

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date 31 January 2023

Report of: Deputy Chief Executive Officer

Subject: ARRANGEMENTS FOR DEALING WITH ADDITIONAL VOLUNTARY CONTRIBUTIONS IN THE LOCAL GOVERNMENT PENSIONS SCHEME (LGPS)

SUMMARY

This report seeks approval to implementing a salary sacrifice Shared Cost Additional Voluntary Contribution (Shared Cost AVC) pension arrangement for Local Government Pension Scheme (LGPS) members.

RECOMMENDATION

It is recommended that the Licensing & Regulatory Affairs Committee approves:

- a) the implementation of a SCAVC pension scheme for LGPS members through a salary sacrifice arrangement;
- b) that earnings related payments, such as overtime, pay increases, contractual allowances, occupational maternity pay, occupational sickness pay, and redundancy are calculated on the notional salary before applying any salary sacrifice reduction as detailed in paragraph 8 of the report;
- c) the inclusion of a new discretion in our LGPS Discretionary Pension Policy Statement to allow staff to participate in the SCAVC scheme as set out in paragraph 9 of the report; and
- d) entering into a contract with AVC Wise to deliver a fully managed service covering SCAVCs as set out in paragraph 12 of the report.