

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **CLWYD PENSION FUND COMMITTEE**
DATE: **24th MARCH 2015**
REPORT BY: **CHIEF OFFICER (PEOPLE AND RESOURCES)**
SUBJECT: **LGPS CURRENT ISSUES UPDATE**

1.00 PURPOSE OF REPORT

1.01 The purpose of this report is to ensure that the Members of the Committee as far as possible remain aware of the National and Local issues facing the management and operation of the Local Government Pension Scheme.

2.00 BACKGROUND

2.01 Mercer's regular "current issues" documents focus on the Regulations and other matters and form the background of this report for the Committee meeting.

2.02 Any items that the Fund Actuary, a Pension Fund officer, or a member of the Advisory Panel believe is of key significance will be highlighted in section 3 of this report.

3.00 CONSIDERATIONS

3.01 It is recommended that all Members familiarise themselves with all the current issues listed.

3.02 Key items to be noted since the last current issues report are:

- A brief update on the Trivial Commutation changes which is important to the exercise the CPF will undertake and the administration process
- Scheme Advisory Board's work on deficit management and the Secretariat's pilot scheme across funds concerning their assessment against a set of Key Performance Indicators
- TPR Consultations on Compliance and Enforcement, Member guidance for DB to DC transfers (in order to access the DC "freedoms")
- Following on from this, and in the context of the new freedoms, work is ongoing centrally in the context of reducing transfer values paid from the LGPS if funding levels require it.
- The final Governance Regulations (including Cost Management aspects) have been laid, in amongst other things enabling the formal establishment of Local Pension Boards.
- TPRs Code of Practice has also been finalised, due to come into legal effect on 1 April. TPR have developed a Public Service Schemes section of their website, including an e-learning Toolkit.

- An update on what some Local Authorities in England are looking at in relation to their Councillor members, following their exclusion from the Scheme last year.
- The Cabinet Office has updated their Public Sector Transfer Club Memorandum following the move to a CARE benefit structure for all remaining Public Service Schemes on 1 April 2015. Implications of the changes are being considered centrally for the LGPS as it introduces significant complexity to administering transfers from schemes like the NHS Scheme due to the requirement to maintain the NHS indexation before retirement which is different to the LGPS.

3.03 The Fund Actuary, Advisory Panel members and pension fund officers will be present to answer any questions that Members may have.

3.04 Some of the resultant actions for the Fund will be noted in other reports.

4.00 RECOMMENDATIONS

4.01 That Committee Members note the report.

5.00 FINANCIAL IMPLICATIONS

5.01 None directly as a result of this report.

6.00 ANTIPOVERTY IMPACT

6.01 None directly as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None directly as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None directly as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report

10.00 CONSULTATION REQUIRED

10.01 None directly as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 None directly as a result of this report.

12.00 APPENDICES

12.01 LGPS Current Issues

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers: Attached document from Mercer

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