

Local Government Pension Scheme Advisory Board

Consultation – Guide to Employer Flexibilities

Attached for your consideration and comment is a draft of a guide to employer flexibilities for administering authorities and employer prepared by the scheme advisory board in conjunction with a practitioners working group consisting of representatives of both administering authorities and scheme employers.

The purpose of the Guide is to provide operational and practical assistance to administering authorities and scheme employers in implementing and, where appropriate, applying the following employer flexibilities introduced by the Local Government Pension Scheme (Amendment) (No 2) Regulations 2020 (SI 2020/893):

- Regulation 64A: Revision of rates and adjustments certificate: **'Revisions to scheme employer contributions between valuations'**
- Regulation 64B: Revision of actuarial certificates: **'Spreading of exit payments'**
- Regulation 64: Special circumstances where revised actuarial valuations and certificates must be obtained; **'Deferred Debt Agreements'**

Comments on the draft guidance should be submitted to Bob Holloway at Robert.holloway@local.gov.uk by the **9th January 2021**.

In addition to the Guide relevant case studies and examples of these flexibilities working in practice will be published by the SAB. Case studies should be submitted to Bob Holloway as and when they become available.

The Guide will be published alongside and should be read in conjunction with Guidance on Preparing and Maintaining Policies on Review of Employer Contributions, Employer Exit Payments and Deferred Debt Agreements currently being prepared by MHCLG for publication in the New Year.

The LGPS Regulations 2013 provide a power at Regulation 2(3A) for the Secretary of State to issue statutory guidance on the administration and management of the Scheme. This is subject to Regulation 2(3B) which requires Government to consult such persons as it considers appropriate before doing so. A short technical consultation (see attachment) with practitioners and other key scheme stakeholders was undertaken between the 2nd and 23rd November 2020.