

# LGPS Employer Event

## Delegate Handbook 2019

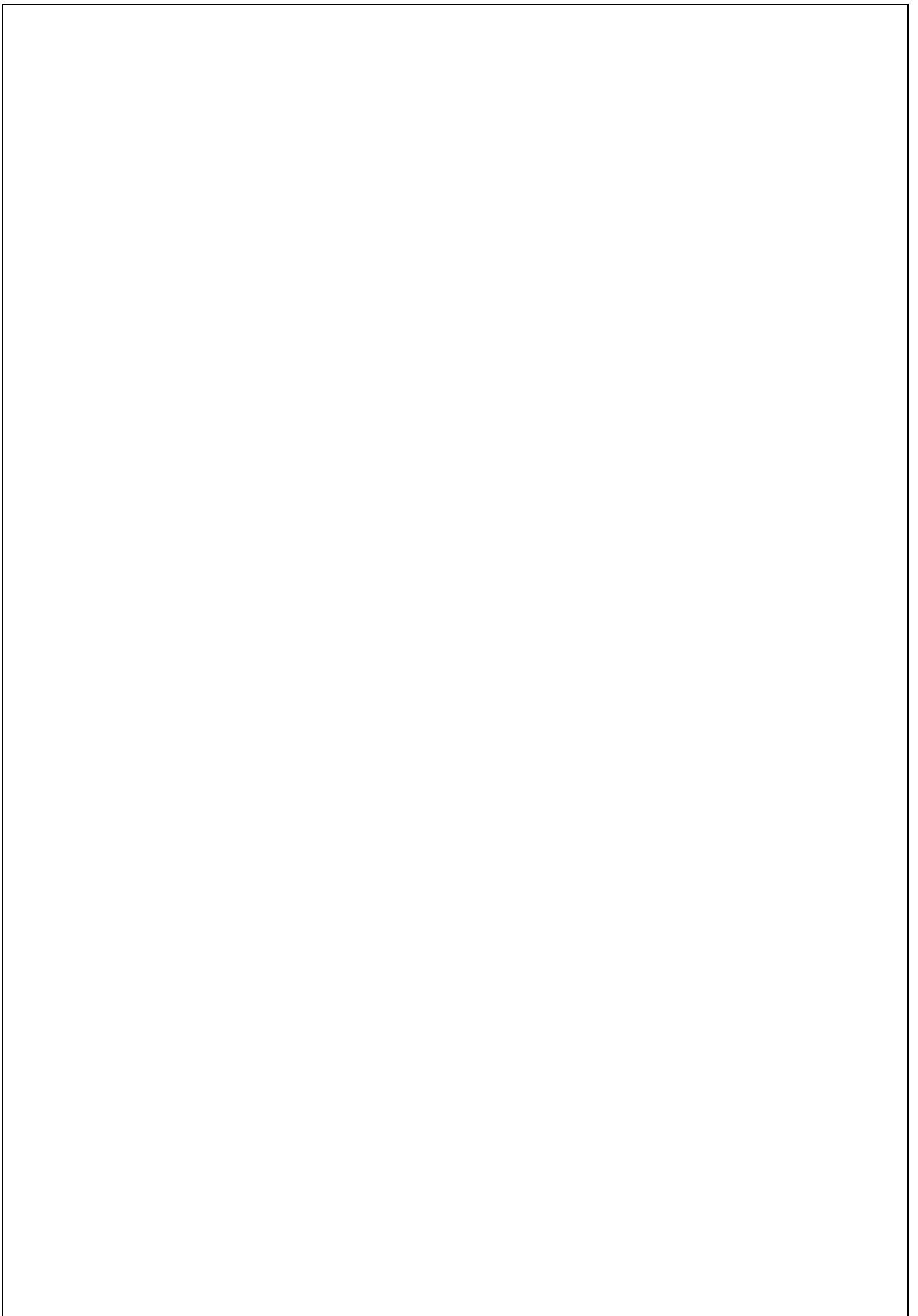
WARWICKSHIRE  

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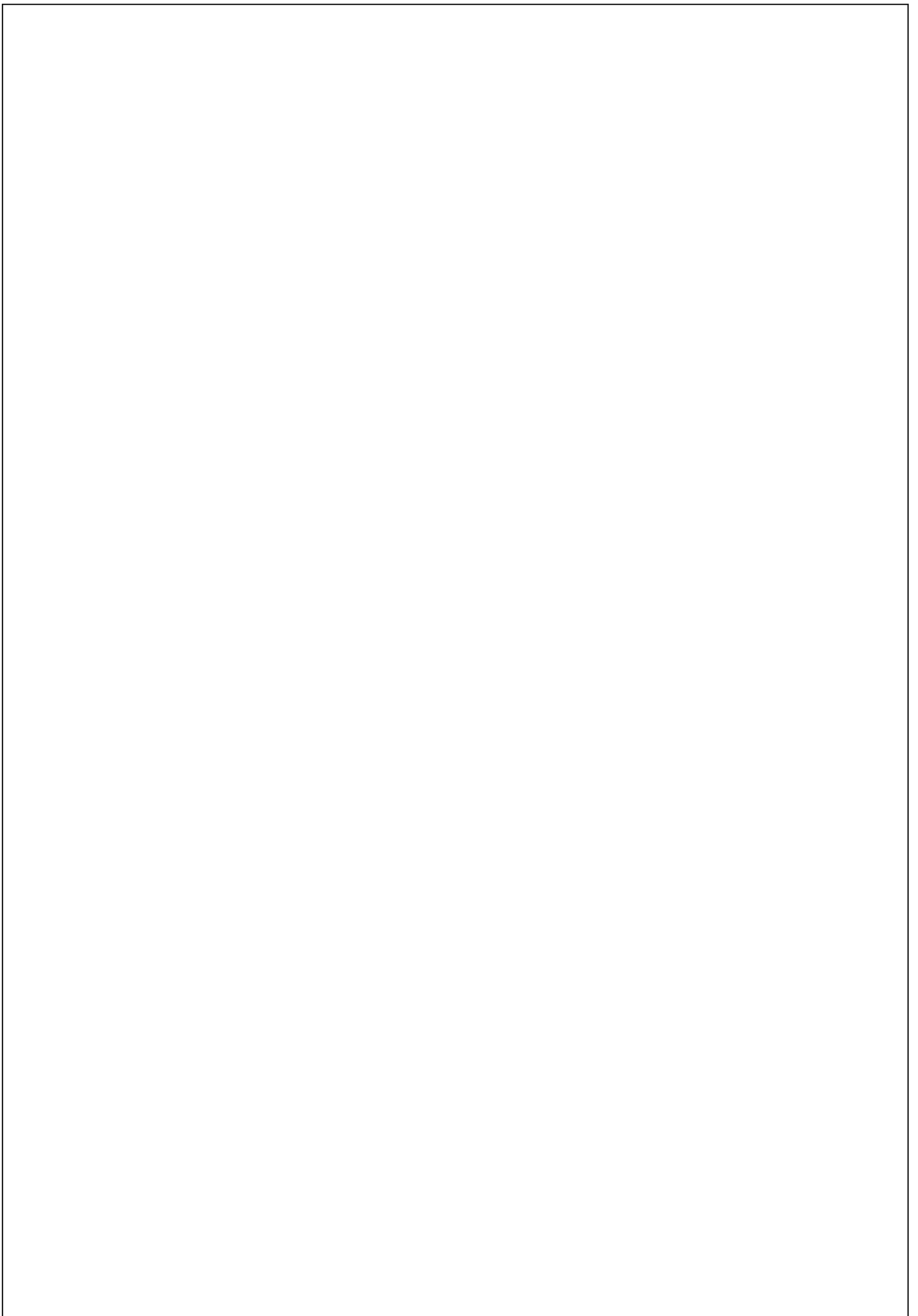
pension fund

for you, for now, for the future  
**lgps**





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## **Introduction**

Welcome to the annual Employers Event. We have this year included a general overview of the administration process for employers on how to deal with starter's right through until they leave the pension fund.

We have also included breaches of the law and how the Pension Fund is registering employers who are consistently late in sending their CT117 forms and payment of contributions.

We are delighted to have our actuary, Hymans Robertson come along to deliver a presentation on the 'Valuation' and on the McCloud case. They will also emphasise the importance of making sure the data is clean and correct. Incorrect data can have a significant impact on the contribution rate you pay as an employer which could mean you end up paying more than you should.

We will also have the Pension Services Team available to answer any questions employers have and an opportunity to network.

Copies of all notes and presentations will be available on our website in due course –

<https://www.warwickshirepensionfund.org.uk/employers>

We hope you find this training useful. As always we would welcome any feedback or suggestions you have about today's event.

***Neil Buxton***

***Pension Services Manager***



## Process for dealing with employees joining the Pension Fund

All new employees should be enrolled into the pension scheme as long as they have a contract of 3 months or more.

Employees should all be given a membership form to complete and return to us. You should give them one for each of the jobs they have with you and a different reference number allocated to each job. This is so we can differentiate between records when forms and enquiries come in.

You should then complete a new entrant to the pension scheme form that will give us all the details necessary for us to set up a new record in the scheme. Please do not wait for the employee to return the membership form as this will only delay the setting up of records if they don't return it.

