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Workforce, Pay and Pensions  
Department for Communities and Local Government  
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8 September 2016

Dear Teresa

**Local Government Pension Scheme (Wandsworth and Richmond upon Thames Fund Merger) Regulations 2016**

Thank you for the Department's consultation document inviting comments on the above draft 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, 435 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.

Our comments on the draft regulations are as follows:

1. An additional regulation needs to be added to that section of the Merger Regulations headed "Modification of the Local Government Pension Scheme Regulations 2013" i.e. a regulation 4A needs to be added which says that regulation 103 of the 2013 Regulations shall not apply at the date of the Merger.
2. Unless DCLG feel it is already covered by regulation 5 of the Merger Regulations, an equivalent of regulation 7 needs to be added to cover payments **due to be made by** Richmond i.e. a regulation 7A needs to be added to provide that "After the Merger date, any payment due to be made by Richmond relating to its function as an administering authority which had not been made before that date, must be made from the pension fund maintained by Wandsworth."

3. It would, perhaps, be prudent to amend regulation 8 of the Merger Regulations to say “Any question concerning the rights or liabilities of any person under the 2013 Regulations **or the Earlier Regulations** which was decided by Richmond before the Merger date is deemed to be a decision of Wandsworth for the purposes of any challenge to that decision under the 2013 Regulations”. The reason we have added the words “or the Earlier Regulations” is because there could potentially be challenges under IDRPs to decisions taken under the Earlier Schemes (e.g. if the adjudicator grants an extension to the normal timescale within which an appeal must be made). Similarly, there may be appeals made to the Pensions Ombudsman or the Courts about decisions taken by Richmond under the Earlier Regulations where Wandsworth would now be the respondent.
4. An equivalent of regulation 8 of the Merger Regulations needs to be added to cover decisions **due to be taken by** Richmond that had not been taken before the Merger date i.e. a regulation 8A needs to be added to provide that “Any question concerning the rights or liabilities of any person under the 2013 Regulations or Earlier Regulations which had not been decided by Richmond before the Merger date shall be determined by Wandsworth.” This covers not just those decisions that were due to be taken by Richmond under the 2013 Regulations which had not been taken before the Merger date but also decisions that were due to be taken by Richmond under the Earlier Regulations which had not been taken before the Merger date; for example, where Richmond were due to notify a member whose deferred benefit under the 1995 Regulations was coming into payment in, say, September 2016 had not notified the member, prior to the Merger date, of the amount payable.
5. As comments 3 and 4 above both refer to “the Earlier Regulations” it will be necessary to define “the Earlier Regulations” in regulation 1(3) of the Merger Regulations i.e. “the Earlier Regulations” has the same meaning as in regulation 1(6) of the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.”
6. There will, undoubtedly, be instances where the existing administering authority policies of Richmond differ from those of Wandsworth. For example, Richmond may have a different approach to recovery periods for employers in their Fund to that adopted by Wandsworth. If so, will the existing recovery periods for existing employers remain or will they be harmonised? This is just one example where policies may differ between the two current administering authorities. Does there need to be a general regulation added to say something along the lines of “Where existing administering authority policies of Richmond and Wandsworth differ, the existing policies shall continue unless and until agreement is reached on harmonisation of the policies”?

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

Yours sincerely



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