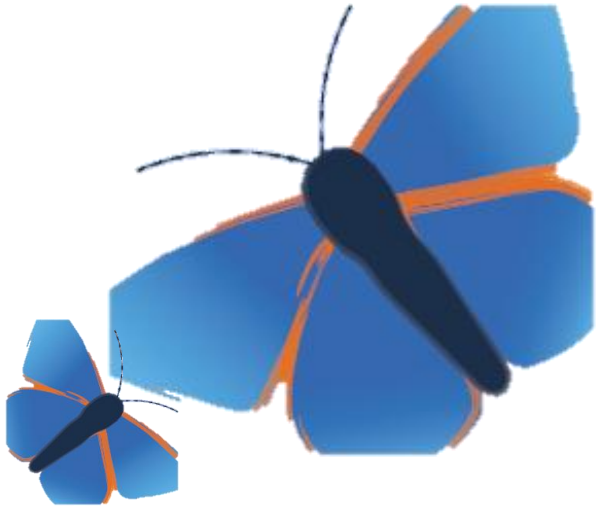
lgps | Local Government Pension Scheme

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Dorset County Pension Fund - PLOG

Employers Meeting
15 October 2026



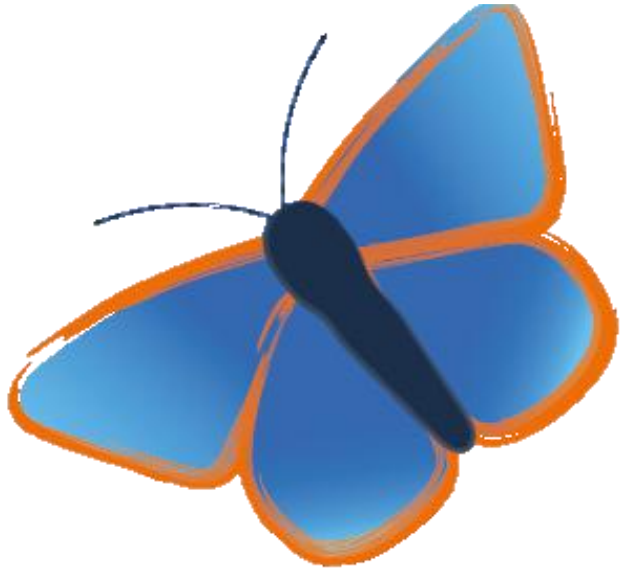
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To the Dorset County Pension Fund Employers Meeting!

TODAY

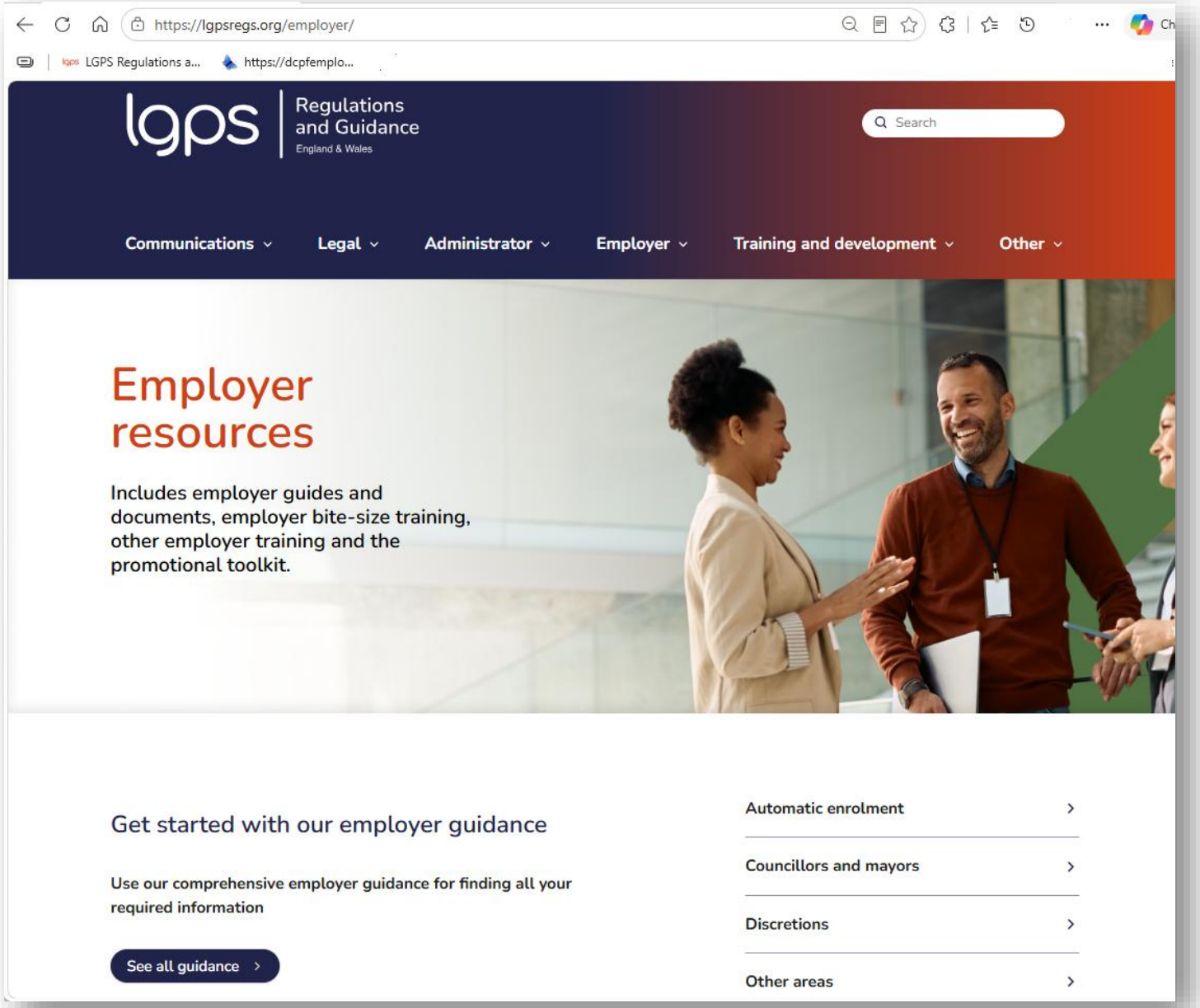
- Minutes of the last meeting
- Matters arising from the minutes
- LGA Communications
- Inheritance Tax and the LGPS
- Impact of AI on the LGPS
- TPR Breaches
- Bulletins 280 to 283
- Any other business