Every employee has to be allocated a contribution band that will determine the rate of contribution they will pay each month.

### Contribution Table 2019/20

Band	Actual pensionable pay for an employment	Contribution rate for that employment	
		<b>Main Section</b>	<b>50/50 section</b>
1	Up to £14,400	5.5%	2.75%
2	£14,401 to £22,500	5.8%	2.9%
3	£22,501 to £36,500	6.5%	3.25%
4	£36,501 to £46,200	6.8%	3.4%
5	£46,201 to £64,600	8.5%	4.25%
6	£64,601 to £91,500	9.9%	4.95%
7	£91,501 to £107,700	10.5%	5.25%
8	£107,701 to £161,500	11.4%	5.7%
9	£161,501 or more	12.5%	6.25%

If a member has an increase in pay that would mean them changing the contribution rate, you have the choice of either implementing the change the following month or changing it from the following April. If you change it mid-year then we only want you to put one line on the annual return not split it between the two contribution rates.

### 50/50 Scheme

Some members may find that they cannot afford to pay all the contributions their contribution band refers to. Rather than opt out altogether members can join the 50/50 scheme where they pay half the contribution rate for half the benefits.

The employer continues to pay the same rate, amends the payroll and sends us the forms informing us of their decision.

As an employer you are required to complete the box on the reverse of the form so that we know when the 50% contribution started.

### **Opting out**

Members can choose to opt out of the scheme altogether but need to complete a form to do so. You cannot give your employee an opt out form but should refer them to the website where they can download one. A person cannot opt out until they have started work. Once you have received the completed form you should then opt them out from the next available pay run.

If a member chooses to opt out within 3 months of starting work the refund they are due has to be paid through the payroll by your payroll provider. If they are a member for longer than 3 months but under 2 years then we have to pay the refund.

In order for us to process the refund we have to have a copy of the opt out form and an employer opt out form where you confirm if a refund has been paid or not, and which month it was refunded, or whether we have to do it. If we have to do it we will need a notice of termination with the details of the contributions paid.

### **Expression of Wish**

This is a form used to nominate someone to receive a death grant in the event of a member's death. This nominee can be anyone and members can nominate as many people as they want as long as the total % payable adds up to 100%. If an expression of wish form is not on record then the grant is paid into the estate of the deceased.

### **Additional Pension Contributions (APC)**

Employees can pay additional contributions to enhance their retirement benefits.

These can be paid as a lump sum or as regular contributions taken from their pay each month. Deductions made each month attract tax relief same as the normal pension contributions do. The APC calculator on our website needs to be used to calculate the cost of purchasing the extra pension they wish to buy.

For regular contributions the contract has to be for a minimum of 12 months, with the maximum being up to their normal pension age.

They have to be a member of the full scheme

The member can purchase as much as they want up to a maximum of £6,822 (this changes each year)

Additional Pension purchased is payable at retirement and is paid on top of normal pension benefits.

If the member chooses to retire early (before their Normal Pension Age) the extra pension they have bought will be reduced for early payment. If they choose to draw their pension after their Normal Pension Age any extra pension bought is increased because it's being paid later.

Payments can stop at any time but we need to be advised of the last date the contributions were taken for.



If the member dies in service then no extra pension from the APC will be payable as the additional pension is for the member only not any beneficiary.

### **Lost pension**

In some circumstances members can buy back lost pension (for example where they have had a period of authorised unpaid leave) where you the employer must meet two thirds of the cost of buying back this lost pension if they decide to buy it within 30 days of the end of the absence period (or such longer period as you the employer may allow).

Employers should therefore give members details of the pay they have lost so they can calculate what APCs they need to pay within this 30 day period if they choose to.

If this information is not given out in time then the employer has the discretion to allow the member to buy it with them still meeting two thirds of the cost.

### **Additional Voluntary Contributions**

This is the second way members can enhance their pension benefits. We need the AVC form completed so that we know how the member wishes the deduction to be invested.

There are a number of funds to choose from and the investment can be spread over a number of funds.

Contributions are deducted by the employer but sent directly to Standard Life not Pension Services.

Invested on the Stock Market so returns can go down as well as up.

Get in touch with Ian Morris on 01926 412682 for information on how to set everything up.

At retirement, the fund can be used to buy a pension from Standard Life or another life assurance company of the members choosing. They will also have the option of converting their AVC fund to additional pension in the Local Government Pension Scheme.

### **Changes to records**

You should notify us of personal or job related changes to a member's record as soon as you are informed.

This includes things like name changes, status changes, address changes etc

The changes form should always be completed by you as the employer or by your third party payroll provider if you have signed and returned our third party payroll provider form.

We still prefer termination notices for early leavers and retirements to be signed off by the Scheme Employer.

### **Forms**

All forms for both Employees and Employers can be found on our website

<https://www.warwickshirepensionfund.org.uk/employers>

This means you do not need to keep a copy and you always get to complete the most up to date forms.



## Process for dealing with employees leaving the Pension Fund

If a member finishes their employment we will always need a notice of termination. The member's pension will either be deferred or refunded, unless the member is over 55 in which case they will be able to take payment of their pension.

### Notices of termination

A notice of termination is needed when an employee leaves their role. A notice of termination includes all the details that we need to calculate members deferred pension, refund or pension payment and will include all the employees' details that you hold, the leaving date and reason, the contributions for this and the last financial year, the full time equivalent pay for the last year of work and the actual pay received for this year and the last financial year.

### LOCAL GOVERNMENT PENSION SCHEME WARWICKSHIRE PENSION FUND

#### Notice of Termination of Membership to be completed by the employer

Name of Employer: - [Click here to enter text.](#)

#### Section 1: Member Details

Surname: <a href="#">Click here to enter text.</a>	First Name(s): <a href="#">Click here to enter text.</a>
Members Private Address: <a href="#">Click here to enter text.</a>	Post Code: <a href="#">Click here to enter text.</a>
National Insurance Number: <a href="#">Click here to enter text.</a>	Date of Birth: <a href="#">Click here to enter text.</a>
Payroll Number: <a href="#">Click here to enter text.</a>	Job Title: <a href="#">Click here to enter text.</a>

#### Section 2: Leaving Details

Last day of scheme membership <a href="#">Click here to enter text.</a>	
Reason for Leaving: Please tick relevant box:	<input type="checkbox"/> Redundancy (under age 55)
<input type="checkbox"/> Opted Out - have pension contributions been refunded by payroll? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Resignation (name of new employer): <a href="#">Click here to enter text.</a>	<input type="checkbox"/> Dismissal
<input type="checkbox"/> Retirement (Please complete Section 3)	<input type="checkbox"/> Death

#### Section 3: Retirement Details (for retirements only)

Please tick click on relevant box:	<input type="checkbox"/> Flexible Retirement (before SPA)
<input type="checkbox"/> Voluntary (age 55 or over)	
<input type="checkbox"/> Early with employers consent (before SPA)	<input type="checkbox"/> Ill Health: (select Tier) - <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3
<input type="checkbox"/> Redundancy/Efficiency: - Redundancy Payment (if applicable) £ <a href="#">Click here to enter text.</a>	Additional Pension (in accordance with your policy) <a href="#">Click here to enter text.</a>

#### Section 4: Contributions

<b>National Insurance Details</b> Contracted-out earnings for financial year prior to date of leaving	£ <a href="#">Click here to enter text.</a>
Contracted-out earnings for financial year of leaving	£ <a href="#">Click here to enter text.</a>
<b>Pension scheme contributions</b> Pension scheme contributions for financial year prior to leaving	£ <a href="#">Click here to enter text.</a>
Pension scheme contributions for financial year of leaving	£ <a href="#">Click here to enter text.</a>

**Section 5: Pensionable Pay Details under the old regulations up to leaving date**



Basic full-time annual salary at date of leaving	£ <a href="#">Click here to enter text.</a>
Final years full time pensionable pay, as defined in 2008 regulations	£ <a href="#">Click here to enter text.</a>

(Please show calculations below)

Period from	Period to	Month / Days in this period (a)	Basic FTE Salary (b)	Salary earned in this period (b x a / 12)	Pensionable 'extras' received in this period *
<b>TOTAL :</b>				£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>

\*Any extras paid pre April 2014 – please confirm period paid for and what it relates to (overtime, shift etc)

Weekly hours worked [Click here to enter text.](#)      Weeks per year paid [Click here to enter text.](#)

**Section 6: Pensionable Pay Details for Post 2014 pension**

Total Pay received in financial year of leaving in Main Scheme	Total Pay received in financial year of leaving in 50/50 Scheme	Assumed Pensionable Pay in financial year of leaving	Additional Pension Contributions (APC's) paid in financial year of leaving	TOTAL FOR THE YEAR
£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>
Total pay received in the financial year before leaving in Main Scheme	Total Pay received in financial year before leaving in 50/50 Scheme	Assumed Pensionable Pay in financial year before leaving	Additional Pension Contributions (APC's) paid in financial year before leaving	TOTAL FOR THE YEAR
£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>	£ <a href="#">Click here to enter text.</a>

**Form completed by:**

Name [Click here to enter text.](#)      Date [Click here to enter text.](#)  
 Telephone number [Click here to enter text.](#)      Email [Click here to enter text.](#)

Return completed form to: { [HYPERLINK "mailto:pensions@warwickshire.gov.uk"](mailto:pensions@warwickshire.gov.uk) }

If the member has been off for any reason in the last 2 years you will need to include the Assumed Pensionable Pay under section 6 as well.

