

The Local Government Pensions Committee
Secretary: Terry Edwards

CIRCULAR

Please pass on sufficient copies of this Circular to your Treasurer/Director of Finance and to your Personnel and Pensions Officer(s) as quickly as possible

No. 246- MARCH 2011

PRACTITIONER & EMPLOYER TRAINING EVENTS

FURTHER “UNDERSTANDING” WORKSHOPS IN 2011

Purpose of this circular:

1. This Circular has been issued to advise administering authorities and employers participating in the Local Government Pension Scheme of three workshops to be run at a number of locations across the United Kingdom. The workshops have been organised by the Local Government Pension Committee (LGPC).
2. Although evident from this Circular's title, for the avoidance of any doubt, this is not the further Circular referred to in Paragraph 7 of Circular 243 issued in February 2011 regarding the Annual LGPS Trustees' Conference in Bournemouth on 8th and 9th June 2011. That further Circular giving full programme details of the Conference should be issued in the next 3 weeks. Interested parties are reminded that the Conference is already bookable on-line at <http://www.lge.gov.uk/lge/events/events-list.do> and as many 24 bookings have already been made, you are advised to book delegate places sooner rather than later.

Background

3. For a number of years the LGPC has held numerous one-day topic-specific Understanding workshops covering various aspects of the Local Government Pension Scheme and associated Compensation provisions.

4. As many of these workshops are hands-on and contain practical exercises, the “class” size is usually kept to a maximum of 12 people to ensure that delegates get the most out of the learning experience.

Details of workshops

5. The next topic-specific Understanding workshops are to be run in mid 2011 and cover the subjects ‘Guaranteed Minimum Pensions’, ‘Transfer Values’ and ‘The Employer Role’.
6. All of these workshops have been run previously, some several times between 2003 and early 2010, but they will be updated for 2011 in line with changes in legislation and/or guidance issued since the workshops were last run. For example, the Guaranteed Minimum Pensions course will cover the application of annual pensions increase reviews between pensionable age (colloquially ‘GMP Age’ or ‘old State Pension Age’) and new State Pension Age and also after new State Pension Age now that we have sought clarification from HM Treasury; the Transfer Value workshop will be based on the latest GAD guidance and instructions from CLG (Regulations pending); and the Employer Role workshop will include the latest position on Tier 3 ill-health retirement. These are just a few examples of the extent of the revision of the material. Also, all practical exercises are being revisited and also refreshed and updated where necessary.
7. In order to continue the LGPC’s plan to deliver training as locally as practicable, the forthcoming workshops are to be held in a number of locations across the country. In putting together the entire schedule, the Secretariat has attempted to be as ‘geographically’ fair as possible although, regrettably, a few locations that proved unpopular and therefore not economically viable in 2010, continue to be omitted.
8. With reference to events for Scottish administering authorities and employers, it was agreed at Scottish Pensions Liaison Group in December 2010 that demand should be canvassed in advance of any bespoke workshops in Scotland being organised. Any such events will be arranged separately and announced directly to Scottish administering authorities and via them to employers where necessary.
9. At the Understanding workshops, delegates have the benefit of an experienced tutor and a detailed workbook they can take away for future reference. Each workshop will involve several practical exercises and all necessary delegate material, including calculators, will be provided. The workshops will start at 10:00 a.m. and finish no later than 4:00 p.m., with lunch and refreshment breaks included as well as coffee/tea on arrival from 9:30 a.m. As the workshops are delivered “locally” this should avoid the time and expense of overnight stays for many delegates.
10. Further details on course content, locations and dates can be found in Appendix A attached to this Circular.

Intended Audience for ‘Guaranteed Minimum Pensions’

11. These workshops are solely aimed at Administering Authority staff (including pensioner payroll staff) who deal with, or need to learn about, the overriding provisions about Guaranteed Minimum Pensions, how the mechanics actually work in the Local Government Pension Scheme, the changes from 6 April 2010 following the commencement of SPA equalisation and the knock-on effect to pensions increase calculations from then on. It is improbable that Employing Authority staff would benefit by attending.

Intended Audience for ‘Transfer Values’

12. These workshops are particularly aimed at Administering Authority staff who deal with, or need to learn about, cash equivalent transfer values (CETVs) and inter-fund adjustments (IFAs). They are unsuitable for delegates with little or no experience of the LGPS. The logic and associated mathematics behind the methodology are complicated but the workshop attempts to explain both whilst also explaining the processes necessary to comply with overriding legislation and GAD Guidance. It is improbable that Employing Authority staff would benefit by attending.

Intended Audience for ‘The Employer Role’

13. These workshops and the material cover the basic structure of the LGPS and focuses on the employer’s role and responsibilities. Therefore they will be of most value to employing authority staff, including those with little or no experience, who need to better understand the part they play in administering the LGPS. As most aspects of scheme administration are covered, the workshop will also be of use to some administering authority staff – perhaps those with little or limited experience of the LGPS as a whole or those with an employer liaison role.

