

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting5th August 2010

1. Title of Item/Report

Local Government Pension Scheme

2. Record of the Decision

Consideration was given to a report relating to a requirement of the Local Government Pension Regulations (LGPS) that all employing authorities, including admitted bodies, formulate, publish and keep under review a policy on how it would exercise the various discretions provided by the LGPS.

Members noted that since 1997 the LGPS Regulations had required every employer to issue a written policy statement on how it would exercise the various discretions provided by the LGPS. Following the introduction of the New Look Pension Scheme in April 2008 employers had been advised to update their discretionary policy statement. The delay in doing so had been due to the clarification of some elements of the regulations by the scheme's administrators. The new Discretionary Policy Statement was provided to Members as was the Council's current Discretionary Policy Statement which had been in place since February 2007.

Employers had to publish their statement and send a copy to the appropriate pension Fund which for Stockton Borough Council was Mouchel Business Services – Pensions Unit. Any revisions to the Policy Statement had to be issued at least one month in advance of the date the new policy takes effect.

The revised Policy Statement includes a number of existing employer discretions which had been retained in the new statement. New discretions following changes to Pension Regulations had also been included and advice sought where appropriate from Mouchel Business Services – Pensions Unit.

Following this advice, it was recommended that the Council's revised policy statement should also include a section relating to any discretions applicable to Councillors and a section has therefore been included. It

was noted that there were 8 Councillors who contributed to the LGPS. The policy on each discretion and the process for consideration and approval where appropriate, mirrored the Council's policy applicable to other scheme members.

In light of some recent decisions made by the Ombudsman in respect of the wording used in employer policy statements, further guidance was being prepared nationally and by Mouchel Business Services – Pensions Unit in respect of suitable and acceptable wording, which employers could use in their policy statements. It was noted that this may require some further amendments over the coming 12 months.

RESOLVED that

1. the revised statement of policy regarding the exercise of discretion with regard to the application of the LGPS Regulations be approved.

RECOMMENDED that Council:-

2. approve the discretions included within the policy in relation to active councillor members, including the decision process in each case.

3. Reasons for the Decision

Since 1997 the LGPS Regulations had required every employer to issue a written policy statement on how it would exercise the various discretions provided by the LGPS. Following the introduction of the New Look Pension Scheme in April 2008 employers had been advised to update their discretionary policy statement. The delay in doing so was due to the clarification of some elements of the regulations by the pensions administrators.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Beall declared a personal interest in the item entitled Local Government Pension Scheme – Employers Discretion as he was in receipt of a pension under the scheme and his wife was a contributing member of the scheme.

Councillor Lupton declared a personal interest in the item entitled Local Government Pension Scheme – Employers Discretion as he was in receipt of a pension under the scheme.

Councillor Nelson declared a personal interest in the item entitled Local Government Pension Scheme – Employers Discretion as he was a contributing member of the scheme, as an employee of Middlesbrough Borough Council.

Councillor Coleman declared a personal interest in the item entitled Local Government Pension Scheme – Employers Discretion as he contributed to the scheme as a Councillor.

6. Details of any Dispensations

Not applicable

7. Date and Time by which Call In must be executed

Not applicable

Proper Officer
09 October 2010