

“Working Together”

“WORKING TOGETHER”

A Service Statement A guide to the arrangements for administering the LGPS

Between

**Warwickshire County Council Pension Fund
(Warwickshire County Council as the Administering Authority)**

And

**XXXXXXXXXXXXXXXXXXXX
(name of employer)**

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Definitions

For the purpose of this Service Statement

“Administering Authority” means Warwickshire County Council;

“Employing Authority” means an employer within the Warwickshire County Council Pension Fund; and

“Scheme Administrator” means the Treasury and Pensions Group of the Administering Authority.

The Regulations – Effect on the Statement

This statement sets out, for administrative convenience, the manner in which certain duties and responsibilities are expected to be carried out. It does not override any provision or requirement in the Regulations outlined below or any overriding legislation. The intentions of the Regulations in their application to members, potential members, deferred members and retired members must at all times be complied with.

The Regulations forming the basis of this statement are as follows:

The Local Government Pension Scheme) Regulations 2013 (referred to as the Regulations) and any amendments.

The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2013 (referred to as the Transitional Regulations) and any amendments.

Administrative Procedures – General

Administration Guide

The following guides are available for employers:

HR Guide to the 2014 Scheme available on www.LGPS2014.org

Payroll Guide to the 2014 Scheme available on www.LGPS2014.org

Think about TPR14?????

Warwickshire Pension Fund will, will notify employers as and when amendments are made to the above guides. An Employers Newsletter notifying all employers of current issues concerning the administration of the Local Government Pension Scheme will be issued as appropriate.

Contacts

The Employing Authority shall nominate contacts who will be responsible for and act as the Scheme Administrator’s primary contact with the Employing Authority in the following areas:

- Policy.
- Administration.
- Accounts (including monthly returns).
- End of year.
- FRS17 / IAS19.
- Valuation.

Insert link to contacts form

Any changes to the contacts must be notified to the Scheme Administrator immediately. It is the responsibility of the Employing Authority to ensure that details and signatures of contacts held by the Scheme Administrator are correct by completing the necessary signatory authorisation list.

Review of the Statement

The statement will form the basis of a review of services provided by the Employing Authority, the Administering Authority and the Scheme Administrator.

EMPLOYING AUTHORITY RESPONSIBILITIES (in accordance with the regulations).

Duties – General

The main duties of the Employing Authority as set out in the pension scheme regulations are:

- To decide who is eligible to become a member of the LGPS and the date from which membership of the LGPS commences.
- To decide whether that person is employed in a full time, part time, variable time or casual capacity. If the employee is part time the Employing Authority must also determine the proportion which the employee’s contractual hours bear to the hours of a comparable full time employee.
- To determine an employee’s pay for the purposes of calculating pension contributions.
- To determine the rate of employee contribution (within the confines of the regulations) to be deducted from the employee’s pensionable pay and where the employee holds more than one post, the rate that should be applied to

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each post and whether the rate will be amended to reflect a material change to the employees pay during the year.

- To determine final pay for the purposes of calculating benefits due from the LGPS.
- To supply timely and accurate information, including reason for leaving, to the Scheme Administrator to enable the correct calculation of benefits due from the LGPS.
- To collect, pay over to the Administering Authority and account for the deduction of the correct rate of pension contributions payable by both the employee and the employer, including any additional employee contributions, in a format prescribed by the Scheme Administrator.
- Upon receipt of a notification of an employee’s election to pay, vary the amount or cease Additional Voluntary Contributions (AVC) to apply the notification accordingly and where applicable deduct from a member’s pay and pay over to the specified AVC provider the contributions.
- Upon receipt of a notification from the Scheme Administrator of an employee’s election to pay Additional Pension Contributions (APC) to apply the notification accordingly and where applicable deduct from a member’s pay and pay over to the Administering Authority, the contributions as instructed by the Scheme Administrator.
- To accompany any statement issued to an employee relating to any decision made about the Scheme, with a notice drawing the employee’s attention to their right of appeal under the LGPS.
- To use an independent Medical Officer qualified in Occupation Health medicine (who has been approved by the Administering Authority) in determining ill health retirement.
- To have available an independent officer to review first stage appeals under the Internal Disputes Resolution Procedures.

The above is a summary of the main duties of an Employing Authority under the LGPS regulations. In the event of doubt the Regulations must be consulted for clarification.

The decision on the rate of contribution to be paid by a scheme member is determined by the Employing Authority on the new starter form. The Administering Authority will, in issuing a statutory notification accept the Employing Authority’s decision regarding the appropriate rate.

