

LGPS Fit for the Future: our response

The LGPS Amendment Regulations 2026 are now in force. LawDeb submitted a detailed response to the MHCLG's Fit for the Future consultation — helping shape the framework that is now law. Here is what we said, and how we can help funds respond.

Our position

We welcomed the consultation and broadly supported its aims. In our view, the appointment of independent persons has the potential to enhance governance by providing impartial expertise, strengthening decision-making, managing conflicts — particularly around local investments — and providing embedded continuity of knowledge that elected committee members alone cannot.

We argued for a consistent baseline across all funds, while retaining flexibility for administering authorities to adapt requirements to their structures. That balance is reflected in the final regulations.

We also highlighted the governance challenge posed by councillor turnover — and the role the independent person can play in providing continuity, structured induction and sustained knowledge of the fund.

What the regulations now require

Reg 53A — Independent person appointment by 31 December 2026 — named individual, supported by wider team. Firm appointments explicitly endorsed.

Reg 55A — Governance strategy, training strategy and conflicts of interest policy required.

Reg 55B — Statutory knowledge and understanding (TKU) requirements — induction within 3 months of appointment.

Reg 117 — Triennial independent governance review required, aligned to the valuation cycle.

FCA authorisation is not required for the independent person role. No other income from the fund is permitted.

“The appointment of independent persons would enhance governance by providing impartial expertise and strengthening decision-making. Independent advisers or trustees would be particularly effective in managing issues with the potential for conflicts — including in respect of local investments — and in ensuring decisions align with fiduciary responsibilities.”

LawDeb consultation response to MHCLG Fit for the Future

Read our full response

Our full consultation response sets out our detailed views on each of the governance proposals, including on the independent person role, governance reviews, TKU requirements and the senior LGPS officer.

[Download the full response at www.lawdebenture.com/LGPS](https://www.lawdebenture.com/LGPS)

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