



meeting

PENSIONS ADMINISTRATION SUB - COMMITTEE

date

2 FEBRUARY 2006

agenda item number

REPORT OF THE DIRECTOR OF RESOURCES

CIVIL PARTNERSHIPS & PENSIONS

1. Purpose

- 1.1 To inform the Pensions Administration Sub-Committee of the Civil Partnership regulations implemented which affect the LGPS scheme.

2. Background

- 2.1 A report on the draft Local Government (Civil Partnership) Regulations 2005 was presented to Committee on 12 September 2005. The Civil Partnership Act (2004) came into force on 5 December 2005, which allows same sex couples to register as civil partners. There has to be a 15-day waiting period day – the first civil partnership ceremonies took place on 21 December 2005.

- 2.2 The implications in the main for the LGPS Scheme are as follows:

- a) When the Civil Partnership Act (2004) came into force, it gave same sex couples who register, the same rights as married couples to survivor's pensions for their civil partners. As a member of the scheme, in the event of death, the registered partner will receive a pension equivalent to a spouse's pension. The law requires that benefits must be calculated on rights accrued since April 1988 or if later, the day that the member joined the Scheme. Death in service lump-sums and any other benefits paid to spouses must be paid to civil partners.
- b) The ODPM (Office of the Deputy Prime Minister) has issued amending regulations to the LGPS to implement the survivor pension provisions of the Civil Partnership Act. The Amending Regulations ensure that the surviving civil partner of any member - be it active, deferred or pensioner - with post 5 April 1988 membership should be entitled to benefits. As civil partnership will not have been available before December 2005, no distinction would be made on the basis of whether the civil partnership was entered into before or after the member ceases or ceased employment in Local Government.

- c) In the event of a relationship between civil partners breaks down, there is a statutory dissolution process. The Civil Partnership Act provides for pension sharing in the same way as for married couples on divorce.
 - d) Same sex couples that are financially interdependent, but have formed a civil partnership should be treated in the same way as unmarried heterosexual couples, i.e. they would not be entitled to a pension on the death of a partner who is a Scheme member. However, the LPGS allows a Scheme member to nominate anyone they wish as the beneficiary for the death in service lump-sum payment or any other lump-sum payments. This can therefore include their surviving partner with whom they did not register a civil partnership.
- 2.3 Whilst the Committee at the meeting on 12 September, supported the facility for active members to count a period of membership between 1 April 1972 and 5 April 1988 for the purpose of calculating a civil partner's benefit, providing that the full cost was not met by the Pension Fund, this item was not included in the final regulations. It will however be considered during discussions on the future development of the LGPS.
3. Recommendation
- 3.1 It is recommended that the Pensions Administration Sub-Committee note the contents of this report.

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Director of Resources

Personnel Implications

None

Equal Opportunities Implications

The amendments to the LGPS scheme allow a same-sex civil partner to have pension rights of a member of an occupational scheme.

Crime and Disorder Implications

None