

DMPC Decision – PCD 1426

Title: Pensions Reform McCloud Remedy

Executive Summary:

This paper seeks approval to extend the SSCL contract for changes required to the police officer pension scheme arising from the McCloud remedy. This remedy seeks to address the discriminatory nature of the changes proposed by the Government to public service workforces pension schemes in 2015. The cost is £7,110,571 and will be funded from within existing resources.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

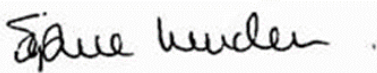
1. **Approve** the implementation of an administrative solution on behalf of the MPS under a Request for Change to SSCL, in respect of the administrative and technical requirements associated with the reform of public service pensions, at a cost of £7,110,571 plus VAT for the period 1 January 2023 to 31 December 2024.

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature



Date

16/06/2023

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

1. Introduction and background

- 1.1. In 2015 the government introduced reformed pension schemes across all the main public service workforces, which included both Police Officers and Staff. The Court of Appeal later found the transitional protection reforms to be discriminatory against younger members in the judicial and firefighters' pension schemes. The government accepted that the judgment had implications for the other schemes including the police pension scheme, as they contained similar transitional arrangements.
- 1.2. The government has set out changes to pension schemes in its Public Service Pensions and Judicial Offices Act 2022. This paper sets out investment needed to deliver this legislative requirement.

2. Issues for consideration

- 2.1. This paper seeks approval for a contract variation in order to meet the legislative requirements of the Public Service Pensions and Judicial Offices Act 2022. Failure to implement the requirements would place MOPAC/MPS in breach of its legal obligations under the Act.
- 2.2. Approval to invest and meet legislative requirements supports the MPS ambition to demonstrate high professional standards which is critical to rebuilding trust.

3. Financial Comments

- 3.1. The cost of implementing the remedy to the pension scheme is £7,110,571 over the period 2023-2025. This cost will be funded from a budget underspend from 2022/23 and provision included in the Medium Term Financial Plan.

4. Legal Comments

- 4.1. The MPS Directorate of Legal Services (DLS) confirm that the proposed variation to the contract is permitted and compliant with regulations.
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months.

5. Commercial Issues

- 5.1. The MPS's pension scheme administration is within the SSCL Business Support Services contract, sub-contracted to Equiniti.

- 5.2. The proposed contract variation value is within a 10% threshold of the original contract value but the variation is for a period of more than 12 months.
- 5.3. The MPS has negotiated a Request for Change under the contractual Change Control Governance mechanism to commission SSCL/Equiniti to implement the necessary changes to the pension scheme.

6. GDPR and Data Privacy

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The MPS assure that the project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

7. Equality Comments

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. The MPS assure that this business case has undergone an initial Equality screening. Due regard has been taken to ensure compliance with the Equality Act in particular the Public Sector Equality Duty. Real consideration has been taken to assess Equality impact caused by the proposal. As a result, no negative impact has been identified to any individual and/or group safeguarded by a protected characteristic and to those who are not negating the requirement to document any mitigation.

8. Background/supporting papers

- Appendix 1 MPS Report - Pensions Reform McCloud Remedy

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date:

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

ORIGINATING OFFICER DECLARATION

Tick to confirm statement (✓)

Financial Advice:

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

Legal Advice:

The MPS legal team has been consulted on the proposal.

✓

Equalities Advice:

Equality and diversity issues are covered in the body of the report.

✓

Commercial Issues

Commercial issues are covered in the body of the report.

✓

GDPR/Data Privacy

GDPR compliance issues are covered in the body of the report .

✓

Drafting Officer

Alex Anderson has drafted this report in accordance with MOPAC procedures.

✓

Director/Head of Service:

The MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

Chief Executive Officer

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature

Sanakucherd.

Date 30/05/2023