



# LGPS administrator guide to: Cash Equivalent Transfer Values

## Cash Transfer Sums

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# 1. MUST READ: How to use this guide and what does this guide cover?

## How to use this guide?

This guide is aimed at LGPS administering authorities in England and Wales and Scotland.

All references to 'you' within the text means 'the LGPS administering authority', whether this be an LGPS administering authority in England and Wales or Scotland.

All references to the 'LGPS' should be read as references to the LGPS in England and Wales **or** the LGPS Scotland, **in isolation**. Where this approach does not apply it will be indicated as such in the text. To clarify if you administer the LGPS in:

- England and Wales - reference to the LGPS within this guide means the LGPS in England and Wales (the LGPS in Scotland is a separate registered pension scheme)
- Scotland - reference to the LGPS within this guide means the LGPS in Scotland (the LGPS in England and Wales is a separate registered pension scheme).

## What does this guide cover and what doesn't it cover?

This guide looks at the transfer of deferred refunds (cash transfer sum ([CTS](#))), [deferred benefits](#) (cash equivalent transfer value ([CETV](#))) built up in the LGPS, and [pension credit benefits](#) (CETV) awarded in the LGPS, to another registered pension scheme. It covers:

- members who have ceased active membership:
  - deferred refund (relevant accrued rights that do not entitle the member to a benefit in the LGPS)
  - deferred benefits ([safeguarded benefits](#)).
- individuals who have been awarded a pension credit in the LGPS:
  - pension credit benefits (safeguarded benefits).
- active members

- who request an estimate of a CETV.

This guide does not cover:

- club transfers ([covered in the Club memorandum](#))
- qualified recognised overseas pension scheme (QROPS) transfers
- interfund transfers
- CETVs on divorce
- transfers of additional voluntary contributions (AVCs)
- bulk transfers.

The method by which a transfer out (both [CETV](#) and [CTS](#)) is calculated is explained in the current Secretary of State (SoS) / Scottish Ministers actuarial guidance. This can be found in the Actuarial guidance pages of [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

## How to navigate this guide?

The guide is split into four main sections:

### Cash Equivalent Transfer Values (CETV)

[CETV](#) for [deferred](#) and [pension credit](#) members are covered together (unless stated otherwise) in sections:

- [Two](#) - an overview highlighting the key steps of the CETV process and the statutory timescales.
- [Three](#) – a preliminary checklist that covers whether you can issue a [statement of entitlement](#).
- [Four](#) – a series of questions and answers providing background information to sections two and three. It also covers other areas that need to be considered during the transfer out process, including reductions to a CETV, information that must be provided, due diligence, loss of rights to a CETV, [GMP](#), increases to a CETV and withdrawal of elections.

[CETV](#) for active members are covered in section [five](#) which details, when and what to provide for an estimate of a CETV.

## Cash Transfer Sums (CTS)

[CTS](#) for deferred refund members (CTS can never apply to deferred or pension credit members) are covered in sections:

- [Six](#) - an overview highlighting the key steps of the CTS process and the timescales.
- [Seven](#) - a series of questions and answers providing background information to section six. The questions also cover other areas that need to be considered during the transfer out process, including reductions to a CTS, information that must be provided, due diligence, loss of rights to a CTS, and contributions equivalent premium ([CEP](#)).

## Dictionary

A dictionary explaining certain terms used within the guide is covered in [section eight](#).

## Legislation

Legislative references are covered in sections:

- [nine](#) - general overriding primary and secondary legislation
- [ten](#) - regulatory references specific to each section of this guide (this is instead of using footnotes).

## 2. CETV: key steps and statutory timescales

Set out in this section are the key steps and statutory timescales covering the provision of a [statement of entitlement, and](#) payment of a [CETV](#). The vast majority of CETVs will be paid following steps one to five. If payment is delayed, steps six to eight should be followed as appropriate.

### Step one – acknowledge transfer and issue advice information

#### Timescale – within one month of the member's application

The member makes an application for a [statement of entitlement](#).

You must inform the member within one month of the date of [the member's application for a statement of entitlement](#), that they might need to seek

appropriate independent advice (unless an exception applies). See [Information to be provided to member upon initial enquiry](#) for further details.

We recommend this step be completed immediately upon receipt of the member's application, by issuing a general acknowledgment letter to the member. This can be found on the Administrator guides and documents pages of [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

## **Step two – check member entitlement**

### **Timescale – after step one**

Is the member entitled to a [statement of entitlement](#)?

You must complete [the preliminary checklist](#) to confirm if the member has a [statutory right](#) to receive a statement of entitlement before proceeding. If this is not the case the member should be informed as soon as reasonably practicable together with the right to appeal.

## **Step three – statement of entitlement**

### **Timescale from step one – within approximately three months**

If the member has [transferrable rights](#), you must provide the member with a [statement of entitlement](#), [accompanying information](#) within approximately three months of the member's application (unless the member has already made an application for a statement of entitlement [within the 12 months](#) beginning with the date of that application – in which case it is your discretion as to whether to issue a further statement of entitlement).

You should also issue at the same time as the statement of entitlement, a transfer warning letter in relation to COVID-19. This is for members applying for a CETV quote from a defined benefit (DB) to a defined contribution (DC) scheme. TPR has asked that this is issued to all members requesting a [CETV](#) quote to a DC scheme for the foreseeable future.

The COVID-19 warning letter can be found on the TPR pages of [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org).



## Step four – member election for transfer

### Timescale from step three – within three months

The member must elect in writing to you for the transfer to proceed to payment, within three months of the [guarantee date](#) in the [statement of entitlement](#) and at least one year before normal pension age ([NPA](#)) / normal benefit age ([NBA](#)).

Where relevant, you must receive confirmation of [appropriate independent advice](#) within three months of the date the statement of entitlement was issued to the member.

## Step five – earner status, due diligence checks, appropriate independent advice, and payment

### Timescale from step three – within six months

You must within six months of the [guarantee date](#) in the [statement of entitlement](#):

- where relevant, [confirm the member is an Earner](#)
- [perform due diligence checks](#)
- where relevant, check that [appropriate independent advice](#) has been received
- [pay the value of the CETV](#) to the [registered pension scheme](#).

## Step six – payment delayed

### Timescale from step three – within six months

If [you are unable to pay the CETV within six months of the guarantee date](#) in the [statement of entitlement](#), you must within those six months apply to TPR for an [extension to complete due diligence checks](#) (if this is the reason for the delay), and preferably at least six weeks before the end of the six-month period.

## Step seven – after the end of six months

### Timescale from step three – after the end of six months

If you have not paid the [CETV](#) within six months of [the guarantee date](#) in the [statement of entitlement](#), and you have not applied to TPR for an extension to complete due diligence checks ([step six](#)) then [you must notify TPR](#) that you have not paid the CETV within the statutory timescales (you may be subject to a fine).

If the CETV is in relation to the transfer of pension credit benefits notification to TPR must take place within 21 days after the end of the six months.

## Step eight – delayed payment paid

### Timescale from step three – after six months

[You pay the CETV \(or part thereof\) to a registered pension scheme.](#) You must pay the higher of the:

- CETV in the statement of entitlement plus interest, or
- value of a new CETV on the payment date.

## 3. CETV: preliminary checklist

You should complete the preliminary checklist at the point of receiving the [member's application for a statement of entitlement](#).

- a. Does the member have a [statutory entitlement](#) to a [CETV](#)?
- b. Has the member made an application for a [statement of entitlement in the last 12 months](#)?

If the answer is:

- No to (a) then the member must be informed as soon as reasonably practicable, including a statement:
  - as to why the member is not entitled to a statement of entitlement
  - giving the address from which further information about the decision may be obtained
  - explaining the rights available under IDRPs, the time limits within which the rights under IDRPs may be exercised, and the job title and the address of the person appointed to whom an IDRPs application may be made.
- Yes to (a) and no to (b), then the member has a statutory entitlement to a CETV and must be issued with a statement of entitlement. If the member has multiple deferred benefits, a statement of entitlement must be provided for each deferred benefit, using consistent factors and guarantee date. The same principle applies to pension credits.

- Yes, to both (a) and (b), then it is your choice whether to provide a further statement of entitlement. You do not have to provide a further statement of entitlement where the member has already made an application in the last 12 months.

## 4. CETV: questions and answers

### Introduction

In this section, the phrase ‘member’ refers to both [deferred](#) and [pension credit](#) members unless stated otherwise.

### Information to be provided to member upon initial enquiry

Where a member makes an application or request in respect of a transfer, you must provide the member with certain information within a limited timescale, unless an exception applies.

#### To whom must information be provided?

If an exception does not apply, the information must be provided where the member makes:

- a written request to you for information on how to transfer their [safeguarded benefits](#) in the LGPS, to a [flexible benefit](#) scheme
- a written request to you for information on how to apply for a [statement of entitlement](#)
- an application to you for a [statement of entitlement](#)
- a written request to you for [a valuation of their safeguarded benefits](#) in the LGPS (eg an active member requests an estimate CETV).

