

ITEM NO: 5(a)

GREATER MANCHESTER PENSION FUND INFORMATION SERVICES WORKING GROUP

22 July 2011

Commenced: 9.15am

Terminated: 10.05am

Present: **Councillor Middleton (Chair)**
 Councillor Grimshaw
 Councilor Lambert
 Peter Morris **Executive Director of Pensions**
 Simon Jessop **Communications Team**

Apologies for absence: **Councillors P Harrison, Pantall and White**

1. **DECLARATIONS OF INTEREST**

There were no declarations of interest submitted by members of the Working Group.

2. **MINUTES**

The Minutes of the proceedings of the Information Services Working Group meeting held on 8 April 2011 were approved as a correct record.

The Executive Director of Pensions made reference to Minute 36 – Consultation on Fair Deal Policy, and informed Members that following the closing date for the consultation period, 15 June 2011, the Government was now considering its position.

3. **LGPS UPDATE**

The Executive Director of Pensions delivered a presentation with regard to the updated position on the Local Government Pension Scheme.

He made reference to the difficulties faced in meeting the costs of public sector pensions, and the problems encountered by non-funded schemes in meeting their liabilities.

He circulated a copy of a Ministerial Statement by the Chief Secretary to the Treasury, Rt Hon. Danny Alexander, and a copy of correspondence between Rt Hon. Danny Alexander and Brendan Barber, TUC General Secretary, which made reference to the Government's proposed contributions increase.

The Executive Director then circulated an illustration of possible contribution rates which demonstrated the impact of varying levels of increases in members' contributions. Three different tariff models were illustrated with increases of 1%, 1.6% and 1.9% and based on 1.6% increase model, it showed the monthly percentage increase and monthly deduction (FTE/Gross) over various salary bands. (N.B – these were for illustrative purposes only and not to be taken as any indication of the future direction of travel).

He further commented on the need to make savings and explained the benefits of a move to a career averaging scheme. He stressed the importance of not creating a situation where lots of people 'opt out'. In response to a query from Members, the Executive Director explained that, at present, most people opting out were earning less than £30,000.

Discussion ensued with regard to the impact of rising contribution rates against alternative measures such as delaying retirement, and concerns were raised with regard to the sustainability of the scheme going forward, especially with the possibility of increased numbers of members 'opting out'.

4. EMPLOYERS' WEBSITE DEMONSTRATION

Emma Heath, Employers, Compliance and Training Manager, gave a demonstration of the new Employers' website.

She explained that the site was password protected and briefly outlined the six main areas that employers could access, as follows:

- Communications;
- Administration;
- Employer Matters;
- Technical Training;
- Axis users; and
- Ill Health and Doctors.

She further informed Members that it was hoped that the site would be up and running within the next four weeks.

The Chair thanked Emma for her informative presentation.

5. ADDITIONAL VOLUNTARY CONTRIBUTIONS

Consideration was given to a report of the Executive Director of Pensions which provided information about promotional activity regarding additional voluntary contributions.

RECOMMENDED

That the report be noted.

6. PENSIONERS FORUM UPDATE

The Executive Director of Pensions explained that the Annual Pensioners Forum would take place this year on Friday 7 October 2011 and would be held at The Point, Lancashire County Cricket Ground, Trafford, Manchester.

7. CURRENT ISSUES

The Executive Director of Pensions made reference to the July edition of Hymans-Robertson's Current Issues, which had been circulated with the Agenda. This contained several items of note for the LGPS as follows:

- CPI – Government reaction to Consultation responses;
- New Tax regulations;
- Failure to Satisfy Disclosure Requirements; and
- Combined Pension Forecasts.

8. MEMBER TRAINING

The Executive Director of Pensions explained that Member Training would fall within the remit of the Working Group, and that further details would be reported to future meetings of the Group.