

## Suspension of Abatement Policy Extension

Item 6

Committee	Pensions Committee
Officer Seeking Permission	Yvonne Thompson-Hoyte, Interim Pensions Manager Mike Talbot – Director of Human Resources
Papers with Report	1. Suspension of Abatement Decision 2020

### RECOMMENDATION

1. That the Pensions Committee extend the suspension of its policy to abate pensions for a further 12 months to support the Covid-19 emergency.

### BACKGROUND

The original decision was taken on 7 April 2020 to support the Government programme to encourage social workers and similar professionals who had retired from local government in the last two years to re-join the workforce without penalty in terms of their pension at the start of the COVID-19 outbreak.

Since that time the recent discovery of a new variant has increased the number of cases at a faster pace over the last month. On a more positive note vaccines have also been approved and increased testing has been made available.

The government has announced the nationwide implementation of mass vaccination and testing programmes have starting in January 2021. The availability of additional resources will contribute to the successful delivery of this programme.

Forecasts from the Government and their experts indicate that the emergency still exists and is likely to continue during 2021. The current projections indicate that the requirement for additional resources will remain well into the new year as the government rolls out various programmes to bring the outbreak under control.

The Committee is therefore asked to continue to support this initiative by extending the suspension of the abatement of pensions for a further 12 months.

### FINANCIAL IMPLICATIONS

There is no extra cost to the Pension Fund on the basis that at the time of each retirement the Fund would have anticipated paying pensions and benefits in full for the duration. This would therefore have been factored into each triennial valuation and by extension the funding and investment strategies.

## **LEGAL/REGULATORY IMPLICATIONS**

The LGPS Regulations require that each Pension Fund Administering Authority must formulate and keep under review a policy on pension abatement.

The Government through the Scheme Advisory Board has requested the Council to review this policy considering developments with COVID-19