

The Local Government Pensions Committee
Secretary: Jeff Houston

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. 296 – FEBRUARY 2016

LGPS PRACTITIONER AND EMPLOYER TRAINING EVENTS

(1) “UNDERSTANDING” WORKSHOPS

(2) “INSIGHT” RESIDENTIAL 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 one-day workshops to be run at various locations across England and Wales as well as advance notice of two residential courses planned for 2016 in the North and South of England. The events have been organised by the Local Government Pension Committee (LGPC).

(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 Local Government Pension Scheme and associated compensation provisions. The majority of these workshops are cycled to run every 18-24 months.

3. As many of these workshops are hands-on and contain practical exercises, the “class” size is usually kept to a maximum of 12-15 people to ensure that delegates get the most out of the learning experience.

Details of workshops

4. The August/September 2015 round of workshops entitled ‘Understanding CARE, Pay and Final Pay’ were all full to capacity. Subsequently it was decided to run the workshops again in January 2016 at the four most popular locations of London, Leeds, Birmingham and Cardiff. These too were all full to capacity with significant numbers of prospective delegates subscribing to the “waitlists”. To satisfy this demand, we are once again arranging more workshops in April/May 2016 at the four locations mentioned.
5. In June and July 2016 we will be running another one of our topic specific workshops entitled “Understanding Retirement Benefits”. Last run in 2014, the course material for 2016 will be updated, of course, to reflect the amendments made to LGPS Regulations in 2015. As well as other associated matters, the programme does include some material on the Lifetime Allowance and the various protections available to scheme members.
6. The Retirement Benefits course is unlikely, however, to contain material on the outcome of the exit payments consultation due to its scheduling. As a consequence of the potential policy and administrative magnitude of exit payment recovery from April 2016 followed by the outcome of the exit payments consultation, we are minded to hold separate seminars purely to discuss the implications. These will be advertised by a separate Circular in due course.
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.
8. 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.
9. At the Understanding workshops, delegates have the benefit of an experienced tutor and a detailed set of notes they can take away for future reference. The workshops open with registration from 9:30 followed by a prompt 10:00 a.m. start and finish no later than 4:00 p.m. As the workshops are delivered “locally” this should avoid the time and expense of overnight stays for many delegates.
10. Further details on the expected course content, locations and dates can be found in **Appendix A** attached to this Circular.

Intended Audience for ‘CARE, Pay and Final Pay’

11. These workshops are aimed at both administering authority pension section staff and scheme employer payroll staff and Employing Authority staff who have operational responsibility under the Local Government Pension Scheme (LGPS).
12. Delegates do not necessarily need any working knowledge of the LGPS but should note that the material is LGPS-specific. Whilst some of the theory is generic and applies to a whole raft of final salary schemes, the illustrations, examples and exercises certainly do not.

Intended Audience for ‘Retirement Benefits’

13. These workshops are aimed at staff employed by both administering authorities and scheme employers in England and Wales but are unsuitable for delegates with no experience of the LGPS. The LGPS is a pension scheme which has evolved over a long period of time and which operates under rules that are quite complex and that are subject to protections (Rule of 85 for example). It is therefore beneficial for delegates to already have some knowledge of the terms of the scheme, although the course material does attempt to cover the basics as well.

Cost and booking

14. The delegate rate for each workshop, inclusive of lunch, refreshments and all delegate materials is £250 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 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>
16. 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 COURSE

17. 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 Local Government Pension Scheme (LGPS) at a foundation level. Following a short break in 2014/15 (due to the educational demand of introducing new career average schemes across the United Kingdom), Insight made a reappearance in Scarborough in September 2015 with completely updated content. It is planned to run Insight twice more in 2016, probably in the seaside resorts of Eastbourne in May and Blackpool in September. Highlights of the course are as follows:

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

18. The residential course is intended for all those involved in LGPS administration. It is suitable for Pensions Office staff and also HR / Finance / Payroll staff where the pensions function plays a significant part in their day-to-day role. 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.
19. The residential courses are **not** bookable at this stage and a further Circular will be issued around Easter 2016 which will include full course details. However, if you want to register your interest in attending either of these courses, please send a short-email with "Insight Residential Course" in the subject line to Elaine.english@local.gov.uk who will make sure you receive the circular as soon as it is issued (as places are always on a strictly first-come, first-served basis).