### Exceptions

1. If a member makes an application to you for a statement of entitlement, and you have previously provided this information under (a) or (b) above, then you do not need to provide the information again in respect of the statement of entitlement application. Move straight to [Step 2 in the procedures](#) covering eligibility for a statement of entitlement.
2. If the member’s safeguarded benefits amount to more than £30,000 and you will provide a statement of entitlement within one month of the member’s

application, you do not need to provide the information under this section. Move straight to [Step 2 in the procedures](#) covering eligibility for a statement of entitlement.

3. If you were to calculate a notional transfer value within one month of the date the member made the application / request, and the safeguarded benefits would amount to £30,000 or less, then:
  - within one month of the member's application / request, you must inform the member by way of a written statement, that based on the notional transfer value there will be no requirement for you to check that appropriate independent advice has been received before you are able to transfer their safeguarded benefits in the LGPS to a flexible benefit scheme, unless
  - you will provide a statement of entitlement within one month of the member's application. In which case move straight to [Step 2 in the procedures](#) covering the provision of a statement of entitlement.

We understand the legislation inserts exceptions as to whom the information must be provided. That said, we recommend a general acknowledgement letter is issued to all members who make a written request for information about a transfer, regardless of the circumstances, to reduce the risk to you if information is inadvertently not sent (eg you might intend to send out a statement of entitlement within one month of the member's application but for reasons not anticipated you are unable to do so).

### **By when must this information be provided?**

The information must be provided within one month beginning with the date on which the request or application is made by the member.

### **What information must be provided?**

You must provide the member with a written explanation informing the member that:

- they must take [appropriate independent advice](#) if the value of their [safeguarded benefits](#) in the LGPS is more than £30,000 and they plan to transfer their benefits to a [flexible benefit scheme](#)
- they must provide you with evidence that they have taken appropriate independent advice (where relevant) before the end of a period of 3 months beginning with the day on which a [statement of entitlement](#) is provided to them

- unless the member confirms otherwise, you will assume that the purpose of any transfer of the member's safeguarded benefits in the LGPS is to provide flexible benefits in another pension scheme
- you will be required to check that the member has received appropriate independent advice (where relevant) before the transfer can take place to a flexible benefits scheme.

You should inform the member that you will let them know whether the £30,000 exception applies when you issue the member with a statement of entitlement, and if applicable, you will also send the form the member must use to confirm that they have received appropriate advice. An example general acknowledgement letter can be found in the Administrator guides and documents pages of [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

## **Under which legislation is a transfer out payable from the LGPS?**

A transfer out from the LGPS to another registered pension scheme is made under the Pension Schemes Act (PSA)1993 (and regulations made thereunder).

This is supplemented by the LGPS regulations in England and Wales or the LGPS Regulations in Scotland, Secretary of State / Scottish Ministers actuarial guidance and the [Club Memorandum](#).

[Section nine sets out the overriding legislation](#).

## **When does the member have a statutory entitlement to a CETV?**

The member has a statutory entitlement to a [CETV](#) if they hold transferrable rights.

A member holds transferrable rights providing they satisfy three conditions concerning their [safeguarded benefits](#).

[Deferred](#) and [pension credit](#) members within the LGPS, are treated entirely independently of one another under the Pension Schemes Act 1993. If a member is both a deferred and pension credit member, when determining if they satisfy the three conditions concerning their safeguarded benefits, you should assess deferred benefits entirely separately to pension credit benefits.

### **Deferred member**

Conditions:

1. The member holds [deferred benefits](#) in the LGPS. They can be held with one or more administering authorities.
2. The member must not have had a crystallisation event with any LGPS benefits (excluding additional voluntary contributions (AVCs), survivor benefits and [pension credit benefits](#)). In this instance, a crystallisation event is when LGPS benefits are in payment. A crystallisation event should not be confused with a benefit crystallisation event (BCE). For example, a transfer to a QROPS is a BCE but is not a crystallisation event.
3. The member must no longer be building up benefits in the LGPS. They must have stopped building up those benefits and make an election to transfer, at least one year before normal pension age ([NPA](#)). For this purpose, NPA is the one attached to the most recently built up benefits where the member holds more than one deferred benefit. Equally, where the member holds benefits built up in both the final salary scheme and the CARE scheme, NPA is the one attached to the CARE scheme.

### **Pension credit member**

Conditions:

1. The member holds a [pension credit](#) in the LGPS (excluding pension credit additional voluntary contributions (AVCs)). Pension credits can be held with one or more administering authorities.
2. The member has not had a crystallisation event with any LGPS pension credits. In this instance, a crystallisation event is when LGPS pension credit benefits are in payment. A crystallisation event should not be confused with a benefit crystallisation event (BCE). For example, a transfer to a QROPS is a BCE but is not a crystallisation event.
3. The member must make an election to transfer their LGPS pension credits at least one year before reaching normal benefit age ([NBA](#)). For this purpose, NBA is the one attached to the most recently awarded pension credit benefit where the member holds more than one pension credit.

### **What is a statement of entitlement?**

A statement of entitlement is a written statement of the amount of the [CETV](#) at the [guarantee date](#) of the [member's transferrable rights](#). For the purpose of this guide reference to a statement of entitlement includes a written statement of the amount of a cash equivalent for pension credit members.

## When must a statement of entitlement be issued to the member?

The statement of entitlement must be issued within the period of 10 days beginning with the guarantee date (excluding Saturdays, Sundays, Christmas Day, New Year's Day and Good Friday).

If the total transfer value of the LGPS rights is more than £30,000 and the member wishes to transfer to a scheme with a view to acquiring [flexible benefits](#), the member must obtain [appropriate independent advice](#). Further timescales are imposed in this situation, [see section titled Appropriate independent advice](#).

## What is the guarantee date?

The guarantee date within [the statement of entitlement](#), is the date on which the [CETV](#) is calculated. The guarantee date must be:

- within three months beginning with the date of the member's application for a statement of entitlement, or
- where you are unable to provide a statement of entitlement for reasons beyond your control within the period specified in the first bullet point, as soon as possible thereafter but not later than six months beginning with the date of the member's application.

If the guarantee date is not within the timescales set out in the above bullet points, and you do not provide the statement of entitlement within the [relevant timescales](#), you may be subject to a penalty of up to £10,000.

## Can a member make more than one application in any 12-month period?

A member who has made an application for a [statement of entitlement](#) may not, within a period of 12 months beginning with the date of that application, make any further application unless the LGPS rules or you provide otherwise. The LGPS rules are silent in this area. You may wish to include whether you will permit more than one application for a statement of entitlement within a period of 12 months, in your discretionary policies.

## Can a member withdraw their application for payment of a CETV?

Yes, provided the member gives you written notice and you have not entered into an agreement with the receiving scheme. In practical terms, you do not enter into an agreement with the receiving scheme until you pay the transfer. So, for the purpose

of this provision, it can be interpreted as meaning you have not paid the transfer to the third party, or if in the process of paying the transfer the payment can be stopped.

## Can a CETV be reduced?

### Increase in the number of CETV paid out of an LGPS Fund?

This section does not apply to pension credit members.

Where you consider the following may happen, you must notify Her Majesty's Treasury (HMT) and the Secretary of State for MHCLG – LGPS England and Wales, or Scottish Ministers – LGPS Scotland:

- if there is a likelihood of the number of [CETVs](#) paid out of the LGPS fund increasing (beyond what is normally paid out of the fund), or
- this has already occurred and resulted in payments needed to be made into the LGPS fund so that it can meet its liabilities, and
- you feel this trend will continue.

Reduction to a CETV can only occur when HMT or the Secretary of State for MHCLG (in relation to the whole or only part of the LGPS in England and Wales) or Scottish Ministers (in relation to the whole or only part of the LGPS in Scotland) designate, by way of a written notice that includes the designation period and the percentage reduction to CETVs. The designation period can be extended, but the total designation period cannot last for more than two years. During a designation period you must reduce the CETV by the percentage reduction, where the CETV is payable to a [flexible benefits](#) scheme.

If during the designation period you consider the conditions set out previously no longer apply, then you must notify both HMT and the Secretary of State for MHCLG – LGPS England and Wales or Scottish Ministers – LGPS Scotland. The designation can then be revoked, by way of written notice by either of those parties.

For further information concerning this area, please contact the LGPC Secretariat at [query.lgps@local.gov.uk](mailto:query.lgps@local.gov.uk).

### Surrender, commutation, and forfeiture

Where all or part of a member's benefits have been surrendered, commuted or forfeited, the part of the [CETV](#), shown in the [statement of entitlement](#), which relates to that reduction is reduced to nil.



