

Bath & North East Somerset Council

MEETING:	AVON PENSION FUND COMMITTEE		
MEETING DATE:	23 June 2017	AGENDA ITEM NUMBER	17
TITLE:	LGPS: Regulatory update		
WARD:	ALL		
AN OPEN PUBLIC ITEM			
List of attachments to this report:			
Appendix 1 – List of current developments affecting or expected to affect Scheme Administration			

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 any proposed regulatory matters that could affect scheme administration. This includes any responses to consultations that have been made.
- 1.2 An updated list is included in Appendix 1
- 1.3 The current position regarding LGPS amendment regulations and the proposed Exit Payment regulations is included in this report

2 RECOMMENDATIONS

That the Committee:

- 2.1 Notes the current position regarding the developments that could affect the administration of the Fund.**
- 2.2 Notes the current position regarding HM Treasury Exit Payments Legislation and potential timescales**

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 Update

- 4.1 The amendment regulations are still awaited. At the previous meeting it was reported that the section relating to Best Value/Fair Deal was to be made into a separate item. It is now expected that the part dealing with Freedom and Choice for AVCs will also be set out from the draft regulations
- 4.2 There will be further consultations on both of these issues.
- 4.3 The other amendments in the draft are being considered on a topic by topic basis and DCLG will try to move these forward as appropriate
- 4.4 A further delay will occur because of the General Election

5 Treasury Consultations on Exit Payments in the Public Sector

- 5.1 .This relates to the following
 - 1) Recovery Regulations [earners over £80k who leave with exit payment and then re-join public sector within one year]
 - 2) Exit Pay Cap [£95k]:
 - 3) Further Reforms [reducing exit payments by including pension costs]
- 5.2 No further developments have been reported and further consultations are expected on 2) and 3)

6 Supreme Court decision Northern Ireland case

- 6.1 .This was reported in March where a member of the LGPS for Northern Ireland died in December 2009 and when his Partner claimed a survivor's pension was refused on the grounds that the member had not completed a form nominating her partner as a Co habiting partner.
- 6.2 Following the full legal process the Supreme Court decided that the form was not a required element and that the Partner's pension should be paid from 2009.
- 6.3 It was around this time that the other LGPS schemes in England/Wales and Scotland were being changed and both had the requirement for a Co-habiting Partner Nomination form removed.
- 6.4 DCLG are currently looking into whether the LGPS needs to consider whether any decisions made under the previous LGPS Regulations (E & W) for the period April 2008 – March 2014 should be reviewed.

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) <i>[Geoff Cleak Pension manager 01225 395277]</i>
Background papers	<i>Regulations and accompanying notes; DCLG Consultation May 2016 LGPS Regulations 2013 Exit Payment Consultations</i>
Please contact the report author if you need to access this report in an alternative format	