

Bath & North East Somerset Council

MEETING:	AVON PENSION FUND COMMITTEE	
MEETING DATE:	23 September 2016	AGENDA ITEM NUMBER
TITLE:	LGPS: Regulatory update	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1 –Response Letter to the DCLG Consultation on Draft LGPS Amendments including Fair Deal Proposals (including 2 appendices)		

1 THE ISSUES

- 1.1 The purpose of this report is to update the Committee on the latest position concerning the Local Government Pension Scheme [LGPS] and proposed regulatory matters that affect scheme administration. This includes any responses to consultations that have been made.
- 1.2 It also updates the position on HM Treasury position on the three consultations on Exit Payments within the public sector.
- 1.3 There will be a verbal update on the project to pool assets at the meeting.

2 RECOMMENDATIONS

That the Committee notes:

- 2.1 The current position regarding the potential changes that would affect the administration of the Fund.**
- 2.2 The current position regarding HM Treasury consultations and pending commencement dates.**
- 2.3 The verbal update on pooling of assets.**

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 Some of the issues being proposed is intended to reduce costs on certain payments employers make on early retirements
- 3.3 Any other specific areas will be reported as required.

4 LGPS 2014: Further Regulations Amendments

- 4.1 As reported in June a consultation regarding draft legislation was issued by DCLG on 27 May 2016 on a number of regulatory issues and also there proposals to implement regulations in the LGPS to incorporate the Government's guidance on Fair Deal issued in October 2013.
- 4.2 Officers after reviewing the recommendations and also taking on board information received by the Fund Actuary and Local Government Association have submitted a response to these proposals. A Copy of this response letter is included as Appendix 1

5 Treasury Consultations on Exit Payments

- 5.1 As reported in June further information was awaited from HM Treasury regarding these new regulations and commencement dates. The first set of regulations was expected to be operative by 1 April 2016. However delays in issuing a commencement order and with Parliamentary time limited before the summer recess no further progress has been made.
- 5.2 The next provisional proposed date is 1 October 2016 but when Parliament reconvenes it has been reported that there could again be further delays as other business will be considered a higher priority.

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.

Contact person	Alan South Technical Manager (Tel: 01225 395283) <i>[Geoff Cleak Acting Pension manager 01225 395277]</i>
Background papers	<i>Regulations and accompanying notes;</i> <i>DCLG Consultation May 2016</i> <i>LGPS Regulations 2013</i>
Please contact the report author if you need to access this report in an alternative format	