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Margaret Dunleavy
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23rd March 2007

Dear Margaret

Local Government Pension Scheme (Amendment)(No2) Regulations 2007

I write in response to the above consultation exercise.

Governance Compliance Statement

LPFA is supportive of the intention to require administering authorities to prepare publish and maintain policy statements about their governance arrangements and, as mentioned in our October 2006 response have produced for several years an annual governance report as part of our Annual Report documentation and conducted governance self assessments each year in accordance with CIPFA's general guidance.

For the LPFA the publication of the extent to which we comply with best practice principles would not be onerous, but because of our unique constitution, and desire of the current Board to encourage representation via observers at public meetings and Fund member and employer panels, we may not comply with all principles in the early years. With this in mind, we would recommend that the date of publication of the first compliance statement be put back from October 2007 to April 2008 at the earliest. We would also suggest that publication of the statement be included in the annual report documentation in addition to the arrangements proposed in draft regulation 4 / new regulation 76B.

Pension Fund Annual Report

Our only observation on the pension Fund annual report publication requirements is that it seems unnecessary to re-publish in the annual report the Statement of Investment Principles for example, which is already a public and published document in its own right. We would prefer to publish the relevant website URL or say copies of the document are available on request.

Pension Administration Strategy

The LPFA is supportive of the intention to introduce regulations which allow administering authorities to establish such a document. There are clear advantages to agreeing such a document with employers in order that responsibilities of both parties are clearly understood and that clear guidance around the efficient and timely flow of information data is made available.

It is certainly our intention to fully consult employing authorities and other relevant persons on this issue with a view to agreeing such a document at the earliest opportunity, although we are concerned that an arbitrary deadline of 31st December 2007 has been proposed for the publication of the first such document. We are unsure as to why such a deadline has been imposed given that this appears to prevent an administering authority from ever introducing such a document if they have not complied with the initial deadline.

Although we would be hopeful of finalising the consultation exercise and producing an agreed strategy by the end of the year we currently deal with over 200 employers in our own fund which will present specific challenges for all involved.

Yours sincerely

MIKE ALLEN
Assistant Director Member Services