

AGENDA ITEM

REPORT TO CABINET

17 MARCH 2022

**REPORT OF PEOPLE SELECT
COMMITTEE (TASK & FINISH)**

CABINET DECISION

Lead Cabinet Member – Leader of the Council - Councillor Bob Cook

SCRUTINY REVIEW OF LOCAL GOVERNMENT PENSION SCHEME (LGPS)

SUMMARY

The attached report presents the outcomes of the People Select Committee's Task and Finish review the Local Government Pension Scheme.

REASONS FOR RECOMMENDATION(S) / DECISION(S)

This topic was included in the Scrutiny Work Programme for 2021/22. The review is now complete and the report has been approved by the People Select Committee for submission to Cabinet.

RECOMMENDATIONS

1. That an ongoing programme of awareness raising be established to encourage take-up of the Pension Scheme including:
 - promotion of the scheme to younger members of staff
 - increasing awareness of options contained in the Scheme (such as 50/50 section, allowing staff to benefit with reduced contributions)
 - emphasising that scheme members benefit from significant employer contributions
2. That the information the Council sends to new starters on membership and benefits of the LGPS be reviewed.
3. That the Council liaise with Teesside Pension Fund to:
 - urgently review the quality of the information provided to staff to ensure that it is both comprehensive and in plain English (including improvements to the presentation of the information contained in the Annual Benefit Statement)
 - develop a range of promotional materials in an easy-to-understand format
4. That Middlesbrough Borough Council be requested, as the administering Authority, to include in any future contract for the administration of the Pension Scheme, a requirement for information and promotional material to be clear and easy to understand.

5. That Human Resources review the use of temporary employment contracts with each Directorate to determine whether a permanent contract could be more appropriate (as this change would result in more employees being auto enrolled into the scheme).

DETAIL

1. The attached report outlines the outcomes of the Scrutiny Review of LGPS. The aim of the review was to investigate the reasons why 15% of the Council's workforce had chosen not to be members of the Teesside Local Government Pension Scheme and to consider what steps might be needed to address this.
2. The Committee has taken evidence from XPS Administration, AVC Wise and ISIO Pension Management Service. The Committee also carried out an on-line survey of all Council Staff and sought feedback from other North-East Councils on take up of the Scheme in their areas.

COMMUNITY IMPACT IMPLICATIONS

3. It is important that all staff make appropriate provision for their retirement. The recommendations seek to improve the information provided to staff in order for them to make informed decisions.

FINANCIAL IMPLICATIONS

4. There are no direct financial implications for the Council arising from the report.

LEGAL IMPLICATIONS

5. There are no direct legal implication for the Council arising from the report.

RISK ASSESSMENT

6. This report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

WARDS AFFECTED AND CONSULTATION WITH WARD/COUNCILLORS

7. Not applicable.

BACKGROUND PAPERS

8. None.

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