

FALKIRK COUNCIL

Subject: PENSION FUND – GENERAL GOVERNANCE MATTERS
Meeting: PENSIONS COMMITTEE
Date: 12 DECEMBER 2013
Author: CHIEF FINANCE OFFICER

1. INTRODUCTION

- 1.1 This report updates the Pensions Committee on matters associated with the business of Falkirk Council Pension Fund.

2. AUTO ENROLMENT

- 2.1 A number of Fund employers have now reached their “staging date” for auto-enrolment. This includes Falkirk and Stirling Councils, Clackmannanshire Council, SEPA, Forth Valley College and Scottish Autism.
- 2.2 Only Falkirk Council, which staged in June, 2013 has been auto-enrolling long enough for any discernible trend to be detected. However, from the Falkirk data, it is clear that more members are choosing to stay in the Scheme after having been auto-enrolled than had perhaps been anticipated. Scheme membership has therefore risen to 13,600 from around 12,800 at April, 2013. Employer contributions have increased for Falkirk Council by around £100,000 per month.
- 2.3 Auto Enrolment (AE) legislation requires Fund employers to enrol employees into a pension scheme if certain conditions, such as age and level of earnings, are met.

3. POLICE AND FIRE SERVICES

- 3.1 An agreement has been reached between Police Scotland, the Scottish Fire and Rescue Service and the Scottish Ministers, whereby the pension rights of Uniformed Officers, currently administered by Local Government Pension Scheme Authorities, will be administered by the Scottish Public Pensions Agency from 1st April, 2015.
- 3.2 The transfer of these responsibilities is broadly welcomed as this will allow Funds to concentrate on implementing the 2015 LGPS changes. Had responsibilities been retained, LGPS Funds would have been faced with implementing not only the LGPS changes but parallel changes for both the Police and Fire Pension Schemes.
- 3.3 Discussions regarding the transfer of data to the Scottish Ministers are expected to begin shortly.

4. RISK

- 4.1 In approving the Fund's Risk Register at its meeting 6th June, 2013, the Pensions Committee requested that they be provided with a regular update on any significant changes in risk.
- 4.2 There has been no significant change in risk during the quarter.

5. RECOMMENDATION

- 5.1 The Committee is asked to note the contents of this report.

Chief Finance Officer

Date: 28 November 2013 

Contact Officer: Alastair McGirr, Pensions Manager, Tel: 01324 506304

LIST OF BACKGROUND PAPERS

NIL