LGA Communications

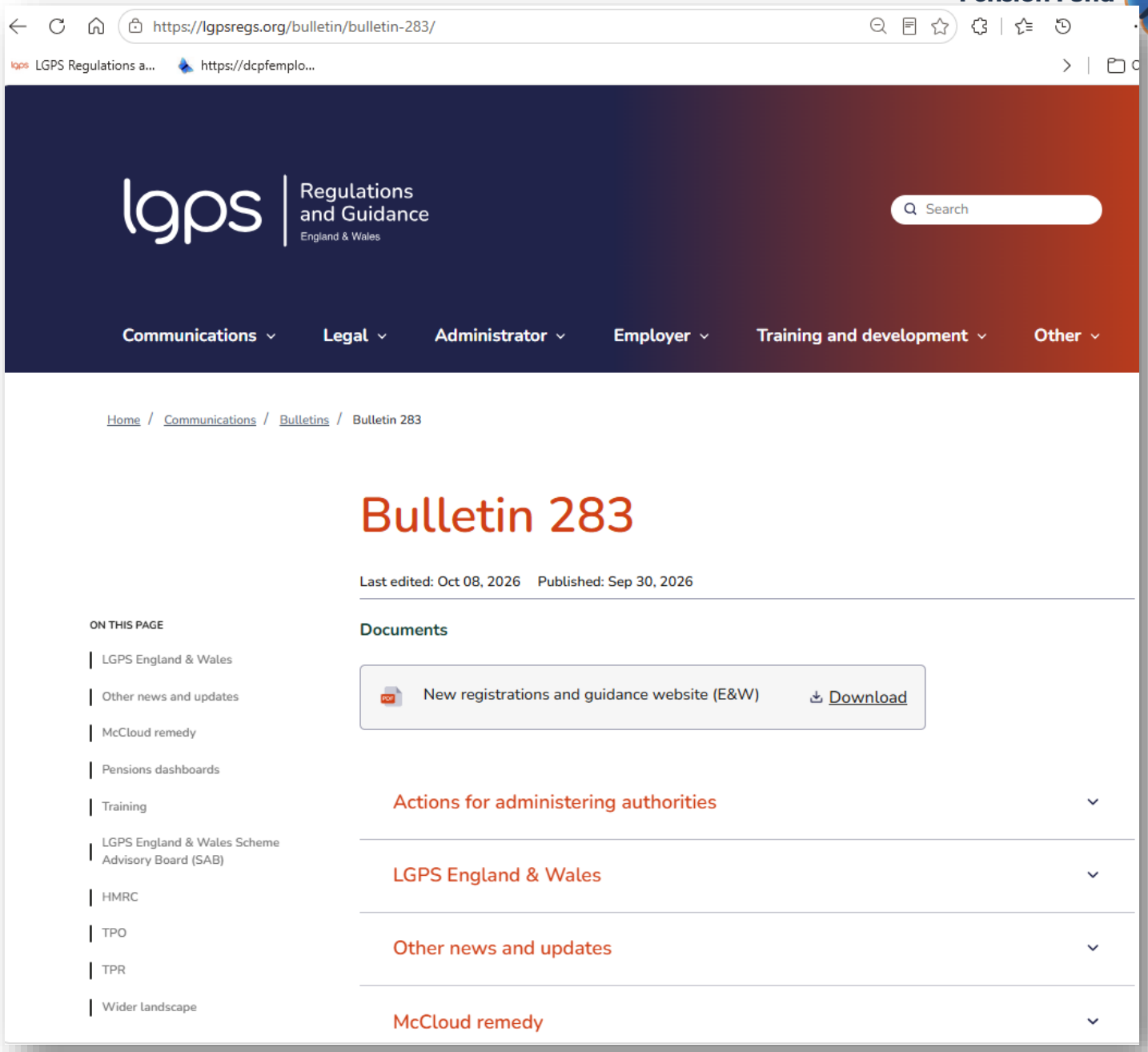
The LGA provide a range of communications and training for employers.