## What information must accompany the statement of entitlement?

The [statement of entitlement](#) must be accompanied by the following information:

- the value of the whole of the [CETV](#), depending on the type of benefits held by the member, the CETV may need to be split to identify the different elements and tranches of benefit within the CETV
- a statement of how the CETV is calculated and the benefits to which it relates
- a statement giving the address from which further information about the decision may be obtained
- a statement explaining the rights available under IDRPs, the time limits within which the rights under IDRPs may be exercised, and the job title and the address of the person appointed to whom an IDRPs application may be made
- your policy as to whether the member may apply for a statement of entitlement [within 12 months of a previous application](#)
- if the member wishes to transfer their [transferrable rights](#) to another registered pension scheme, a statement that they must submit a written election to do so within three months of [the guarantee date](#) within the statement of entitlement and at least one year before [NPA](#) / [NBA](#)
- in exceptional circumstances [the CETV may be reduced](#), where this is the case the member must be informed
- if the transferrable rights are subject to an earmarking order, then further information in accordance with regulation 4 of the Divorce etc (Pensions) Regulations 2000
- a statement that the Financial Conduct Authority (FCA), the Pensions Regulator (TPR) and the Money and Pensions Service (MaPS), provide information about transfers that may assist the member in deciding whether to transfer
- a recommendation that the member should take financial advice before making decisions about transfers
- if the transfer value of the member's total LGPS rights (excluding any money purchase additional voluntary contributions (AVC) benefits or any LGPS survivor benefits to which the member may be in receipt) is more than £30,000 on the guarantee date, the member must also be informed that they must take

appropriate independent advice from an authorised independent adviser. Conversely, if this is not the case the member must be informed as such, [see Appropriate independent advice](#)

- information concerning Pension Scams. See [Pension scams](#).

## What happens if the member disputes the value of the CETV?

Regulation 26 of the Pension Sharing (Pension Credit Benefit) Regulations 2000 clearly indicates that a [pension credit member](#) can dispute a [CETV](#). However, there does not appear to be a corresponding regulation 14 of the Occupational Pension Schemes (Transfer Values) Regulations 1996 that applies to pension credit members. That said, it is clearly the intention for a pension credit member to be able to dispute a CETV, therefore, we suggest that the timescales set out below apply equally to pension credit members.

Having received a [statement of entitlement](#) the member can dispute either the value of the [CETV](#) ~~or the basis for any reduction to the CETV.~~

They must do so in writing  $\therefore$

within three months of the [guarantee date](#) shown in the [statement of entitlement](#) and at least one year before [NPA](#) / [NBA](#) , where the value of the CETV is disputed, or

- ~~• within three months beginning with the date the member is informed that the [CETV has been reduced](#) and at least one year before [NPA](#) / [NBA](#), where the basis for the reduction is disputed.~~

If you receive a dispute notification from the member, the timescale for the member to elect for a transfer (ie normally within three months of the [guarantee date](#) shown in the [statement of entitlement](#)) lapses. ~~You must apply to TPR to grant an extension to the statutory timescales for payment. Where your application is approved by TPR, the~~ The statutory timescales for payment for a member to elect to transfer are extended to within three months beginning with the date you notify the member in writing of  $\therefore$

~~the revised CETV, or if later~~

~~where~~ the value of the CETV following the dispute has been finally determined, even if the value has not changed.

Following the dispute where the member elects to proceed with the transfer, you must pay the CETV within six months of the appropriate date in the bullet points above. See section titled '[When must you pay a CETV?](#)' and substitute the

appropriate date to be that from above instead of 'within six months beginning with the guarantee date in the statement of entitlement'.

## **When must a member make an election to transfer their benefits?**

Once the member has received a [statement of entitlement](#), if they wish to proceed, they must elect in writing:

- within three months beginning with the [guarantee date](#), and
- at least one year before [NPA](#) or [NBA](#).

There can be administrative problems where the guarantee date is between 12 to 15 months before NPA / NBA. This is because, whilst the member must elect in writing for the transfer to proceed within three months of the guarantee date, they must also elect at least one year before NPA / NBA. This can reduce the three-month period in which to make an election to transfer.

## **Can a member lose the right to a CETV?**

Yes, a member can lose the right to a [CETV](#) if:

- The member does not make an election to transfer within the [statutory timescales](#).
- Having made an election to transfer within the statutory timescales, where applicable, you are unable to confirm that the member has received [appropriate independent advice](#). If the transfer value of the member's total LGPS rights including any pension credit rights (though excluding any money purchase AVC benefits or any LGPS survivor benefits to which the member may be in receipt) is more than £30,000 and will be used with a view to acquiring [flexible benefits](#), you must check and the member must confirm, that appropriate independent advice has been taken from an authorised independent adviser. [See section titled Appropriate independent advice](#).

If a member loses the right to a CETV, [they may reapply for a further statement of entitlement \(the process starts again\)](#), but only at your discretion if the further application is made within 12 months of the previous application.

## What benefits must be transferred out of the LGPS?

The member must make an election to transfer the whole of the CETV in relation to the member's transferrable rights in relation to a category of benefits in the LGPS. The option can be exercised to one or more different registered pension schemes / QROPS.

However, [see section titled contracted-out benefits if applicable](#).

Overriding legislation provides that the LGPS regulations may contain a provision requiring that all the member's benefits plus any pension credit benefits in the LGPS, must be transferred at the same time. This is because although these benefits are independent of one another they fall within the same category of defined benefits. The LGPS does not contain such a rule.

A member who holds both of the following same [category of benefits](#):

- Defined benefits:
  - [Deferred benefits](#) and [pension credits](#) members may elect to transfer out all their deferred benefits, or all their pension credits, or all together.
- Money purchase benefits:
  - Additional voluntary contributions (AVCs) to which members have contributed as an active member of the LGPS and AVCs they have been awarded by way of a pension credit, may elect to transfer out all their AVCs to which they contributed as an active member, or all the AVC they were awarded by way of a pension credit, or all together.

## Must contracted out benefits be transferred out of the LGPS?

This section does not apply to pension credit members.

No, if the trustees or manager of the receiving scheme are not able or not willing to accept the element of the [transferrable rights](#) that relates to contracted out benefits, then these must be kept in the LGPS unless the member elects for them to be transferred elsewhere.

Where the trustees or manager of the receiving scheme are not able or not willing to accept the element of the [transferrable rights](#) that relates to contracted out benefits, the member can:

- [withdraw their application to transfer](#) all their transferrable rights, or

- elect to transfer only the transferrable rights that relate to the benefits in excess of the contracted-out element.

## What must the CETV be used to purchase?

### CETV in excess of any contracted-out rights

The trustees, managers or insurers of the receiving scheme must be able and willing to accept payment of the LGPS [transferrable rights](#) in the circumstances set down in this paragraph. The benefits or rights purchased must satisfy the rules of the receiving scheme and any relevant overriding legislation.

### Types of pension scheme to which a member may transfer

#### Occupational pension schemes

The transfer must purchase:

- transfer credits allowed under the rules of the occupational pension scheme for a member who holds a [deferred benefit](#)
- rights allowed under the rules of the occupational pension scheme for a [pension credit member](#).

#### Personal pension schemes

The transfer must purchase:

- rights allowed under the rules of the personal pension scheme for both deferred and pension credit members.

#### Insurers

The transfer must purchase:

- one or more annuities for both deferred and pension credit members.

### CETV relating to contracted-out rights

This section does not apply to pension credit members.

The [transferrable rights](#) in relation to the guaranteed minimum pension ([GMP](#)) and the [Section 9\(2B\)](#) or post 97 COSR rights (as they can be known) must be used to purchase the benefits or rights set out in this paragraph.

## Types of pension scheme to which a member may transfer

### Salary related schemes that were contracted-out on 5 April 2016

The contracted-out element of the transfer relating to the:

- [GMP](#) must be guaranteed and paid in the same way that it would have been guaranteed had the transfer not taken place.
- [Section 9\(2B\) rights](#) must be used to provide rights for the member in the receiving scheme. These must be as if the member had built these rights up in the receiving scheme. They must be provided in accordance with the rules of the receiving scheme relating to earners who were in contracted-out employment after 5 April 1997.

### Occupational and personal pension scheme that were not salary related schemes contracted out on 5 April 2016 (this group also includes NEST)

The contracted-out element of the transfer relating to:

- Both the [GMP](#) and [section 9\(2B\) rights](#) may be used to provide benefits in the receiving scheme in a different form and of a different amount to those which would have been payable by the LGPS. There is no statutory requirement on the receiving scheme to provide for survivor benefits out of the transfer payment.

## What is an earner?

This section does not apply to pension credit members.

Where a member wishes to transfer their LGPS benefits to an occupational pension scheme to purchase [transfer credits](#), they must meet the definition of an Earner within section 8(1)(b) of the Pension Schemes Act 1993 and sections 3, 4 and 112 of the Social Security Contributions and Benefits Act 1992.

This means that for the member to have a statutory right to transfer their LGPS benefits to an occupational pension scheme to purchase transfer credits, the person must receive earnings in an employment. Earnings include any remuneration or profit derived from an employment. Employment includes any trade, business, profession, office, or vocation and 'employed' has a corresponding meaning.

On 11 February 2021, the Government enacted the Pension Schemes Act 2021. The Act sets out the Government's intention to introduce extra conditions that members must satisfy before they are able to transfer their LGPS benefits to an occupational pension scheme. This guide will be updated when those conditions become law.

## Appropriate independent advice

### LGPS rights are £30,000 or less on the guarantee date

If the transfer value of the member's total LGPS rights including any pension credit rights (though excluding any money purchase AVC benefits or any LGPS survivor benefits to which the member may be in receipt) is £30,000 or less on [the guarantee date](#), there is no obligation on you to check whether the member has received appropriate independent advice.

#### What should you tell the member?

You must inform the member in writing, that there is no obligation on you to check whether they have received [appropriate independent advice](#), within the [information](#) that accompanies the [statement of entitlement](#).

