

Regulatory update and Consultations

Report of the County Treasurer

Please note that the following recommendations are subject to consideration and determination by the Board before taking effect.

Recommendation: that the Board note the changes to the scheme regulations, review the consultations and provide any comments to Investment and Pension Fund committee

1. Introduction

- 1.1. The Ministry for Housing, Communities and Local Government (MHCLG) in its capacity as stewards of the LGPS, have published the LGPS (Miscellaneous Amendment) Regulations 2018 and have also issued a consultation on 'Fair Deal'.

2. The LGPS (Miscellaneous Amendment) Regulations 2018

- 2.1. The above regulations were laid before Parliament on 18 December 2018 and came into force on 10th January 2019 with the exception of some regulations which are backdated. The regulations amend the LGPS 2013 Regulations and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.
- 2.2. These regulations are correcting an unintended error in the LGPS (Amendment) 2018 Regulations to provide that deferred members who left under the 1995 Regulations are able to take payment of their LGPS pension without the need for their former employer's consent from age 55, with the appropriate reduction for early payment.
- 2.3. Following the Supreme Court Ruling in the Walker v. Innospec case back in July 2017, changes have been made to survivor benefits. Pensions paid to survivors of civil partnerships or same sex marriages will be equal to those provided to widows of male members. These changes will be backdated to 5th December 2005 in respect of a surviving civil partner and 13th March 2017 in respect of a surviving spouse of a same sex marriage.
- 2.4. The regulations now provide for MHCLG to issue statutory guidance on the operation of the scheme rules. The LGPS is a single scheme but administered locally and the intention is to avoid funds taking different approaches, especially in relation to sensitive areas such as eligibility for survivor benefits.

3. Local Government Pension Scheme: Statutory Guidance on Asset Pooling

- 3.1. On 3rd January MHCLG issued an informal consultation on draft Statutory Guidance on Asset Pooling. This guidance replaces previous guidance and builds on previous Ministerial communications and guidance on investment strategies.
- 3.2. Officers consider this guidance to be in line with their current understanding of the Government's intentions, and therefore are not currently proposing to respond to the consultation subject to any views being expressed by the Pension Board or Investment

and Pension Fund Committee. The consultation closes 28th March 2019 and is attached in appendix 1.

4. Conclusion

- 4.1. The Board is asked to review the consultation and provide comments for inclusion in the fund's response.

Mary Davis

Electoral Divisions: All
Local Government Act 1972
List of Background Papers - Nil
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