They have changed their website to make it more accessible.



LGA bulletins

The bulletins from the LGA are now web based



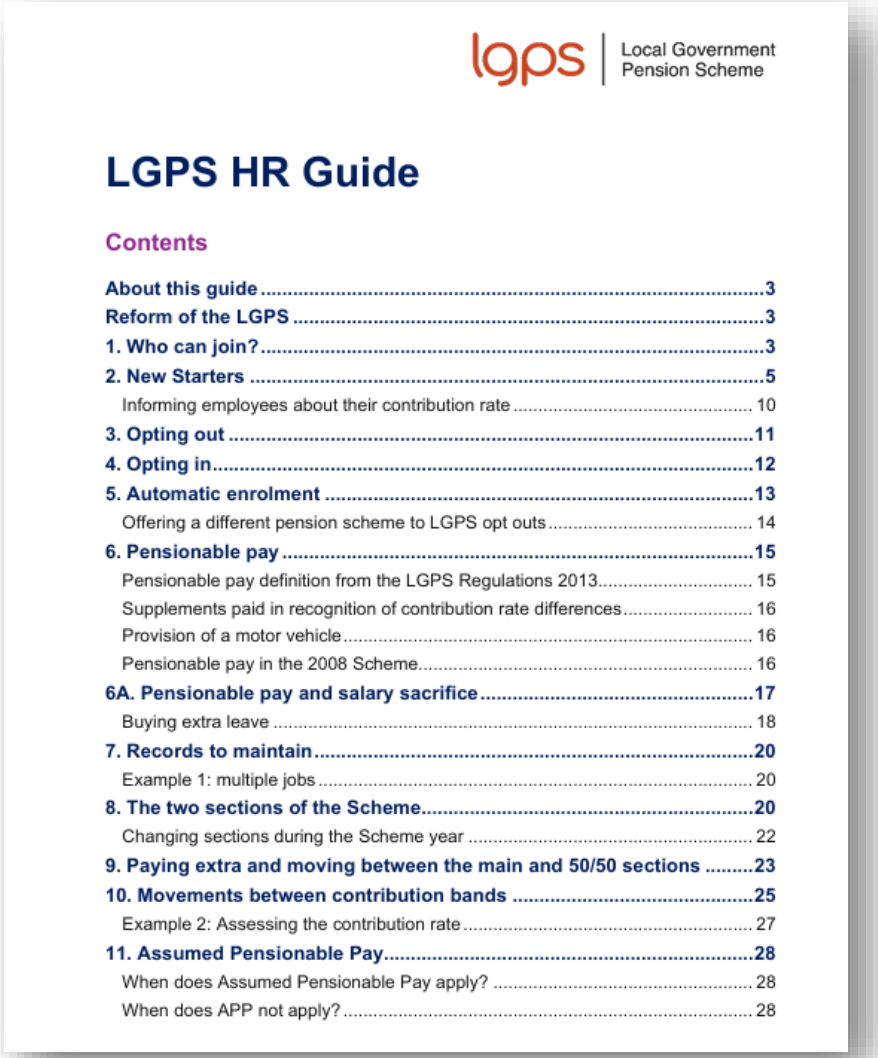
HR and Payroll guides

Dorset County Pension Fund
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https://lgpsregs.org/employer/employer-guidance/