### LGPS rights are more than £30,000 on the guarantee date

The following paragraphs look at what needs to happen if the transfer value of the member's total LGPS rights including any pension credit rights (though excluding any money purchase AVC benefits or any LGPS survivor benefits to which the member may be in receipt) is more than £30,000 on [the guarantee date](#).

Unless the member confirms otherwise, you should always assume that an election to transfer LGPS [safeguarded benefits](#), is to provide [flexible benefits](#) under another pension scheme.

#### What should you tell the member?

You must inform the member in writing that:

- they must take [appropriate independent advice](#) from an [authorised independent adviser](#) if they wish to transfer to a scheme that provides flexible benefits
- they must provide you with confirmation that they have taken appropriate independent advice in the form of a written statement set out in the format shown in the next subsection, before the end of the three months beginning with the date on which the statement of entitlement was provided to the member
- unless the member confirms otherwise, you will always assume that an election to transfer LGPS [safeguarded benefits](#), is to provide [flexible benefits](#) under another pension scheme.

You must tell the member this within the [information](#) that accompanies [the statement of entitlement](#).

### **How do you receive confirmation of appropriate independent advice?**

Confirmation must be in the form of a written statement from the [authorised independent adviser](#) providing the advice and signed by the member. You must receive this before three months from the date [the statement of entitlement](#) was issued to the member. Requiring members to obtain [appropriate independent advice](#) does not make you responsible for checking what advice was given, what recommendation was made or whether the member is following that recommendation. The written statement must confirm:

- that advice has been provided which is specific to the type of transaction proposed by the member
- the adviser has permission under Part 4A of the Financial Services and Markets Act 2000, or resulting from any other provision of that Act, to carry on the regulated activity in article 53E of the Regulated Activities Order
- the reference number of the company or business in which the adviser works for the purposes of authorisation from the FCA to carry out the regulated activity in article 53E of the Regulated Activities Order
- the member's name, and the name of the scheme in which the member has subsisting rights in respect of safeguarded benefits to which the advice given applies.

### **Now you must check the advisor can give advice**

Once you have received the confirmation from the [authorised independent adviser](#), you must check (see [TPR guide DB to DC transfers for further guidance](#)) that the company or business providing the advice has permission to carry out the regulated activity under article 53E of the Regulated Activities Order, and retain a copy of this confirmation. You must keep a record of who conducted the check, when this was conducted and evidence that the adviser's firm or company was on the Financial Services Register before the transfer of benefits was made.

Before 9 December 2019, the independent check was done by checking the Financial Services Register maintained by the FCA in accordance with section 347 of the Financial Services and Markets Act 2000 (the record of authorised persons). On 9 December 2019, the FCA replaced its Approved Persons Regime with the Senior Managers and Certification Regime (SM & CR). Only senior managers and



selected other roles will now need to be approved. Other individuals, for example those carrying out customer-facing roles, will be subject to a certification regime carried out by their firm and most will not appear on the FCA register going forward. [You should continue to check the register for firm's details](#). You will then need to contact firms to confirm that the relevant individual works for that firm or check an appropriate third-party directory. A new Directory containing data on certified individuals will be released in 2021. Find out more in the [FCA's policy statement](#).

If the checks confirm that the member has received advice from an adviser whose firm is not on the FCA register, then you must not transfer the member's benefits.

## **Pension scams**

The Pensions Regulator (TPR) expects you to play an important role in educating and protecting members from pension scams. The following subsections set out TPR's expectations.

### **Scam prevention**

Below is a list of things you should have in place to educate and protect your members. You should:

- Issue a transfer warning letter in relation to COVID-19 to members applying for a [CETV](#) quote from a defined benefit (DB) to a defined contribution (DC) scheme. TPR has asked that this is issued to all members requesting a CETV quote to a DC scheme for the foreseeable future. The letter has been uploaded to the TPR pages on [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org). This letter should accompany [your transfer correspondence](#).
- Have a scam prevention page on your website based on TPR's two page [recommended wording](#).
- Include TPR's two page [pension scams guide](#) with annual benefit statements and transfer packs. This should accompany the [statement of entitlement](#).
- When a member requests information about a transfer, include within your documentation TPR's [scam prevention blurb](#).
- Regularly share scam prevention material and reminders with members and post scam messages and images on your social media (see [FCA ScamSmart resources](#)).

- Always do due diligence when a member asks to transfer their benefits by following [TPR's three page checklist](#) to find out more about the receiving scheme, and following [TPR checks on pension transfers](#) and [PSIG industry recognised code of good practice](#).

## **Scam prevention pledge**

On 10 November 2020, the Pensions Regulator (TPR) launched the pledge to combat pension scams. The campaign is supported by the Pension Scams Industry Group (PSIG).

TPR urges you to help protect scheme members thinking of transferring their pensions. By making a pledge and following the principles of PSIG you show your intent to protect scheme members. You also tell the pensions industry that you are committed to stopping scammers.

To find out more, visit the [Pledge to combat pension scams page](#) on [TPR website](#).

## **What to do if you become aware of a pension scam?**

In England, Northern Ireland and Wales you should [report fraud and cybercrime that has already happened to Action Fraud](#).

In Scotland, you should call Police Scotland on 101 or Advice Direct Scotland on 0808 164 6400.

Reporting scams allows authorities to investigate and prosecute scammers. It also allows law and policy makers to get a clearer picture of the effect that scams have on pensions.

If you are concerned about a potential scam you should [report your suspicions to Action Fraud](#) (in Scotland: Police Scotland or Advice Direct Scotland) or the [Financial Conduct Authority](#). You can also [report any intelligence or concerns by contacting TPR](#).

## **Pension scam due diligence**

Whilst the member might have a [statutory right to transfer](#) their benefits from the LGPS, this right takes no account of the possibility that the transfer may with hindsight, prove to be unwise or not legal.

It is you who must determine whether the receiving scheme is one to which they are lawfully able to transfer. You have a duty to act in the interests of all scheme members, including the ones requesting a transfer to another arrangement.

You must take all reasonable steps to ensure that, the occupational pension scheme or the personal pension scheme to which the [CETV](#) is to be paid, is a scheme whose trustees or managers are acting in good faith in relation to the scheme. If you do not take such reasonable steps, Ombudsman's rulings indicate that you might not be discharged from your liability when paying a CETV, and you might be required to reinstate the member (at your cost) in the LGPS.

The Pension Scams Industry Group (PSIG) (formerly called the Pensions Liberation Industry Group) has published an industry recognised [code of good practice](#) that sets out the due diligence processes that you should follow to combat pension scams. The code follows three core principles, you should:

1. Raise awareness of pension scams.
2. Adopt robust proportionate processes for assessing whether the receiving scheme is operating a scam, and if so, what to do about it?
3. Be generally aware of the current strategies of the perpetrators of pension scams to inform due diligence and follow the red warning flags indicated in:
  - [TPR guidance](#)
  - [FCA alert warning list](#)
  - [Action Fraud alerts](#).

Having carried out due diligence, if you suspect a scam, you should:

- tell the member of your suspicions
- record this communication, along with any decisions you make
- report your concern to Action Fraud (the UK's national fraud and cyber-crime reporting center) at [www.actionfraud.police.uk/](http://www.actionfraud.police.uk/)

## **Tax registered pension schemes**

If the receiving scheme is not registered for tax purposes, then you must not process the transfer and you must notify Action Fraud (the UK's national fraud and cyber-crime reporting center) at [www.actionfraud.police.uk/](http://www.actionfraud.police.uk/). If you pay a CETV to a scheme that is not registered the payment is not authorised and you may not be discharged from your liability. You might be required to reinstate the member (at your cost) in the LGPS.

As part of your due diligence you should verify the registration status of the scheme (see the Pension Scams Industry Group [recognised code of good practice](#) for how to do this and HMRC template responses).

A transfer payment is only a recognised transfer if after payment it is used to represent rights under another registered pension scheme. This is in respect of the member who made the application to transfer and who is a member of the receiving scheme.

To be a registered pension scheme, the scheme must be registered for tax purposes. HM Revenue and Customs (HMRC) is responsible for an online [registration service for UK pension schemes](#) so that they can receive tax relief on contributions. The pension tax rules protect tax relief given on pension savings. They set out how and when pension savings can be accessed, as well as the tax charges that apply where the conditions are not met. If a member has accessed their funds improperly, unauthorised payment charges will apply.

## When must you pay a CETV?

Where you receive a valid election to proceed with a transfer, you must pay the [CETV](#) within six months beginning with the [guarantee date](#) in the [statement of entitlement](#). Also see section titled [What happens if the member disputes the value of the CETV](#) which can adjust the timescales in these paragraphs.

You must receive an election to transfer within three months of the guarantee date (or sooner if the member is approaching one year before their [NPA](#) or [NBA](#)). This gives you at least three months to carry out all due diligence checks before making payment.

If you do not pay the CETV within six months of the guarantee date in the statement of entitlement, and you have not obtained [an extension from TPR](#) then you:

- must notify TPR of that fact as soon as possible. If the CETV is in relation to a transfer of pension credit benefits you must notify TPR within 21 days after the end of the six months
- may be subject to a penalty of up to £10,000.

