Derbyshire Pension Fund

Local Government Pension Scheme

Employer Newsletter

Issue 238

November 2026



In this issue:

- Investment Strategy Statement consultation
- Ill health retirement process
- Employer Discretions Policy
- LGPS Member appeals
- Draft Annual Report 2026



Investment Strategy Statement consultation

We are consulting with stakeholders on our proposed Investment Strategy Statement. The draft document outlines the Fund's investment strategy and approach to responsible investment.

Contributions collected from employees and employers are invested across a range of asset classes, including listed equities, private equity, private credit, property credit, infrastructure and UK government bonds. These assets generate long term income and capital gains to support the payment of pensions.

We would like as many stakeholders as possible to respond to the consultation. Please share with your employees that this consultation is open.

We issued an email to each Fund employer's main LGPS contact on 5 November 2026 to highlight the opening of the consultation and encourage participation. All consultation documents, including the draft Investment Strategy Statement and supporting information, are available via the consultation link at the end of the article.

We also welcome responses on behalf of scheme employers.

The consultation will close on 31 December 2026.

Ill health retirement process



Local Government Pension Scheme (LGPS) ill health retirement benefits can be paid at any age and are not reduced for early payment.

Employers must deal with potential ill health retirements efficiently and consistently to prevent disputes.

Our 'Employers guide to ill health retirement' is available on the Ill health process page of our website. This guide is designed to help safeguard the interests of the employee and the employer. The document sets out the duties of the employer and will help to avoid unnecessary delays and disputes.

Current employees

If you have an employee in the LGPS who is no longer capable of performing the duties of their current post due to ill health, it is important that ill health retirement is considered. As part of your ill health capability process, an opinion from an occupational health professional should be sought and considered at the earliest opportunity.

There are three possible tiers of ill health pension benefits applicable to current employees being considered for ill health retirement. The tiers relate to the severity of the condition, with tiers 1 and 2 awarding an enhanced pension. The responsibility for determining whether someone is eligible for ill health retirement, and if so, which tier of ill health retirement should apply, sits with the employer.

Our Medical Certificate for a Current Employee, should be completed by an Independent Registered Medical Practitioner and then by a person authorised to release LGPS benefits for the employer. The certificate is used to inform us whether the member is granted ill health retirement, their last day of employment, and at which tier ill health retirement benefits should be paid, if at all.

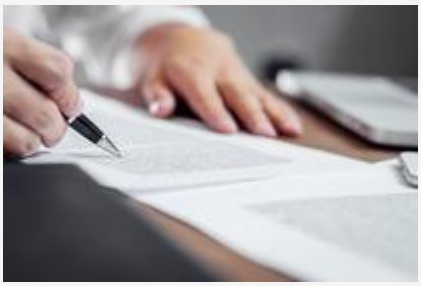
Ex-employees

Your ex-employees, who hold a deferred pension entitlement, can apply to you for early release of their deferred pension on ill health grounds.

No tiers or enhancements are granted to deferred ill health retirements, however, there are no reductions applied for early payment.

As with current employees, an opinion from an occupational health professional should be sought and it is the employer's decision whether ill health retirement is granted.

Please contact us as soon as you receive an application from an ex-employee, so we can issue you with the appropriate medical certificate.



Employer Discretions Policy

LGPS employers are required by law to formulate and publish a policy detailing how you'll apply certain discretions, allowed under the LGPS regulations.

If you have yet to set your discretions policy, you may wish to use the template attached to our Employer discretions webpage, where you can also find further guidance. The template enables you to adopt example discretions.

There are 4 main areas defined by the policy which affect potential costs to you as the employer:

- additional pension contributions
- voluntary retirement under 60
- flexible retirement
- waiving actuarial reductions

You can find more detailed information in the Local Government Association's guide to discretions.

Setting your discretions policy is one of your main LGPS responsibilities. It is also essential that your policy is made available to your employees and that you provide a copy to us.

Your policy should be kept under review, and any changes should be notified to us within one month.

If you would like us to send you a copy of your submitted policy so you can review it, or if you are unsure whether you have submitted yours to us, please contact us at pensions.regs@derbyshire.gov.uk.

In the coming weeks, we will be writing out to those employers whose discretions policy we do not hold a copy of.

LGPS member appeals



Employers and administering authorities make decisions that could affect members' or dependants' pension benefits. These are called 'First Instance Decisions'.

Where an LGPS member disagrees with a decision made by their employer or the Pension Fund, the member has a right to challenge the decision. For example, following an employer decision regarding early release of deferred pension benefits on ill health grounds.

If the member remains dissatisfied after attempting to resolve the situation through an informal complaint, they can submit an appeal through the Fund's Application for Adjudication of a Disagreement Procedure (AADP). The first stage is adjudicated by the employer where they made the first instance decision.

We recommend employers review their internal processes for dealing with stage 1 appeals, and any letter templates they use within their processes to ensure they follow the guidance provided on our website.

If you require any further information regarding the AADP, please email pensions.regs@derbyshire.gov.uk.

Draft Annual Report 2026

We have published a draft version of our latest Annual Report. This relates to the year ended 31 March 2026 and includes:

- the management and financial performance of the Fund
- investment policy and performance
- the administration arrangements during the year

The draft Annual Report 2026 can be found on the annual report page of our website along with annual reports relating to previous years.

Employee details changes

It's important that you let us know as soon as possible when an employee's details change, for
example, their title, name, address. This helps us to minimise the risk of data breaches occurring.

If you're not yet using i-Connect, please notify us using the C1 form when any of your LGPS members change their personal and contact details. Member notification forms

(including the C1 form) are available on the **forms for employers** section of our website.

Email addresses

Our email addresses and what they are used for:

dpf.employers@derbyshire.gov.uk - For submitting **member notification forms**

pensions.tech@derbyshire.gov.uk - For submitting **contribution returns** (CR1s) and payment queries

pensions.regs@derbyshire.gov.uk - For queries relating to **i-Connect** onboarding, regulations, training and events

For queries and requests from members of the LGPS, please direct them to the **enquiry form** on our website.

If you have any queries about the information provided in this Newsletter,

or about the LGPS in general, please contact us at:

Derbyshire Pension Fund, County Hall, Matlock, DE4 3AH

Tel: 01629 538900

Email: pensions.regs@derbyshire.gov.uk

Website: www.derbyshirepensionfund.org.uk

lgps | Local Government Pension Scheme