Plus

- backdated pay award FAQ
- Strike FAQ
- QAPA calculator
- Discretions

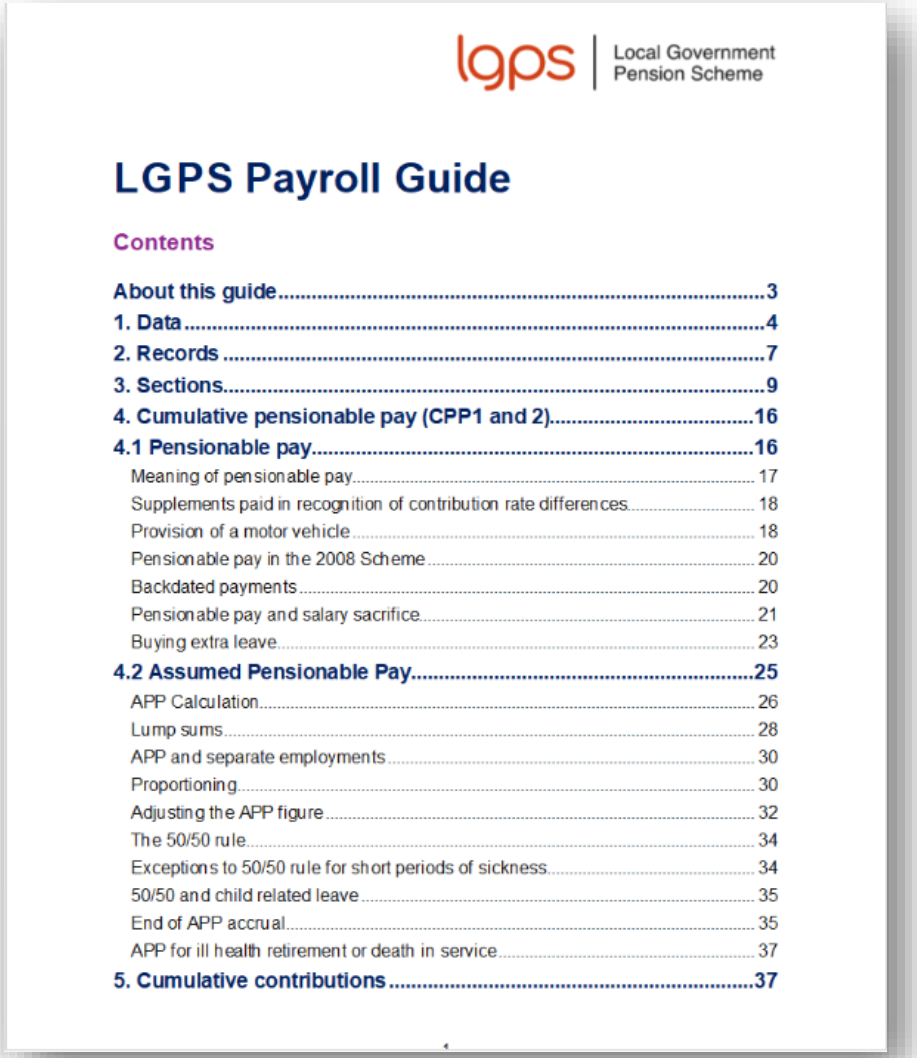


lgps | Local Government Pension Scheme

LGPS HR Guide

Contents

About this guide 3
Reform of the LGPS 3
1. Who can join? 3
2. New Starters 5
Informing employees about their contribution rate 10
3. Opting out 11
4. Opting in 12
5. Automatic enrolment 13
Offering a different pension scheme to LGPS opt outs 14
6. Pensionable pay 15
Pensionable pay definition from the LGPS Regulations 2013 15
Supplements paid in recognition of contribution rate differences 16
Provision of a motor vehicle 16
Pensionable pay in the 2008 Scheme 16
6A. Pensionable pay and salary sacrifice 17
Buying extra leave 18
7. Records to maintain 20
Example 1: multiple jobs 20
8. The two sections of the Scheme 20
Changing sections during the Scheme year 22
9. Paying extra and moving between the main and 50/50 sections 23
10. Movements between contribution bands 25
Example 2: Assessing the contribution rate 27
11. Assumed Pensionable Pay 28
When does Assumed Pensionable Pay apply? 28
When does APP not apply? 28



