



The Local Government Pensions Committee
Secretary: Lorraine Bennett

CIRCULAR

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

No. 312 – FEBRUARY 2019

LGPS PRACTITIONER TRAINING EVENTS

(1) “UNDERSTANDING” WORKSHOPS

(2) “INSIGHT” RESIDENTIAL COURSE

Purpose of this circular:

1. This Circular advises administering authorities and employers participating in the Local Government Pension Scheme (LGPS) of a number of one day workshops to be run at various locations across England and Wales. The events have been organised by the Local Government Pension Committee (LGPC).

The results of the recent survey have been used to inform the programme going forward as well as the location of workshops.

(1) “UNDERSTANDING” WORKSHOPS

Background

2. For a number of years the LGPC has held numerous one day topic-specific “understanding workshops” covering various aspects of the LGPS.
3. The workshops are mostly hands-on and contain practical exercises; the “class” size is usually kept to a maximum of 15 people to ensure that delegates get the most out of the learning experience.
4. As these workshops are based on the pension scheme in England and Wales they are unsuitable for Scottish administering authorities and employers. Topic specific workshops would only follow later at the request of the Scottish

Pensions Liaison Group, with demand being canvassed in advance. Any such events would be arranged separately and announced directly to Scottish administering authorities and via them to employers where necessary.

5. At the workshops, delegates have the benefit of an experienced tutor and a detailed set of electronic notes they can download and save for future reference. As the workshops are delivered “locally” this should avoid the time and expense of overnight stays for many delegates.
6. Delegates will be provided with the code for an app prior to the event which will enable the download of the material onto their own Apple or Android device. If the delegate wishes to print this off prior to the event they can do so. Alternatively a device will be provided for use on the day.

Details of workshops

Understanding Aggregation

7. In April we will be running the “Aggregation” course. These workshops are aimed primarily at administering authority staff who deal with, or wish to learn about, the aggregation of previous LGPS benefits. It is therefore beneficial for delegates to have some working knowledge of the Scheme and its provisions.
8. The workshop will open with registration from 9:30am followed by a prompt 10:00am start and finish no later than 4:00pm. Details of the course content, locations and dates can be found in **Appendix A** attached to this Circular.

Cost and booking

9. The delegate rate for each session, inclusive of lunch, refreshments and all delegate materials is £260 plus VAT at the standard rate.
10. Early booking is highly recommended as places are limited. Bookings are made via the online events booking facility which is part of the Local Government Association website. Each event has a link attached to the date in order to book direct. The main events booking page for all LGA events are viewable at: <http://www.local.gov.uk/events>
11. If you experience any difficulties in using the online website booking facility, please contact Elaine English, LGPS Executive Officer, by email elaine.english@local.gov.uk

Understanding the Employer Role

12. Last July we run the “Employer Role” course which proved very popular. These workshops are aimed primarily at staff working for scheme employers in England and Wales who have operational responsibilities under the Local Government Pension Scheme (LGPS). Delegates do not necessarily need a thorough working knowledge of the LGPS itself but some experience of the scheme and its provisions would be useful. Details of the course content, locations and dates can be found in **Appendix A1** attached to this Circular.

(2) “INSIGHT” RESIDENTIAL COURSE

Background

13. The LGPC has been running a residential course aimed at practitioners at both administering and employing authority level since 2004. The course is named “Insight” and it covers most aspects of the LGPS at a foundation level. The course was last run in 2018.

Course Details

14. The course will be held in Eastbourne on 20-23 May 2019.

15. A full programme is attached as **Appendix B**, but highlights of the course are:

A history of the Scheme and current developments

Contributions payable

LGPS2014 – How CARE works

LGPS2008 - How membership counts in the calculation of benefits

How final pay is assessed

Good quality communications

Minimising and resolving disputes

The benefits the scheme provides and how they are calculated, including:

- Refunds of Contributions
- Preserved Benefits
- Retirement Benefits
- Death Grants and Survivors’ Benefits
- Aggregation and Transfers

16. The LGPS is a complex scheme and it can be difficult to fully understand; one of the intended outcomes of the course is to get delegates to appreciate all aspects of being involved in administering a pension scheme.

