

The Local Government Pensions Committee
Secretary: Jeff Houston

CIRCULAR

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No. 267 – MARCH 2013

LGPS PRACTITIONER AND EMPLOYER TRAINING EVENTS

(1) ONE-DAY “UNDERSTANDING” WORKSHOPS (2) “INSIGHT” RESIDENTIAL TRAINING COURSE

Purpose of this circular:

1. This Circular has been issued to advise administering authorities and employers participating in the Local Government Pension Scheme of a number of workshops and residential training courses to be run at various locations across Great Britain. These events have been organised by the Local Government Pension Committee (LGPC).

(1) ONE-DAY “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 Local Government Pension Scheme and associated Compensation provisions. The majority of these workshops are cycled to run every 18-24 months.
3. In August 2012 a new workshop was launched covering, predominantly, the new auto-enrolment provisions as a result of the Pensions Act 2008. The workshops were so popular that all venues sold out, including a number of extra overflow events that were organised. A commitment was given to run some more workshops in 2013 when time permitted.

4. As most workshops are hands-on and contain practical exercises, delegate places are normally kept to a maximum of 12/15 people. Occasionally, where demand for delegate places at certain locations is very high, extra places are made available resulting in audiences of around 20.

Details of workshops

5. Auto enrolment is a relatively new requirement, as prescribed by the Pensions Act 2008. Phased in over a number of years, eligible employees will be automatically enrolled into a qualifying pension scheme without any active involvement from the employee. There are several duties that an employer has including registration, identifying types of employee, communication and auto-enrolment itself.
6. There are already many opportunities to attend events about the overriding auto-enrolment rules, run by a variety of professionals and organisations but, as is often the case, these are not necessarily LGPS specific. The LGPC training function is mandated to deliver quality and relevant training for all LGPS pension practitioners, LGPS Scheme Employers and, indeed, elected members and others serving Pension Committees. This entails building training material specific to the LGPS and excluding areas that are of no relevance.
7. The LGPC Secretariat has produced a technical guide to the new Auto-Enrolment provisions as they apply to LGPS scheme employers. This has been available for some time and is available on our website here <http://www.lge.gov.uk/lge/core/page.do?pagelid=17995528>. The workshops not only complement that Guide but, as auto-enrolment is only one of several LGPS scheme employer duties going forward, will also cover other areas where employers have duties and responsibilities.
8. Further details on course content, locations and dates can be found in **Appendix A** attached to this Circular.
9. 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. Due to other commitments it will not be possible to put on any further workshops during 2013 and it is anticipated that the next workshops covering this subject area would be held in the Summer of 2014.
10. At the Understanding workshops, delegates have the benefit of an experienced tutor and a detailed workbook they can take away for future reference. 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.

Intended Audience

11. These workshops are aimed at both Administering and Employing Authority staff 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.

Cost and booking

12. The delegate rate for each workshop, inclusive of lunch, refreshments and all delegate materials is £210 plus VAT at the standard rate.
13. 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 Group website at www.lge.gov.uk. Please be sure to note our cancellation policy contained in our Terms and Conditions which you will be asked to confirm you have read when completing your booking details on the booking events page. You will also 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.
14. If the session at your preferred location is full and you do not wish to book on one at an alternative location, please 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 Secretariat to expand delegate places if possible or, on this occasion, to possibly organise overflow events.
15. If you experience any difficulties in using the on-line website booking facility, please contact Elaine English, LGPS Executive Officer, by email elaine.english@local.gov.uk

(2) “INSIGHT” RESIDENTIAL TRAINING COURSE

Background

16. The LGPC has been running residential courses aimed at practitioners at both administering and employing authority level since 2004. The course is named “Insight” and it covers most aspects of the Local Government Pension Scheme (LGPS) at a foundation level. The presentation and delegate material is constantly updated in line with changes in regulations and developments, giving attendees the very latest information on the LGPS and associated matters.

17. The way in which the pensions function is divided between administering and employing authorities varies significantly nationwide. Also, where the administering authority and employing authority are one and the same, which offices or individual officers within that authority have responsibility for what part of the pensions function, appears to vary too. Some employing authority staff (either Human Resources or Finance/Payroll) occupy posts that are mainly or wholly pension scheme related.
18. Although it was originally envisaged that there might be a need to devise separate training events for employing authority staff and staff in administering authority Pension Sections, we concluded that a foundation course for practitioners that was equally attractive to administering and employing authority staff could well meet the training needs of both sides whilst having the added advantage of fostering good working relationships and facilitating networking. Experience over the past seven years has proved this to be the case.

Course Details

19. Two courses have been organised in 2013 as follows:

Hilton Hotel, Blackpool	20 - 23 May 2013
The Cavendish Hotel, Eastbourne	23 - 26 September 2013
20. A full programme is attached as **Appendix B**, but highlights of the course are:
 - A history of the Scheme and current developments
 - Contributions payable
 - 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
 - Transfer Values
21. The LGPS is a complex scheme to fully understand and one of the intended outcomes of the course is to get delegates to appreciate all aspects of being involved in administering a pension scheme.

