

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. 300 – MAY 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 notice of a residential course in the North 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. In August and September 2016 we will be running another one of our topic specific workshops entitled “Understanding Death & Survivor 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.
5. 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.
6. 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.
7. 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.
8. Further details on the expected course content, locations and dates can be found in **Appendix A** attached to this Circular.

### **Intended Audience**

9. These workshops are primarily aimed at Administering Authority staff in England and Wales who deal with, or need to learn about, the benefits provided on and following the death of a scheme member. It is possible that some “hands-on” Employing Authority staff may also benefit by attending. The workshop will cover benefits under the present “LGPS2014” scheme and the old “Earlier Schemes” because, as potential delegates should be aware, the regulations under which a person’s retirement benefits were calculated generally govern the benefits payable on their death (although the 2014 Transitional Regulations did modified some of those Earlier Scheme entitlements).

## **Cost and booking**

10. The delegate rate for each workshop, inclusive of lunch, refreshments and all delegate materials is £250 plus VAT at the standard rate.
11. 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>
12. 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](mailto:elaine.english@local.gov.uk)

## **(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 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 and has just taken place in Eastbourne in May 2016.
14. Although it was originally envisaged that there might be a need to devise separate residential events for scheme employer HR and Payroll staff and staff in administering authority Pension Sections, we concluded that a foundation course for practitioners that was equally attractive to all 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 years has proved this to be the case.

### **Course Details**

15. The second course for 2016 has been organised as follows:

[Blackpool Hilton](#)

19-22 September 2016

16. 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

17. 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.

18. 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.

19. 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.

20. 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**

21. 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.
22. 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**

23. 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.
24. 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>
25. 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](mailto:elaine.english@local.gov.uk)

## **ACTIONS FOR ADMINISTERING AUTHORITIES**

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

**Tim Hazlewood**  
**Pensions Training and Development Manager**  
**31 May 2016**

**UNDERSTANDING...Death & Survivor Benefits**

**Course content covers:**

Death Grants

Death & Additional Voluntary Contributions

Survivor Pensions – Eligibility for and calculation of:

- Widow's pension
- Widower's pension
- Civil Partner's pension
- Same sex marriages
- Cohabiting Partner's pension
- Children's pension
- (whether in service / in deferment / on pension)

Survivors and Guaranteed Minimum Pensions

- How GMPs affect the calculation of PI when initially calculating the widow's pension and at future pensions increase dates.

**Workshop dates, locations & venues:**

<a href="#">23 August</a>	London	Local Government House
<a href="#">31 August</a>	Liverpool	Marriott Hotel
<a href="#">7 September</a>	Cardiff	Marriott Hotel
<a href="#">13 September</a>	Leeds	Marriott Hotel

### 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. **A Great British 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.     **APCs, AVCs and all that jazz**  
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 as well.

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 pension provision in the LGPS for widows, widowers, civil partners, cohabiting partners and children. 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*

## **Distribution sheet**

Local authorities who have registered for notification of Circulars  
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Local Government Pensions Committee  
Trade unions  
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