

Local Government Pension Scheme
Scheme Advisory Board

Teresa Clay
Local Government Pensions
Department of Levelling Up, Housing and Communities
Fry Building
2 Marsham Street
SW1P 4DF

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Please reply to joanne.donnelly@local.gov.uk

Dear Teresa,

Deemed Employer Status

I write in regard to the [DLUHC consultation](#) held in 2019 on the strengthening of Fair Deal protections and in particular to request an update on the Department's response. The consultation closed on 4 April 2019 and the latest update on the gov.uk site, from 8 September 2022 was that you were reconsidering the proposals.

The Scheme Advisory Board has received many representations in the interim from trade unions representing Scheme members and I understand that the Secretariat have continued to raise with you informally the need to deal with this issue. I have also recently received the enclosed correspondence from Cllr Charles Simkins, the Chair of Kent Pension Fund Committee. Cllr Simkins requests an update on this matter with particular reference to the broadening of the concept of "deemed employer" status to allow councils to more easily bring contractors in and out of the Scheme.

As it stands, contractors are required to go through the legal process to become an admission body in the Fund, which is an onerous process and adds complexity to the administration of the Scheme. The letter we received also detailed further difficulty in predicting exit payments/credit leading to issues finding the funds or accurately budgeting for unexpected costs, along with administrative burden on both the Fund and the Employer on cessation of commercial contracts.

As the existing provisions no longer seem to be meeting the needs of scheme members or employers, I would be grateful if you could provide a timescale by which the Department will publish its response and address the issues with the current arrangements set out above. The Secretariat are very willing to discuss implementation of the Fair Deal proposals and some of the issues arising now from their current application if that would be helpful in formulating a response.

Scheme Advisory Board Secretariat

Local Government House, Smith Square, London SW1P 3HZ E SABSecretariat@local.gov.uk www.lgpsboard.org

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Yours sincerely



Cllr Roger Phillips
Chair of the LGPS Scheme Advisory Board

Scheme Advisory Board Secretariat

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