22. 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.
23. A training event spanning four days solely about the topic of local government pensions may not sound particularly interesting. Of course, training is necessary to maintain performance objectives and standards but there are few people who enjoy the boredom it can entail. A lot of effort has been put into the 'Insight' training event to make the learning experience interesting and even fun at times. This enhances the overall experience and knowledge of those who attend and hopefully leads to people retaining what they have been taught.
24. The session handouts build up into a substantial guide to the LGPS and its administration, which is intended not just as an aide memoir but also as future reference material.

Intended Audience

25. The residential courses are intended for all those involved in LGPS administration. It is suitable for Pensions Office staff and also HR/Finance/Payroll staff for whom the pensions function plays a significant part in their day-to-day and employing authority role.
26. 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 is quite detailed though as this is unavoidable due to the design of the scheme.

Cost and Booking

27. The cost of each residential course is £765 (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.
28. Early booking is highly recommended as places are normally limited to 15 at each event. Bookings are made via the on-line events booking facility which is part of the Local Government Group website at www.lge.gov.uk. Please be sure to note our cancellation policy contained in our Terms and Conditions which you will be asked to confirm you have read when completing your booking details on the booking events page. You will also 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.

29. If the course at your preferred location is full and you do not wish to book on the course at the other 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.
30. 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

31. 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 LGA website.

Tim Hazlewood
Pensions Training and Development Manager
5 March 2013

UNDERSTANDING...AUTO-ENROLMENT & OTHER EMPLOYER DUTIES

Course content to cover:

Auto-Enrolment

- Automatic enrolment rules for Defined Benefit Schemes and how these interact with the LGPS
- The automatic enrolment timetable (i.e. the staging dates for employers)
- How to determine an employer's staging date
- Employer's option to bring forward their staging date
- Employer's option to use the transitional period to delay automatic enrolment for existing employees
- Use of "Postponement" – akin to a 3 month waiting period
- Information to be given by the employer to eligible jobholders, non-eligible jobholders and workers and the associated timescales for providing the information
- Information to be given by the employer to the administering authority
- Contribution payover procedures
- Opt out forms and procedures
- Records to be kept by employers and by the administering authority
- Re-enrolment procedures
- Compliance processes
- Employer registration with the Pensions Regulator

Other Employer Duties

- Disclosure of information, scheme literature and forms
- Determining pensionable pay and contribution band attribution
- Information for leavers and retirees
- First instance decisions
- End of year returns (including new Finance Act 2011 requirements)
- Keeping records
- Policy requirements and exercise of discretions
- Internal Dispute Resolution Procedure (IDRP)

Workshop dates, locations & venues:

23 April	London 1	Park PlazaHotel
25 April	Exeter	Rougemont [Thistle]Hotel
30 April	Liverpool	Marriott Hotel
02 May	Birmingham	Jurys Hotel
09 May	Leeds	Marriott Hotel
14 May	Cardiff	Marriott Hotel
16 May	Peterborough	Marriott Hotel
30 May	London 2	Park Plaza Hotel

“INSIGHT” Course Programme

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.

10:15 a.m. **To join or not to join – that is the question**
With membership being voluntary and take-up in some local authorities reportedly as low as 50 to 60% of those eligible to join the scheme, we take a look at the choices facing each and every employee. We look at the effects not only on the employee but the impact on the employing authority and the Pension Fund itself.

11:00 a.m. Refreshment Break

11:30 a.m. **A Great British Scheme?**
An overview of the current scheme, a look at how it is funded (employee and employer contributions) and a look at the valuation process. We will look at the discretions available to employing authorities and administering authorities, how the exercise of those discretions can impact on both workloads and employers' contribution rates. This session includes a discussion on the importance of accurate and timely information.

12:30 p.m. Lunch

- 2:00 p.m. **How membership counts**
A look at the way in which membership counts in the calculation of benefits, including an examination of the differences between whole-time, part-time and term-time scheme members, together with casual employees. With mandatory annual benefit statements being issued, we will take a close look at the need for up-to-date and accurate records for scheme members.
- 3:30 p.m. Refreshment Break
- 4:00 p.m. **Improving the benefits**
A look at the options available to the employee and a weigh-up of the relative merits of paying Additional Regular Contributions, paying 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. **Transfer Values & Divorce**
We take a look at 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 transfer or not? We also take a look at Pension Sharing on Divorce (which uses transfer value methodology in part).
- 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 widow's, widower's, civil partners', nominated cohabiting partners' and children's 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.
- 12:55 p.m. **Course Certificates**
The award of course certificates.
- 13:00 p.m. **Course ends with Lunch**

PLEASE NOTE:

- 1. All timings are approximate**
- 2. There are no significant dress codes imposed by either hotel**

Distribution sheet

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Officer advisory group
Local Government Pensions Committee
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