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LGPS Payroll Guide

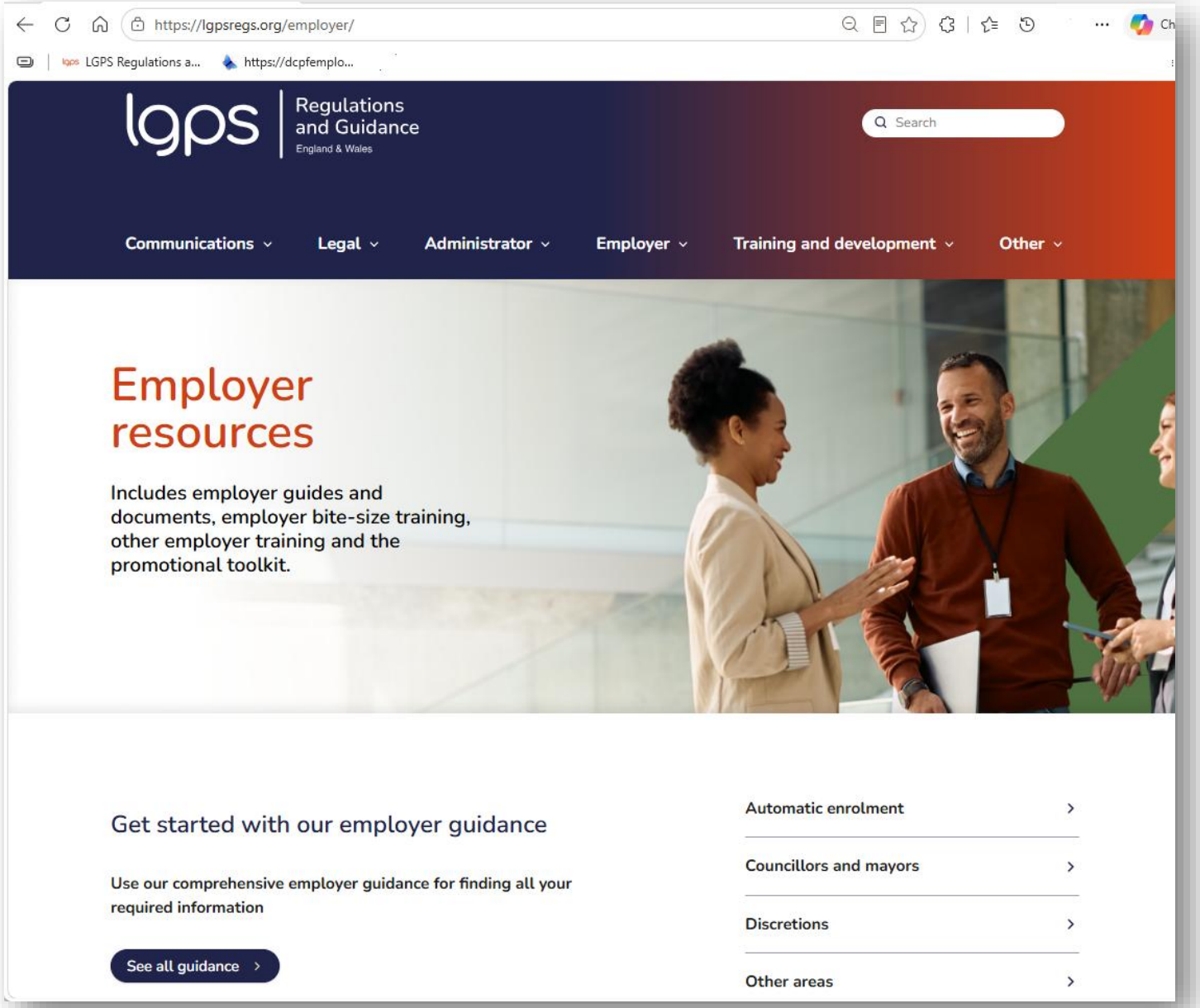
Contents

About this guide 3
1. Data 4
2. Records 7
3. Sections 9
4. Cumulative pensionable pay (CPP1 and 2) 16
4.1 Pensionable pay 16
Meaning of pensionable pay 17
Supplements paid in recognition of contribution rate differences 18
Provision of a motor vehicle 18
Pensionable pay in the 2008 Scheme 20
Backdated payments 20
Pensionable pay and salary sacrifice 21
Buying extra leave 23
4.2 Assumed Pensionable Pay 25
APP Calculation 26
Lump sums 28
APP and separate employments 30
Proportioning 30
Adjusting the APP figure 32
The 50/50 rule 34
Exceptions to 50/50 rule for short periods of sickness 34
50/50 and child related leave 35
End of APP accrual 35
APP for ill health retirement or death in service 37
5. Cumulative contributions 37

LGA Toolkit

Toolkit includes range of materials employers can use directly with workforce, including:

- Promotional video
- Promotional leaflet – available in Word and PDF, and flip book
- Posters – available in standard and print-ready formats
- Social media posts –set of five images with suggested wording and links, provided in a range of sizes for different platforms.



