

## Department for Education online survey: Impact of the guarantee on academy rates

### Background

We are very grateful to those who responded to the consultation about proposals to pool Scheme arrangements between an academy and the Local Authority. There has been a range of responses to the proposals and also some very helpful additional information, including about local pooling arrangements. We are continuing to have conversations with administering authorities, Scheme actuaries and others to get a better understanding of how best to proceed. In addition, we are discussing whether any improvement can be made to the process at conversion when assets and liabilities are calculated and assigned to the new academy.

One issue of concern that has come to our attention is the view that the Department for Education guarantee is in some way temporary. This is not the case and Ministers would like to get a better understanding of the impact of the Minute to Parliament as this is a key part of both reassuring Scheme practitioners that the costs of any academy closure will not fall to Pension Funds and providing an academy with appropriate employer contribution rates. The Department for Education has provided further advice regarding the guarantee which is attached to this email.



40204FAQ4Final.doc (83 KB)

### The survey

The link below is to a survey which we ask each Administering Authority to complete so that there is a more comprehensive picture of the impact of the guarantee than we had been able to establish through the consultation. The Department for Education has designed the survey to assess what impact the Departmental guarantee has had on Academy employer contribution rates and deficit recovery periods.

We know this is a busy time for Administering Authorities and that many of you are in the process of completing the triennial valuation. Your participation is, therefore, much appreciated. The online survey can be accessed using the link below.

[https://www.surveymonkey.com/s/LGPS\\_Guarantee](https://www.surveymonkey.com/s/LGPS_Guarantee) The online survey has been designed to make it as easy as possible to complete. We would be grateful if you could complete the survey by **21 February 2014**.

The results of the online survey will be analysed together with the result of Department for Communities & Local Government's consultation exercise, to establish whether there is a pressing need to amend regulations to require Funds to pool Academies with the local authority, or other solutions can be adopted to meet Ministers' policy aims that an academy does not have unjustifiably higher employer rates than it did as a Local Authority Maintained School. Your views are, therefore, very important to us and we look forward to your survey response.

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