



Local Government Pensions Committee
Secretary, Jeff Houston

LGPC Bulletin 112 – February 2014

This month's Bulletin contains a number of general items of information.

Please contact Mary Lambe with any comments on the contents of this Bulletin or with suggestions for other items that might be included in future Bulletins. [LGPC contacts](#) can be found at the end of this Bulletin.

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LGPS 2014: Employee Communications

In February a pensions account modeler designed to help members understand how pension accounts work was added to www.lgps2014.org. The modeller shows how a pension builds up from April 2014, it is not designed to provide an estimate of benefits. The facility allows members to input pensionable pay, and figures for assumed inflation and pay increases and also view the impact of electing for the 50/50 section of the scheme on pension build up in the LGPS. To access the pension account modeller please [click here](#). In addition a contribution cost calculator for the new scheme from 1 April 2014 will be made available in early March, pension managers will be notified via email when this resource is live on www.lgps2014.org.

The final topic based welsh language video, 'Paying into the LGPS before 1 April 2014/ Talu i'r CPLIL cyn 1 Ebrill 2014?' has now been added to the LGPS 2014 [member website](#), to view this and other topic based videos please [click here](#).

As you will all be aware the [Occupational and Personal Pension Schemes \(Disclosure of Information\) Regulations 2013](#) [SI 2013/2734] require administering authorities to inform all members of the changes to the LGPS from 1 April 2014, within 3 months of the change taking effect). To aid with this requirement the centrally produced scheme guides for the new LGPS 2014 (both long and short versions) will be made available to pension managers in the coming week.

Updates were made to the [HR Guide](#) and [Payroll Guide](#) in February; the revised guides can be found on www.lgpsregs.org. One area of interest to employers are the updates to section 2A, 2B and 10 of the [HR Guide](#) where additional information on the attribution of member contribution rates and movement between contribution bands has been added. Employer's must determine the method they will use to notify members of their contribution rate from April 2014. This notification must:

- contain a conspicuous statement giving the address from which further information about the decision may be obtained;
- notify the employee of the right to appeal to an adjudicator against the decision (within 6 months of being notified of the initial decision, or such longer period as the adjudicator may allow);
- set out the job title and address of the adjudicator (i.e. the person the employer has appointed to consider appeals); and
- notify the employee that, if they are unhappy with the adjudicator's decision, they would have the right to ask the administering authority, within 6 months of the adjudicator's decision, to undertake a further review of the decision.

LGPS 2014: Employer Discretions and Policies

In [Bulletin 111](#) we referred to forthcoming Employer Discretions and Policies workshops taking place throughout March and April 2014. These events have proved very popular, with only a few remaining places now left at the Exeter workshop, taking place on the 20th March. In light of demand, 4 additional workshops have now also been arranged, these take place on the following dates in the following locations:

- 15 April 2014 - Cardiff
- 24 April 2014 - Liverpool
- 28 April 2014 - Birmingham
- 30 April 2014 - London.

The content of the course has been updated in line with the requirements of the new LGPS from 1 April 2014, for more details please read [Circular 275](#). To make a booking to attend one of these workshops please [click here](#).

Automatic enrolment - proposed thresholds for 2014/15

The Government has announced the proposed automatic enrolment thresholds for 2014/15 following a review of the earnings trigger and qualifying earnings bands. The proposed thresholds are as follows:

- £10,000 (from £9,440) for the automatic enrolment earnings trigger, in line with the increase in the PAYE personal tax allowance.
- £5,772 (from £5,668) for the lower limit of the qualifying earnings band, in line with the National Insurance lower earnings limit.
- £41,865 (from £41,450) for the upper limit of the qualifying earnings band, in line with the National Insurance upper earnings limit.

The DWP has published a [statistical analysis](#) to support the annual review of the thresholds. It includes analysis of costs to employers, workers and government for the proposed thresholds and the various options considered.

Once the above proposed thresholds are made and laid before parliament the Automatic Enrolment guide will be updated to reflect this as well as changes necessitated by the new LGPS from 1 April 2014.

Pensions Increase Review Order 2014

Public service pensions that have been in payment for a year will be increased by 2.7 per cent from 7 April 2014 in line with the September-to-September increase in the Consumer Prices Index (CPI). Any pension which has been in payment for less than a year will be increased by a proportionate amount depending upon the number of months it has been in payment.

Copies of the multiplier tables can be found on [HM Treasury website](#). An annual update circular from the LGPC containing this and all other relevant annual increases will be available in March and the relevant annual updates will also be added to the [Timeline Regulations](#) website and [www.lgpsregs.org](#) website.

Additional Voluntary National Insurance Contributions at State Pension Age

The DWP's report presents results from an online survey set up to provide understanding of the likely take-up of Additional Voluntary National Insurance Contributions which are intended to be available for those reaching State Pension Age before 6 April 2016 to increase their Additional State Pension by a modest amount. This includes those already in receipt of State Pension. You can read the full report on the [DWP website](#).

HMRC pension newsletter

The February newsletter (Pensions Newsletter 60) can now be found on [HMRC's website](#).

Legislation

UK

SI 2014/433(c.19) [The Public Service Pensions Act 2013 \(Commencement Order No. 3\) Order 2014](#)

Useful Links

[LGA Pensions page](#)

[LGPS members' website](#)

[LGPS 2014 members' website](#)

[LGPS Advisory Board website](#)

[LGPS 2014 Regulations and Guidance website](#)

[LGPS Discretions](#) lists all the potential discretions available within the LGPS in England and Wales, and Scotland.

[Qualifying Recognised Overseas Pension Schemes](#) approved by HMRC and who agreed to have their details published.

[The Timeline Regulations](#)

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