LGA Toolkit video

- There is a useful LGA Support video aimed for members of the pension scheme, available via this link:

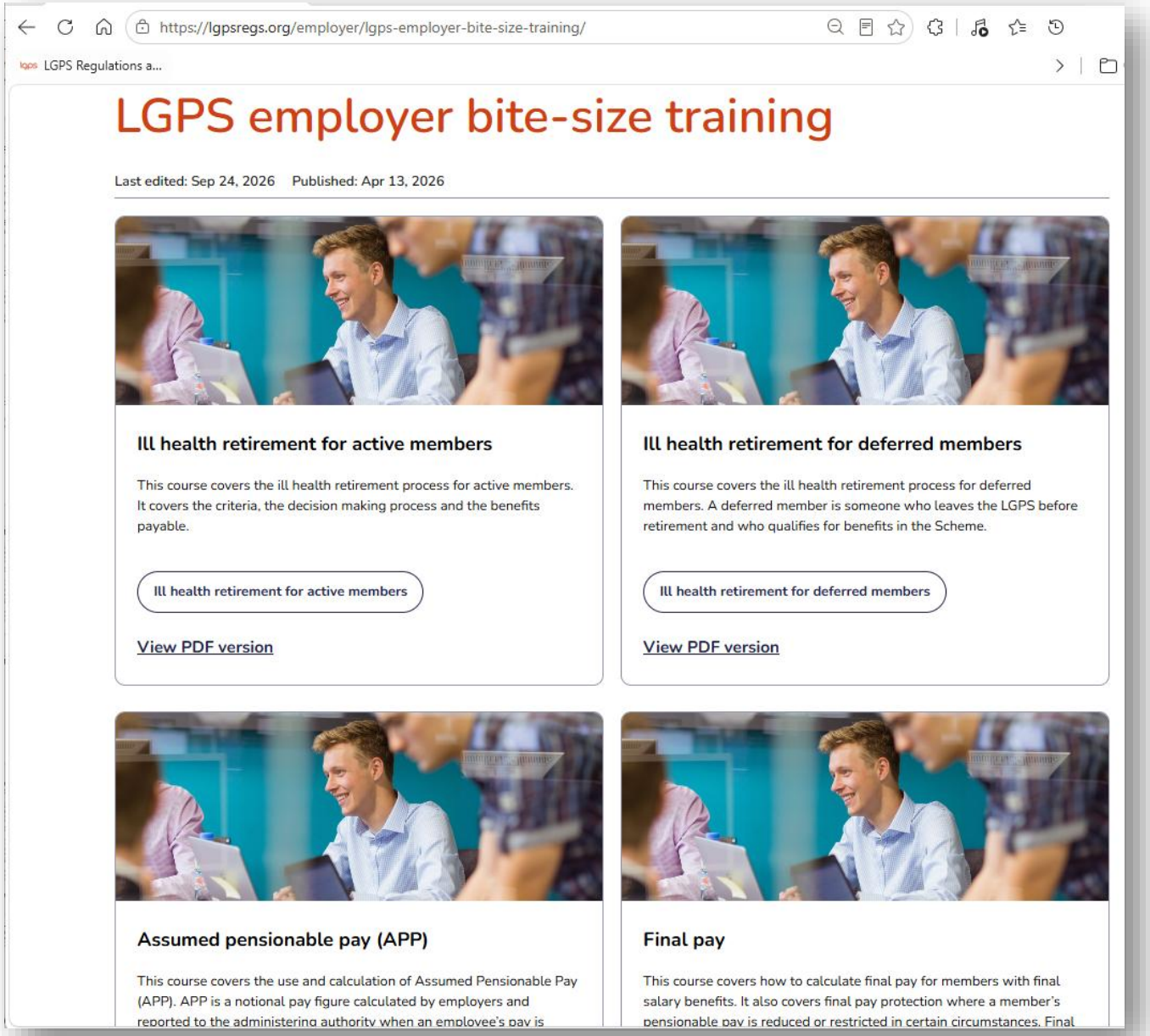
https://www.lgpsmember.org/help-and-support/videos/



LGA training

Bitesize training on

- Ill health retirement for active members
- Ill health retirement for deferred members
- Assumed Pensionable pay (APP)
- Final Pay



