

REPORT TO:	Pension Committee 3 December 2021
SUBJECT:	Croydon Council's Local Government Pension Scheme Employer Contribution Review 2021/2022 to 2022/2023
LEAD OFFICER:	Nigel Cook - Head of Pensions and Treasury
CORPORATE PRIORITY/POLICY CONTEXT:	
Sound Financial Management: This report bears on the viability and affordability of the scheme to the Council.	
FINANCIAL SUMMARY:	
Financial risks relating to the Pension Fund are substantial and can impact on the General Fund of the Council.	
FORWARD PLAN KEY DECISION REFERENCE NO.: N/A	

1. RECOMMENDATIONS

The Committee is asked to:

- 1.1 Note the content of this report and the detail contained in the report in the closed part of this agenda.
- 1.2 Request that the Scheme Actuary certify the change in contribution rates via a revised Rates and Adjustments Certificate.

2. EXECUTIVE SUMMARY

- 2.1 Changes to the Local Government Pension Scheme regulations allow scheme employers, of which the Council is one, to request a review of the contribution rate set out by the most recent actuarial valuation. The Chief Executive, as Head of Paid Service, has asked the Pension Committee to request such a review of the Scheme Actuary.
- 2.2 This review may allow for a reduced contribution due from the Council and this will allow the Council to save £6.2 million over this and the next year. This will count as a saving towards balancing this year's and next year's budget.
- 2.3 The risks relating to this course of action are set out in the body of the report set out in the closed part of this agenda.

3 DETAIL

- 3.1 The detail of the risks involved in this proposal, the financial aspects and the risk analysis and impact on other proposals are commercially sensitive. They relate to the relationship between Scheme employer and the administrator and are therefore confidential. For this reason they are included in another report on the closed part of this agenda.

4. CONSULTATION

- 4.1 The Scheme Actuary has been consulted in the drafting of this report and the development of this proposal.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 There are no financial considerations arising from this report.

Approved by: Richard Ennis, Interim Corporate Director of Resources (Section 151) and Deputy Chief Executive

6. LEGAL CONSIDERATIONS

- 6.1 The actuarial content herein provides the legal basis for this report.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no direct workforce implications arising from the recommendations within this report.

Approved by: Dean Shoesmith, Interim Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 There are no equalities impacts arising from this report.

9. ENVIRONMENTAL IMPACT

- 9.1 There are no environmental impacts arising from this report.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no crime and disorder impacts arising from this report.

11. DATA PROTECTION IMPLICATIONS

11.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

The Director of Human Resources comments that this report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

Approved by: Dean Shoesmith, Interim Director of Human Resources

CONTACT OFFICER:

Nigel Cook, Head of Pensions and Treasury, Resources Department, ext. 62552.

APPENDIX:

These appendices are in the closed part of the agenda.

Appendix A: Croydon Council contribution rate review request", Hymans Robertson, April 2021

Appendix B: Croydon Council contribution rate review request", Hymans Robertson, November 2021

BACKGROUND DOCUMENTS:

None.