In some cases we do not need the full time equivalent pay. This is for members who are only in the post 14 scheme. We will still ask you to complete this as some members who may have only been with you since 2014 might have transferred in previous service where the final salary needs to be taken into account.

We will check the calculations on the termination and you will get a query if something does not add up. IE if a members contribution rate is 5.5% but the contributions divided by 5.5 and multiplied by 100 does not equal the CARE pay then you will get an email asking for clarification.

## **Refunds**

A pension is refunded if the member has less than 2 years' service in the pension scheme and has not had a transfer in. We are also not able to pay a refund if the member has a deferred pension or a pension in payment with another local authority or if they are due to commence employment within local government within a month.

The amount payable is the total contributions less 20% tax. We will not refund employers contributions but these are taken into account when the employers contribution rate is assessed.

We will send the member a leaver form asking for their bank details and for them to confirm that they have not got any previous pensions with any other authority.

## **Deferred pension**

A pension is deferred when a member leaves their employment, has more than 2 years of service or has had a transfer in and is not old enough to take payment of their pension.

We will send the member an initial calculation of their deferred pension and will send a statement each year.

We will also write to the member just before their 60<sup>th</sup> and 65<sup>th</sup> birthday giving them the option to take their pension.

## **Retirement**

There are 4 different types of retirement – ill health, redundancy/efficiency, flexible and normal.

We will need a notice of termination for all cases of retirement and we would normally provide an estimate before a member retires.

To provide an estimate we will need an estimate request form completing with similar details to a notice of termination.

## **Death in service**

If a member dies in service there will be a death grant of 3x their actual pay paid to their nominated persons.

There will also be a spouses pension payable to an eligible partner. A child's pension can also be payable if there are surviving children under the age of 18, or 23 if they are still in education. Both pensions will be enhanced as though the member has worked up till their retirement age.

## **Death on deferred**

The death grant for a deferred member is 5x the deferred pension.

There will also be a spouses pension payable to an eligible partner. A child's pension can also be payable if there are surviving children under the age of 18, or 23 if they are still in education. These pensions will not be enhanced.

**Death on pension**

The death grant for a pensioner is 10x the pension less what has already been paid. This means that a death grant is only payable for 10 years after retirement.

There will also be a spouses pension payable to an eligible partner. A child's pension can also be payable if there are surviving children under the age of 18, or 23 if they are still in education. These pensions will not be enhanced.

An employer wouldn't normally be involved in a death of a pension or a deferred member but on occasion the deceased family might contact the former employer rather than the pension section.

## Retirement Benefits

### When can you retire?

The LGPS pension is payable in full from Normal Pension Age, this is linked to State pension age (but with a minimum of age 65). However, a member can choose to retire and draw their pension from the LGPS at any time from age 55 to 75, provided they have met the 2 years vesting period in the scheme. If they choose to take their pension before their Normal Pension Age it will normally be reduced, as it is being paid earlier. If they take it later than their Normal Pension Age it is increased because it is being paid later. A member must draw their benefits in the LGPS before their 75th birthday.

If a member retires because of redundancy, business efficiency or permanent ill health, the benefits can, provided they have met the 2 years vesting period in the scheme, be paid immediately.

If a member voluntarily chooses to retire before, on or after their Normal Pension Age they can defer drawing their benefits but the pension must be put into payment before age 75. If the pension is drawn after Normal Pension Age, the benefits will be paid at an increased rate to reflect late payment.

There are specific rules relating to each type of retirement, so the sections below look at the different ways of retiring, and the implications.

### Voluntary early retirement

If a member chooses to retire early and is over the age of 55 they can elect to take their benefits immediately with reduction. The reductions applied are to reflect the fact that the pension will be paid for longer.

The reduction is based on the length of time (in years and days) that the member retires early i.e. the period between the date your benefits are paid and your Normal Pension Age. The earlier the member retires, the greater the reduction.

As a guide, the current percentage reductions for retirements up to 13 years early are shown in the table below. Where the number of years is not exact, the reduction percentages are adjusted accordingly.

Number of Years Paid Early	Pension reduction Men	Pension reduction Women	Lump Sum (for membership to 31 March 2008)
0	0%	0%	0%
1	5.6%	5.2%	2.9%
2	10.8%	10.1%	5.7%
3	15.5%	14.6%	8.5%
4	20.0%	18.8%	11.2%
5	24.0%	22.7%	13.7%
6	27.8%	26.4%	16.3%
7	31.4%	29.8%	18.7%
8	34.7%	33.0%	21.1%
9	37.7%	36.1%	23.4%
10	40.6%	38.9%	25.6%
11	44.2%	42.2%	N/A
12	47.6%	45.5%	N/A
13	50.9%	48.6%	N/A

You as an employer can agree not to make any reduction and pay the costs for early payment of the pension. The reductions applied to women are lower; this reflects the life expectancy for a woman is slightly higher to that of a man so the fund would have a longer time to re-coup the reduction.

### **Flexible retirement**

A member may wish to consider a gradual move into retirement by flexibly retiring from age 55, providing the member has met the 2 years vesting period in the scheme, the member can draw their pension helping them to ease into retirement. It is usual for the member to have to take a reduction in hours or move to a less senior position to be considered for flexible retirement. You as the employer will have a policy on flexible retirement.

If the member is between the age of 55 and 60 and has pre 2008 service and will qualify for protections under the Rule of 85 there may be costs to the employer, if you are unsure and do not want to pay the costs for a member taking flexible retirement please contact our office for an estimate before agreeing to flexible retirement.

### **Redundancy or business efficiency retirement**

If a member retires on the grounds of redundancy or business efficiency, provided they are aged 55 or over and they meet the 2 year vesting period, the main benefits are payable immediately without any early retirement reductions.

However, any additional pension paid for by Additional Pension Contributions (APCs), Additional Regular Contributions (ARCs) or Shared Cost Additional Pension Contributions would be paid at a reduced rate if the retirement occurred before your Normal Pension Age (to take account of the additional pension being paid for longer).

**If the member has not reached their Normal Pension Age there will be costs to the employer, you can request an estimate of the costs.**



### III Health Retirement

To qualify for ill health benefits the member must have met the 2 years vesting period in the scheme. You, as the employer, based on an opinion from an independent registered medical practitioner, must be satisfied that the member will be permanently incapable to do their job until their Normal Pension Age and are not immediately able of undertaking gainful employment.

Ill health benefits can be paid at any age and are not reduced on account of early payment, in fact, benefits could be increased to make up for the early retirement. There are graded levels of benefit based on how likely the employee is capable of gainful employment after they leave. You will not pay any direct pension strain costs for the member retiring on the grounds of ill health; however the liability may affect your contribution rates after the triannual valuation of the Fund.

Gainful employment means paid employment for not less than 30 hours in each week for a period of not less than 12 months.

The different levels of benefit are:

**Tier 1** - unlikely to be capable of gainful employment before Normal Pension Age, ill health benefits are based on the pension already built up in the pension account at the date of leaving the scheme plus the pension that would have built up, calculated on assumed pensionable pay, had the member been in the main section of the scheme until Normal Pension Age.

**Tier 2** - unlikely to be capable of gainful employment within 3 years of leaving, but are likely to be capable of undertaking such employment before Normal Pension Age, ill health benefits are based on the pension built up in the pension account at the date of leaving the scheme plus 25% of the pension they would have built up calculated on assumed pensionable pay, had they been in the main section of the scheme until Normal Pension Age

**Tier 3** - likely to be capable of gainful employment within 3 years of leaving, or before Normal Pension Age if earlier, ill health benefits are based on the pension already built up in the pension account at leaving. Payment of these benefits will be stopped after 3 years, or earlier if the member is in gainful employment or becomes capable of such employment, provided they have not reached their Normal Pension Age. If the payment is stopped it will normally become payable again from Normal Pension Age. The employer must arrange for an ill health review after the member has been on ill health retirement for 18 months. The medical practitioner must sign a review form and advise if the member is to be uplifted to a tier 2 ill health retirement or if the pension is to cease after the 3 year period. This is an employer responsibility we do not remind employers to arrange reviews. The pension will be pre-set to cease after the 3 year period.

All ill health retirement forms can be found on our website. You will need to send the ill health certificate together with a notice of termination specifying the date the pension is to be put into payment. You will also need to provide the pay details; the pay figures must include the Assumed Pensionable Pay (APP) if applicable, this being the amount the employee would have been paid should they not have received a reduction in pay due to being in receipt of sick pay or had a reduction in hours due to their illness/injury.

Deferred members can also request their benefits to be put into payment before Normal Pension Age due to ill health. In such cases, if a member contacts us we will advise them to contact their former employer, in order for the employer to arrange an assessment with a medical practitioner.

An active employee who requests to be assessed for an ill health retirement is, if successful is allocated to one of the three tiers below by the independent medical practitioner.

