

Bath & North East Somerset Council

MEETING:	AVON PENSION FUND COMMITTEE	
MEETING DATE:	28 March 2014	AGENDA ITEM NUMBER 9
TITLE:	LGPS 2014: UPDATE & Information on Related Consultations	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 – LGPS 2014 – Transitional Regulations (Protections and Councillors) Appendix 2 – Scheme Shadow Advisory Board Recommendations from the Call for Evidence Appendix 3 – TPR Consultation		

1 THE ISSUE

- 1.1 The purpose of this report is to update the Committee on the latest position concerning the new Local Government Pension Scheme 2014 [LGPS 2014] and related consultations. All consultations on draft regulations have been reported at previous committees.
- 1.2 As reported previously, the regulations for the new benefit structure were issued on 20 September 2013 with the Transitional Regulations due in the following few weeks. However, after several delays and a further two sets of draft regulations not for general release, the Local Government Pension Scheme (Transitional Provisions and Amendment) Regulations 2014 were finally released on 10 March 2014. These regulations cover the protections for the current scheme benefits and also including the future of Elected Member's participation within the scheme. The implementation date for the new scheme is 1 April 2014
- 1.3 At the meeting officers will give a verbal update on the latest developments on LGPS 2014
- 1.4 There have been other movements with related consultations and these are reported here

2 RECOMMENDATION

That the Committee:

- 2.1 Notes the current position regarding the LGPS 2014. Regulations and changes
- 2.2 Notes the information regarding consultations and any responses received
- 2.3 Notes the efforts of the Pension Staff under increasing pressures because of the lack of complete regulations.

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: Regulations issued

- 4.1 As reported at the previous meeting in December regulations regarding the LGPS going forward from April 2014 had been received. The Transitional Regulations dealing with the protections for the benefits accrued prior to April 2014 and the future of Councillor Members' eligibility in the Scheme were issued on 10 March 2014. The DCLG have still to release the Government Actuary guidance required within the regulations.
- 4.2 A summary of the details from the Transitional Regulations is attached as Appendix 1
- 4.3 The reduced timescale between the regulations coming out and the implementation date has required some changes in producing benefit calculations for post 1 April leavers as software adjustments are still required but these are being controlled to ensure as minimal delay as possible for the Scheme members concerned

5 LGPS 2014: Administration

- 5.1 The Pension Section has set up a project plan to cover all the administration needed to provide a complete introduction of the new arrangements. The plan covers all aspects of communicating with relevant parties [especially scheme members and employers]. Sessions have already commenced in both these areas. Details of the project plan and basic details of the new scheme will be presented at a workshop prior to this meeting
- 5.2 Initial response to the Scheme Member sessions has been very encouraging and there are over 100 of these sessions confirmed to date.
- 5.3 An initial workshop for employers on discretions which included a session from the Pensions Ombudsman's Office was very well received and has resulted in such a very positive response from employers that further sessions are being set up for early April.
- 5.4 The Committee are asked to note the efforts of the Administration Staff in what has been a very difficult time with the delayed regulations and also the need to be flexible to enable the seminars to be included within the work scheduling.
- 5.5 Indeed one employer has requested a large number of redundancy estimates with leaving dates both before and after 1 April resulting in the need to be able to adapt to the changes within the new arrangements at very short notice.

6 LGPS 2014: Other Consultations

- 6.1 As a result of last year's Call for Evidence on the future of the LGPS Funds, the Scheme Shadow Advisory Board issued some recommendations and these have been included in Appendix 2.
- 6.2 In December 2013 The Pension Regulator issued a consultation for their Code of Practice with a closing date for responses of 17 Feb 2014.

6.3 A draft response was circulated to all Pension Committee Members before the response was sent on the 17 Feb 2014 (Appendix 3).

7 RISK MANAGEMENT

7.1 No specific issues to consider.

8 EQUALITIES

8.1 None as this report is primarily for information only.

9 CONSULTATION

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

10 ISSUES TO CONSIDER IN REACHING THE DECISION

10.1 The issues to consider are contained in the report.

11 ADVICE SOUGHT

11.1 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.

Contact person	Alan South Technical Manager (Tel: 01225 395283) Liz Woodyard, Investments Manager (Tel: 01225 395306)
Background papers	<i>Regulations and accompanying notes; Call for Evidence; Shadow Board Recommendations Report TPR Consultation</i>
Please contact the report author if you need to access this report in an alternative format	