

SOUTH WEST WALES CORPORATE JOINT COMMITTEE

Report of the Chief Finance Officer (Section 151 officer)

**Report Title: Pensions: Local Government Pension Scheme (LGPS)
administrating authority**

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| Purpose of Report | To note which Local Government Pension Scheme (LGPS) administrating authority has been chosen for our CJC. |
| Recommendation | That Carmarthenshire County Council is the chosen LGPS administering authority for the CJC |
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| Finance Officer | Chris Moore |
| Legal Officer | Craig Griffiths |

1 Introduction

- 1.1 This report details the reasoning behind the chosen LGPS administering authority for the CJC.

2 Background

- 2.1 On 14 December 2022, the Welsh Government notified CJC officers that they were optimistic regarding the proposed timetable for changes to UK legislation, meaning the CJC's issues regarding corporation tax, income tax and borrowing powers will be resolved by the end of this financial year through implementing a 'Section 150 Order'.

3 LGPS administrating authority for the CJC

- 3.1 The same message sought an urgent response from each region notifying the Welsh Government which Local Government Pension Scheme (LGPS) administrating authority we wish to choose for our CJC. A response was required by Thursday 22 December 2022 – a short deadline to enable the UK Government to quickly progress the development of the 'Section 150 Order'.
In the absence of an indication to the Government, the administering authority would be determined by the statutory process, with no practical means of subsequently reviewing the position.
- 3.2 The options for us (LGPS administrating authorities in South West Wales) were Carmarthenshire County Council (Dyfed Pension Fund) and Swansea Council (City and County of Swansea Pension Fund).
Insofar as pension benefits for prospective CJC employees are concerned, it makes no difference which administrating authority is chosen - the schemes are identical.
- 3.3 Carmarthenshire County Council provides the financial support to the CJC and is the administering authority for the Dyfed Pension Fund. The Section 151 Officer for Carmarthenshire County Council is also the Section 151 Officer for the CJC and the Dyfed

Pension Fund. In addition, the only employee of the CJC currently, is employed through Carmarthenshire County Council. Hence the conclusion that the Dyfed Pension Fund seems to be the logical fund to make an application too.

3.4 The Section 151 Officer consulted with the Section 151 Officer of Swansea Council who is also the Section 151 Officer for the City and County of Swansea Pension Fund and he has confirmed his support and agreement.

3.5 Ideally, this would have been the subject of a Joint Committee decision, but the Welsh Government required an urgent response, and obviously we didn't want to give the UK Government any excuse to defer the 'Section 150 Order' again, as there is a real VAT cost associated with delaying. Consequently, CJC officers responded to the Welsh Government on 11 January 2023 officially confirming that our region has chosen to use the Dyfed Pension Fund, i.e. Carmarthenshire County Council will be the LGPS administrating authority for the CJC.

This report is submitted for information to the CJC meeting.