## Delaying CETV payments

Where the statutory requirements for a transfer are met, the Pensions Regulator (TPR) are not able to waive your legal duty to carry out the transfer within the statutory deadline of six months from the guarantee date.

If you need more time to carry out the due diligence steps in the [code of good practice](#), and if you consider that they meet the criteria for an extension, you may apply to TPR for an extension to the normal six month time period (within the statutory deadline of six months from the guarantee date).

Circumstances where an extension might be granted include where:

- the member has not taken all steps they need to take, to carry out the transfer
- you have not been provided with such information as you reasonably require to properly carry out your checks.

The application for the extension to TPR must be made within the statutory deadline of six months from the guarantee date (and preferably at least six weeks before the end of the six-month period - paragraph 65 of [TPR DB to DC transfers guidance](#)). You should identify the grounds for the request for the extension, indicate the additional time you require to pay the transfer and the reasons why you cannot complete the transfer within the statutory timescales. In this situation if you eventually pay the transfer after the statutory deadlines, you should record the late payment as a breach.

Where you suspect a pension scam you should consider making an application to TPR to delay payment of the [CETV](#), as soon as due diligence concerns arise where you reasonably feel that you may need more time. The [CETV extension application form](#) can be found on the TPR website.

## CETV payment delayed, should it be increased?

Yes, if the [CETV](#) is not paid within six months of [the guarantee date](#) in the [statement of entitlement](#), it should be increased by either:

- interest, calculated daily over the period from the guarantee date to the date on which you pay the CETV. This is based on an annual rate of one per cent above the Bank of England base rate, or, if greater
- the value of the [transferrable benefits](#) (a revised CETV) on the date you pay the CETV.

## 5. CETV: estimate

This section does not apply to deferred or pension credit members.

### Can an active member be issued with an estimate of a CETV?

Yes, there may be circumstances where an active member of the LGPS, would simply like an estimate of a [CETV](#) of their [transferrable rights](#).

Provided the member meets the following two conditions on request, you must provide the member with an estimate of a CETV as soon as is reasonably practicable, and in any event within three months after the date the member makes the request:

#### Condition 1

- the member would be entitled to a [statement of entitlement](#) if they were not an active member of the LGPS (for example: if the member left active membership of the LGPS today – would they be entitled to [a statement of entitlement?](#))

#### Condition 2

- the member has not made the request within 12 months of the last occasion that such information was provided to the member.

If the member does not meet both conditions, they are not entitled to an estimate of a CETV.

If you decide not to provide the CETV, you must tell the member in writing that they are not entitled to an estimate of a CETV, and why they are not entitled. Notification must be as soon as is reasonably practicable, and in any event within three months after the date the member makes the request.

### Information to be provided to member upon initial request for estimate

See CETV section titled [Information to be provided to member upon initial enquiry](#), which applies equally to the request for an estimate of a CETV.

### Information to be provided to member upon provision of the estimate

The following information must be provided:

- The value of the whole of the [CETV](#) on the assumed date. Depending on the type of benefits held by the member, the CETV may need to be split to identify the different elements within the CETV. You will also need to tell the member what date you have assumed the CETV to be estimated upon.
- A statement of the member's rights to obtain further estimates.
- A statement that the Financial Conduct Authority (FCA), the Pensions Regulator (TPR) and the Money and Pensions Service (MaPS), provide information about transfers that may assist the member in deciding whether to transfer.
- A recommendation that the member should take financial advice before making decisions about transfers.
- If your administering authority has been designated (see section titled [Can a CETV be reduced](#)) you should let the member know together with an estimate of the reduction should the member transfer to a flexible benefits scheme.

## Failure to comply

If you do not issue an estimate of a CETV and provide the accompanying information to the member within the timescales set out in this section, you may be subject to a penalty of up to £10,000.

## Can the member make an election to transfer, following receipt of an estimate of a CETV and the accompanying information?

No, the member must be formally issued with [a Statement of Entitlement](#).

## 6. CTS: key steps and timescales

This section sets out the key steps and timescales covering cash transfer sums (CTS).

### Step one – member leaves pensionable service

#### Timescale begins – within a reasonable period

Where the member left pensionable service before normal pension age ([NPA](#)) and is entitled to a [CTS](#), you must within a reasonable period after that date (although this is not defined in legislation, [TPR Code 4](#) defines [reasonable period](#) as normally

within three months of the member leaving pensionable service) give the member a written statement containing:

- value of [CTS](#) and [permitted ways that it can be used](#)
- last day the member can elect for a CTS ([the reply date](#))
- value of the contribution refund
- TPRs [pension scam](#) information.

## Step two – member election for transfer

### Timescale from step one – by the reply date

Member must elect in writing to you for the transfer to proceed by [the reply date](#) (or such a longer period allowed by you) and inform you of [the permitted way](#) they wish for the [CTS](#) to be used.

Alternatively, the member might elect for a contribution refund.

This guide does not cover the payment of a contribution refund, it only looks at the payment of a CTS.

## Step three – earner status, due diligence checks and payment

### Timescale from step two – within a reasonable period

You must within a reasonable period (although this is not defined in legislation, TPR Code 4 defines [reasonable period](#) as meaning without unjustifiable delay and in any event within three months , though in exceptional circumstances a longer period may be justifiable) of receiving the member's election:

- where relevant, confirm the member is an [Earner](#)
- [perform due diligence checks](#)
- [pay the value of the CTS](#) to the registered pension scheme.

## 7. CTS: questions and answers

### Introduction

The phrase member in this section refers to a deferred refund member.



## Under which legislation is a transfer out of the LGPS made?

See section four [Under which legislation is a transfer out of the LGPS made?](#)

## When is the member entitled to a CTS?

Members who leave active membership of the LGPS after 31 March 2008 – England and Wales, or after 31 March 2009 5 April 2006 – Scotland, are entitled to a CTS providing they meet the qualifying conditions.

Members who ~~opt out of the LGPS or left~~ave active membership ~~as a result of leaving their employment~~ before 1 April 2008 – England and Wales, or ~~before 1 April 2009~~ 6 April 2006 – Scotland, are not entitled to a CTS. These members are only entitled to a contribution refund.

## What are the qualifying conditions a member must meet to be entitled to a CTS?

A member must meet the following qualifying conditions to be ~~is~~ entitled to a [CTS](#). They mustif:

- ~~they~~ leave active membership of the LGPS before reaching normal pension age ([NPA](#)), and
- on the date they leave active membership, ~~they~~ have at least three months pensionable service ('the three-month condition') and ~~are not~~ [be](#) entitled to deferred/pensioner benefits.

The only exception to this rule is members who left active membership of the LGPS after:

- 31 March 2008 and before 1 April 2014 – LGPS England and Wales
- 31 March 2009 and before 1 April 2015 – LGPS Scotland

with less than three months' membership. In which case, when considering whether the member meets the qualifying conditions to be ~~is~~ entitled to a CTS, the member is treated as meeting the 'three-month condition'. The member will still need to meet the other [qualifying](#) conditions.

The right to a contribution refund under the Pension Schemes Act 1993 is not extended to this group of members. Their right to a contribution refund is that only set out in the LGPS Regulations alone. When reading the remainder of this

section, it would seem sensible to include this group, however, you do not have the right to automatically pay a refund after the reply date, for this small group of members.

## Notification of the right to a CTS and contribution refund?

Within a 'reasonable period' (although this is not defined in legislation TPR Code 4 defines '[reasonable period](#)' as normally within three months of the member leaving pensionable service) after the member has left active membership of the LGPS, you must provide the member with a statement containing the following information:

- value of the [CTS](#) ([setting out any reductions that may apply](#) together with the reasons why) and the [permitted ways it can be used](#)
- the amount of the contribution refund (including any tax liability that may be deducted from the refund and any [CEP](#) deducted)
- [how the member may exercise their right to either a CTS or a contribution refund](#)
- the date by the end of which the member must exercise their right ( [called the reply date](#)). Although the reply date is at your discretion, [TPR Code 4](#) expects that the member would normally be given three months from the date the statement is given to them, to the reply date. In any case the reply date should always include a default that if the member re-joins the LGPS, the reply date automatically expires and right to a refund of contributions or CTS will expire
- If the member does not respond by the end of the [reply date](#) (or such a later date as you may allow) you must set out by when you will automatically pay a contribution refund. In this situation you may choose to automatically pay a contribution refund after the reply date has expired or another date (subject to a maximum date of 75). [TPR Code 4](#) indicates that you should allow a period of one month after the reply date before paying the member a contribution refund (as a default option). For members who left pensionable service after:
  - 31 March 2014 – LGPS England & Wales
  - 31 March 2015 – LGPS Scotland.

you must pay the contribution refund before the sooner of the expiry of five years from the date the member left pensionable service or the day before age 75.

- any other information which may be relevant to the payment of the CTS or contribution refund (eg the requirement that all of the member's LGPS rights must either be refunded or transferred so the member must let you know if they hold any other rights in the LGPS to which you may not be aware).

If you fail to comply with the above, you may be subject to a fine of up to £50,000.

