

LGPS Update – June 2014

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We will cover

- Regulations update – governance, cost management and pensions protection
- HMT consultation on transfers
- Consultation on structural reform
- Shadow Board response and other news
- Everything not included in above.....

Regulations update

Governance

- Local boards
 - Assist with compliance and 'effective and efficient'
 - Minimum 4 members
 - councillors extra
 - can be merged with committee
 - lots of guidance required
- SAB max 12, advice continuous,
- Additional questions – merged boards? TKU for committees?

Regulations update

Cost management

- With lawyers regulations before recess?
- Two systems
- HMT system trumps

Pensions protection

- Objective still to bring in as per agreement
- HE and FE outside

HMT consultation (the Lamborghini provisions)

To transfer or not to transfer....

- Potentially good for the scheme?
- Probably bad for members?
- What about AVCs?
- What about commutation?
- Where does that leave the club?

DCLG consultation (the not merging proposals)

Proposals

- Active to passive for all listed assets
 - Mandate to comply or explain?
- Two CIVs – passive and alternative
 - CIVs?
 - Local asset allocation?
 - How many and what asset classes?
 - Structures?

Shadow Board

- Response to structure consultation
- Scheme annual report published
- Starting to look at deficit management
- Developing fund health matrix
- Guide to CARE benefit statements published
- Looking at options for Ill Health
- Working with GAD on cost management
- Getting QC opinion on IORP
- Working with DCLG and TPR on governance guidance
- Looking at fund/authority ring fencing

Other stuff.....

- Review of LGPC
- Discussions on recycling NI from 2016
- Academies
- HMRC approach to new unfunded schemes (and possibly Scottish LGPS)
- Transfer of Fraud staff to DWP
- IORP II

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