<b>A member who is permanently incapable of discharging efficiently the duties of their current employment</b>				
	Eligibility for tier of ill health retirement benefit	Benefits provided by each tier	Protections for members under previous LGPS regulations	Employer to review the benefit
Tier 1	If the scheme employer determines that there is no reasonable prospect of the member being capable of undertaking and gainful employment before their normal retirement age.	Enhancement to accrued retirement benefits – 100% of membership to normal retirement age.	Those aged 45 before 1 April 2008 will receive the greater of the amount under either 2007 or 1997 ill health regulations.	No
Tier 2	If the scheme employer determines that although the member is not capable of undertaking gainful employment within three years of leaving employment it is likely that they will be capable of undertaking any gainful employment before his normal retirement age.	Enhancement to accrued retirement benefits – 25% of membership to normal retirement age	Those aged 45 before 1 April 2008 will receive the greater of the amount under either 2007 or 1997 ill health regulations.	No
Tier 3	If the scheme employer determines that it is likely that the member will be capable of undertaking gainful employment within 3 years of leaving employment or normal retirement age if earlier.	Accrued benefits at date of leaving payable for 3 years. Payment continues if Normal Retirement age has passed but payments can be suspended before normal retirement age when gainful employment is obtained.	Not Applicable	Yes – at 18 months unless normal retirement age has passed within the 18 months.

## **Estimate requests**

We are happy to provide estimates for costs to you, under the new GDPR that came into force in May 2018 we can continue to provide you with the level of costs as the employer but we can only provide you with information on the level of benefits due to the employee if they have given you permission to receive this information. There is an estimate request form on our website.

Please note we do not provide multiple estimates for members with potential leaving dates within six months of each other as there will be no material difference to the figures. We also request, wherever possible that you do not request more than three estimates for any one member in a twelve month period.

## **Assumed Pensionable Pay**

Assumed Pensionable Pay or APP is the pay that needs to be used in cases where the member has received reduced or nil pay. It is an attempt to recreate the scenario of what the person would have been earning if they were working as normal.

APP applies when:

- A member has been on leave due to sickness or injury and received reduced or no pay.
- A member has been on child-related leave such as maternity or paternity leave. It does not include the period of unpaid leave at the end of child related leave.
- A member has been on reserve forces leave.

In the above circumstances the amount added to the total pensionable pay for the year in which the leave was taken should be the assumed pensionable pay and not the pay that was actually received.

### **How to calculate Assumed Pensionable Pay**

Assumed Pensionable Pay is calculated as an annual rate and then applied to the relevant period. The relevant period starts on the date the employee drops to reduced pay.

To calculate the APP:

- Calculating the average of the pensionable pay for the 3 months prior to the start of the relevant period after removing any payments that are not payable every pay period but including any assumed pensionable pay already credited in those 12 weeks.
- Gross the 3 month average up to an annual figure.

If there are not 3 months complete pay periods then use the pay periods that are available.

For an employee paid other than monthly e.g. weekly the methodology is the same but use 12 weeks' pay instead of 3 months.

## Example

A monthly paid employee has received the following pensionable pay in the three complete months prior to the start of the relevant period and the employer expects assumed pensionable pay will apply for the next six months

Month 1 = £1400

Month 2 = £2400 including a £1000 annual regular bonus

Month 3 = £1300

Annual rate of assumed pensionable pay is

( £1400+£1400+£1300 / 3 x 12) = £16400

Note that the £1000 annual bonus is removed prior to the averaging and grossing up calculation. This is because the £1000 has already been included in the cumulative pensionable pay prior to going on to assumed pensionable pay and so it would be inappropriate to include it again in the calculation of assumed pensionable pay.

When determining the proportion of the annual assumed pensionable pay to be added into the cumulative pensionable pay the same method used for determining part periods for pensionable pay should be maintained. Therefore you should use whatever method you would normally use to calculate one days pay from an annual rate.

For five days in August for example this could be -

Annual rate x 5 = or

365

Annual rate x 5 = or

12 31

Annual rate x 5 =

12 22

Which formula you would use would depend on how pensionable pay is normally derived for a part month (and in the case of a week is it 5/5, 5/6 or 5/7 of a week's pay?) and there are probably other methods in addition to examples shown.

Once set, assumed pensionable pay is not subsequently adjusted unless it continues for a period that crosses two 31 March dates. Where an employee is, for example, on long term sick leave assumed pensionable pay needs to be adjusted on account of inflation. It is adjusted on the second 31st March following the date the relevant period commenced. The adjustment is the percentage adjustment specified in the Treasury Revaluation order for that second scheme year ending 31st March.

If the member was in the 50/50 section prior to dropping to no contractual pay because of sickness they are placed in the main section from the beginning of the next pay period (provided they are still on no pay at that time).

So for a monthly paid person dropping from half pay to no pay in the middle of August the assumed pensionable pay for August would drop into the cumulative pensionable pay in the 50/50 section whereas the assumed pensionable pay in September would drop into the main section cumulative pensionable pay.

### **What not to include in calculations**

If during the 3 months (or 12 weeks period) used to calculate the APP the member ceases one employment and is re-employed on a new contract of employment, the calculation of the value of the APP is based on the pensionable pay received in the new employment only using the number of complete weeks/months available in the employment.

Any payments that are not a consistent payment each month or that the member is not obligated to do/receive. This means that any overtime payments would not be included.

### **Employer and employee contributions**

The member pays their basic pension contributions on the reduced pay they actually receive whereas the employer will pay contributions based on the assumed pensionable pay.

### **APP and separate employments**

The calculation of APP uses the 3 most recent months (or 12 most recent weeks) in which the member received pensionable pay relating to that employment before the reduced or no pay period. If during the 3 months (or 12 weeks period) used to calculate the APP the member ceases one employment and is re-employed on a new contract of employment, the calculation of the value of the APP is based on the pensionable pay received in the new employment only using the number of complete weeks/months available in the employment.

### **Adjusting the APP Figure**

Once set, APP is not subsequently adjusted unless it continues for a period that crosses two 31st March dates. Where an employee is, for example, on long term sick leave, APP is adjusted at midnight on the second 31st March following the date APP commenced. The adjustment is the percentage adjustment specified in the HM Treasury Revaluation order for that second scheme year ending on the 31st March. If the relevant period continues for a further year it will be revalued again at midnight on the next 31st and soon.

### **Keep in touch days**

In cases of employees on relevant child related leave who return for a KIT day, the pensionable pay for that day should be added to the cumulative pensionable pay rather than the APP if the actual is higher than the assumed. The APP applying after the KIT day will be the same as that applying before the KIT day; in other words, there is no need to recalculate it simply because of the KIT day.

### **Jury service**

The Local Government Pension Scheme 2014 has no specific rules for jury service. If a member is on jury service where the employer pays the member their normal pay, they will accrue benefits as normal. If an employer does not pay an employee whilst on jury service, the member is obviously on nil pay and will not pay a contribution. It is classed as authorised leave of absence. If the member wishes to buy-back pension 'lost' in respect of a period of jury service they can do so through an APC contract (see section on APC's).

**Problems**

What happens when a member reduces or increase their hours in the period before they go on leave? The APP would be based on the 3 previous months pay and would therefore not be an accurate representation of what the member actually earned. The employer would also have to pay contributions based on the APP and could therefore be paying a much higher contribution than they would have if the member hadn't been on sick.

This is similar to pay rises and is seen as a by-product of the APP calculation.



## Annual Returns (Year End) and Monthly Returns (CT117)

The pensions section will ask you for two different forms throughout the year, the monthly returns – more commonly known as the CT117 and the Annual Returns also known as Year End. Both forms are essential to the administration of the pension scheme for members of each employer. The CT117 is a monthly return and the Annual Return is requested at the end of each financial year.

### The Annual Return

The Annual Return provides the data that is used to keep every pension record on our system up to date as required by the Pensions Regulations.

The Annual Return that we receive from you is extracted and uploaded to your employees' pension record held on our system: The system that we use makes it easier to run reports and run background data that auditors request, but it's easier for you to load the information we need into a spreadsheet and reformat it afterwards.

*Please note: Because of this, the Annual Return template is designed to the specifications needed to upload the data onto our system; any changes to the template (adding more columns/changing the column name etc.) will prevent the data from being uploaded and we will have to return the Annual Return back to you, so that you can submit the information as originally requested.*

*The payroll reference and the job reference have to match what we hold on our system as well; otherwise it will not upload the data.*

Once the data has been successfully uploaded, it updates the following information onto your employees' records:

- Final Salary or Full time Equivalent (FTE) Salary (calculates every member's final salary pension entitlement. This is linked to all service built up before April 2014)
- Contributions for the year (stored on pension records for triennial valuations and to check CARE pay where needed)
- Career Average Revalued Earnings (CARE) pay (calculates each member's pension entitlement for the financial year)

Any pension calculation, Annual Benefit Statement and Valuation Extract will use the figures supplied by you in the Annual Return. If the figures given are incorrect, it can lead to members not receiving the pension they have paid for and could also result in the employers' contribution rate being increased.

