

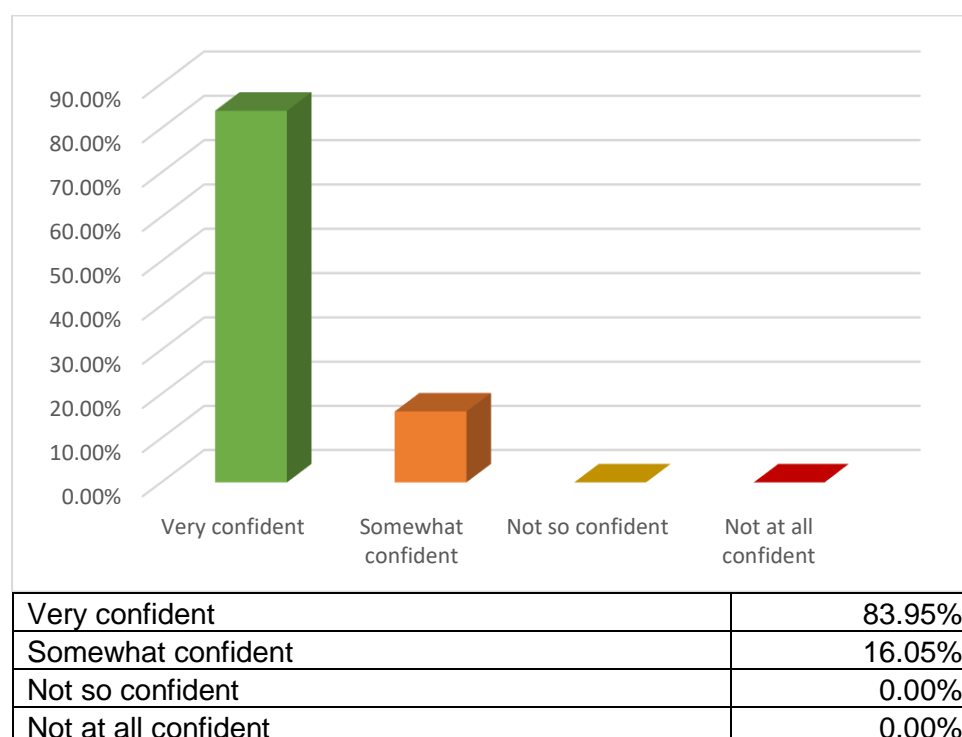
LGPS COVID-19 resilience survey conducted 24th March to 6th April

Survey was sent to LGPS administering authorities across England, Wales and Scotland

79 Responses were received from;

- 21 London boroughs
- 8 Scottish authorities
- 9 Welsh authorities
- 6 English metropolitan authorities
- 33 English county or unitary council
- LFPA and the Environment Agency

Key area 1 - How confident are you that you can continue to pay existing pensioners?



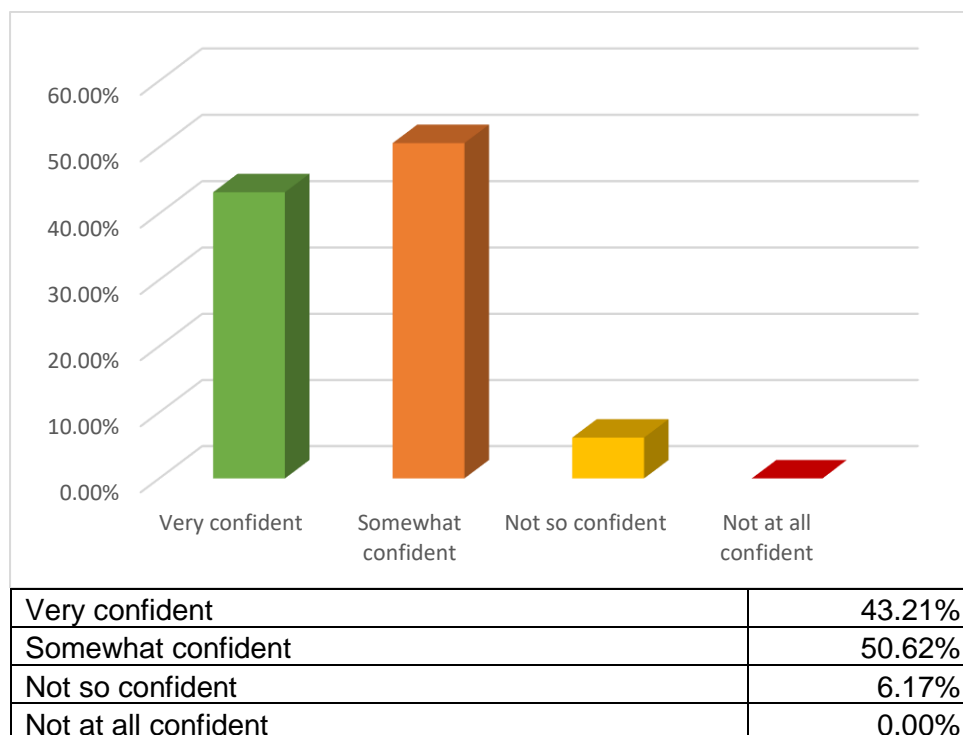
Areas of concern for those somewhat confident were as follows

