

<b>People Select Committee</b>
<b>Review of Local Government Pension Scheme (Task and Finish)</b>
<b>Outline Scope</b>

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<b>Which of our strategic corporate objectives does this topic address?</b>	
<p>The review indirectly supports delivery of all the Council Plan objectives as it is part of the delivery of the specific Council Plan objective of ensuring that we have dedicated and resourceful employees who can deliver Council services.</p>	
<b>What are the main issues and overall aim of this review?</b>	
<p>A task and finish review to investigate the reasons why 15% of the SBC workforce have chosen not to be members of the Teesside Local Government Pension Fund and to consider what steps may be needed to address this.</p> <p>We are concerned that membership of the Local Government pension fund is falling and that this is more pronounced amongst the younger and lower paid members of the workforce. There have been many changes to local government pensions over recent years and media coverage of the impact of the £95k cap proposals and the McCloud and Sargeant Supreme Court cases about age discrimination on transitional arrangements in the scheme. We have anecdotal evidence that these issues and also alterations in working patterns particularly in the younger workforce (such as less of an expectation of a long term career with one employer) has led to an impression that the LGPS is of reduced value.</p> <p>We are keen to understand the causes of the fall in membership so that, as far as possible, we can address any issues and encourage members of the workforce to put in place suitable pension arrangements. Possible outcomes may include campaigns to increase awareness and understanding of the benefits of the scheme or changes to the scheme to offer new arrangements, for example more flexibility.</p>	
<b>The Committee will undertake the following key lines of enquiry:</b>	
<ul style="list-style-type: none"> <li>• What is the workforce profile of those staff choosing to be members of the Pension Fund?</li> <li>• What are the reasons for staff not choosing to be members of the Teesside Local Pension Fund?</li> <li>• What alternatives are there to the Teesside Pension Fund?</li> <li>• Are changes needed to the current scheme and what steps would be required to make any</li> </ul>	

<p>changes? Could the scheme be made more attractive?</p> <ul style="list-style-type: none"> <li>• How easy is to transfer a pension pot to another schemes?</li> <li>• Do staff who are members of the pension fund fully understand how the fund operates?</li> <li>• Could the scheme be better marketed?</li> <li>• What do other Local Authorities in the North East offer, what is their take up and are any changes being considered?</li> <li>• Are changes to pension schemes being considered by other Local Authorities/ public sector bodies?</li> </ul>	
<p><b>Who will the Committee be trying to influence as part of its work?</b></p> <p>Council Staff, Teesside Pension Fund</p>	
<p><b>Expected duration of review and key milestones:</b></p> <p>6 months:                  Approve scope and project plan – July 2021                  Receive evidence – September – December 2021                  Draft recommendations – January 2022                  Final report – February 2022                  Report to Cabinet – March 2022</p>	
<p><b>What information do we need?</b></p> <p>Existing information (background information, existing reports, legislation, central government documents, etc.):</p> <p>Workforce profile of SBC staff in and not in the Teesside Pension Fund</p>	
<p>Who can provide us with further relevant evidence? (Cabinet Member, officer, service user, general public, expert witness, etc.)</p> <p>Teesside Pension Fund</p> <p>The Prudential</p> <p>ISIOS Pension Advisors</p> <p>SBC Staff</p> <p>NEREO</p>	<p>What specific areas do we want them to cover when they give evidence?</p> <p>Outline of the current scheme and benefits</p> <p>Additional Voluntary Contributions (AVCs)</p> <p>Breakdown of take-up                  Recent changes to the scheme                  Other options                  Examples of other LAs/ public bodies considering/ implementing changes</p> <p>Understanding of the scheme                  Reasons for non-take-up</p> <p>Other NE Council Pension Fund arrangements, take-up and plans</p>
<p><b>How will this information be gathered? (e.g. financial baselining and analysis, benchmarking, site visits, face-to-face questioning, telephone survey, survey)</b></p> <p>Committee meetings, desk top research, consultation with staff and NEREO</p>	

**How will key partners and the public be involved in the review?**

Teesside Pension Fund will be invited to give evidence and staff will be consulted.

**How will the review help the Council meet the Public Sector Equality Duty?**

The review will consider the impact of support in preventing discrimination for those with Protected Characteristics (including – but not limited to – age, gender, disability, ethnicity), and advance equality of opportunity for those with Protected Characteristics.

**How will the review contribute towards the Joint Strategic Needs Assessment, or the implementation of the Health and Wellbeing Strategy?**

Ensuring that employees retire with adequate pension arrangements has a direct economic and social impact on the Borough as 70% of the workforce also live in the Borough.

**Provide an initial view as to how this review could lead to efficiencies, improvements and/or transformation:**

A fuller understanding of the issues of the reduced pension membership and either increased take-up of the current scheme, alternative options or proposals to change the scheme to make it more suitable to the needs of the workforce.

<b>Project Plan</b>
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<b>Key Task</b>	<b>Details/Activities</b>	<b>Date</b>	<b>Responsibility</b>
<b>Scoping of Review</b>	Information gathering	June 2021	Scrutiny Officer Link Officer
<b>Tri-Partite Meeting</b>	Meeting to discuss aims and objectives of review	7 July 2021	Select Committee Chair and Vice Chair, Cabinet Member(s), Director(s), Scrutiny Officer, Link Officer
<b>Agree Project Plan</b>	Scope and Project Plan agreed by Committee and receive introductory presentation	26 July 2021	Select Committee
<b>Publicity of Review</b>	Determine whether Communications Plan needed	N/A	Link Officer, Scrutiny Officer
<b>Obtaining Evidence</b>	Themed evidence gathering meetings Staff consultation Consultation with other NE Authorities	September – December 2021	Task and Finish Group
<b>Members decide recommendations and findings</b>	Review summary of findings and formulate draft recommendations	January 2022	Task and Finish Group
<b>Circulate Draft Report to Stakeholders</b>	Circulation of Report	January 2022	Scrutiny Officer
<b>Tri-Partite Meeting</b>	Meeting to discuss findings of review and draft recommendations	TBA	Task and Finish Group Chair and Vice Chair, Cabinet Member(s), Director(s), Scrutiny Officer, Link Officer
<b>Final Agreement of Report</b>	Approval of final report by Committee	14 February 2022	Select Committee, Cabinet Member, Director
<b>Consideration of Report by Executive Scrutiny Committee</b>	Consideration of report – for information only	22 March 2022	Executive Scrutiny Committee
<b>Report to Cabinet/Approving Body</b>	Presentation of final report with recommendations for approval to Cabinet	17 March 2022	Cabinet / Approving Body