## **Member election for a CTS or a contribution refund?**

Following receipt of a statement containing details of the [CTS](#) and contribution refund, the member may give you written notice stating the option they have chosen. If the member chooses a CTS, then the written notice must include the [permitted way in which the member requires the CTS to be used](#).

Written notice must be provided to you [on or before the reply date](#).

## **Can the reply date in the statement be extended?**

The member can ask you to extend the reply date.

If you agree to an extension, you must notify the member in writing of the change in reply date.

The member may then provide you with written notice stating which option they have chosen, on or before the extended reply date.

## **Can a member lose the right to a CTS?**

Yes, where the member does not make a written election to proceed with a CTS [before the reply date within the statement](#), or the [extended reply date \(if applicable\)](#) within the further notification.

## **Can a member withdraw their election?**

No, unlike a [CETV](#) there is no legislative provision for a member to withdraw an election under Chapter II of Part 4ZA of the Pension Schemes Act 1993.

## **What must the CTS be used to purchase?**

The permitted ways that a member may use a [CTS](#) when transferring to another registered pension scheme is almost the same as those for a [CETV](#), with a couple of differences. A CTS:

- must be paid in its entirety to a single destination, it cannot be split and paid to different registered pension schemes or left in part in the LGPS
- can never contain a [GMP](#). It can only contain contracted-in service and or [Section 9\(2B\) rights](#). It will only contain Section 9(2B) rights if the [CEP](#) has either not been paid to HMRC or it has been reclaimed from HMRC.

Please see section titled [What must the CETV be used to purchase](#) for the permitted ways that a member may use a CTS. When reading simply replace reference to CETV with CTS, and deferred member with deferred refund member and ignore reference to the GMP.

If the CTS includes the CEP and this includes section 9(2B) rights then that element of the CTS must be provided for as set out in the section titled [What must the CETV be used to purchase](#).

## Can a CTS be reduced?

The following sums can be deducted from a [CTS](#). Where there is more than one such sum, the deduction must take place in the order set out in this paragraph.

### Contributions Equivalent Premium

Where a [contributions equivalent premium \(CEP\)](#) has been paid to restore the rights of the member back into the state second pension (S2P) and this sum has not been reclaimed, the [CTS](#) must be reduced (to nil if necessary) to offset the value of the CEP.

### Monetary obligation

The [CTS](#) can be reduced where the member has incurred a monetary obligation (either to the employer or you) arising out of a criminal, negligent or fraudulent act or omission by the member. The reduction must be of an equivalent value to the monetary obligation. If there is any dispute surrounding the amount of the monetary obligation, the deduction cannot take place unless it has become enforceable by way of a court order.

### Administration costs

You may reduce the [CTS](#) to reflect any reasonable administration costs, though such costs must be offset against any administrative savings.

## What is an Earner?

See CETV section titled '[What is an earner](#)' which applies equally to the payment of a [CTS](#).

## Appropriate independent advice

A [CTS](#) does not contain [safeguarded benefits](#); therefore, you do not need to check whether the member has received [appropriate independent advice](#).

## Pension scams

Before paying the [CTS](#) you should satisfy yourself that you have performed all the necessary due diligence checks. These are largely the same checks that are performed when paying a [CETV](#). Though because there are no prescribed timescales by which a CTS must be paid, there is no need to apply to TPR if these checks take longer than a reasonable period.

[Please see CETV section titled Pension scams.](#)

## Tax registered pension schemes

See [CETV](#) section titled '[Tax registered pension schemes](#)' which applies equally to the payment of a [CTS](#).

## When must you pay a CTS?

You must pay the [CTS](#) to the registered pension scheme within a reasonable period following receipt of the election from the member. [TPR Code 4](#) expects you to give effect to a member's rights without unjustifiable delay after the member has elected how they wish to receive them, and in any event, this should normally be within three months of the member making the election. In exceptional circumstances a longer period may be justifiable.

There are implications if the CTS is not paid within a reasonable period.

[See CTS section titled CTS payment delayed should it be increased.](#)

## CTS payment delayed, should it be increased?

If you do not pay a [CTS](#) within a reasonable period following receipt of the member's election, you must increase the CTS by the greater of:

- interest, calculated daily over the period [from the date you receive the member's election to transfer to the date you pay the CTS](#) - at an annual rate of one per cent above the Bank of England base rate, or if greater
- the value of the CTS (a revised CTS) on the date you should have reasonably paid the CTS. You must decide upon what date you should have paid the CTS to calculate the revised CTS.

## 8. Dictionary

### Appropriate Independent Advice

This is advice that:

- is given by an authorised independent adviser, and
- the advice must be specific to the transfer of safeguarded benefits to a flexible benefits scheme.

### Authorised Independent Adviser

This means a person who:

- has permission under Part 4A of the Financial Services and Markets Act 2000, or resulting from any other provision of that Act, to carry on the activity described in article 53E of the Regulated Activities Order (advising on conversion or transfer of pension benefits), or is acting as an appointed representative (within the meaning given by section 39(2) of that Act) in relation to the regulated activity, and
- meets such other requirements as may be specified in regulations made by the Secretary of State for the purpose of ensuring that the person is independent. Though these regulations have not been made the adviser must still nonetheless be independent.

### Cash Equivalent Transfer Value (CETV)

This is an amount of money that represents the cash equivalent of the member's [transferrable rights](#) in the LGPS. In the LGPS, a CETV is based on assumptions set by MHCLG / Scottish Ministers calculated in accordance with:

- The Occupational Pension Schemes (Transfer Values) Regulations 1996.
- The Pension Sharing (Pension Credit Benefit) Regulations 2000.

This is explained in the current Secretary of State (SoS) / Scottish Ministers actuarial guidance, which can be found in the Actuarial guidance pages of [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

The CETV can be made up of the following elements depending upon membership:

- guaranteed minimum pension ([GMP](#)), split between pre and post 88 GMP
- excess benefits over the GMP, these are benefits built up prior to 6 April 1997, in excess of the minimum pension (GMP) which an occupational pension scheme that was formerly contracted out, had to provide for those employees who were contracted out of SERPS between 6 April 1978 and 5 April 1997 inclusive
- [section 9\(2B\) rights](#) or post 97 COSR rights (as they can be known), these are built up between 6 April 1997 and 5 April 2016 inclusive
- contracted-in benefits, these are built up after 5 April 2016.

### **Cash Transfer Sum (CTS)**

A CTS is an amount of money that represents the cash equivalent of the member's notional deferred benefits. It is calculated at the date on which the member left active membership of the LGPS. In the LGPS, a CTS is calculated in accordance with the Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations 2006 based on assumptions set by MHCLG / Scottish Ministers.

When calculating a CTS, you should follow the same principles as those for calculating a [CETV](#), with two exceptions. A CTS:

- is normally calculated using:
  - the value of the member's notional deferred benefits on the date they left active membership of the LGPS, and
  - the current transfer factors relating to the age of the member on the date they left active membership.

However, this approach can change if payment of the CTS is delayed. See CTS section titled [CTS payment delayed, should it be increased?](#)

- will not contain a [GMP](#) because the member does not have guaranteed benefits in the LGPS. Instead, it may, either contain or use to contain before discharge to HMRC, a [CEP](#). Where the CEP was paid to HMRC and the benefits are to be

transferred to another registered pension scheme, HMRC must refund the CEP to you upon request. Where this is the case, the contracted-out rights that were extinguished by the payment of the CEP must be restored in the LGPS before you pay the CTS. You can reclaim the CEP by applying to HMRC. For how to do this please see

[HMRC countdown bulletin 32](#). The CTS (without any reduction for the CEP) is then paid to the registered pension scheme.

The current Secretary of State (SoS) / Scottish Ministers actuarial guidance can be found in the Actuarial guidance pages of [www.lgpsregs.org](http://www.lgpsregs.org) and [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

### **Category of benefits**

Category of benefits in this guide is to one of the following:

- a. money purchase benefits (eg AVCs)
- b. flexible benefits other than money purchase benefits (eg cash balance benefit)
- c. benefits that are not flexible benefits (eg defined benefits).

Where an individual is both a member because of:

- paying contributions into the LGPS by way of their employment with a scheme employer, and
- being awarded a pension credit,

the categories of benefits are linked to the type of membership (ie all benefits because of an employment with a scheme employer are grouped together and all pension credits are grouped together).

### **Contributions Equivalent Premium (CEP)**

This is an amount of money that restores the rights of a member, of a formerly contracted out occupational pension scheme, back into the state second pension (S2P).

Prior to June 2019 you paid a CEP when an employee left pensionable service and:

- had less than two years pensionable service
- was not entitled to any benefits from a formerly contracted-out salary related scheme (eg the LGPS)



- had rights in the state scheme that can be restored by payment of a CEP.

When a member left active membership of the LGPS, the CEP must have been paid to HMRC on or before the later of:

- six months after the date of leaving contracted-out employment in respect of which the CEP is payable, or
- one month after the day on which HMRC sent you a notice certifying the amount of the CEP payable.

Payment of a CEP to HMRC ceased in June 2019 (see [bulletin 191](#)).