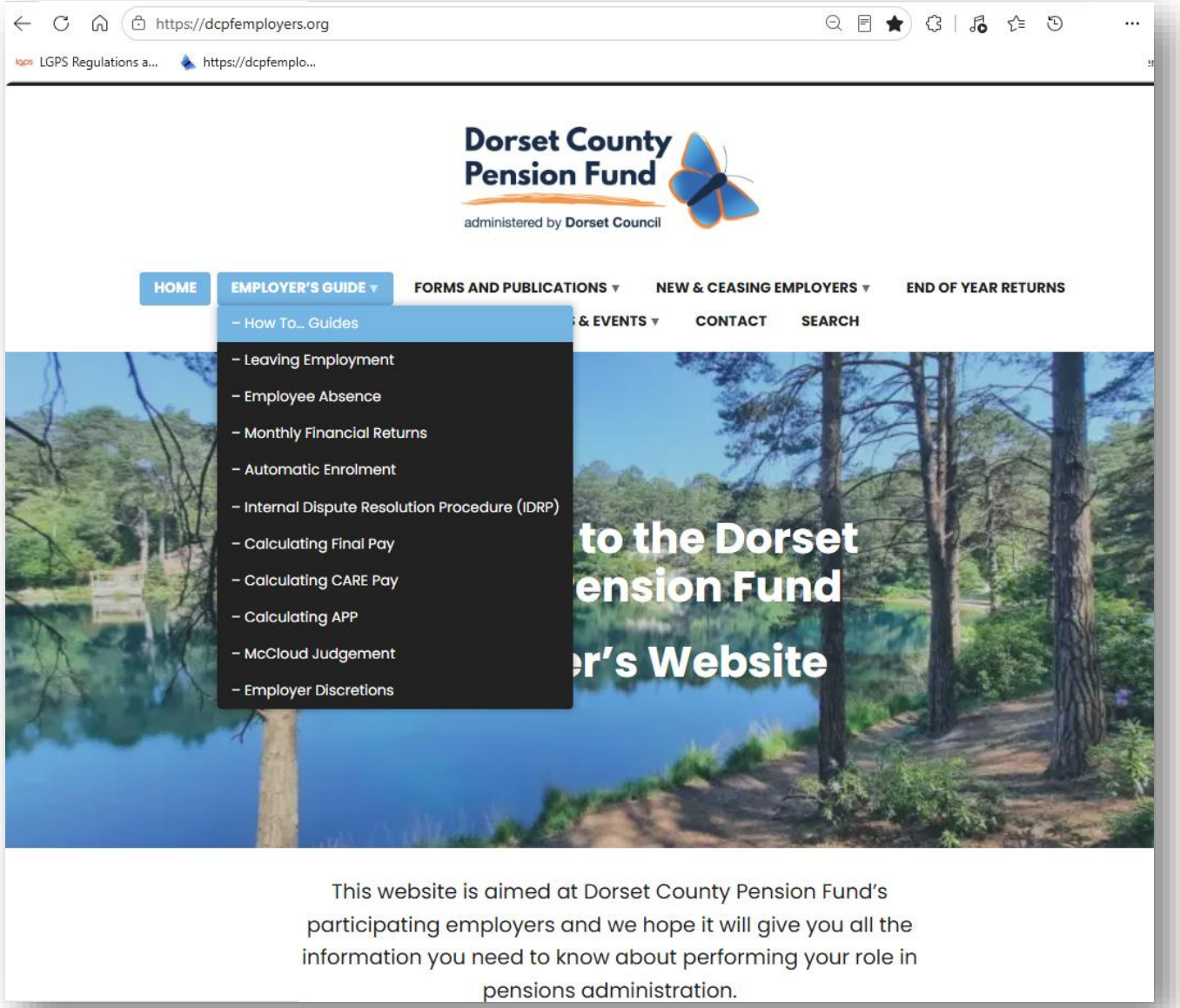
DCPF employer support

Don’t forget!

DCPF website also has training material and guides

Presentations available

Support by email and phone



Changes to Inheritance Tax – April 2027

New rules from 6 April 2027

- Currently, no death grant we pay falls under inheritance tax rules – its outside of the estate
- From 6 April next year this is changing

- **Death In Service Death Grants – remain excluded**

But

- Death Grants paid in respect of deferred and pensioner members will come under inheritance tax rules

Inheritance tax and the LGPS

Dorset County Pension Fund
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- Significant change – lots to consider and understand
- Member communications/forms to change etc
- Training for staff – early next year

Employers;-

- Death in Service/Tier 1 Ill Health comparisons, now more to consider
- Everyone needs to be aware
- Expression of Wish – really important



Inheritance tax and the LGPS

Dorset County Pension Fund
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LGPS Death Grants not huge compared to DC schemes

Of these 186 were paid to a spouse

The remaining 233 were paid to other dependants, commonly Children

Death Grants Paid by Amount from 01/04/2022	
Amounts Paid	Number of death grants
£0 - £1,000	78
£1,001 - £2,000	43
£2,001 - £3,000	26
£3,0001 - £4,000	33
£4,001 - £5,000	13
£5,001 - £10,000	56
£10,001 - £20,000	51
£20,001 - £30,000	42
£30,001 - £40,000	19
£40,001 - £50,000	11
£50,001 - £60,000	9
£60,001 - £70,000	7
£70,001 - £80,000	8
£80,001 - £90,000	5
£90,001 - £100,000	4
£100,000 +	14
Grand Total	419

The biggest DG are paid for death in service, and for pensioners not on pension long and high pension



Inheritance tax and the LGPS

- We need to understand more now, new rules put a lot on administering authorities
- But we will not be experts and cannot give advice

Some figures (from Martin Lewis!)