ACTIONS FOR ADMINISTERING AUTHORITIES

30. All Administering Authorities are urged to copy this Circular to all employers participating in their Fund.

Tim Hazlewood
Pensions Training and Development Manager
26 February 2016

UNDERSTANDING...CARE, Pay and Final Pay

Course content covers:

Pensionable Pay

What constitutes pensionable pay in LGPS2008 & LGPS2014?
The dangers of distorting the pensionable pay 'curve'

CARE Scheme

CARE accounts – how they work
Cumulative Pensionable Pay
Actual and Assumed Pensionable Pay

Final Pay

Whole-time Members
Part-time Members
Hours/Pay Proportionality
Term-time Members
Variable-Time Members (Fees)
Certificate of Protection
The Successor (Benefit Regulation 10)
Calculating final pay where there's:

- Authorised leave
- Child-related leave
- An absence due to a trades dispute
- A gap in employment
- Concurrent Employments
- Only a part-year

Workshop dates, locations & venues:

12 April	Leeds	Marriott Hotel
19 April	Birmingham	Jury's Hotel
26 April	Cardiff	Marriott Hotel
10 May	London	Local Government House

UNDERSTANDING...RETIREMENT BENEFITS

Course content covers:

CARE vs Final Pay

- How CARE benefits accrue
- The basics of final pay calculations for pre-14 membership

Types of Retirement

- The importance of Normal Pension Age
- Normal Retirement
- Early & Late Retirement and actuarial reductions/increases
- Ill-Health Retirement
- Flexible Retirement
- "Switching back on" the Rule of 85
- Waiving Actuarial Reductions
- Redundancy and Efficiency Retirements

Early leavers

- Deferred Benefits
- Requests for old deferred benefits to be paid early
- "Switching back on" the Rule of 85 for leavers post-14

Miscellany

- Notifying the leaver of their benefit options
- Standard Benefits? - converting pension into extra lump sum
- HMRC's lifetime allowance and member protections
- Trivial Commutation
- Pensions Increase
- The Internal Dispute Resolution Procedure (IDRP)

NB: Due to the complexity of some of these areas, the potential delegate should be aware that the subject may not be covered to a great depth given their time allocation on the agenda. Regarding "exit payments", please see paragraph 6 of this Circular.

Workshop locations & dates:

07 June	London	Local Governmetn House
14 June	Birmingham	Jury's Hotel
28 June	Liverpool	Marriott Hotel
12 July	York	Marriott Hotel
19 July	Cardiff	Marriott Hotel

Distribution sheet

Local authorities who have registered for notification of Circulars
Pension managers (internal) of administering authorities
Pension managers (outsourced) and administering authority client managers
Local Government Pensions Committee
Trade unions
DCLG
COSLA
SPPA
Regional Directors
Private clients
Website

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

Copyright

Copyright remains with the LGA. This Circular may be reproduced without the prior permission of the LGA provided it is not used for commercial gain, the source is acknowledged and, if regulations are reproduced, the Crown Copyright Policy Guidance issued by OPSI is adhered to.

Disclaimer

The information contained in this Circular has been prepared by the LGPC Secretariat, a part of the LGA. It represents the views of the Secretariat and should not be treated as a complete and authoritative statement of the law. Readers may wish, or will need, to take their own legal advice on the interpretation of any particular piece of legislation. No responsibility whatsoever will be assumed by the LGA for any direct or consequential loss, financial or otherwise, damage or inconvenience, or any other obligation or liability incurred by readers relying on information contained in this Circular. Whilst every attempt is made to ensure the accuracy of the Circular, it would be helpful if readers could bring to the attention of the Secretariat any perceived errors or omissions. Please write to:

LGPC
Local Government House
Smith Square
London
SW1P 3HZ

or email: tim.hazlewood@local.gov.uk

or telephone: 01455 824850