

## Bath & North East Somerset Council

MEETING:	AVON PENSION FUND COMMITTEE	
MEETING DATE:	27 March 2015	AGENDA ITEM NUMBER <b>9</b>
TITLE:	LGPS Update: Regulations, Consultations and Codes of Practice	
WARD:	ALL	
<b>AN OPEN PUBLIC ITEM</b>		
List of attachments to this report: Appendix 1 – Update LGPS: Regulations and Guidance Appendix 2 – Consultation: Technical Amendment Regulations: Response Letter		

### **1 THE ISSUES**

- 1.1 The purpose of this report is to update the Committee on the latest position concerning the new Local Government Pension Scheme [LGPS]
- 1.2 Whilst the new scheme is operational there are several areas with implications for the LGPS and the way its administration is carried out. Some of these are as a direct result of the Public Sector Pensions Act 2013. Others are external matters that will impact on the Scheme.
- 1.3 In December 2014, DCLG issued a consultation on technical amendments required as a result of inconsistencies within the initial regulations for the LGPS 2014. A response from Avon Pension Fund on this consultation was made in January 2015.

### **2 RECOMMENDATION**

**That the Committee:**

- 2.1 Notes the current position regarding certain matters that have implications for the LGPS**
- 2.2 Notes that some of the issues in this report do have implications for the administration of the Scheme which has been reflected in the Service Plan and Budget.**
- 2.3 Notes the information regarding the consultation**

### **3 FINANCIAL IMPLICATIONS**

- 3.1 The administrative and management costs incurred by Avon Pension Fund are recovered from the employing bodies through the employer's contribution rates
- 3.2 The specific areas within this report have been assessed and any impact concerning the administration of the Scheme has been considered and incorporated within the Service Plan and Budget.

### **4 LGPS 2014: Other Regulations and Guidance**

- 4.1 Whilst the LGPS benefit regulations were completed, outside overriding legislation has or will affect the LGPS and how we administer the regulations
- 4.2 Some areas are covered separately in this Committee but others have not fully shown their impact on the Scheme.
- 4.3 Appendix 1 sets out a summary of following areas which have important implications for the LGPS going forward :-

<b>Areas with implications for LGPS Administration</b>	<b>Section in Appendix 1</b>	<b>Implications</b>
Public Service Pension Act 2013 [PSPA ] The Pension Regulator Code of Practice	Part A	Change in Administration practices
DCLG: Consultation on Best Value [Local Government equivalent to Fair Deal]	Part B	Change in application of Pensions for outsourced Scheme members
Budget 2014: Flexibility for Pensions Taxation of Pensions Act 2014 Pension Scheme Act 2015	Part C	Potential increases in transferring benefits and Fund implications
Abolition of Contracted-Out Employment in April 2016	Part D	Records must be reconciled to prevent incorrect payments as no HMRC backup as now

### **5 LGPS 2014: Technical Regulations Consultation**

- 5.1 DCLG issued a consultation on some technical amendments required either to correct a reference error or to provide greater clarity. Views were also sought on a couple of other regulatory matters
- 5.2 A copy of the response sent is included as Appendix 2

### **6 RISK MANAGEMENT**

- 6.1 No specific issues to consider.

### **7 EQUALITIES**

- 7.1 None as this report is primarily for information only.

## 8 CONSULTATION

8.1 This report is primarily for information and therefore consultation is not necessary.

## 9 ISSUES TO CONSIDER IN REACHING THE DECISION

9.1 The issues to consider are contained in the report.

## 10 ADVICE SOUGHT

10.1 The Council's Monitoring Officer (Divisional Director – Legal & Democratic Services) and Section 151 Officer (Divisional Director - Business Support) have had the opportunity to input to this report and have cleared it for publication.

<b>Contact person</b>	Alan South Technical Manager (Tel: 01225 395283)
<b>Background papers</b>	<i>Regulations and accompanying notes; Public Sector Pensions Act 2013 The Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014  TPR Code of Practice  Taxation of Pensions Act 2014 Pensions Scheme Act 2015</i>
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