

Department for Communities
 Local Government and housing Regulation Division
 Level 4, Causeway Exchange
 1-7 Bedford Street
 Town Parks
 BELFAST
 BT2 7EG

9 August 2019

Dear Sirs,

Consultation on The Local Government Pension Scheme (Amendment) Regulations (Northern Ireland) 2019

I am responding to the above consultation on behalf of NILGOSC, the administrator of the Local Government Pension Scheme in Northern Ireland.

Our comments on the proposed amendments are set out in the table below.

| Draft Reg | Regulation to be Changed | Topic | Comment |
|-----------|--------------------------|--|--|
| 1(2)(e) | | <p>Effective Date</p> <p>Amending Regulation 65 - which changes MR 23 regarding APP</p> <p>and</p> <p>Amending Regulation 77 - which substitutes a new Regulation 96 to permit Voluntary Scheme Pays</p> | <p>We would ask that each of these has a retrospective effective date being the date on which letter of comfort (or where there was more than one such letter, the first letter of comfort) was received from the Department in relation to each.</p> <p>We believe that the relevant letters were dated:</p> <p>10 February 2016 in relation to the calculation of APP - and this should be the effective date for Amending Regulation 65</p> <p>And</p> <p>17 August 2018 in respect of the ability of NILGOSC to act in relation to Voluntary Scheme Pays requests - and this should be the effective date for Amending Regulation 77</p> |

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|-----------|-----------------------------------|--|---|
| 41 | 2000 Regulations Reg D11 | | <p>In relation to 41(b), we would respectfully submit that this ought to make clear that the member cannot claim deferred benefits if he or she is still in the employment to which those benefits relate. They may be in another local government employment. It has always been the approach that you cannot opt out of the Scheme whilst in an employment and claim the pension whilst continuing to work in that employment.</p> <p>In relation to 41(c) we have noticed a problem which was not picked up previously. Inserting 'or after' on D11(4)(a) and deleting D11(4)(b) will not achieve the desired result, in our opinion.</p> <p>We understand what is intended here is that the appropriate date should be the date from which a member elects to receive so long as that date is on or after their 55th birthday. (Reductions are made under Regulation D13 where appropriate.) However, inserting 'or after' in D11(4)(a) would make the relevant date = the date "on or after which the member attains the age of 55". That would be any date <u>before</u> the member's 55th birthday (and including the birthday). We do not think that this is the intention.</p> <p>We would suggest that the Department in the alternative might consider amending Regulation D11(2)(e) to read <i>"in the case of a person who has duly elected to receive payment from a date on or after the date upon which that person attains the age of 55, the date so elected."</i></p> <p>This would mean that D11(4) could be deleted in its entirety. The definition of 'relevant date' only applies to D11(2)(e) and if it is amended as above, there would no longer be a requirement for D11(4).</p> |
| 60 | 16A(b) | Contributions during absence with permission | 'SVAVCs' should be replaced with 'SCAVCs'. |
| 62 | 2014 Regulations Reg 18(7) | APCs | We would ask the Department to note that NILGOSC would require Guidance on gender neutral factors for APCs from GAD. This guidance should be provided at least two weeks in advance of the commencement date of this regulation. |

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| 65 | 2014 Regulations Reg 23 | Calculation of APP | Please see the comment at 1(2)(e) above regarding the effective date. |
| 73(a) | 2014 Regulations Reg 70(12A) | Special Circumstances in which Revised Actuarial Valuations and Certificates shall be Obtained | <p>We would note here a point not previously raised with you.</p> <p>The new 70(12A) refers to a 'relevant' change. The new 70(13E) also refers to a relevant change and 70(13G) goes on to define what a relevant change is for the purposes of 70(13E). This would not be the same for a relevant change under 70(12A) and, although 70(13G) specifies that it refers to 70(13E), we think it may possibly cause some confusion in relation to 70(12A).</p> <p>In light of this, we would suggest amending the proposed wording for Reg 70(12A) to the following: <i>"Where there has been a change in the circumstances of an employing authority which in the opinion of the Committee is material, the Committee may,...."</i></p> <p>Or <i>"Where there has been a change in the circumstances of an employing authority and in the opinion of the Committee it is desirable in all the circumstances, the Committee may,..."</i></p> |
| 77 | 2014 Regulations Reg 96 | Calculation of APP | Please see the comment at 1(2)(e) above with regard to effective date. |
| 81 | 2014 Regulations Schedule 1 | Interpretation Adding a definition of Club Memorandum | In order to future proof the Regulations, we would suggest adding the wording "or any replacement or revision thereof for the time being in force" to the end of paragraph (c). |
| 82 | 2014 Regulations Schedule 2 | Admission Agreements Adding paragraph (16) to Part | We would note that NILGOSC has always thought that this was indeed the case – by the action of normal contract law, which allows an agreement to have an effective date before the date upon which it is executed. A number of admission |

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| | | 1 of Schedule 2 | <p>agreements have been executed on this basis over the years.</p> <p>We would suggest that if this is to be included that it is noted that this is a clarification of the current position, rather than a new power.</p> |
| 87 | 2014 Transitional Regulations 9 (b) | Expanding the statutory underpin to those who have transferred in | Perhaps this regulation needs to have retrospective effect from 1 April 2015 as otherwise a cohort of public sector transferees will exist (those who transferred in from other public service pension schemes between 1 April 2015 and the commencement date of this regulation) who do not have underpin protections in the LGPS but they would have had in their previous scheme. |

Yours faithfully,

Zena Kee
Pensions Manager