- Loss of staff or staff unable to work from home
- Broadband performance
- Processes being done at home/remotely for the first time
- Staff sickness levels
- Paying overseas pensioners without life certificates
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Plans to manage these concerns include

- In the worst-case scenario repeat the payroll run
- Ensure key staff can work effectively from home
- Review and if necessary revise the outsourced provider agreement

Key area 2 - How confident are you that you can calculate and process new retirements and death benefits?



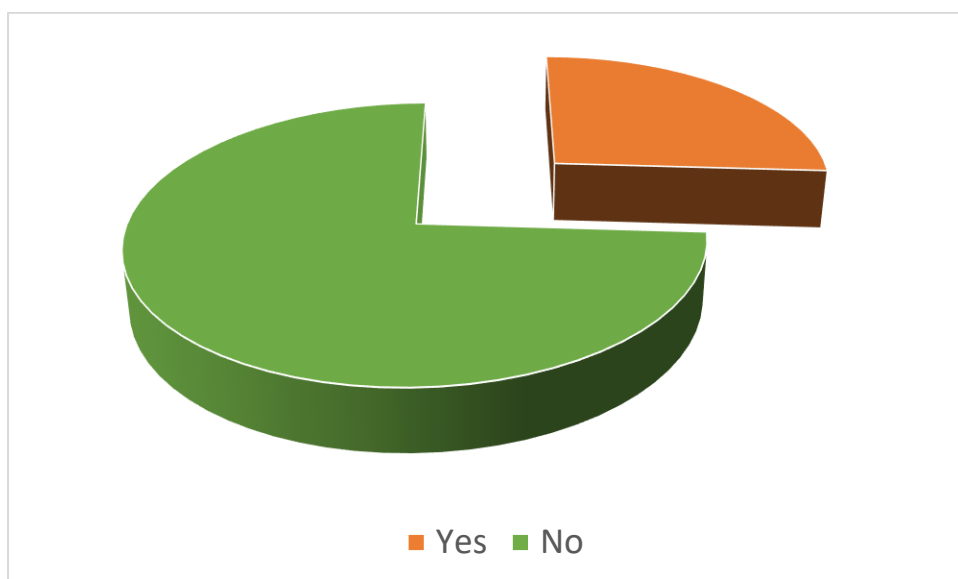
Areas of concern for those somewhat or not so confident were as follows

- Access to systems/post for staff working from home
- Information flows from employers
- Capacity issues/staff sickness levels/staff unable to work from home
- Paying overseas pensioners without life certificates

Plans to manage these concerns include

- Move to paperless working/electronic documentation (discussions with auditors)
- Once a week postal runs to the office
- Obtaining information from employers in advance
- Updating scheme member details to enable better direct contact (eg all by email)

Key area 3 - Have any of your employers contacted you to let you know they may not be able to pay contributions? If yes, please let us know the numbers and provide any other relevant information



Yes	25.93%
No	74.07%

Further information on employers with difficulties paying contributions

- Employees being furloughed
- Loss of cashflow (eg sports centre membership fees cancelled)
- Employer closed with no income
- Political sensitivities for some small employers
- Request for break in substantial deficit payments
- Some contributions late
- Council contractors with cash flow difficulties

Action being taken

- Discussions with employers to consider package of assistance
- Potential short-term deferral of contributions (repayable in rest of year)
- Potential deferral of deficit contributions only
- Request for evidence that employer is taking all other available action (eg government backed loan scheme) before considering deferral
- Reminder to all employers on contribution deadlines
- Discussions with council/guarantors to review grant funding/covenant

Key area 4 - Are you aware of any employers who are exiting the Scheme (or are at risk of exiting) where the exit is linked to the current situation with Covid-19?



Yes	4.94%
No	95.06%

Further information on employers in danger of exiting

- Possible exit if situation continues for months
- Total overnight loss of income due to enforced closure

Action being taken

- Furlough scheme may avoid need to exit

It should be noted that a majority of those who responded this section stated that it was too early to say and that this situation may change for the worse if circumstances continue as they are for a period of months.

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For further information members of the press should contact the Scheme Advisory Board Secretary jeff.houston@local.gov.uk

Further information on COVID-19 issues for LGPS administering authorities can be found at <http://lgpsregs.org/news/covid-19-news-2020.php>