

ANNEX1

Date: 01 August 2013

Our Ref: SAF/

Your Ref:

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LGPS 2014 Consultation
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**Sally Fox
Pensions Services Manager**

Dear Philip,

Local Government Pension Scheme (LGPS) – 2014 Consultation

I am writing on behalf of Oxfordshire County Council Pension Fund in reply to the consultation paper issued in June 2013. Please find our comments below:

Q1 – Regulation 16 – Is the Department right in saying that the take up of additional survivor benefits is extremely low?

Over whole fund only 45 members are paying ARCs and of those there are 23 paying for survivor benefits.

Q2 – Regulation 39 – Should there be an enhancement in this way give that there would be no equivalent protection for a member who remained in part time work rather than taking ill-health retirement?

We would support the comments made by LGA that this is inequitable and that members who remain in part time work should be given a protection for a period of three years.

Q3 – Regulation 51 – Comments are requested as to whether this Regulation should be retained or if it would be sufficient to rely on the overriding legislation.

This should be retained within the Regulations. It provides an immediate point of reference and removes any doubt as to administrative requirements.

Q4 – Regulation 54 – Is there a need to provide for separate admission agreement funds to be established in the new scheme?

The facility for administering authorities to be able to provide separate funds is useful, even if it is not used at present. Indeed given the rate at which new employers are being created in funds either due to outsourcing or academy conversion it would seem sensible to make

provisions for funds to be able set up funds for specific groups of employers should they wish to do so.

Q5 – Regulation 69 – Is the list of statement items shown at Regulation 69(3)? If not, could you please describe what needs to be included?

The LGA response provides the comprehensive list.

Q6 – Regulation 70 – Should we include provision for interest to be paid on the late payment by scheme employers? If so, what period would constitute late?

Regulation 70 and Regulation 71 allow funds to make an interest charge for payments made later than one month after the due date.

What would be more helpful would be the ability to apply a charge to employers who consistently make late payment for example four late payments within a rolling 12 month period.

Q7 – Regulation 88 – Should the new regulations set out what fund should pay in the case where an administering authority has more than one fund?

This regulation already states that payment must be made from the appropriate fund held by the administering authority.

Q8 – Regulation 91 – Do you think the current forfeiture provisions which have been carried forward into these draft regulations work well, or would you prefer it all to be dealt with by the courts with the removal of the role of the Secretary of State?

From the limited experience in using this regulation found it to work well and see no need for any amendments.

Related Specific Questions: -

Assumed Pensionable Pay

There are no other circumstances we would wish to see listed.

Club Transfers

Major concerns over how these will work from April 2014. Await further information with interest.

Former Scheme Employers

In practice even if the former scheme employer still exists once they have left the scheme there would be little / no interest in making decisions regarding deferred members, which would become more apparent with the passing of time. The system of handing this decision to the Administering Authority means that any requests will be dealt with on a consistent basis.

No changes to draft regulations required to manage deficits of former scheme employers.

Employers' contributions to be no less than employees' contributions

Agreed, need to remain in cost parameters defined.

Specific circumstances where “scheme employer” may not work

No examples – references seem fine.

Adjustment of pension accounts

Don't think that there should be a general provision to amend pension accounts; if this becomes necessary then regulations can be amended.

Forfeiture and recovery

Nothing to add.

In addition to the standard questions above we would like to raise the following:

1. Regulation 9 - will the regulations be amended to include a definition of annual rate of pensionable pay in the same way that assumed pensionable pay is defined?
2. Regulation 21 – If assessing the annual assumed pay how does this fit with variable pay, zero hours pay and seasonal workers?
3. Regulation 22 (5) where records are held in different funds how is it envisaged these will be identified?
4. Co-habiting partners, we note the intention to take out the requirement to make a nomination however, suggest it would still be useful for members to make a declaration earlier, in the same way as an expression of wish.
5. Is there any intention to change regulations in relation to short-term ill-health?

Yours sincerely

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