17. There are a number of practical exercises, many of which involve the calculation of benefits. There is ample time built in to allow for discussion of the various aspects of the scheme and delegates are actively encouraged to participate in this way. The course is designed to be both challenging and thought provoking.

18. Delegates will be provided with the code for an app prior to the event which will enable the download of the all the course material onto their own Apple or Android device. If the delegate wishes to print this off prior to the event they can do so. Alternatively a device will be provided for the duration of the course.

Intended Audience

19. The residential course is intended for all those involved in LGPS administration. It is suitable for pension administration staff as well as HR, finance and payroll staff where the pensions function plays a significant part in their day-to-day role.
20. Being a foundation course, the course is aimed at staff who are either relatively new to the pensions scene, or have some experience but want to better understand their own and others' responsibilities under the terms of the scheme. The material can be quite detailed though as this is unavoidable due to the design of the scheme.

Cost and Booking

21. The cost of the residential course is £799 (plus VAT at the standard rate) per delegate. This includes full board accommodation throughout the course, all delegate material, refreshments throughout the day and a course certificate.
22. Early booking is highly recommended as places are limited. Bookings are made via the online events booking facility which is part of the Local Government Association website. For your ease of reference the link to the course is [attached](#) herewith. The main events booking page for all LGA events are viewable at: <http://www.local.gov.uk/events>
23. If you experience any difficulties in using the online website booking facility, please contact Elaine English, LGPS Executive Officer, by email elaine.english@local.gov.uk

Governance Conference

24. Please note the Governance Conference will be held on 23-24 January 2020 in York. Further details will follow in due course.

ACTIONS FOR ADMINISTERING AUTHORITIES

25. Administering Authorities are urged to bring this circular to the attention of all their employers.

Karl White
Pensions Adviser (Training)
8 February 2019

Appendix A

UNDERSTANDING...AGGREGATION

Course content covers:

Background

Final Salary and CARE aggregation

- Elective and automatic aggregation
- The final salary link and the 5 year break
- Exclusions
- Aggregation and CARE pension
- Aggregation of deferred benefits
- Aggregation and opt outs
- Aggregation and deferred refunds
- Information requirements

Aggregation scenarios

Aggregation considerations

Calculations

- Non-club transfer method and aggregation
- Calculating earned pension
- Concurrent adjustments

Interfund adjustments

- Relevant dates
- Interfunds and normal pension age
- Interfunds of frozen refunds

Aggregation administration

- Aggregation and additional contracts
- AVCs and aggregation
- Aggregation and the rule of 85
- Aggregation and TUPE
- Communicating the options
- Historic aggregations
- Aggregation and Final Pay periods

Aggregation workshop dates, locations & venues:

2nd April	Leeds	Marriott Hotel
9th April	Birmingham	Jurys Inn Hotel
11th April	London	Etc.Venues, Victoria
16th April	London	Etc Venues, Victoria
30th April	Cardiff	Marriott Hotel

Appendix A1

UNDERSTANDING...THE EMPLOYER ROLE

Course content covers:

1) Brief Overview of the LGPS

2) Joining the LGPS

Contractual enrolment and Auto-enrolment
One Scheme, two sections
Deciding the contribution rate

3) CARE vs Final Pay

Cumulative Pensionable Pay
Pensionable pay definition
Assumed Pensionable Pay (APP)
CARE accounts – how they work
The basics of final pay calculations

4) Absences

Child-related leave and other absences

5) Additional Contributions

Additional Pension Contributions
Additional Voluntary Contributions

6) Regulatory Requirements

Obligations to provide information
Pay-over of contributions
End of year returns

7) All Types of Retirement

A look at all retirement benefits and options

8) Early Leavers

What happens when members leave before retirement age

9) Other areas for consideration

Including employer discretions*, maximising tax-free cash, 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.*

Employer Role workshop dates, locations & venues:

13th March	London	Etc.Venues, Victoria
19th March	Birmingham	Jurys Inn Hotel
26th March	Bristol	Doubletree by Hilton Hotel

Appendix B

INSIGHT Residential Course

Day One

6:00 p.m. Introduction to the Course / Icebreaker

An opportunity for the delegates to introduce themselves, this short session includes a non-physical team-building exercise that attempts to prove that co-operation and team-work do produce better results. Includes evening meal at 7:00 p.m.