Duties – Specific

New Scheme Members

Upon notification that an individual has entered an employment for which he or she is eligible for membership of the LGPS, the Employing Authority shall automatically

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admit that individual to the LGPS. The employee can make a written election not to be a member by completing the relevant form at www.warwickshire.gov.uk/pensions.

The Employing Authority shall notify the Scheme Administrator of a new scheme admission by completing a New Entrants form and submitting it to the Scheme Administrator within 7 working days of the end of the month in which the member joined the LGPS. If the employee decides not to remain a member of the LGPS, the Employing Authority shall notify the Scheme Administrator by completing the office use only section on the Optant Out form and submitting a copy to the Scheme Administrator within 7 working days of the end of the month in which the employee decided not to join the LGPS.

Links to relevant forms

It is a requirement of The Pensions Regulator that the employer keeps an original copy of the opt-out form for 4 years.

Changes to Membership Status

The following changes to a scheme member’s status must be notified to the Scheme Administrator within 7 working days from the end of the month in which the change takes effect:

- Change of name.
- Change of address.
- Change of partnership status.
- Change of employee contribution rate.
- Change of weekly contractual hours.
- Change of the contractual weeks worked per year.
- Reductions in pensionable pay due to absence with reason for absence.
- Reductions in pensionable pay due to parental leave.
- Reductions in pensionable pay due to trade dispute.
- For Scheme Members with Pre 2014 service:
 - Breaks in service due to absence with reason for absence.
 - Breaks in service due to parental leave.
 - Breaks in service due to trade dispute.

Form Notification of Changes is provided.

Links to relevant forms

Leavers (non-retirements)

Upon notification that a scheme members’ period of employment has terminated, or should a scheme member elect to opt out of the LGPS, the Scheme Administrator should be notified by completing form Notice of Termination within 10 working days

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from the member’s date of leaving or date of opt out. A copy of opt-out form completed by the member should be submitted to the Scheme Administrator.

[Links to relevant forms](#)

It is a requirement of The Pensions Regulator that the employer keeps an original copy of the opt-out form for 4 years.

Election to join 50 / 50 Scheme

Upon notification that a scheme member has elected to join the 50 / 50 Scheme, the Scheme Administrator should be notified by forwarding the scheme members option form within 10 working days of the members election.

[Links to relevant forms](#)

Retirements (including Normal Age, Redundancy, Efficiency, Ill Health and other early retirements)

Once known that a scheme member is to retire, the Employing Authority will notify the Scheme Administrator as soon as is reasonably practicable by completing and submitting form PEN 4. Once final details can be supplied, the Employing Authority will notify the Scheme Administrator by completing a Notice of Termination as soon as possible and no later than within 10 working days of the retirement date.

It is important to note that the service standards to members states that retirement lump sums will be paid within 10 working days after retirement on receipt of all relevant paperwork.

[Links to relevant forms](#)

Payment of contributions

The Employing Authority will ensure that the correct rate of employer contribution is deducted in accordance with the rates and adjustment certificate issued by the Fund Actuary as part of the triennial valuation of the Pension Fund.

The Employing Authority will make payment of employee and employer contributions to the Administering Authority within 19 days of the end of the month in which contributions have been deducted. Any payments made after that may be subject to interest.

The Employing Authority will complete Form CT117 giving full and accurate information in the format requested.

[Links to relevant forms](#)

It is the responsibility of the Employing Authority to ensure that the information provided on the monthly return is correct. If there are any

discrepancies on the monthly return the Scheme Administrator will expect the Employing Authority to resolve these discrepancies and the Scheme Administrator will not deal with the Employing Authority’s payroll administrator / bureau or any third parties.

Failure to pay contributions will result in an entry to the schedule of breaches and possible reporting to The Pension Regulator

Annual Returns

The Employing Authority will, by 30 April each year, provide the Scheme Administrator with a return giving the following information:

- Name, initials, title and national insurance number of all LGPS members employed during the previous financial year and where a scheme member holds more than one pensionable post, these details in respect of each post the member holds.
- The employee contribution rate paid by each scheme member and where the member holds more than one post, the rate applied to each post.
- The amount of standard employee contributions paid by each member for the whole of the previous financial year and where the member holds more than one post, a split of the contributions between all posts held.
- Where a member has had a change in employee contribution rate during the financial year, the effective date of the change and the amounts of contribution applicable to each rate.
- The amount of additional LGPS employee contributions paid by each member, where relevant, for the whole of the previous financial year.
- Details of the average weekly number of hours worked by variable time employees during the previous financial year.
- A summary of total contributions, clearly stating deductions for employees and employers normal contributions as well as any additional contributions.
- Pensionable pay figures upon which employees and employers contributions were calculated for the previous financial year, including any adjustments for notional pay.
- The annual amount of Standard Life and Equitable Life AVC contributions made by the member. This information is required for annual allowance calculations.