### **The CT117**

The primary purpose of the CT117 is remittance advice for the payment of monthly contributions. **It is therefore important that the remittance advice matches the amount of contributions paid to the fund.**

The automated checks on the return ensure that the remittance advice matches the amount of contributions paid to the fund. The automated checks on the return help both.

Different types of contributions are allocated to separate codes. So each different type of contributions must be allocated to its relevant column.

### **Why we need both forms**

All member data is uploaded from the Annual Return. There is information on the Annual Return that is not requested on the CT117 (e.g. Final pay/ FTE salary) and it is the Employers responsibility to provide the annual totals of contributions and pensionable pay received for the year.

The CT117 is used by the Pensions Administration team to ensure that the correct contributions are paid to the fund by each employer. It is a remittance advice and the data is not uploaded to any pension records. If the Pensions Administrators were responsible for collating the monthly details from the CT117 it would remove the responsibility for the figures from the Employer.

This is why we request the data directly from you on the Annual Return

## **The Pensions Regulator**

The Pensions Regulator (TPR) plays an active role in the Local Government Pension Schemes and the processes we use to calculate member's pensions.

If we are unable to send Annual Benefit Statements, provide Annual Allowance savings statements or give our Actuary scheme valuation data by the deadline dates, we have to inform the TPR of the Breach in Regulation. This could lead to the Employers receiving any fine imposed by the TPR for Breach of Regulations.

As already explained, the Annual Return provides the data that is pertinent to keep every pension record on our system up to date as required by the Pensions Regulations.

Active members who have pre April 14 service now holds both a final salary list charting the FTE history of the member as well as a CARE account screen. The pay figures that fill these are extracted from the Annual Return that all employers provide. This data is then used in the:

**Triennial Valuation** – This is where the Actuaries calculate the fund assets and our liabilities based on our members records. This is assessed every three years by law and it sets the contribution rates for the Employers for those three years. The figures provided on the Annual Return are used to calculate the pension liability for each employer, so your employer rate will be dependent on the data you have provided. Any incorrect salary (e.g. a term time member's entry stating the full 52 weeks final salary instead of the Term Time FTE) will have an impact on the valuation results, which in turn will reflect the Employer contribution rates that will have to be paid for the next three years.

**Annual Benefits Statement** – Every active member of the scheme should get an Annual Benefit Statement (ABS) by the 31st August. It is a statutory requirement that the Pension Fund informs the scheme members of their pension entitlement as well as any other information held on their record

If either the CARE or Final Salary figure on the return is incorrect, the figures on the ABS will be incorrect and could lead to members making ill-informed financial decisions. If no details are supplied on the Annual Return, the member will not get a statement and both the pension fund and the employer are at risk of a Pensions Regulator Breach, with any potential fine possibly passed to the Employer.

**Pension estimates** – When a member requests an estimate for when they retire, the pay figures given on the Annual Return will calculate the information the member is given.

**Annual Allowance** – The Annual Allowance is the maximum amount of pension savings an individual can have each year that benefits from tax relief. The current value for Annual Allowance is set as £40,000.

Every year we have to check the pensions growth for each member of the scheme. This is calculated on the 5<sup>th</sup> April every year. If the limit on pension savings is breached it can incur a tax charge for the member. The FTE and CARE information given on the Annual Return is used to calculate the Annual Allowance for members.

**The CT117- Incorrect payments of contributions** – If the CT117 form is not completed correctly and does not tally exactly with the amount paid into the pension fund then we will need to contact you to look into this and redo the CT117, creating more work for both you and us.

**Retirements:** Now that CARE pay calculates a pension every year, the figures supplied on your annual return will calculate all of your employees' pensions. The information provided by you will be used to base their CARE pension income when they retire and the FTE that you give us is used to calculate the Final Salary pension for pre April 14 members.

### **Breaches of the Law**

The Pensions Regulator requires the Pension Fund to record and report any breaches that are of material significance. To achieve this the Fund now keeps a log of all returns and contributions received by the pensions office after the 19<sup>th</sup> and 23<sup>rd</sup> of each month respectively as late and these will be entered on our public breach register:

<https://www.warwickshirepensionfund.org.uk/employers>

If you require any support in completing the monthly return, please do not hesitate to contact the Pensions Office - [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk) for advice and guidance.





## Guide Notes:

**Please note:** All queries from the member when they receive their ABS, that is in relation to the information that you have provided will be referred back to you, the Employer.

Every member needs an entry on the return. If a member changes rate or employment during the year there should only be one amalgamated line on the return. If a member finishes one role and starts a new role we will need two line with the two different payroll numbers. You will need to show start and end dates for both roles.

**NINO (National Insurance Number)** is the individual identifier we use to ensure that the member is recorded as paying pension contributions. It is essential that the NINO is accurate, otherwise it will be queried.

**Pay Ref** is the individual identifier we use to assign the member data on the return to the member pension record. If the pay ref is incorrect it will not relate to any record we hold so the process to input the data will not work and the data will be sent back to you to be corrected.

If we do not receive the corrected information by the TPR deadline, it will have to be manually inputted which not only increases the risk of error, but also any potential Breach of Regulations and charge levied.

There must be one pay ref per line on the annual return. If the same pay ref is supplied on more than one line we will need to query this with you before uploading the data, which can cause delays, resulting in potential Breach of Regulations for not meeting the deadline dates given.

**Actual annual salary** is not uploaded to the record. It is the salary you have used to calculate the members contribution rate as at 31/03. This is used by us to check the rate is correct.

**Final pay (Full Time Equivalent salary)** is the pay figure that calculates any member's final salary entitlement. Final salary service was built up in the scheme before April 2014.

The most common confusion with this section is around members who work on term time only contracts. If a member works less than 52 paid weeks a year, the Final Pay figure needs to be pro-rated for the number of paid weeks.

For example: **Full time term time only:**

$48.3 \text{ (weeks worked)} / 52 \times \text{Spinal Column Point (SCP)} = \text{term time salary}$  (This member would be credited with 1 year pensionable service under the pre-2014 Scheme)

**Part time term time only (e.g. 25hrs per week):**

$(25/37 \times 48.3/52) \times \text{SCP} = \text{term time salary (whole-time equivalent as pensionable pay)}$   
(This member would receive 25/37ths of the calendar year as pensionable service – i.e. 247 days under the pre-2014 Scheme)

**Cumulative pensionable pay in 100/100 Scheme (CARE pay).** The amount in this column will calculate the members' pension for the year in question.

This column **MUST** include Assumed Pensionable Pay and any other pensionable pay earned in the year. It will be loaded directly onto the members pension account on their pension record.

**Cumulative 100/100 employees contributions;** this is the where the contributions are recorded for members that have paid in the 100/100 Scheme (Care Pay)

**Please Note:** *Employee Contributions paid in the year and the corresponding rate must be on one line for the year. Where members have had a change during the year, the contributions must be amalgamated on one line. The rate should be as at 31<sup>st</sup> March and not split across lines if the rate has changed during the year.*

*NB: This is only relevant when members have changed contribution rates whilst still paying into the same Cumulative Contributions section.*

**Cumulative 50/50 pensionable pay in year:** Where a member is a member of the 50/50 scheme, the same information applies to these columns as in the 100/100 scheme section. Pensionable pay in the 50/50 scheme must be half of the pensionable pay the member received for the year.

Contributions and the rate must all be amalgamated on one line with the return given as it was on 31st March of the year in questions.

**Additional Pension Contributions (Employee) (EAPC)** any additional pension contributions the member pays must be uploaded into this section. As annual allowance can be as low as £10,000 for some members, the additional contributions (on an AVC for example) could trigger a tax charge



**Assumed Pensionable Pay (APP):** If the member was entitled to APP during the year, the amount needs to show in this column. It must also appear in either the 100/100 cumulative pensionable pay section or the 50/50 cumulative pensionable pay section. This column is for information to check any discrepancies and will not be uploaded to the member record.

**Standard & Equitable Life AVC Contributions:** If the member pays any In House AVC contributions, please include the yearly amount in this section, as the TPR and HMRC now state that if a member pays AVC in the LGPS, it must be included when calculating a member's annual allowance.

**Date of STARTING/LEAVING pensionable employment during this year:** Please include the date that the member started or left the scheme **For the Financial Year that the Annual Return is in relation to.**



## **The information we ask for**

The first section at the top is the information that is specific to each employer, name, employer code, ledger code and employers rate are all completed by us so you don't need to change these (1). The Year is also completed already. The only box at the top that you need to complete is 'Contributions for the period' (2)

The yellow columns show where we want you to put most of the data. The first 3 columns are straightforward, Surname of member, Initials and National Insurance Numbers (3).

'Pay ref' should be the individual job reference or pay reference assigned to this job or post so that if the member has more than one job we can easily see which job the contributions relate to (4).

