

# Impact Assessment

Reduce pension contribution by .6% for the 3rd year of the actuarial plan



DRAFT

06/01/2022

Reference: 4124-8075-0928-6167

Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

# 1. Proposal Information

<b>Author name</b>	Anne Phillips, Deputy Head of Finance
<b>Head of service</b>	Nicole Thomas, Head of Finance (Section 151 Officer)
<b>Portfolio holder</b>	Aled Davies, portfolio holder for Leader of the Welsh Conservative Group/ Deputy Leader and Portfolio Holder for Finance and Transport
<b>Proposal title</b>	Reduce pension contribution by .6% for the 3rd year of the actuarial plan
<b>Description of proposal</b>	Reduce the current pension contribution rate from 26.2% by 0.6% to save £500k. We are currently over recovering contributions to meet the annual lump sum requirement resulting in a surplus which is being held in a pension reserve in readiness for the actuarial review in 2023 and help support the revenue budget for the following 3 years. This proposed adjustment will realign the contribution rate down whilst still recovering what is required. This will be released to help the FRM service pressures

## 2. Savings and Consultation requirements

### Profile of savings delivery

2021-22	2022-23	2023-24	2024-25	2025-26	2026+	Total savings
£0	£500,000	£0	£0	£0	£0	£500,000

### Further information

this is just a budgetary adjustment which has been used to fund the pension reserve in readiness for the next actuarial review in 2023

### Consultation requirements

<b>Consultation required?</b>	No
<b>Justification</b>	Consultation is not required as this is an internal budget movement that ceases a contribution to pension reserve

### 3. Impact on other service areas, geographical areas and data protection

#### 3a. Impact on other service areas

[Redacted]

#### 3b. Impact on geographical locations

The entire county

#### 3c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals?	No
Is Powys County Council the data controller?	No
Further information	[Redacted]

### 4. Impact on Vision 2025

#### 4a. The economy

Impact	None
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#### 4b. Health and care

Impact	None
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#### 4c. Learning and skills

Impact	None
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#### 4d. Residents and communities

Impact	None
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## 4e. Evidence

This proposal will strengthen delivery of vision 2025 as it reallocates £500k of budget to support service pressures

## 5. Impact on well-being goals including Welsh language and equalities

### 5a. A prosperous Wales

Impact	None
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### 5b. A resilient Wales

Impact	None
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### 5c. A healthier Wales

Impact	None
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### 5d. A Wales of cohesive communities

Impact	None
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### 5e. A globally responsible Wales

Impact	None
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### 5f. A Wales of vibrant culture and thriving Welsh language

#### Using Welsh

Impact	None
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#### Promoting Welsh

Impact	None
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#### Sports, Art & Recreation

Impact	None
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## 5g. A more equal Wales

### Age

Impact	None
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### Disability

Impact	None
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### Gender Reassignment

Impact	None
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### Marriage or Civil Partnership

Impact	None
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### Race

Impact	None
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### Religion or Belief

Impact	None
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### Sex

Impact	None
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### Sexual Orientation

Impact	None
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### Pregnancy and Maternity

Impact	None
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### Socio-economic Duty

<b>Impact</b>	None
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## 5h. Evidence

no impact
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## 6. Impact on key guiding principles & workforce

### 6a. Sustainable development principles

#### Long-term

<b>Impact</b>	None
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#### Collaboration

<b>Impact</b>	None
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#### Involvement (including Communication and Engagement)

<b>Impact</b>	None
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#### Prevention

<b>Impact</b>	None
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#### Integration

<b>Impact</b>	None
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### 6b. Impact on the workforce

<b>Impact</b>	None
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### 6c. Impact on payroll

<b>Impact</b>	None
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## 6d. Welsh language impact on staff

Impact

None

## 6e. Impact on apprenticeships

Impact

None

## 6f. Evidence

No impact

## 7. Likelihood and risks

No risks documented

## 8. Overall summary and judgement

### Outline assessment

not applicable

Cabinet reference

## 9. Additional evidence

nothing to add in here as the proposal releases funding to support service pressures

## 10. Ongoing monitoring arrangements and governance

### Monitoring arrangements

the actuarial review in 2023 will assess the change in contribution levels accounting for the pension reserve held. The level of contribution will continue to be reviewed annually

**Review date**

31/01/2023

null

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