Additional Requirements

The Employing Authority will endeavour to respond within 10 working days to requests made by the Scheme Administrator for further information and clarification of issues raised from the monthly and annual returns.

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The Employing Authority will respond within 10 working days to requests made by the Scheme Administrator for further information and clarification of issues raised from the triennial valuation of the Warwickshire Pension Fund.

The Employing Authority will review and maintain its policy regarding the discretions available under the Local Government Pension Scheme Regulations and will notify the Administering Authority and scheme members in their employ of any changes to those policies within 30 days of the changes taking effect.

The Employing Authority will make payment of all early retirement costs as instructed by the Administering Authority and in accordance with the Local Government Pension Scheme Regulations.

Pension Estimates

The Employing Authority will, as part of their request for a pension estimate for a redundancy or ill health retirement in respect of one of their scheme members, provide the Scheme Administrator with details of the member’s proposed date of retirement, the reason for leaving and the assumed final pay. The estimate request should be made by completing an estimate request form, available on our website and emailing to pensions@warwickshire.gov.uk

The Employing Authority will also provide the assumed final pay for a member who approached the Scheme Administrator directly requesting a normal / age quotation.

Account Reports

The Employing Authority will inform the Scheme Administrator of any requirement for accounting reports and of any information that may be relevant in their production.

EMPLOYING AUTHORITY DISCRETIONS

The discretions afforded to an Employing Authority by the 2013 Regulations are set out below:

Appendix A shows the policies required by the Employing Authority

A copy of the Employing Authority’s policy statement should be forwarded to the Administering Authority

Appndix B shows the Pension Fund’s policy statement

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The Administering Authority and the Scheme Administrator undertake that they will not give members any expectation as to how the Employing Authority will exercise any discretion.

SCHEME ADMINISTRATOR RESPONSIBILITIES

New Scheme Admissions

The Scheme Administrator will set up a scheme member record for each new admission to the scheme and issue a Membership Certificate within 10 working days of receiving all relevant information.

The Scheme Administrator will maintain a record for employees who have opted out under Automatic Enrolment.

Changes in Administrative Procedures

The Scheme Administrator will notify the Employing Authority of any changes to administrative procedures that may arise as a result of changes in the pension scheme regulations and update standard documentation on the Pension Fund website.

Training Sessions and Seminars

The Scheme Administrator may provide the Employing Authority with training sessions, ad-hoc seminars or pension clinics.

Scheme Member Enquiries

The Scheme Administrator will answer enquiries made by scheme members employed by the Employing Authority and respond to such enquiries within 10 working days or sooner where possible. Where an enquiry will take longer than 10 working days to resolve, the Scheme Administrator will notify the scheme member accordingly and keep him / her up to date with any progress made.

Employing Authority Enquiries

The Scheme Administrator will respond to enquiries made by the Employing Authority within 10 working days or sooner where possible. Where an enquiry will take longer than 10 working days to resolve, the Scheme Administrator will notify the Scheme Employer accordingly and keep him / her up to date with any progress made.

Annual Benefit Statements (ABS)

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The Scheme Administrator will issue ABS to the scheme members of an Employing Authority, subject to receipt of all relevant year end information from the Employing Authority.

The Scheme Administrator will run data checks as part of the annual reconciliation and ABS production process and, where necessary, will raise queries with the Employing Authority. The ABS will be issued no later than 31 August of that year.

Pension Estimates

The Scheme Administrator will provide estimates of pension benefits upon request from the Employing Authority within 10 working days of receipt of all relevant information. Where multiple requests are received in respect of a member, the Scheme Administrator may negotiate revised timescales.

If the Employing Authority requires a number of estimates in respect of a group of its members they should contact the Scheme Administrator at the earliest opportunity to discuss their requirements.

Pension Benefits

The Scheme Administrator will make payment of retirement and death benefits within 10 working days of having received all relevant information to enable the necessary calculation to take place.

Employer Meetings

The Scheme Administrator will arrange an Annual General Meeting to discuss funding issues for employers to attend.