The next column should be the actual annual salary that you have used to base the members contribution rate on. For part time members this would be their part time salary and should include all pensionable elements of the members pay. This should correspond with the members contribution rate 'EE's rate' and if the rate does not match with this salary then the checking column to the right of the EE's rate column will flag this up. (5)

The column headed '100/100 pensionable pay in period' is the total amount that the member earned this month and has paid contributions on. The column headed '100/100 Employees contributions' should be the amount of contributions that the employee has paid in this month based on the pay in that period. The amount of contribution is checked against the pensionable pay and the employees rate that has been entered and is flagged up in the column next to the contribution column. (6)

If the member is in the 50/50 section then the 50/50 columns should be completed instead of the 100/100 sections, but they need the same information as the 100/100 columns (7)

The next section is for additional contributions paid by the member and the employer. In order they are member contributions for Added Years, Additional Regular Contributions, Additional Pension Contributions, and Employers Additional Pension Contributions. It is important that the

member contributions go into the correct column as each has its separate code. (8)

The next column is for the normal employer contributions and are checked based on the pay you have entered for the month and the employers rate in one of the top boxes. (9)

The column for Assumed Pension Pay should be completed when the member has become entitled to Assumed Pensionable Pay to be used, for example if they are on reduced pay due to sickness. The employer's contributions would be on the normal salary so they should look too high in comparison to the normal salary, but by completing the APP column we can see why there is a discrepancy (10)

If a member starts or leaves part way through a month, by letting us know in the starter/leaver columns we can easily see if the salary looks too low for that month. We do now pick the leavers up so that we can request a notice of termination from you if you haven't already sent it, but putting the leaving date in here does not replace the notice of termination as we will still need all of the financial information on it. (11)

The last column is the one for comments. As we need the amount that you put on the return to match the amount you pay, we do not expect you to amend any errors immediately. For example if it turns out that an employer is on the wrong rate and so it flags up red, if you put a comment in to let us know you have picked this up and will amend it next month then we can happily accept the form. In the next month if the adjustment is made and makes the contributions look wrong again, another comment to confirm you have made the adjustment means that we can accept the form and the auditors are kept happy. (12)

The final section of the form is at the bottom. Here you can add extra rows if needed to the spreadsheet using the pink button. Also we need you to type in your name and date so that we know who from the employer has sent this so who to go back to with any queries (please note this cannot be someone from a third party payroll provider). You also need to type in your signature next to the total box to confirm that this is the amount you have paid to us. (13)

## **Warwickshire Pension Fund**

### **Administration Requirements**

Forms that we need from you;

- Starter forms (and Membership Forms)
- Opt out forms
- Change forms (inc hours, address, name, unpaid leave)
- Notice of termination
- Monthly return (CT117)
- Annual return

# New starters

LOCAL GOVERNMENT PENSION SCHEME  
WARWICKSHIRE COUNTY COUNCIL PENSION FUND  
Details of new entrant to the Pension Scheme  
to be completed by the employer

Name of Employer \_\_\_\_\_  
Surname \_\_\_\_\_ Mr / Mrs / Miss  
Forenames \_\_\_\_\_  
National Insurance Number \_\_\_\_\_  
Date of Birth \_\_\_\_\_  
Date employment commenced \_\_\_\_\_  
Date entered Scheme (contributions from) \_\_\_\_\_  
Job Title \_\_\_\_\_  
Payroll number \_\_\_\_\_ Job Ref number \_\_\_\_\_ (\*see below)  
Contribution Rate 5.5% 5.8% 6.5% 6.8% 8.5% 9.9% 10.5% 11.4% . . . . .  
(please circle)  
Actual Rate of Pay £ \_\_\_\_\_ per annum  
Full time equivalent pay £ \_\_\_\_\_ (\*\*see below)  
Weekly hours worked \_\_\_\_\_  
Full Time weekly hours for this employment \_\_\_\_\_  
Number of paid weeks per year \_\_\_\_\_  
Member Address \_\_\_\_\_  
Date \_\_\_\_\_ Signature \_\_\_\_\_

\*For people with multiple jobs we have to be able to easily identify each individual role. If the Payroll number has to stay the same for your payroll then a unique Job Reference number should be allocated on your payroll somewhere to identify individual roles please.

\*\* The full time equivalent salary is the salary which would be received if the employee was working full time for the number of paid weeks. This applies to all members who may have service in the pension scheme prior to 1<sup>st</sup> April 2014

We need one of these for every new job a member starts

Member details

Job details

Pay details

Address

Dated and Signed by employer

## Membership form

### Warwickshire Pension Fund Local Government Pension Scheme Membership Form

Please complete in BLOCK capitals and black ink.

#### Section 1 - Your personal details This section needs to be completed in full in all cases.

Surname	<input type="text"/>	Title	<input type="text"/>
Name	<input type="text"/>	National Insurance No.	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Gender	<input type="text"/>	Date of birth	<input type="text"/> <input type="text"/> <input type="text"/>
Address	<input type="text"/> <input type="text"/>		
Postcode	<input type="text"/>	Tel No	<input type="text"/>
Email address	<input type="text"/>		
<b>The employment details required below are for the post you have been appointed to.</b>			
Employer	<input type="text"/>	Payroll Ref No:	<input type="text"/>
Post/Job	<input type="text"/>	Date commenced	<input type="text"/>

#### Section 2 - Pension Scheme election

Your Pension Scheme is a valuable part of your pay package

If you decide to opt out of the scheme you must complete an opt out form. This form can be found on our website or alternatively contact our office.

**If you wish to join the 50/50 section of the Local Government Pension Scheme you will need to complete an additional separate election form to do this. This form can also be found on our website or alternatively contact our office.**

Please tick

- I wish to become/remain a member of the Local Government Pension Scheme (please provide information requested overleaf).

Please remember to sign and date this form.

Signed.....

Date.....

Please complete and return to; Warwickshire Pension Fund, Shire Hall, Warwick, Warwickshire, CV34 4RL



WARWICKSHIRE  
pension fund

- This needs to be completed by the member
- For new starters or when they start a new post even if they are already a member of the scheme
- Please send it to us with the new starter form.

## Member summary

**Member Details** Last Updated: 27/10/2016 11:37; Updated By: SONU

Surname\*  Prof  Forenames\*

NI Number  Old NI Number  Sex\*  M,Married

Date of Birth\*  N:Not Verified Age  Linked Members

Protection Status  CARE Start Date

Ann Allow Ind

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**Employment Details** Last Updated: 27/10/2016 11:37; Updated By: SONU

Supn Ref  Payroll Ref  Dept Id

Job Title  PT/VT Ind

Address Line 1  Active CARE Tranche

Post Code   Gone Away

Email  Pre 08 Service  Post 08 Service

Scheme\*  Date Joined Fund

Emper No  Date Commenced Current Employment

Status  Date From  Normal Pension Date

EmpTyp\*  Eligible Retirement

State Pension Age/Date

PPntId  Last Calculation

Payroll  Payee Status

Pay Number

Employment Number  Reason for Leaving

Con.ID/Set/Date

This is the page that we have to create using the information that you have given us on the new entrant form.

You can see that we need a Payroll Ref number and a job number for people with more than one job.



## Basic details page

Save Refresh

Member	Prof	G	RECORD	Reference Number	NI Number	TN222222M	
Scheme	T01:WARWICKSHIRE TEST SCHEME			Current Status	1:Active	Date of Birth	07/07/1977
Protection Status				CARE Start Date	EmpTyp	Officer	

### Basic Details 1

Last Updated: 27/10/2016 11:37; Updated By: SONU

Date Joined Fund:

Date Commenced Current Employment:

PT/MT Ind:

Title:

Partnership Status:

Spouse Initials:

Date Left Active Service:

Date Contracted Out:

Date Joined Employment:

Part Time Hours:

Previous Surname:

Date of Marriage:

Spouse DoB/DoFD:

Reason for Leaving:

IR Maxima:

Date of Birth Verified

Disclosure Opt-out

#### Status History

Date of Change	Status
01/04/2014	1:Active

#### Employer History

Date of Change	Emper No
01/04/2014	00908:Warwickshire County Council

This is the page that shows us the date someone started in the scheme and the current hours that they are working. It also shows us who their current employer is

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# Opt out form

Warwickshire County Council

## Notice to opt out of pension saving Opting out of the Local Government Pension Scheme in England or Wales



The Local Government Pension Scheme (LGPS) allows you to save while you are working in order to enjoy a pension once you retire. It is one of the best occupational pension schemes in the UK. What's more, the LGPS is provided by your employer who meets a large part of the cost of providing the excellent range of secure benefits, so it's an extremely valuable and important part of your employment package.

You might be thinking of opting out of the LGPS for a variety of reasons. Whatever the reason, it's worth taking some time to look at the benefits you could be giving up. A brief summary of these is included in the "Declaration" section of this form.

Opting out won't save you as much in take home pay as you may think. In most cases, you will pay more tax and National Insurance if you opt out of the LGPS. A basic rate tax payer paying pension contributions of £100 a month will pay £20 more tax and their NI will go up by about the same if they opt out.

If you want to know more about the costs and benefits of being a member of the Local Government Pension Scheme please contact our office or visit our website, details overleaf.

Although changes to the LGPS are planned for 2014 (for details see the national LGPS web site at [www.lgps.org.uk](http://www.lgps.org.uk)) please remember that the LGPS is, and will continue to be, one of the best occupational pension schemes in the UK.

Whatever your reasons for considering opting out of the scheme, we ask that you give this matter careful consideration before making a final decision. You may wish to take financial advice before making a decision to opt out. If you are opting out of the LGPS due to advice you have received you should ask for this advice in writing.

