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Philip Perry  
LGPS Regulations  
Department for Communities & Local  
Government  
Zone 5/G6 Eland House  
Bressenden Place  
London  
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24 May 2013

Dear Mr Perry

### **The Draft LGPS Transitional Provisions**

Thank you for your email of 27 March 2013 seeking comments on the draft Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2013.

In general the draft provisions cover the transfer of members and accrued benefits from the old scheme to the new scheme, however we have concerns over the cost implications of the protected final pensionable pay and the complexity of administering the rule of 85 protections.

We understood that the pre 2014 benefits would retain their link to final salary, and that the post 2014 benefits would be calculated in accordance with the rules of the new Scheme. However the Transitional Provisions appear to provide that the final pensionable pay is the higher of the two scheme salary definitions, and as the post 2014 definition of pay includes non- contractual overtime this potentially will result in a higher costs for the employer.

The statutory underpin only appears to apply to active members who were 55 or over on the 1 April 2012 and who retire from the new Scheme on or after age 65. This appears to exclude those members who retire before age 65. There is also no mention of the underpin having to be adjusted for a member who is in the 50:50 scheme. It may be difficult administratively to prove a member has not had a disqualifying break and the regulations should state who has the responsibility for proving this.

Our comments and observations on the technical aspects of the regulations are in Appendix A.

We look forward to receiving the actual regulations as soon as possible.

Please do not hesitate to contact me if you have any questions.

Yours sincerely

A handwritten signature in black ink, reading "Nadine Perrins". The signature is written in a cursive style with a large initial 'N' and a stylized 'P'.

Nadine Perrins  
Chief Pensions Services Manager