

APPENDIX

Our Ref: PS/PM

Mr Brian Town,
Communities and Local Government
Zone 5/G6
Eland House,
Bressenden Place,
London,
SW1E 5DU

Your Ref:

Direct Line: 0151 242 1390

Please ask for: Mr Mawdsley

Date: 16 March 2010

Dear Mr Town,

**DRAFT LOCAL GOVERNMENT PENSION SCHEME (MISCELLANEOUS)
REGULATIONS 2010**

I refer to your letters dated 24 December 2009, 26 February 2010 and the draft regulations circulated and would like to submit the following comments on behalf of Wirral Council in its role as administering authority of the Merseyside Pension Fund.

The Authority welcomes many of the amendments proposed as making necessary improvements or clarifying the provisions of the Scheme.

Tier 3 Ill Health Provisions

The Authority welcomes most of the additional changes proposed in the 26 February letter as being necessary but feels that:

The proposed new Tier 3 to 2 review process should not require recourse by the former member to the IDRPs provisions to achieve and that instead the employer should be able to determine such a change should be made on medical review during the 3 years after the initial ill health award. I understand that The Head of Pensions of the LGE was to consider whether such a provision would be permissible under HMRC rules.

The new regulations dealing with ill health retirement still contain no provision to restrict enhancement payable on a second ill health retirement such as those that existed in the old scheme rules.

Although clarification has been given to changes possible following the suspension of a suspended Tier 3 ill health benefit the draft regulations still needs a default "otherwise benefits will be payable again from age 65 provision".



Admission Bodies Liability for Pensions Increases

The CLG letter of 24 December 2009 refers to further consultation on changes needed to the admission body regulations. The Fund believes that to avoid further potential disputes the regulations should be amended to clearly spell out that the Administering Authority is able to recover any outstanding pension contributions when an admission ceases to have effect (the CLG letter dated 19 February 2010 to the Head of Pensions of the LGE refers).

Access to the LGPS for councillors

The Pensions Committee expressed the view that the Regulations dealing with admission of elected members to the Scheme should be amended to remove the requirement for Councils to need to make a positive decision whether to offer LGPS membership to their elected members, along the lines of the change proposed to Regulation 8 in order to prevent foundation or foundation special schools from denying their staff access to the LGPS.

The Fund is also concerned at the delay in bringing councillors within the scope of the new look 2008 Scheme including the ability to nominate cohabiting partners for survivors benefits etc.

If you require any further information or assistance please do not hesitate to contact me.

Yours sincerely

Director of Finance