

LGF Reform and Pensions Team
Benefits Consultation
Ministry for Housing, Communities and Local Government
2nd Floor, Fry Building
2 Marsham Street
London
SW1P 4DF

22 November 2018

Dear Sir or Madam

Local Government Pension Scheme (LGPS): Technical Amendments to Benefits

Thank you for the Department's consultation document inviting comments on changes to the LGPS's regulations.

I respond on behalf of the Local Government Association (LGA) and the Local Government Pensions Committee (LGPC).

The LGA is a politically-led, cross-party membership organisation that works on behalf of councils to ensure local government has a strong, credible voice with national government. In total, 415 local authorities are presently members of the LGA. The Local Government Pensions Committee (LGPC) is a committee of councillors constituted by the Local Government Association (LGA), the Welsh Local Government Association (WLGA) and the Convention of Scottish Local Authorities (COSLA). The LGPC considers policy and technical matters affecting the Local Government Pension Scheme (LGPS) in the UK, a scheme which has over 5 million members.

This letter sets out the LGA's views on the matters covered in the consultation from a policy perspective. The LGA have already provided detailed comments on the draft regulations which give effect to this consultation.

Survivor benefits - amendment to benefits payable to same sex married or civil partners

The LGA is supportive in principle of the proposal to equalise survivor benefits payable to same sex married and civil partners with those paid to widows; however, as currently drafted the miscellaneous amendment regulations provide that some civil partners and same sex survivors would be put in a worse position than under the current regime.

This is of concern to the LGA particularly as the draft regulations propose making the changes retrospective to the date civil partnerships and same sex marriages were introduced. Our response to the technical consultation sets out the scenarios that we have identified where survivors of civil partners and same sex spouses could be put in a worse position.

In addition, given the recent legal challenges in regard to survivor benefits, the LGA suggests that the benefits payable to widowers should also be equalised, subject to confirmation of the costs involved. The equalisation of survivor pensions payable to civil partners and same sex spouses will only highlight further the differential and, in our view, a legal challenge is inevitable. Legal challenges are costly and time consuming for individual administering authorities to defend; any further challenges in this area would be unwelcome, particularly given the continued financial restraint in the sector.

Power to issue statutory guidance

The LGA agree it would be useful to provide more flexibility in the way statutory guidance can be issued to LGPS administering authorities; however, we remain concerned about the potential misuse of such a power. We therefore seek assurance that a robust consultation process will be put in place before any such guidance is issued.

Early access to benefits for deferred members of 1995 Scheme

The LGA supports this change which aims to correct an error in the LGPS (Amendment) Regulations 2018 to provide that the need for an employer to give consent is removed when a member who left with deferred benefits before 1 April 1998 and is aged between 55 and 59, chooses early payment of their benefits.

However, the LGA would like to see the regulations go one step further and also remove the need for the member to have ceased to be employed in all local government employment. This requirement was removed for members who left the LGPS on or after 1 April 1998, which makes the continuation of the requirement for members who left before 1 April 1998 inconsistent with successor regulations; it is also inconsistent with the Government's policy on pension freedoms.

I hope the above is helpful; if you have any questions, please do not hesitate to contact me.

Yours faithfully



Jeff Houston
Head of Pensions