

**Report for:** Pensions Committee 11 April 2016

**Item number:** 8

**Title:** Auto Enrolment update

**Report**

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**Ward(s) affected:** N/A

**Report for Key/**

**Non Key Decision:** Non Key decision

**1. Describe the issue under consideration**

1.1. Auto enrolment for the Haringey Pension Scheme first took place on 1 March 2013. This report updates members of the Pensions Committee on the latest position relating to the re-enrolment process.

**2. Cabinet Member Introduction**

2.1. Not Applicable.

**3. Recommendations**

**Members of the Pensions Committee are asked to note that:**

3.1. Haringey Pension Fund re-enrolment will take place on 1 April 2016 and that it is estimated that there are approximately 150 members of staff who will be re-enrolled into the scheme at that time.

**4. Reasons for decision**

4.1. Employers are required to comply with the pension duties which have been introduced under the automatic enrolment provisions of the Pensions Act 2008.

**5. Alternative options considered**

5.1. None; auto-enrolment is a statutory provision.

**6. Background information**

6.1. The Local Government Pension Scheme (LGPS) is a qualifying pension scheme and meets the government's standards under the automatic enrolment provisions of the Pensions Act 2008. The Council must continue to maintain

membership of the LGPS and ensure the scheme continues to meet certain government standards.

- 6.2. Re-enrolment happens every three years after an employers staging date and is a repeat of the auto enrolment duties, re-enrolment can apply three months either side of the third anniversary date.
- 6.3. The employer must 'automatically re-enrol' eligible jobholders who commenced employment on or after the 'staging date', opted out of membership of the LGPS, remained in continuous employment and, on the re-enrolment date is not an active member of the LGPS.
- 6.4. Eligible jobholders are those who are aged 22 or over but under State pension age and earn over the trigger for automatic enrolment of £10,000.00 per annum.
- 6.5. Eligible jobholders who have opted out of the LGPS less than 12 months prior to the 'automatic enrolment' date or where a notice to terminate has been given or where an eligible jobholder has Primary Protection, Enhanced Protection, Fixed Protection 2012, Fixed Protection 2014 or Individual Protection 2014 under the Finance Acts 2004, 2011, 2013 or 2014, do not have to be automatically re-enrolled.
- 6.6. The employer must write to the eligible jobholders within 6 weeks of the chosen re enrolment date and include in that letter, confirmation that they will be enrolled back into the LGPS, the date of the enrolment, value of contributions payable, and that tax relief is or will be given. A copy of the letter will be provided to the Committee.
- 6.7. The transitional delay notice which had the effect of postponing automatic enrolment until 1 October 2017 for eligible jobholders still applies. Eligible jobholders to whom the transitional delay period applies still have the right to opt into the pension scheme.
- 6.8. There will be approximately 150 employees who will be auto enrolled into the Haringey Pension Fund on 1 April 2016. They can, if they wish elect to opt out of the fund or join the 50/50 section of the scheme.
- 6.9. There are currently 72% of eligible Haringey Council employees in the pension scheme and there are 81% of eligible Homes for Haringey employees in the pension scheme (not including casual employees).

## **7. Contribution to strategic outcomes**

- 7.1. N/A

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

- 8.1. Finance and Procurement
  - 8.1.1. To the extent that staff who are automatically re-enrolled do not subsequently exercise their right to opt out, both employee and employers contributions will become payable into the Pension Fund.
- 8.2. Assistant Director of Corporate Governance

8.2.1. Automatic enrolments are statutory obligations contained within the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010 (as amended). These Regulations were made pursuant to the Pensions Act 2008. The Council must therefore comply with these Regulations where they apply to the Haringey Pension Fund.

## **9. Use of Appendices**

9.1. None

## **10. Local Government (Access to Information) Act 1985**