Your employer cannot ask you or force you to opt out. If you are asked or forced to opt out you can tell The Pensions Regulator - see [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk).

Equally, no one can force you to remain a member of the scheme but, if you elect not to be a member, you should understand the implications both for you and your dependants.

This is the form that your employee should be completing and giving to you so that you can opt them out of your payroll system. An email or note etc is not acceptable. They can be downloaded from our website at [Warwickshire.gov.uk/pensions](http://Warwickshire.gov.uk/pensions)

You need to complete the box on the reverse to tell us who validated it please

lgps



Warwickshire

Working for  
a better  
future



## New starter opt out

**LOCAL GOVERNMENT PENSION SCHEME**  
**WARWICKSHIRE COUNTY COUNCIL PENSION FUND**  
**DETAILS OF NEW STARTER WHO HAS OPTED OUT OF THE LGPS**

Employing Authority \_\_\_\_\_

Surname \_\_\_\_\_ Mr/Mrs/Miss \_\_\_\_\_

Forenames \_\_\_\_\_

National Insurance Number \_\_\_\_\_

Date of Birth \_\_\_\_\_

Date Employment Commenced \_\_\_\_\_

Effective Date of Opt Out \_\_\_\_\_

Refund Due Yes/NO

Refund paid by employer Yes/No

If no please give reason

a) No contributions taken

b) Member for longer than regulatory opt out period

Date \_\_\_\_\_ Signature \_\_\_\_\_

If the member elects to opt out of the scheme, please send us this form with a copy of their opt out form

Member details

Job details

Refund details

## Changes

Please complete this form for :

Change of hours

Change of weeks

Change of name

Maternity / Adoption / Paternity Leave

Unpaid Leave

Address Change

### Warwickshire County Council Pension Fund Notification of changes relating to pensionable employment

Employer Name: _____	
Employee Details:	
Surname: _____	First names: _____
Payroll number: _____	National insurance number: _____
Details of changes:	
Cont. usual hours of employment changed from: _____ to: _____ Date effective from: _____	
Contractual weeks of employment changed from: _____ to: _____ Date effective from: _____	
Change of surname to: _____ Change of contribution rate to: _____	
Maternity/Adoption/Paternity Leave	
Date that paid maternity leave commenced: _____	
Date that paid maternity leave ceased: _____ Return to work date: _____	
Lost pension has been paid for via an APC for the period of unpaid maternity leave <b>yes/no*</b> (delete as appropriate)	
Unpaid Leave Authorised <input type="checkbox"/> Unpaid Leave Unauthorised <input type="checkbox"/>	
Date that unpaid leave commenced: _____ Date that unpaid leave ceased: _____	
Returned to work: _____ Amount of lost pay £ _____	
Lost pension has been paid for via an APC for the period of unpaid leave <b>yes/no*</b> (delete as appropriate)	
Change of address to: _____ Postcode: _____	
Signed: _____ Dated: _____	
Email address: _____	
Complete and return to:	Treasury & Pensions Warwickshire County Council PO Box 3, Shire Hall, Warwick CV34 4RH



# Notice of termination

**Warwickshire County Council Pension Fund**  
**Notice of Termination of Membership**

Name of Employer \_\_\_\_\_

**Section 1: Member Details**

Surname \_\_\_\_\_ First Name(s) \_\_\_\_\_

Members Private Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Post Code \_\_\_\_\_

National Insurance Number \_\_\_\_\_ Date of Birth \_\_\_\_\_

Payroll Number \_\_\_\_\_ Job Title \_\_\_\_\_

**Section 2: Leaving Details**

Last day of scheme membership \_\_\_\_\_

Reason For Leaving: Please tick relevant box:

Opted Out (have pension contributions been refunded by payroll?  Yes  No)

Resignation (name of new employer: \_\_\_\_\_)  Dismissal

Retirement (Please complete see Section 3)  Death

**Section 3: Retirement Details (for retirements only)**

Please tick relevant box:

Voluntary (age 60 or over)  Early with employers consent (before age 60)

Flexible Retirement (before age 60)  Ill Health: -  Tier 1  Tier 2  Tier 3

Redundancy/Efficiency - Redundancy Payment (if applicable) £ \_\_\_\_\_

Additional Pension (in accordance with your policy) £ \_\_\_\_\_

**Section 4: Contributions**

National Insurance Details

Contracted-out earnings for financial year prior to date of leaving £ \_\_\_\_\_

Contracted-out earnings for financial year of leaving £ \_\_\_\_\_

Pension scheme contributions

Pension scheme contributions for financial year prior to leaving £ \_\_\_\_\_

Members details

Reason for leaving before retirement age

Reason for retirement  
Very important that the correct reason is completed - costs

NI -able earnings and pension contributions



## Additional Pension Contributions (APC's)

To buy back lost pension, you need to tell the member how much pay they lost for the period so that they can go to this website and calculate the cost of buying back pension

The lost pay goes here along with details of the absence

Back to APC home

### Buy Lost Pension - Get a Quote

Click where you see this image to display help

To get a quote enter the details below. If you choose regular payments please also enter the number of years over which you wish to pay APCs and your pay frequency.

Details for calculation (1)		Details for calculation (2)	
1. Gender	--select--	6. Last day of absence	00 00 YYYY
2. Date of Birth	00 00 YYYY	<input type="checkbox"/> 30 day override (employer confirmation must be provided)	
3. Lost Pensionable Pay (from employer) £		7. Method of payment	--select--
4. Reason for absence	--select--	For regular deductions enter the years you wish to pay over and your pay frequency.	
5. Section duration	--select--	8. Years	9 Pay frequency --select--
		Get results	

2016

ERRORS/WARNINGS:  
Errors below must be cleared before a quote can be obtained

Results	
Age used in calculation	
Your Normal Pension Age (NPA)	65
<b>Annual pension lost during absence</b>	<b>£</b>
Years of agreement	
Pension added to account each year of agreement	£
Gross total cost of pension being bought	£
Cost to employer	£
<b>Cost to member before tax relief</b>	<b>£</b>
Based on a gross cost of £ per £100 of lost pension	
Reset quote	Print quote

Choose how you want to pay it back

Results are shown here

Once the member has results they can complete the Personal details section if they decide to go ahead and buy back the lost pension

The screenshot displays a web interface for applying for a lost pension. It is divided into several sections:

- ERRORS/WARNINGS:** A grey box at the top left stating "Errors below must be cleared before a quote can be obtained".
- Results:** A table on the top right showing calculation details:

Results	
Age used in calculation	
Your Normal Pension Age (NPA)	65
Annual pension lost during absence	£
Years of agreement	
Pension added to account each year of agreement	£
Gross total cost of pension being bought	£
Cost to employer	£
Cost to member before tax relief	£

Below the table, it says "Based on a gross cost of £ per £100 of lost pension" and includes "Reset quote" and "Print quote" buttons.
- Buy Lost Pension - Apply:** A section with a heading and instructions: "To apply for a lost pension APC based on the quote above complete the personal details below, check the box to confirm you have read the terms and conditions then print and send your application form".
- Personal details:** A table with input fields for:

Personal details	
10. Full name	<input type="text"/>
11. National Insurance Number	<input type="text"/>
12. Employer	<input type="text"/>
13(a). Payroll Number	<input type="text"/>
13(b). Job Title	<input type="text"/>
14. Your email (optional)	<input type="text"/>
- APPLICATION:** A section containing a confirmation checkbox with the text: "Please check the box to confirm that the information entered is correct and that you have read and understood the terms and conditions for additional pension applications (not required for quotes)". Below this is a note: "Clicking on the button below will open a new window with a PDF version of your application form. Please print, complete, sign and send to Warwickshire Pension Fund." and a "Print application" button.



By checking the box to confirm the information is correct and clicking print application, a form is produced to print off and send back to process



# How to read your Annual Benefit Statement

Brought to you by

**WARWICKSHIRE**  
pension fund

**Contact**

**Phone:** 01926 412682 or 01926 418128  
**Email:** pensions@warwickshire.gov.uk  
**Website:** www.warwickshirepensionfund.org.uk  
**Post:** Warwickshire Pension Fund  
Shire Hall, Warwick CV34 4RL

## Your annual benefit statement 2019

**Dear**

I am pleased to enclose your 2019 annual benefit statement from the Local Government Pension Scheme (LGPS).

Your statement is an estimate of your LGPS benefits, based on pay and employment details held by Warwickshire Pension Fund on 31 March 2019. These details have been provided by your employer. The statement is based on the regulations in place on 31 March 2019 and your current normal pension age.

You can find notes for each section of this statement on our website [www.warwickshirepensionfund.org.uk](http://www.warwickshirepensionfund.org.uk). Please read the notes carefully.

**Neil Buxton**  
Pensions Services Manager

**Section 1 | Your personal and employment information at 31 March 2019**

Full name	▶
Partnership status	▶
National Insurance number	▶
Employer	▶
Reference	▶
Date joined fund	▶
Section of LGPS	▶

**Section 2 | Summary of your total benefits at 31 March 2019**


<b>Standard benefit option</b> Annual pension ▶ Tax free lump sum retirement grant For membership before 1 April 2008 ▶	or	<b>Maximum lump sum option*</b> Reduced annual pension ▶ Increased tax free lump sum retirement grant ▶
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**\*Please note:** When you take your benefits you may be able to increase your lump sum by giving up some annual pension.