Cost and Booking

14. The delegate rate for each workshop, inclusive of lunch, refreshments and all delegate materials is £195 plus VAT at the standard rate.
15. Early booking is highly recommended as places are limited. Bookings are made via the on-line events booking facility which is part of the Local Government Employers’ website at www.lge.gov.uk. Please note our cancellation policy contained in our Terms and Conditions on the website. When booking, you will need full delegate details to hand including the address to which the invoice for payment is to be sent. Purchase order numbers must also be provided if required by your organisation to pay invoices.

16. If the workshop at your preferred location is full and you do not wish to book on one at an alternative location, you are advised to enter your name on the reserves' list at your preferred location. It is important to do so as, not only will you have a priority warning should any cancellations occur, but it also enables the LGPC to consider increasing delegate places where possible or, on occasion, to organise overflow events.
17. If you experience any difficulties in using the on-line website booking facility, please contact Elaine English, LGPC Executive Officer, by email elaine.english@local.gov.uk

ACTIONS FOR ADMINISTERING AUTHORITIES

18. All Administering Authorities are urged to copy this Circular to all employers in their Fund or bring the Circular to the attention of employers by directing them to it on the LGE website.

Tim Hazlewood
LGPC Training and Development Manager
25 March 2011

UNDERSTANDING... GUARANTEED MINIMUM PENSIONS**Course content covers:**

- 1) **The background to Contracting-Out and the changes necessary from 2010 to cater for the changes in State Pension Age**
- 2) **The basis of calculating GMPs**
 - Accrual Rates
 - Earnings Factors
 - Method of revaluation of earnings factors
- 3) **Revaluation of GMPs and Anti-Frinking**
- 4) **Increments where retirement deferred past 'pensionable age'**
- 5) **The effect on Pensions Increase calculations**
 - At and after 'pensionable age'
 - GMPs accrued pre and post 1988
 - Interaction with State Additional Pension/Component
- 6) **Survivor's GMPs**

Workshop locations & dates:

10 May	London 1	Victoria Park Plaza Hotel
12 May	Birmingham	Jurys Inn Hotel
24 May	Liverpool	Marriott Hotel
26 May	Leeds	Marriott Hotel
02 June	Exeter	Thistle Hotel
14 June	London 2	Victoria Park Plaza Hotel
16 June	Cardiff	Marriott Hotel

UNDERSTANDING... TRANSFER VALUES

Course content covers:

- 1. The Governing Legislation**
- 2. Transfers Out**
 - Administration
 - Public Sector Transfer Club
 - Calculation Methodology
 - Contracted-In and Contracted-Out Schemes
 - Overseas Schemes / Community Schemes
- 3. Transfers In**
 - Administration
 - From Club Schemes
 - From non-Club Schemes
 - The Reiteration Process (for transfers that affect CRA)
 - More than a calculation!
- 4. Inter-Fund Adjustments**
 - Administration
 - Methodology (within and cross-Border)
- 5. Bulk Transfer Arrangements**
- 6. CEVs for Pension Sharing on Divorce (PSoD)**
 - A brief look at the methodology*

** This is not a comprehensive look at CEVs for PSoD – that is a subject in its own right and is covered in detail in a separate Understanding workshop*

Workshop locations & dates:

28 June	London 1	Victoria Park Plaza Hotel
30 June	Leeds	Marriott Hotel
05 July	Liverpool	Marriott Hotel
07 July	Exeter	Thistle Hotel
12 July	London 2	Victoria Park Plaza Hotel
14 July	Birmingham	Jurys Inn Hotel
19 July	Cardiff	Marriott Hotel

UNDERSTANDING...THE EMPLOYER ROLE

Course content covers:

- 1) **Joining the LGPS**
Who can join and perhaps why they should
- 2) **How Membership Counts**
In a Final Salary Scheme this is crucial
- 3) **Pay and Final Pay**
In a Final Salary Scheme this is crucial too
- 4) **Changes in Circumstances**
Breaks in service, changes in hours etc
- 5) **Regulatory Requirements**
What you must do by law for your employees
- 6) **All Types of Retirement**
A significant section looking at all the retirement benefits possible
- 7) **Early Leavers**
What happens when people leave before retirement age
- 8) **Other Areas for Consideration**
Including employer discretions*, maximising tax-free cash and internal dispute resolution procedures (IDRP)

** This is not a comprehensive look at employer discretions. There is a separate dedicated workshop called 'Employer Discretions and Policies' that covers this in depth.*

Workshop locations & dates:

16 August	London 1	Victoria Park Plaza Hotel
18 August	Leeds	Marriott Hotel
23 August	Liverpool	Marriott Hotel
25 August	Cardiff	Marriott Hotel
01 September	Exeter	Thistle Hotel
06 September	Birmingham	Jurys Inn Hotel
08 September	London 2	Victoria Park Plaza Hotel

Distribution sheet

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Officer advisory group
Local Government Pensions Committee
Trade unions
DCLG
COSLA
SPPA
Regional Directors
Private clients

Website

Visit the LGE's website at: www.local.gov.uk

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