Minutes of a meeting of the Local Pension Board held at County Hall, Glenfield on Wednesday, 29 April 2026.

PRESENT

Mr. M. Saroya (in the Chair)

Cllr. Elly Cutkelvin
Mr. K. Crook CC
Mr. A. Cross

49. Minutes.

The minutes of the meeting held on 4 February 2026 were taken as read, confirmed and signed.

50. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 32.

51. Urgent Items.

There were no items for consideration.

52. Declarations of interest in respect of items on the agenda.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

53. Internal Audit Arrangements, Including Internal Audit Work Conducted During 2025-26 and the Internal Audit Plan 2026-27.

The Board considered a report of the Director of Corporate Resources, which provided information on the internal audit arrangements for the Leicestershire County Council Pension Fund (the Fund) and LGPS Central Limited; summarised the outcomes of audits conducted during 2025-26 and outlined the internal audit plan for 2026-27; the implementation of the Global Internal Audit Standards (GIAS) in the UK Public Sector. A copy of the report marked ‘Agenda Item 5’ is filed with these minutes.

Arising from discussion, the following points were made:

i. A Member referred to the issue of overpayments and queried what further steps were being taken, noting that a sum of money remained outstanding and asking whether all possible action was being taken to recover it. It was reported that officers would continue to pursue all possible lines of enquiry, including contacting relatives where appropriate, although some lines of enquiry had gone cold. It was further noted identifying an overpayment in the first instance could be difficult, that the sums involved were generally small and that, at this stage, legal action would not usually be proportionate, therefore the current approach to recover overpayment would be maintained.

ii. The allocation of 90 audit days was referred to and it was asked whether additional audit days might be required in future. Officers explained that it would depend on the findings arising from the audit work, as the allocation represented an estimate and some audits took more or less time than anticipated, adding that any additional work would incur further charges.

iii. A Member queried whether, in the case of elderly pensioners, some authorities issued an annual reminder so that there was a postal record and, if the person had died, a response would not be received. Officers advised that the approach was already used for overseas pensioners and that officers were content with the existing arrangements, given the additional checks available through the National Fraud Initiative and the Fund's own tracing agencies. Furthermore, similar checks were also undertaken in relation to children, in order to confirm continuing full-time education where relevant.

RESOLVED:

That the report Internal Audit Report for 2025-26 and Internal Audit Plan for 2026-27 be noted.

54. Pension Fund Administration Report, January to March 2026 - Quarter Four.

The Board considered a report of the Director of Corporate Resources which provided information on the main administrative actions in the fourth quarter period from January to March 2026. The report covered governance areas including administration of Fund Benefits and the performance of the Pensions Section against its performance indicators. A copy of the report marked 'Agenda Item 6' is filed with these minutes.

Arising from discussion, the following points were made:

i. A Member queried whether the extension of the pension scheme to councillors would create increased administrative work. Officers advised that there could be some onboarding issues initially, but that the administration was not expected to be overly onerous, given that the number of councillors involved would not be large.

ii. It was noted that MCS Cleaning appeared two or three times in the report and concern was raised as to whether members' pension benefits were being affected. Members were reassured that scheme members should not be adversely affected, though problems could arise if an individual were to retire or die, therefore, it was preferable for the matter to be resolved as soon as possible.

iii. When considering the performance charts in the appendix to the report, Members noted that targets had been missed in a small number of areas and questioned whether comparisons had been made with comparable pension funds. Officers advised that it was not something currently undertaken, but options for benchmarking were being explored. It was noted that formal benchmarking costs had been high previously, and that officers would therefore approach other funds for comparative information.

iv. Members asked whether the proposed temporary resource of one person would provide sufficient capacity to cope with additional work pressures over the next year. Officers advised that securing an experienced temporary member of staff would make a difference, with the intention of targeting preserved benefits work in order to reduce the backlog.

v. It was noted that registrations on the new website were at 23% compared to the previous website, where registrations had been around 50%. Officers reported it was still quite new, and that the new website would continue to be publicised.

vi. It was queried as to whether changes relating to widowers' and widows' pensions would have an impact. Officers advised it regulatory changes had been expected, noting that the number of retrospective cases were not expected to be large.

RESOLVED:

That the Pension Fund administration report for January to March 2026 (quarter four) be noted.

55. Fit for the Future Update.

The Board considered a report of the Director of Corporate Resources which provided an update on progress on regulatory change in the Local Government Pension Scheme (LGPS). A copy of the report marked 'Agenda Item 7' is filed with these minutes.

Arising from discussion, the following points were made:

i. The Pension Schemes Bill had passed through Parliament and Royal Assent was expected shortly. In light of the delay to the final legislative timetable, the Government had extended a number of implementation deadlines.

ii. It was noted that the Fund would be required to appoint a Senior LGPS Officer and an Independent Person within six months of the regulations coming into force, rather than by the previous fixed deadline.

iii. It was reported that LGPS Central had been operationally ready for 1 April 2026 and had continued to work with partner funds on the phased transition of assets and services.

iv. Further guidance was still awaited in relation to the scope of the new roles and associated governance requirements, and officers had indicated that recruitment and implementation planning would be progressed once the final guidance had been issued.

v. The Board was advised that further updates would be provided as the remaining regulations and guidance were published.

vi. Members questioned whether the benefits of pooling could be quantified. It was explained that LGPS Central provided estimated savings through its quarterly updates, although it remained difficult to produce a definitive measure as this involved comparing pooled arrangements with the costs the Fund might otherwise have incurred independently.

vii. In further discussion, it was noted that the Fund had already realised savings from asset pooling over a number of years. Officers undertook to review the information available and, where possible, share further detail on the nature and extent of those benefits.

RESOLVED:

That the Fit for the Future update report be noted.

56. Risk Management and Internal Controls and Fit for the Future Update.

The Board considered a report of the Director of Corporate Resources which provided information on any changes relating to the risk management and internal controls of the Pension Fund, as stipulated in The Pension Regulator's Code of Practice. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

RESOLVED:

That the Risk Management and Internal Controls and Fit for the Future update report be noted.

57. Date of the Next Meeting

The date of the next meeting is scheduled for 29 July 2026.

10.00am to 10.50am
29 April 2026

CHAIRMAN

Addendum to Administration Report 29 April 2026

To be read between points 69 and 70 in the Administration Report

Changes effective 1 April 2026

69a. In addition, there are two other areas:

Equalisation of Survivor Pensions

69b. Survivor pensions will be calculated more consistently to ensure equal treatment regardless of the gender of the scheme member or their survivor. Some survivor pensions will be increased as more of the member's service before April 2014 will now count and some will become payable for the first time, with male survivors of female members who left the scheme before April 1988 most likely to be affected.

69c. The changes are retrospective back to:

- 5 December 2005 for opposite sex marriages and same sex civil partnerships
- 13 March 2014 for same sex marriages
- 31 December 2019 for opposite sex civil partnerships

Changes to Death Grants

69d. The age limit for paying a lump sum death grant has been removed. A death grant can now be paid even if a member dies after age 75. The change is backdated to cover deaths from 1 April 2014.

69e. In addition, the requirement to pay a 'late' death grant, one that has not been paid within two years, to personal representatives has been removed and instead the Fund can use it's discretion to choose who it should be paid to. This means that the payment will be taxed at each beneficiaries marginal rate of tax, rather than the 45% charge that applied to personal representatives.

Implementation

69f. Officers will make arrangements to implement the changes. The Fund's system supplier, Heywood, are preparing reports that will be used to identify members affected by the changes and then update systems to allow for benefits to be recalculated.

69g. An update on progress will be provided in a future report.

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