The notes for section 1 and 2 are available on page 1 of the guide notes on our website [www.warwickshirepensionfund.org.uk](http://www.warwickshirepensionfund.org.uk)

Your annual benefit statement 2019 : Warwickshire Pension Fund

1 ◀



## Page 1 – Personal details and how much your pension is currently worth



Section 1 shows the personal details that we hold for you such as name, marital status, date of birth and which job this statement is for.

**Section 1 | Your personal and employment information at 31 March 2019**

Full name	▶		
Partnership status	▶		
National insurance number	▶		
Employer	▶	Date joined fund	▶
Reference	▶	Section of LGPS	▶

**Section 2 | Summary of your total benefits at 31 March 2019**

<b>Standard benefit option</b>	or	<b>Maximum lump sum option*</b>
Annual pension ▶		Reduced annual pension ▶
Tax free lump sum retirement grant For membership before 1 April 2008 ▶		Increased tax free lump sum retirement grant ▶

\*Please note: When you take your benefits you may be able to increase your lump sum by giving up some annual pension.

The notes for section 1 and 2 are available on page 1 of the guide notes on our website [www.warwickshirepensionfund.org.uk](http://www.warwickshirepensionfund.org.uk)

Your annual benefit statement 2019 : Warwickshire Pension Fund **1** ◀

Section 2 shows how much total pension you have built up in this job. On the left it shows your basic pension and lump sum. On the right this shows how much your pension would be if you swapped some of it to take



This shows you where to look in the notes for more information

Section 3 | How your pension is calculated



**Please note:** The benefits shown in this statement are based on the figures below which have been supplied by your employer. It is important that you check these figures and contact your employer quickly if they are wrong.

**Your final salary pensionable pay**



**Your CARE pensionable pay – main section**



**Your CARE pensionable pay – 50/50 section**



This the pay we use to work out the pension you built up before 01/04/2014. It is the full time equivalent amount even if you work part time



This is the amount you earned from 01/04/2014 – 31/03/2015. If you were in the 50/50 section then it is split to show how much you earned when you were in the different sections

Your pension is always calculated on your pay so its important to check that it looks right. If you think it looks wrong then you can check with your employer as they provided the pay details





Your pension is made up of two separate parts, your final salary pension and your new CARE account

This is the amount of years and days you built up in the final salary scheme

Final salary part

CARE pension

This is how much pension you built up this year in the new CARE account

Section 4 | Summary of your standard total benefits on page 1 is made up of:

Your final salary pension scheme

For membership to 31 March 2008 of

For membership from 1 April 2008 to 31 March 2014

Total final salary annual pension

Lump sum retirement grant based on membership to 31 March 2008

Your total CARE account

Opening balance at 1 April 2016

Adjustment for cost of living at 1 April 2016

In-year build-up

Total CARE closing balance



This is the amount of pension you built up in the final salary

This is the automatic lump sum you built up before 01/04/2008

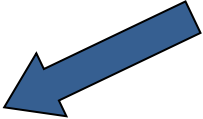
If you add these two together this is the total current pension figure from the front page of your statement

Page 2 continued...

★ This is a breakdown of what your CARE pension was made up of

Your total CARE in-year build-up is made up of:	
Scheme year April 2018 to March 2019	
	<b>Your CARE pensionable pay – main section divided by 49</b> >
+	<b>Your CARE pensionable pay – 50/50 section divided by 98</b> >
+	<b>Additional pension bought</b> >
+	<b>Transfers in</b> >

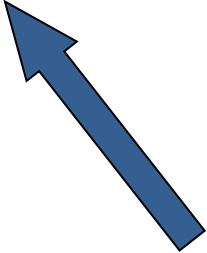
This is the pension you built up just by paying into the main scheme



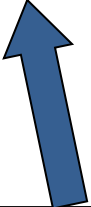
This is the pension you built up by paying into the 50/50 section of the scheme



If you have purchased extra pension or bought back unpaid leave this will be shown here



If you have had a transfer in from another pension in the last year, the pension it bought with us will be here



If you were to die while still an active member of the scheme this is the amount of pension we would pay to your spouse / civil partner or nominated cohabiting partner

**Section 5 | Value of death in service benefits at 31 March 2017**

Annual survivor's pension



Lump sum death grant



Who you want to receive the lump sum death grant

>

>

>

>

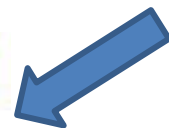
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If you die while still an active member of the scheme we also pay 3 times your annual pension as a lump sum

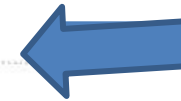
These are the nominations you have made for the lump sum death grant.

This is the age you can retire with no reduction to your pension



**Section 6 | Estimated benefits if you stay in the scheme until your normal pension age**

Your normal pension age (NPA)	>
Estimated final salary pension built up to NPA	>
Estimated CARE pension built up to NPA	>
<b>Total estimated annual pension at NPA</b>	>
<b>Total estimated lump sum retirement grant</b>	>
Estimated final salary survivor's pension at NPA	>
Estimated CARE survivor's pension at NPA	>
<b>Total estimated survivor's pension at NPA</b>	>



This is amount of pension and automatic lump sum that you might expect to build up by your normal pension age if you were to stay on the same money and hours until then

This is the amount of survivors pension that might be available to your spouse/civil partner or nominated cohabiting partner at your normal pension age



Section 8   Your membership history up to 31 March 2014					
Employer	Period from	Period to	Calendar length	Percentage of whole time	Period of membership

This is your employment history up to 31/03/2014. If you are part time this is shown here and the total membership is used to work out the final salary part of your pension

Only service up to 31 March 2014 is shown in this section because service is only used to work out the final salary part of your pension. It is not used to work out the new CARE pension from 1 April 2014.

This is where your part time hours are shown. They are shown as a percentage of full time hours (37 hours)

**Section 7 | Tax and your pension**

Tax limits apply to pension savings. These limits are called the lifetime allowance and the annual allowance. The standard lifetime allowance was £1.03 million for the 2018/2019 tax year. From April 2018 onwards, the standard lifetime allowance will be increased each year in line with inflation. The standard annual allowance for the 2018/2019 tax year was £40,000 (unless tapering applies - see below).

**Lifetime allowance**

**The percentage of your lifetime allowance used by the current value of your LGPS benefits shown in this statement**

---

**Annual allowance**

**Pension input in 2018/2019** (see section 7 on page 4 of the guide notes)

This section tells you how much of your Lifetime Allowance and annual allowance this pension uses up.



### **Points to note for the employer**

The estimates in the statements are completely based on the information that you have provided to us. All service is based on the hours you have previously informed us of and the salary details are based on the CARE and FTE salaries that you provide in the annual return.

If the employee queries the salary used we have to refer them to you as you provided the figure and we cannot amend anything unless you confirm there was an issue and provide us with updated information.

If we don't receive the annual return from you in time to load all our almost 200 employers on to the system and work through all of the errors and queries before the date we need to run the statement data, we may not be able to provide statements to your staff. If we miss the statutory deadlines to get these statements out this may result in a fine. If the delay is down you not providing the information we may unfortunately have no choice but to pass this fine on. Fortunately we have not yet been in this situation thanks to your efforts to get the returns to us on time.

If you have a lot of queries from your members and would like to arrange for someone to come out and speak to your staff about the statements please email [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk)

## Warwickshire Pension Fund Contacts

For enquiries relating to starters or members of the scheme, please contact;

**Telephone** – 01926 412682

**Email** – [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk)

For enquiries relating to members leaving the pension scheme (retirements, ill health or redundancy) please contact;

**Telephone** – 01926 412234

**Email** – [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk)

For employer related enquiries including training, please contact Dawn Clutton;

**Telephone** - 01926 414995

**Email** – [dawnclutton@warwickshire.gov.uk](mailto:dawnclutton@warwickshire.gov.uk)

For all queries regarding the Annual Return please email; [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk)

Forms should be emailed directly to: [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk)

For any queries regarding the CT117 please contact Sheila Coughlan;

**Email** - [sheilacoughlan@warwickshire.gov.uk](mailto:sheilacoughlan@warwickshire.gov.uk).

Forms should be emailed directly to [pensions@warwickshire.gov.uk](mailto:pensions@warwickshire.gov.uk).

## Useful Links

### **Warwickshire Pension Fund**

Latest information, copies of forms for Employers and Newsletters

<https://www.warwickshirepensionfund.org.uk/>

### **LGPS Regulations and Guidance**

The latest guidance and regulations for Employers <http://www.lgpsregs.org>

### **The Local Government Pension Scheme**

Information for employees who are in the LGPS scheme or thinking of joining.

<http://www.lgps2014.org/>

### **Annual Pension Funds and Reports**

Latest updates and information provided by The Pension Fund Investment

Board <https://www.warwickshirepensionfund.org.uk/investments>

### **State Pension**

Latest information on the State Pension

<https://www.gov.uk/browse/working/state-pension>