

Decision Maker: COUNCIL

Date: 27 February 2013

Decision Type: Non-Urgent Non-Executive Non-Key

Title: WORKPLACE PENSIONS: AUTOMATIC ENROLMENT

Contact Officer: Graham Walton, Democratic Services Manager
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Chief Officer: Mark Bowen, Director of Resources

Ward: N/A

1. Reason for report

- 1.1 Reforms introduced in the Pensions Act 2008 require all employers to automatically enrol their eligible jobholders into a pension scheme and to pay contributions to that scheme in respect of that worker with effect from a "staging date". Automatic enrolment is being phased in between 1st October 2012 and 2017 and the Council's 'staging date' for its own workers, including teachers, is 1st March 2013. The General Purposes and Licensing Committee at its meeting on 14th February 2013 considered how this requirement sits with the Council's current pension arrangements, including the impact on those employees who have previously decided to opt out of the Local Government Pension Scheme (LGPS) or the Teachers Pension Scheme (TPS). The Committee recommended that Council use the provisions for the transitional period and for postponement to defer automatic enrolment. Further details are set out in the report considered by the Committee which is attached.
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2. RECOMMENDATIONS

That Council -

- (1) Agrees to use the transitional period to defer automatic enrolment for eligible jobholders who, on 1st March 2013, are not members of either the LGPS or the TPS on the basis that they have previously opted out and have the right to join the relevant scheme at any time whilst they continue in employment.
- (2) Delegates authority to the Assistant Chief Executive (HR) and the Finance Director to:
- (i) use postponement for workers on short-term contracts and in circumstances where it aids administrative processes;
 - (ii) take all necessary action to ensure that the Council's responsibilities under the requirements of automatic enrolment are met.

Corporate Policy

1. Policy Status: Existing Policy: The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations for the purpose of providing pension benefits for its employees.
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: It is not currently possible to quantify the financial impact of meeting the new requirements.
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: £34.3m expenditure (pensions, lump sums etc) £41.3m income (contributions, investment income etc), 3526m total fund market value at 31st December 2012.
 5. Source of funding: Contributions to the Pension Fund
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Staff

1. Number of staff (current and additional): 3,700 fte's (per 2012/13 budget) which includes 1,510 fte's for delegated budgets to schools.
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory Requirement: Pensions Act 2008 (as amended)
 2. Call-in: Not Applicable: This report does not involve an executive decision.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 5,045 current employees in the Pension Fund, 4,718 pensioners and 4,380 deferred pensioners as at 31st December 2012. These figures represent the whole fund, including LBB staff, scheduled and admitted bodies who are all affected by the proposals.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not applicable

Non-Applicable Sections:	See attached report
Background Documents: (Access via Contact Officer)	See attached report