Day Two

9:15 a.m. Perspective

A look at the history of state and private pension provision in the UK, with an emphasis on the LGPS and how it has changed over the decades and is still changing. The session concludes with an exploration of the relative roles of employing and administering authorities.

10:00 a.m. To join or not to join – that is the question

We take a look at the choice facing each and every employee - join the scheme? We'll touch on auto-enrolment and the sometimes tricky issue of deciding the rate of contribution the member will have to pay. We end with the whys and wherefores of the 50/50 Section.

11:00 a.m. Refreshment Break

11:30 a.m. The CARE scheme

An overview of the current CARE scheme and how it works in practice utilising pension accounts. We'll explore the ins and outs of Cumulative Pensionable Pay including Assumed Pensionable Pay. We will follow this with a brief look at the valuation process and employer discretions.

12:30 p.m. Lunch

2:00 p.m. Final Pay and how membership counts

For any member with pre-1 April 2014 membership we will go through how their final salary linked benefits will be calculated. We will examine the differences between whole-time, part-time and term-time scheme members and even fee-based employees. With mandatory annual benefit statements being issued, we will take a close look at the need for up-to-date and accurate records.

3:30 p.m. Refreshment Break

4:00 p.m. **Breaks and Extra Contributions**

We will examine how certain events can lead to breaks in membership and, even in the post-14 world, how such breaks can impact pre-14 rights. We'll look at how APCs can plug the gap and also be used to get extra pension on retirement. We'll also consider in-house or free-standing AVCs and using alternative tax-efficient saving vehicles. The employer options are explored also.

5:00 p.m. Session closes

7:00 p.m. Evening Meal

Day Three

9:15 a.m. **Early Leavers' benefits**

A look at the range of options available including refunds, preserved benefits, and "inter-fund" transfers. This will be supplemented by a close look at what needs to be done, and when, as required by the pension scheme regulations and other, overriding legislation.

10:30 a.m. Refreshment Break

11:00 a.m. **Aggregation, Transfer Values & Divorce**

We take a look firstly at re-joiners and what happens with their previous pension rights ("aggregation"). We'll then turn to transferring into and out of the LGPS and outline the methodology, both "club" and "non-club". What should scheme members take into account when making their decision whether to aggregate/transfer or not? We'll end with a quick look at Pension Sharing on Divorce.

12:30 p.m. Lunch

2:00 p.m. **Retirement Benefits – Part 1**

A look at all the various retirement benefits available including ill-health retirement, flexible retirement and an explanation of actuarial reductions.

3:30 p.m. Refreshment Break.

4:00 p.m. **Retirement Benefits – Part 2**

A continuation of the types of retirement benefits, including redundancy and efficiency retirement, together with a look at the member's option to convert retirement pension into extra tax-free lump sum.

5:00 p.m. Close

7:00 p.m. Evening Meal

Day Four

9:15 a.m. Survivors' benefits

A look at widows', widowers', civil partners', cohabiting partners' and childrens' pension provision in the LGPS. We also look at death grants and how they are calculated and hear of the absolute discretion the administering authority has in making the payment.

10:45 a.m. Refreshment Break

11:15 a.m. It'll be alright on the night

A look at the dispute resolution procedures contained in the LGPS, what can go wrong and how all parties in the pensions function can work effectively, both individually and collectively, in order that mistakes can be minimised. This session includes an important look at effective communication.

12:15 p.m. What's happening now – and what happens next?

An insight into current developments and an exploration of possible futures for the LGPS (incorporating a look at the cost control mechanism to ensure the scheme lasts.

12:55 p.m. Course Certificates

The award of course certificates.

13:00 p.m. Course ends with Lunch

PLEASE NOTE:

- 1. Actual content may differ without prior notice*
- 2. All timings are approximate*
- 3. There is no dress code imposed by the hotel*

Insight dates and location details

[Monday 20th to Thursday the 23rd May 2019](#) Cavendish Hotel, Eastbourne

Distribution sheet

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