### **Deferred benefits**

These are all the accrued rights to the same category of benefits under the scheme. These are built up in the LGPS by way of an employment with a scheme employer(s) under:

- regulation 6 of the LGPS Regulations 2013 (and equivalent predecessor regulations) – LGPS England and Wales
- regulation 6 of the LGPS (Scotland) Regulations 2018 (and equivalent predecessor regulations) – LGPS Scotland.

For the purpose of this guide this excludes in-house AVCs.

[Pension credit benefits are defined separately within the dictionary.](#)

### **Flexible benefits**

These are benefits that are:

- money purchase benefits,
- cash balance benefits, or
- a benefit, other than a money purchase benefit or cash balance benefit, calculated by reference to an amount available for the provision of benefits to or in respect of the member (whether the amount so available is calculated by reference to payments made by the member or any other person in respect of the member or any other factor).

## **Guaranteed minimum pension (GMP)**

GMP is the minimum pension which an occupational pension scheme that was formerly contracted out, must provide for those employees who were contracted out of the State Earnings-Related Pension Scheme (SERPS) between 6 April 1978 and 5 April 1997 inclusive. This is an individual value derived from the employee's contracted-out earnings.

## **Normal Benefit Age (NBA)**

### **LGPS England and Wales**

NBA is only applicable to pension credit members.

Where the debited member left active membership of the LGPS:

- on or after 1 April 2014 and the Pension Sharing Order effective date is on or after 1 April 2014, NBA = SPa or if later age 65
- prior to 1 April 2014 or the Pension Sharing Order effective date is before 1 April 2014, NBA = age 65

### **LGPS Scotland**

NBA is only applicable to pension credit members.

Where the debited member left active membership of the LGPS:

- on or after 1 April 2015 and the Pension Sharing Order effective date is on or after 1 April 2015, NBA = SPa or if later age 65
- prior to 1 April 2015 or the Pension Sharing Order effective date is before 1 April 2015, NBA = age 65

## **Normal Pension Age (NPA)**

Over the years NPA has had various names. It was previously called normal retirement age and before that normal retirement date. For ease, all reference in this guide will be made to NPA. You should not confuse NPA with critical retirement age relating to the 85-year rule protections or the impact of the underpin where applicable. For determining the latest date at which an application for a CETV can be made, it is the definition of NPA to which you should refer in all cases.

## **LGPS England and Wales**

### **2014 Scheme**

Applicable to members who left active membership of the LGPS on or after 1 April 2014

- NPA = SPa or if later age 65

### **2008 Scheme**

Applicable to members who left active membership of the LGPS on or after 1 April 2008 and before 1 April 2014

- NPA = age 65

The 2008 Scheme contains a protected NPA of age 60 for certain groups of members who have transferred by statute from elsewhere within the public service (eg meat hygiene, Learning and Skills Council, NHS etc). For further information, please see the table in appendix B of the Discretions policy which can be found in the [Guides and sample documents page](#) of [www.lgpsregs.org](http://www.lgpsregs.org).

### **1998 Scheme**

Applicable to members who left active membership of the LGPS on or after 1 April 1998 and before 1 April 2008

- NPA = age 65, or
- a member who joined the scheme before 1 April 1998 and left active membership of the scheme before 1 October 2006, NPA = the earlier of:
  - age 60 if by that age, the member would have had 25 or more years membership of the scheme if they had remained active in the scheme until then, or
  - the date the member would have achieved 25 years membership, if that date would fall after age 60 and before age 65, or
  - age 65 if by that age, the member would not have had 25 years membership of the scheme if they had remained active in the scheme until then.

The 1998 Scheme contains a protected NPA of age 60 for certain groups of members who have transferred by statute from elsewhere within the public service (eg meat hygiene, civil service etc). For further information, please see the table in

appendix B of the Discretions policy which can be found in the [Guides and sample documents](#) page of [www.lgpsregs.org](http://www.lgpsregs.org).

### **1995 Scheme**

Applicable to members who left active membership of the LGPS before 1 April 1998

- NPA = the earlier of:
  - age 60 if by that age, the member would have had 25 or more years membership of the scheme if they had remained active in the scheme until then, or
  - the date the member would have achieved 25 years membership, if that date would fall after age 60 and before age 65, or
  - age 65 if by that age, the member would not have had 25 years membership of the scheme if they had remained active in the scheme until then.

## **LGPS Scotland**

### **2015 Scheme**

Applicable to members who left active membership of the LGPS on or after 1 April 2015

- NPA = SPa or if later age 65

### **2009 Scheme**

Applicable to members who left active membership of the LGPS on or after 1 April 2009 and before 1 April 2015

- NPA = age 65

The 2009 Scheme contains a protected NPA of age 60 for certain groups of members who have transferred by statute from elsewhere within the public service (eg, Scottish Administration's Learning Connections Division, Care Commission, the Social Work Inspection Agency, Her Majesty's Inspectorate of Education, Scottish Legal Complaints Commission and persons formerly entitled to a pension under the SDS Scheme). For further information, please see the table in appendix B of the Discretions policy which can be found in the [Guides and sample documents page](#) of [www.scotlgpsregs.org](http://www.scotlgpsregs.org)

## 1998 Scheme

Applicable to members who left active membership of the LGPS on or after 1 April 1998 and before 1 April 2009

- NPA = age 65, or
- a member who joined the scheme before 1 April 1998 and left active membership of the scheme before 1 December 2006, NPA = the earlier of:
  - age 60 if by that age, the member would have had 25 or more years membership of the scheme if they had remained active in the scheme until then, or
  - the date the member would have achieved 25 years membership, if that date would fall after age 60 and before age 65, or
  - age 65 if by that age, the member would not have had 25 years membership of the scheme if they had remained active in the scheme until then.

The 1998 Scheme contains a protected NPA of age 60 for certain groups of members who have transferred by statute from elsewhere within the public service (eg Scottish Legal Services Ombudsman), please see the table in appendix B of the Discretions policy which can be found in the [Guides and sample documents page](http://www.scotlgpsregs.org) of [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

## 1987 Scheme

Applicable to members who left active membership before 1 April 1998

- NPA = the earlier of:
  - age 60 if by that age, the member would have had 25 or more years membership of the scheme if they had remained active in the scheme until then, or
  - the date the member would have achieved 25 years membership, if that date would fall after age 60 and before age 65, or
  - age 65 if by that age, the member would not have had 25 years membership of the scheme if they had remained active in the scheme until then.

## Normal pension age of GMP only benefits

Where a member has transferred out all their LGPS benefits in excess of the GMP, or the GMP is the value of their benefits, the NPA (pensionable age) of GMP only benefits are:

- age 60 for a woman
- age 65 for a man.

## Pension credit benefits

These are all the pension credits the member has been awarded in the LGPS under paragraph 1(2) of Schedule 5 of the Welfare Reform and Pensions Act 1999.

For the purpose of this guide, this excludes AVCs and [deferred benefits](#).

## Safeguarded benefits

These are benefits that are not flexible benefits (eg deferred benefits or pension credit benefits).

## Section 9(2B) rights

Section 9(2B) or post 97 COSR rights (as they can be known) are rights in respect of benefits built up from 6 April 1997 and before 6 April 2016 in a formerly contracted-out pension scheme. From 6 April 1997 any salary related scheme that was contracted out had to meet a test of overall scheme quality, called the Reference Scheme Test (RST).

# 9. Overriding legislation

## The Pension Schemes Act 1993

Under the Pension Schemes Act 1993, transfers out are split into three areas depending upon entitlement.

### Chapter 1 Part 4ZA Pension Schemes Act 1993

- relates to members who are entitled to hold a deferred benefit (ie [safeguarded benefits](#))

### Chapter 2 Part 4ZA Pension Schemes Act 1993

- relates to members who are entitled to a refund of contributions.

## **Chapters I & II Part IVA Pension Schemes Act 1993**

- relates to pension credit members who have been awarded a pension credit in the LGPS (ie [safeguarded benefits](#)).

## **Other associated overriding transfer legislation**

### **Primary legislation**

- Finance Act 2004
- Pension Schemes Act 2015

### **Secondary legislation**

- The Occupational Pension Schemes (Transfer Values) Regulations 1996
- The Contracting-out (Transfer and Transfer Payment) Regulations 1996
- The Divorce etc (Pensions) Regulations 2000
- The Pension Sharing (Pension Credit Benefit) Regulations 2000
- The Occupational and Personal Pension Schemes (Pension Liberation) Regulations 2005
- The Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations 2006
- The Registered Pension Schemes (Provision of Information) Regulations 2006
- The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013
- The Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015
- The Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015
- The Funded Public Service Pension Schemes (Reduction of Cash Equivalents) Regulations 2015

## 10. Regulatory references used in this guide

This section lists the regulatory references used throughout the guide (instead of footnotes). It is divided into the same sections as the guide for ease of use.

### Regulatory references (RR) used in CETV preliminary checklist

- regulations 73 and 74 of the LGPS Regulations 2013
- regulations 68 and 69 of the LGPS (Scotland) Regulations 2018

### Regulatory references (RR) used in CETV questions and answers

#### **(RR) Information to be provided to member upon initial enquiry**

- regulations 6 and 8 of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015.

#### **(RR) When does the member have a statutory entitlement to a CETV?**

- sections 93, 95, 101F and 101G of the Pensions Schemes Act 1993.

