

Cost Management, Benefit Design and Administration Committee

MEETING – 30TH OCTOBER 2023

ITEM 10 – PAPER G

CMBDA COMMITTEE WORK PLAN FOR 2024

Background

1. The Terms of Reference for this Committee states that a workplan must be developed and submitted for approval to the Board on an annual basis. The workplan will be flexible and respond to matters as they arise but should give an overview of the key workstreams associated the Committee. The workplan below details the key workstreams expected for the Committee in 2024.

Workplan Items

2. **McCloud** is expected to remain a major workstream over the coming year. The LGPC team is working closely with DLUHC to develop another set of regulations, as well as further statutory and actuarial guidance from GAD. There are also still issues on the teachers' excess pension issue to be resolved. Timescales on this workstream are yet to be confirmed.
3. The **Gender Pensions Gap** reports published by GAD have led to the convening of a working group to explore what the Board's next steps should be. The working group met for the first time on 9 October and while the group is likely to finish its work before the end of this financial year, we expect there to be actions that will continue to be worked on in 24/25. Indeed, given the scale of the disparities identified, it should be expected that work on this area will continue for some time.
4. Many funds are now finding themselves in a position of notional surplus. As a response to this, the Board has convened a **Surpluses working group** to determine whether any recommendations need to be made to the Minister on managing this new position. The group met for the first time on 4 October and as with the Gender Pensions Group we expect the group itself to wind up before the end of this year, but for the actions to be progressed through the next year. The Committee is expected to discuss any recommendations made with a view to pass on recommendations to the Board before sending to the Minister. It is also expected that information will be fed into the Funding Strategy Statement Guidance working group if needed.

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5. We expect that, as it was a manifesto commitment, the Government will come back with proposals on **Exit Pay reforms** at some point next year. It is expected that the Board will need to engage with the policy development leading up to any consultation being issued as well as submitting a response. Both would require the input of the Committee. Depending on the content of the proposals, this could be a hugely time-consuming piece of work.
6. We are also expecting the Department to issue a consultation on **survivor benefits** early in 2024. It is expected that the Board will submit a response to this consultation and will require the input of the Committee to shape the response and issue guidance to funds on how to implement any changes. Updates on the consultation will be provided by DLUHC at Committee meetings over the year.
7. Work towards the 2022 **Section 13 report** will be a key workstream in 2024. The timescales associated with this workstream will be largely dependent on the activities of the Government Actuary's Department (GAD) and DLUHC. The Secretariat are just starting their engagement with GAD on emerging findings and recommendations. In the past, the s13 reports have made a number of recommendations for the Board to take forward (e.g. the guidance note on academy conversions).

Recommendation – That the Committee reviews and submits the workplan to the Board for approval.