline of 31 October 2026. DWP is planning to collaborate with the industry this year before publishing this guidance.
- The date that the Pensions Dashboard will go live to the public (Dashboard Available Point) has not been announced yet, but the Minister said that this could be earlier than 31 October 2026. This



indicates that Public Sector Schemes will have an earlier staging date than 31 October 2026.

The announcement of a final connection deadline is helpful. It is important that the Fund continues with our Pensions Dashboard preparations, and the Pensions Regulator has set out guidance on what schemes need to do to prepare.

