
Subject: LOCAL GOVERNMENT PENSION SCHEME 2014

Meeting and Date: General Purposes Committee – 13 March 2017

Report of: David Randall, Director of Governance

Classification: Unrestricted

Purpose of the report: This report seeks approval of the revised Pensions Discretion Policy Statement which is required under the Local Government Pension Scheme Regulations 2013

Recommendation: That General Purposes Committee:

1. Approve the revised Pension Discretion Policy Statement attached at Appendix 1;
 2. Appoint Yunus Garja as the adjudicator for the purposes of Regulation 74 of the Local Government Pension Scheme Regulations 2013;
 3. Authorise the Director of Governance to make any necessary minor changes to the Pensions Discretion Policy Statement
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1. Summary

The new Local Government Pension Scheme 2014 (LGPS) was introduced on 1 April 2014. This required that all scheme employers review their existing pension policy statements and publish new policy statements in line with the Local Government Pension Scheme Regulations 2014. Members are now asked to approve the revised statement and to appoint an adjudicator in line with these regulations.

2. Introduction and Background

- 2.1 The Local Government Pension Scheme Regulations 2014 (the Regulations), reg.60, requires all scheme employers to publish and keep under review a written policy statement on how they will apply their discretionary powers in relation to certain provisions of the scheme. The new LGPS came into effect on 1 April 2014.
- 2.2 By virtue of reg. 60 of the Regulations, the Council was required to publish and send a copy of its revised statement to the relevant administering authority (Kent County Council in this case) by 1 July 2014. There was a slight delay in the preparation of the original statement but it was approved by General Purposes Committee on 22 September 2014.
- 2.3 The LGPS 2014 Scheme accommodates a number of changes following the Government's fundamental review of public sector pension provision. The main modification to the 2014 scheme was the change from a final salary scheme to a career average re-valued earning scheme. Benefits accrued by members prior to 1 April 2014 are largely unaffected by the new scheme and those benefits will continue to be assessed on a final salary basis rather than a career averaged scheme.

2.4 The Pension Discretion Policy Statement now requires review in accordance with the provisions of paragraph 17 of the statement. Members will see a copy of the amended statement at Appendix 1. Appendix 2 is a brief summary of the changes. There are minimal changes and are suggested for the purpose of making the policy more straight forward and for clarification.

2.5 The Regulations require that in preparing or making revisions to its statement of policy, a scheme employer must have regard to the extent to which the exercise of any of the functions within its policy could lead to a serious loss of confidence in the public service.

3. **Identification of Options**

3.1 The options for General Purposes Committee are:

(a) To approve the revised statement of policy and appoint the Mr Yunus Garja as the adjudicator for the purposes of reg. 74.

(b) To reject the recommendation

3.2 The preferred option is option (a).

4. **Evaluation of Options**

4.1 The statement of policy will ensure compliance with the requirement to prepare and publish a statement of policy in reg. 60 of the Regulations.

4.2 To reject the recommendation is not advised as the Council will be acting contrary to its own policy to review its statement of discretions under the Regulations.

5. **Resource Implications**

5.1 Although there are no direct resource implications in relation to the review of the policy, it is possible that the Council may incur costs that are outside of the original budget when exercising a discretion within the policy. Each decision will be made by the relevant director together with the Director of Finance, Housing & Community and in consultation with EK Human Resources. A decision which relates to the exercise of a discretion in respect of a Chief Officer will be referred to this Committee for a decision.

6. **Corporate Implications**

6.1 Comment from the Section 151 Officer: Finance has been consulted and has nothing further to add (SB).

6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make

6.3 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications however, in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>.

6.4 Other Officers (as appropriate):

7. **Appendices**

Appendix 1 – Draft Pension Discretions Policy Statement

Appendix 2 – Summary of Changes

8. **Background Papers**

Dover District Council Early Retirement Policy (Pensions, Redundancy and Efficiency)

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