

CYNGOR SIR POWYS COUNTY COUNCIL.

**Pensions and Investment Committee
25th February 2010**

REPORT BY: Head of Finance & Corporate Performance

SUBJECT: LGPS etc Amendments

REPORT FOR: Information

1 Introduction

- 1.1 On 31st December 2009 the Local Government Pension Scheme (Miscellaneous) Regulations 2009 [SI. 2009 No. 3150] came into force.
- 1.2 These regulations amend the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (“ the Compensation Regulations”), the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (“the Benefits Regulations”), the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (“the Transitional Regulations”) and the Local Government Pension Scheme (Administration) Regulations 2008 (“the Admin Regulations”).

2. Amendments to the Compensation Regulations

- 2.1 The amendments to the Compensation Regulations are consequential and simply replace references to the ‘old’ pre 2008 LGPS.

3. Amendments to the Benefits Regulations

- 3.1 In regulation 4, the addition of two further exclusions from the definition of pensionable pay. These are any payments by way of compensation for the purposes of achieving equal pay in relation to other employees.
- 3.2 Regulation 10 (Final pay: reductions) is replaced with a new version which adds four further circumstances to those where regulation 10 will apply following a reduction or restriction in pay:
- 3.3 The insertion of new regulation 12A to permit employing authorities to re-instate membership where a member who is subject to a reduction in accrued membership due to Enhanced Protection under the Finance

Act 2004 subsequently loses or chooses not to have that Enhanced Protection applied.

- 3.4 The insertion of new regulations 12B and 13A to permit employing authorities to resolve, before 31 March 2012, to convert periods of Compensatory Added Years, annual compensation or annuities awarded under Discretionary Compensation Regulations into membership. The Council has a large number of these cases and therefore this amendment requires further detailed consideration. A separate paper on the matter will be brought to Committee at a future date.
- 3.5 The insertion of new regulation 14A to permit members with nominated co-habiting partners to elect, before 1 April 2011, to pay additional survivor benefit contributions (ASBCs) so that pre 6 April 1988 membership can count in the calculation of the nominated co-habiting partner's benefits. Matters are in hand to offer this facility to those scheme members who are eligible to pay these additional contributions.

4. **Amendments to the Transitional Regulations**

- 4.1 Pre 6 April 1988 periods of membership are to be included on the calculation of a Civil Partner's pension.
- 4.2 For members who leave and defer their LGPS benefits after 31 March 2008, the death grant shall be their deferred pension multiplied by 5 (including that element of their deferred pension relating to any active membership before 1 April 2008).

5. **Amendments to the Admin Regulations**

- 5.1 The insertion of new regulations 24A and 24B that relate to the payment of and discontinuance of ASBCs (see paragraph 3.5 above).
- 5.2 The replacement of the current regulation 40 (employer's payment following resolution to increase membership or award additional pension) as a result of the insertion of new regulations 12B and 13A in the Benefits Regulations (see paragraph 3.6 above).
- 5.3 The insertion of new regulation 50A covering the payment of Guaranteed Minimum Pensions.

6. **Recommendations**

- 6.1 Committee is asked to note the contents of this report.

Recommendation:	Reason for Recommendation:
To note the contents of the report.	

Person(s) To Action Decision:	Joe Rollin
Date By When Decision To Be Actioned:	

Relevant Policy (ies):	N/A		
Within Policy:	N/A	Within Budget:	N/A

Contact Officer Name:	Tel:	Fax:	Email:
Joe Rollin	08708 510264	01597 826290	joe.rollin@powys.gov.uk

Relevant Portfolio Member(s):	Councillor Gwilym Vaughan
Relevant Local Member(s):	