

Bath & North East Somerset Council

MEETING:	AVON PENSION FUND COMMITTEE	
MEETING DATE:	27 September 2013	AGENDA ITEM NUMBER
TITLE:	LGPS 2014 UPDATE [INCL. RESPONSE TO DCLG CONSULTATION]	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – Avon Pension Fund Response – [Benefits] 2 th August 2013 with Annex 1 Appendix 2 – Avon Pension Fund Response – [Councillors] 5 th July 2013		

1 THE ISSUE

- 1.1 The purpose of this report is to present to Committee an update of current events concerning the new Local Government Pension Scheme 2014 [LGPS 2014], including the responses to the consultations received on draft regulations. Actual regulations are expected to be in place for implementation of the new scheme from 1 April 2014.
- 1.2 As reported at the June Committee, a further consultation document with draft regulations was issued by the Department of Communities and Local Government [DCLG] on 20 June 2013, concerning further changes made to the Benefit Regulations as a result of the consultation responses already received in February and May 2013. The closing date for response was 2 August 2013. A copy of the response made by Bath and North East Somerset as administering authority is attached as Appendix 1 together with accompanying annex.
- 1.3 Also reported was the discussion document in respect of Councillors Pensions and a copy of the response letter is attached as Appendix 2
- 1.4 At the meeting officers will give a verbal update on the latest developments on LGPS 2014.

2 RECOMMENDATION

That the Committee:

- 2.1 Note the response made in August 2013 by Bath and North East Somerset Council in connection with the relevant consultations**

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 There are no specific financial implications.

4 LGPS 2014: Responses to consultations on draft Regulations 2013

- 4.1 In view of the fact that the LGPS 2014 has to be operational from 1 April 2014 the period for response in each case was reduced from the normal 12 weeks to 6 weeks.
- 4.2 The draft consultation concerned changes made to the benefit regulations previously consulted upon earlier this year. Like the previous draft the consultation concerned changes of a technical nature involving regulations and their interpretation. A response was made to this on 2nd August 2013 [Appendix 1 with Annex 1]
- 4.3 There was some suggestions in Government that the facility for allowing Councillors to be in the LGPS should be removed, however the consultation regarding this put forward 3 options.
 - 1. ALLOW CONTINUED MEMBERSHIP
 - 2. ALLOW FOR SELECTED ELECTED INDIVIDUALS AND CABINET MEMBERS
 - 3. REMOVE FACILITY FOR MEMBERSHIP
- 4.4 The main decision as to which option should be taken forward was left for individual councils to respond. From an administrative perspective a key factor is to ensure that calculations match those in the main scheme rather than have two different career average schemes
- 4.5 If option 2 is chosen then because of the very small number of people affected it should be arranged for this to be contained within the main scheme.
- 4.6 A copy of the response letter from an administrative perspective is attached as Appendix 2

5 LGPS 2014: Other Developments

- 5.1 There has been a very limited consultation on the draft Transitional Regulations sent out to a selective group containing mainly scheme actuaries. There are still several areas regarding these regulations that are being negotiated and further developments are awaited.
- 5.2 Despite several requests to DCLG, no anticipated timescales for actual regulations has been received.

6 RISK MANAGEMENT

6.1 No specific issues to consider.

7 EQUALITIES

7.1 An equalities impact assessment is not necessary as the 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 - Finance) have had the opportunity to input to this report and have cleared it for publication.

Contact person	Alan South Technical Manager (Tel: 01225 395283)
Background papers	<i>Consultation documents and responses</i>
Please contact the report author if you need to access this report in an alternative format	