#### **(RR) What is a statement of entitlement?**

- sections 93A and 101H of the Pension Schemes Act 1993.

#### **(RR) When must a statement of entitlement be issued to the member?**

- sections 93A and 101G of the Pension Schemes Act 1993
- regulations 6 and 11 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulations 23 and 31 of the Pension Sharing (Pension Credit Benefit) Regulations 2000.

#### **(RR) What is the guarantee date?**

- sections 93A and 101H of the Pension Schemes Act 1993
- regulation 6 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulation 23 of the Pension Sharing (Pension Credit Benefit) Regulations 2000.



**(RR) Can a member make more than one application in any 12-month period?**

- regulation 6 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulation 23 of the Pension Sharing (Pension Credit Benefit) Regulations 2000.

**(RR) Can a member withdraw their application for payment of a CETV?**

- sections 100 and 101K of the Pension Schemes Act 1993.

**(RR) Can a CETV be reduced?**

- sections 97A, 97B and 97C of the Pension Schemes Act 1993
- regulation 9 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulation 28 of the Pension Sharing (Pension Credit Benefit) Regulations 2000
- The Funded Public Service Pension Schemes (Reduction of Cash Equivalents) Regulations 2015.

**(RR) What information must accompany the statement of entitlement?**

- section 48 of the Pensions Schemes Act 2015
- regulation 11 and paragraph 3 of Schedule 1 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulations 73 and 74 of the LGPS Regulations 2013
- regulations 68 and 69 LGPS (Scotland) Regulations 2018.

**(RR) What happens if the member disputes the value of the CETV?**

- regulations 13 and 14 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulation 26 of the Pension Sharing (Pension Credit Benefit) Regulations 2000.

**(RR) When must a member make an election to transfer their benefits?**

- sections 95, 96 and 101 G of the Pension Schemes Act 1993.

### **(RR) Can a member lose the right to a CETV?**

- sections 98 and 101J of the Pension Schemes Act 1993
- section 48 of the Pension Schemes Act 2015.

### **(RR) What benefits must be transferred out of the LGPS?**

- sections 96 and 101G of the Pension Schemes Act 1993

### **(RR) Must contracted out benefits be transferred out of the LGPS?**

- section 96 of the Pension Schemes Act 1993
- regulation 12 of the Occupational Pension Schemes (Transfer Values) Regulations 1996.

### **(RR) What must the CETV be used to purchase?**

- sections 20, 37A, 95 and 101F of the Pension Schemes Act 1993
- regulations 3, 5, 8 and 10 of the Contracting-out (Transfer and Transfer Payment) Regulations 1996.

### **(RR) Appropriate independent advice**

- sections 99 and 101J of the Pension Schemes Act 1993
- section 48 of the Pension Schemes Act 2015
- regulations 5, 6, 7, 8, 9 and 11 of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015.

### **(RR) Pension scams**

- The Occupational and Personal Pension Schemes (Pension Liberation) Regulations 2005.

### **(RR) Tax registered pension schemes**

- section 169 of the Finance Act 2004.

### **(RR) When must you pay a CETV?**

- sections 99 and 101J of the Pension Schemes Act 1993

- section 10 of the Pensions Act 1995
- regulations 13 and 22 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulation 25 of the Pension Sharing (Pension Credit Benefit) Regulations 2000.

#### **(RR) Delaying CETV payments**

- sections 99 and 101J of the Pension Schemes Act 1993.

#### **(RR) CETV payment delayed, should it be increased?**

- regulation 10 of the Occupational Pension Schemes (Transfer Values) Regulations 1996
- regulation 29 of the Pension Sharing (Pension Credit Benefit) Regulations 2000
- Individual Incoming and Outgoing actuarial guidance issued by the Secretary of State / Scottish Ministers.

### **Regulatory references (RR) used in CETV: estimate**

#### **(RR) Can an active member be issued with an estimate of a CETV?**

- regulation 11 of the Occupational Pension Schemes (Transfer Values) Regulations 1996.**Error! Bookmark not defined.**

#### **(RR) What information must accompany an estimate of a CETV?**

- regulation 11 and Schedule 1 of the Occupational Pension Schemes (Transfer Values) Regulations 1996.

#### **(RR) Failure to comply**

- regulation 11 of the Occupational Pension Schemes (Transfer Values) Regulations 1996.

### **Regulatory references (RR) used in CTS: questions and answers**

#### **(RR) When is the member entitled to a CTS?**

- [section 101AA of the Pension Schemes Act 1993](#)
- [The Pensions Act 2004 \(Commencement No 8\) Order 2005](#)

- [regulations 116 and 117 of the LGPS Regulations 1997](#)
- [regulations 116 and 117 of the LGPS \(Scotland\) Regulations 1998](#)
- [regulations 77, 78 and 79 of the LGPS \(Administration\) Regulations 2008](#)
- [regulations 72, 73 and 74 of the LGPS \(Scotland\)\(Administration\) Regulations 2008](#)
- [regulation 96 of the LGPS Regulations 2013](#)
- [Regulation 91 of the LGPS \(Scotland\) Regulations 2018](#)

**(RR) What are the qualifying conditions a member must meet to be entitled to a CTS?**

- section 101AA of the Pension Schemes Act 1993
- regulation 78 of the LGPS (Administration) Regulations 2008
- [regulation 73 of the LGPS \(Administration\)\(Scotland\) Regulations 2008.](#)
- [regulation 96 of the LGPS Regulations 2013](#)
- [regulation 91 of the LGPS \(Scotland\) Regulations 2018](#)

**(RR) Notification of the right to a CTS and contribution refund?**

- sections 101AC & 101AI of the Pension Schemes Act 1993
- section 10 of the Pensions Act 1995
- paragraph 5 of Schedule 29 of the Finance Act 2004
- regulation 7 of the Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations
- regulations 18 of the LGPS Regulations 2013
- regulations 18 of the LGPS (Scotland) Regulations 2018.

**(RR) Member election for a CTS or a contribution refund?**

- section 101AD of the Pension Schemes Act 1993.

### **(RR) Can the reply date in the statement be extended?**

- sections 101AD and 101AI of the Pension Schemes Act 1993.

### **(RR) Can a member lose the right to a CTS?**

- section 101AI of the Pension Schemes Act 1993.

### **(RR) What must the CTS be used to purchase?**

- section 101AE of the Pension Schemes Act 1993
- regulation 7 of the Contracting-out (Transfer and Transfer Payment) Regulations 1996
- regulation 6 of the Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations 2006
- regulation 14 of the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015.

### **(RR) Can a CTS be reduced?**

- regulation 4 of the Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations 2006
- regulation 14 of the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015.

### **(RR) When must you pay a CTS?**

- section 101AG of the Pension Schemes Act 1993.

### **(RR) CTS payment delayed, should it be increased?**

- regulation 5 of the Occupational Pension Schemes (Early Leavers: Cash Transfer Sums and Contribution Refunds) Regulations 2006.

## **Regulatory references (RR) used in Dictionary**

### **(RR) Appropriate Independent Advice**

- section 48 of the Pension Schemes Act 2015

- regulation 3 of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015.

#### **(RR) Authorised Independent Advisor**

- section 48 of the Pension Schemes Act 2015
- regulation 4 of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015.

#### **(RR) Cash Transfer Sum**

- section 101AB of the Pension Scheme Act 1993
- regulation 14 of the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015.

#### **(RR) Contributions Equivalent Premium**

- regulation 12 of the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015.

#### **(RR) Deferred benefits**

- section 93(2) of the Pension Schemes Act 1993.

#### **(RR) Flexible benefits**

- Section 181 of the Pension Schemes Act 1993.

#### **(RR) Normal Benefit Age**

- schedule 1A of the LGPS Regulations 1997
- schedule 1A of the LGPS (Scotland) Regulations 1998
- schedule 1 of the LGPS (Administration) (Scotland) Regulations 2008
- schedule 1 of the LGPS Regulations 2013
- schedule 1 of the LGPS (Scotland) Regulations 2018.

#### **(RR) Normal Pension Age**

- regulation E2 of the LGPS (Scotland) Regulations 1987

- regulation C3 of the LGPS Regulations 1995
- regulation 25 of the LGPS Regulations 1997
- regulation 25 of the LGPS Regulations 1997 before its deletion by SI 2006/966
- regulation 24 of the LGPS (Scotland) Regulations 1998
- regulation 24 of the LGPS (Scotland) Regulations 1998 before its deletion by SI 2006/514
- regulation 16 of the LGPS (Benefits, Membership and Contributions) Regulations 2007
- regulation 16 of the LGPS (Benefits, Membership and Contributions) (Scotland) Regulations 2008
- schedule 1 of the LGPS Regulations 2013
- schedule 1 of the LGPS (Scotland) Regulations 2018.

#### **(RR) Normal pension age of GMP only benefits**

- sections 13 and 181 of the Pension Schemes Act 1993.

## **11. Disclaimer**

The information contained in this summary guide has been prepared by the LGPC Secretariat, a part of the LGA. It represents our views 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 piece of legislation. No responsibility whatsoever will be assumed by either party 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 Guide.

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