

GOVERNANCE ISSUES

Contact Officers

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Papers with this report

None

SUMMARY

This report is to provide an update on Pension Fund Governance issues. The report covers the transfer of pensions' administration to CAPITA Hartshead from 1 April 2012, and an update on the current position regarding the proposed new LGPS from 1 April 2014.

RECOMMENDATIONS

That the contents of the report be noted

INFORMATION

1. Transfer of Pensions Administration to Capita Hartshead

The pensions' administration function transferred to CAPITA Hartshead on 1 April 2012.

Following the transfer a few issues were raised by scheme members regarding the service provided by CAPITA Hartshead. These issues have been discussed with the Client Manager and CAPITA Hartshead has undertaken further training for their staff.

At the first client meeting CAPITA submitted a project improvement plan which will be monitored on a weekly basis. Service provision has improved noticeably over the last few weeks and CAPITA are confident that they will be able to maintain this improvement. A quarterly report on administration performance, based on the service provided by CAPITA Hartshead, will be brought to Committee.

An officer forum, consisting of officers representing each authority in the framework is due to meet in July to discuss any cross cutting and relevant issues. The output from that meeting will then be followed up with CAPITA.

2. Scheme Developments

On 31 May 2012 proposals for the new LGPS were announced. The proposals resulted from the joint working group consisting of LGA, GMB, UNISON and Unite.

The main proposed provisions of the LGPS 2014 scheme are:

- benefits will accrue at the rate of 1/49 per annum
- the scheme will be a Career Average Revalued Earnings (CARE) scheme
- contributions be banded with the revised bandings set between 5.5% and 12.5%
- retirement age will be aligned with State Retirement Age

- a '50/50' option which will enable members to pay half their normal rate of contribution and in return build up half pension during that period
- death in service lump sum of three times salary.

Once details are agreed further reports will be brought to Committee.

3. Risk Report

A review of the pension fund risks was undertaken at the end of the quarter and there are no changes to report to Committee.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising directly from the report.

LEGAL IMPLICATIONS

There are no direct financial implications arising directly from the report.