

**Not for publication by virtue of paragraph(s) 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972**

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|---------------------------|--|------------------|--------------------|
| Committee:                | Union Employee Consultation Committee  | Agenda Item No.: | 12.                |
| Date:                     | 15 <sup>th</sup> November 2010   | Category         | *                  |
| Subject:                  | Local Government Pension Scheme – Consultation Exercise Results Recommended Change to Transfers-in Policy. | Status           | Exempt Paragraph 4 |
| Report by:                | Head of Human Resources and Payroll  |                  |                    |
| Other Officers involved:  | Payroll Manager  |                  |                    |
| Director                  | Chief Executive Officer  |                  |                    |
| Relevant Portfolio Holder | Councillor J. E. Bennett,<br>Portfolio for Performance and Heritage Champion                               |                  |                    |

#### **RELEVANT CORPORATE AIMS**

STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation by proposing a Policy to deal consistently with applications to accept a transfer value into our Pension Fund from other Pension Schemes.

#### **TARGETS**

This subject matter does not contribute to any targets specified in the Corporate Plan.

#### **VALUE FOR MONEY**

By providing a framework for dealing with applications to accept a transfer value into our pension fund in a consistent and cost effective manner.

#### **THE REPORT**

Following a consultation exercise with employers in its Local Government Pension Scheme, Derbyshire County Council has made a change to its policy on transfers in and recommends that all employers in the Fund adopt a new policy and so that all such employers operate a common approach it is suggested that a start date of 1st December is used. This report is to consult on the proposed changes to this Council's policy.

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A number of documents have been received from Derbyshire County Council which provide background and other information on this subject. These documents are available from Democratic Services or the Members' Rooms and include:-

- Derbyshire Pension Fund Newsletter No. 74
- Derbyshire County Council's Pension Committee Report dated 27th August 2010.
- Derbyshire County Council's Pension committee report dated 31st March 2010.
- Numbers of transfers from and to other Pension Schemes and Arrangements.
- New transfer-in request form
- Letter from Derbyshire County Council dated 7th September 2010.

**ISSUES FOR CONSIDERATION**

Members are requested to consider recommending to Full Council on 1<sup>st</sup> December 2010 the Policy on Transfers-in so that:-

1. Transfers-in are restricted to local authority and "Club" transfers, where reciprocal transfer arrangements operate and,
2. Requests for all transfers-in are restricted to the 12 month period commencing with the date a person became an active member in Derbyshire County Council's Pension Fund.
3. Discretion is included to allow transfers-in from non local authority and non "Club" schemes.
4. Discretion is included to allow transfers-in outside the twelve month period in exceptional circumstances from all schemes. Each Scheme employer is able to determine its own view on 'exceptional circumstances' but this should not be taken as a Scheme member's right to a transfer.

The Chief Executive Officer in consultation with the Director of Resources currently has the delegated authority to accept late applications for transfers-in and it is requested that members approve an amendment to this delegated authority to allow the Chief Executive Officer in consultation with the section 151 Officer to apply the discretions covered by points 3 and 4 above as he/she sees fit.

Derbyshire County Council require an option form to be completed and returned to them by 1<sup>st</sup> December 2010 to advise of the Policy which the Council has adopted in respect of this subject.

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**IMPLICATIONS**

Financial : There are no direct costs.  
Legal : Compliance with regulations relating to the Local  
Government Pension Scheme.  
Human Resources : To make an amendment to the Acceptance of  
Appointment form in line with the decision on this Policy

**RECOMMENDATION(S) that;**

- 1. Following consultation Members of the Committee refer the following matters to Full Council for approval by 1<sup>st</sup> December 2010:-**
  - 1.1. Transfers-in are restricted to local authority and “Club” transfers, where reciprocal transfer arrangements operate and,
  - 1.2. Requests for all transfers-in are restricted to the 12 month period commencing with the date a person became an active member in Derbyshire County Council’s Pension Fund.
  - 1.3. Discretion is included to allow transfers-in from non local authority and non “Club” schemes.
  - 1.4. Discretion is included to allow transfers-in outside the twelve month period in exceptional circumstances from all schemes. Each Scheme employer is able to determine its own view on ‘exceptional circumstances’ but this should not be taken a Scheme member’s right to a transfer.
- 2. The delegations in respect of points 1.3 and 1.4 of the policy on LGPS transfers- in be delegated to the Chief Executive Officer in consultation with the section 151 Officer and be referred to Standards Committee for updating the Council’s Constitution.**
- 3. That the option form is returned to Derbyshire County Council subject to approval at Full Council on 1<sup>st</sup> December 2010.**
- 4. Human Resources and Payroll to amend the Acceptance of Appointment form in line with the decision on this Policy.**

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ATTACHMENT: Y  
FILE REFERENCE: Payroll LGPS File  
SOURCE DOCUMENT: DCC Newsletter No 74 and attachments