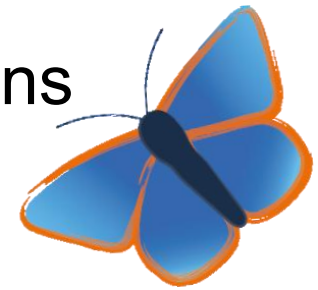
- If deceased, married or in a civil partnership anything passed to spouse is exempt from IHT
- Currently, around 1 in 20 families pay IHT
- Currently IHT threshold £325,000
- It's a complex area, so individuals need to take responsibility

Impact of AI on the LGPS

- New Technology – New Issues!
- Members getting wrong information
  - DC confusion
  - Calculations
  - Decisions e.g. lump sum options, transfers
  - We can’t control what members do
- Financial Advisors
- Complaints
- Fraud and Scams
- We need to consider AI in communications

Pensions Service – New Policy

- Primary Governance for us – Dorset Council's AI Usage policy
- DCPF AI Governance and Usage Policy – new, covers our service specifics
- Will be reviewed annually to take account of new and emerging technologies and challenges
- Policy covers;
  - Need for human oversight
  - Safe and responsible use
  - Protection of member data
  - Compliance with relevant legislation
  - Use in service delivery
  - Managing risks
- Policy applies to all staff, systems and tools employed in the pensions service



TPR Expectations

- The Pensions Regulator (TPR) published on 20 May 26 their expectations for safe and responsible use of AI in the workplace
- Brings opportunities but also new risks, including AI generated scams, bias, fraud and increased cyber threats
- AI plan setting out initial governance expectations
- Accountability lies with us
- Detailed guidance to follow later in year
- Cites a Lloyds bank Group Survey which found;
  - Almost 40% of UK adults have used AI in past 12 months for future financial planning
  - 23% of people aged 25-34 trust AI generated financial advice and insights more than traditional sources



Impact of AI on the LGPS

- Member engagement and communication more critical than ever
- We will continue to send paper ABI and newsletter
- LGPS member presentations are regularly offered– please circulate details to staff. Contact us for more details
- Please ensure your communications are up to date and clear communication about the scheme is provided to your staff
  - Induction process*
- Direct members with pension queries to us
- Raise any concerns to us

End of year Summary 2026

Dorset County Pension Fund
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	2024	2025	2026
Total Number of Returns due to be Processed	165	163	160*
Total Number of Queries	5,868	4,956	4,795
Number of Late Returns	8	11	9
Number of employers with financial penalties	50	34	27
Total financial penalties	£43,750.00	£96,980.00	£59,480
Total CARE Pay posted	£546,889,670.80	£573,362,363.97	£600,485,212.20

Gender	Average CARE Pay Posted
Female	£18,038.21
Male	£27,021.67
Total Members Left During Year	5,526
Total number of returns due at EOY	160*
Returns with missing joiners	9
Returns with missing leavers	23
Returns with members missing on EOY queries	21
Returns with all three above errors	4
Returns with NO missing joiners/leavers/missing on EOY queries	128

Active ABIs 2026

Dorset County Pension Fund
administered by Dorset Council

- 22,727 active ABI's issued in August
- Thank you to our employers for your help and provision of data!
- There is so much work and thought that goes into this
- I am very proud of our annual statements for many reasons, a real team effort
- They are really appreciated by members, and serve a valuable purpose both to members, and us
  - Awareness and understanding
  - Nomination check
  - Check of Care Pay
  - Accuracy – final salary etc
  - Address & marital status check
  - Engagement
  - Feedback form available



TPR Breaches

- As pension administrators, we must report any breaches of the law to the Pensions Regulator

This year, three breaches;

- McCloud Remedy – not completed by 31 August 2026
  - Reported
- McCloud Data – not included in Annual Benefit Illustrations for 2026
  - Reported
- Annual Benefit Statements not issued to some members
  - Not reported as not deemed material

New Positions – Head of Pensions and Independent Person

Local Government Pension Scheme (Amendment)(Governance) regulations 2026

- Came into force 30 June 2026
- Amongst other things, requires funds to have a Head of Pensions and Independent Person appointed by 31 December 2026
- Adverts now live

Local Pension Board - Vacancy

Dorset County Pension Fund
administered by Dorset Council

- We have a vacancy for a member representative on the Local Pension Board
- We will circulate some text for you to share amongst your staff
- Representative could be an active, pensioner or deferred member
- Board – 4 member representatives and 4 employer representatives
- One member rep is from a connected Union
- Please email lgpsemployers@dorsetcouncil.gov.uk for more info



Dorset County Pension Fund

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LGA Bulletins 280 - 283

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Any Other Business