The Scheme Administrator will arrange an annual forum to discuss administrative issues for employers to attend. The Scheme Administrator is available to discuss other issues with employers on request.

Retired Members

The Scheme Administrator will issue an annual newsletter to retired members.

Preserved Members

The Scheme Administrator will issue an ABS to all former employees of the Employing Authority who retain a preserved benefit with the Warwickshire Pension Fund.

Pensions Increases

The Scheme Administrator will apply pensions increase annually to the relevant pensions in payment and deferred pensions retained by the Fund in accordance with the Pensions Increase (Review) Order issued by HM Treasury.

Accounting Reports

The Scheme Administrator will contract with the Actuary for the provision of accounting reports on behalf of the Employing Authority. The Scheme Administrator will submit data to the Actuary and distribute reports when they become available.

ADMINISTERING AUTHORITY RESPONSIBILITIES

Regulations

The Administering Authority will notify the Employing Authority of any significant changes to:

Scheme regulations that might affect scheme members in their employ. The Employing Authority is responsible for informing members of any changes.

Policies made by them under the regulations or

Procedures adopted by them in accordance with this statement.

Scheme contributions

The Administering Authority will allocate all contributions submitted by the Employing Authority to their respective income codes and reconcile the total contributions paid.

Fund Actuary

The Administering Authority will correspond with and commission any advice required of the Fund Actuary on behalf of the Employing Authority in respect of any matters that may arise which require the determination of the Actuary.

The Administering Authority will arrange for the triennial valuation of the Warwickshire Pension Fund and provide the Employing Authority with a copy of the Actuary's valuation report and a copy of the annual report and statement of accounts.

The Administering Authority will arrange for FRS17 / IAS19 to be provided to the Employing Authority, and will recharge appropriate costs.

Internal Disputes Resolution Procedures

The Employing Authority is required to have someone independent of the member and the complainant review whether the regulations and any relevant decisions have been properly followed at Stage One of the Internal Disputes Resolution Procedure.

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The nominated person must be independent and must not have been involved in any capacity in the decision in which the member is appealing. This allows the Employer to separately review the case ensuring the regulations have been interpreted correctly, using an “expert” known as the Appointed Person if desired.

The Administering Authority will maintain a complaints procedure in accordance with the Local Government Pension Scheme (Internal Disputes Resolution Procedures) Regulations including the appointment of a specified person to act as a local referee at Stage 2 of the disputes process.

The employer is required to inform the scheme administrator of Stage 1 appeals

Publicity and Promotion

The Administering Authority will maintain a supply of scheme publications and arrange for the distribution of such materials to the Employing Authority as required. Publications are also available from the Pension Fund website.

PRIVATE CONTRACTORS

In accordance with the Regulations the Administering Authority can enter into an admission agreement with an “external contractor” (Transferee Admission Body) undertaking local government work formerly undertaken by a “best value authority”.

This ability to become a Transferee Admission Body within the LGPS enables scheme members to retain their rights to contribute to the Scheme and avoids the need for the contractor to offer a broadly comparable pension scheme to the transferring employees.

The Employing Authority will:

Undertake to include the conditions surrounding any possible admission agreement to be made with a chosen service provider (and the Administering Authority) as part of any tendering exercise that it undertakes.

Notify the Administering Authority immediately of any decision that is made to transfer any part of their service to an external contractor.

Supply the Scheme Administrator with full and accurate details of the scheme members involved in any potential transfer from the Employing Authority to the Transferee Admission Body as soon as this information is known. The information required will be:

- Full name.
- National Insurance number.

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- Date of Birth.
- Gender.
- Date joined Employing Authority.
- Employment Status – full time / part time / variable time.
- Number of contractual hours per week.
- Employee contribution rate.
- Pensionable pay pre 2014 definition – for part-timers this should be the whole time equivalent pay.
- Pensionable pay 2014 definition – for part-timers this will be actual salary.
- Actual pay year to date (the CARE pot) pensionable pay received to date.
- Date pay is effective from 50 / 50 member?
- The above information is required in Excel spreadsheet format.

Sign up to the admission agreement before the start date of the contract.

Notify the Administering Authority immediately if the contract with the Transferee Admission Body is terminated.

Pay any outstanding liabilities, as calculated by the Fund Actuary, to the Administering Authority in the event of the early termination of a contract with a Transferee Admission Body.

The Scheme Administrator will:

Supply details of any additional membership transferred into the Scheme by any of the scheme members involved in the transfer together with details of any additional contribution contracts.

The Administering Authority will:

Obtain details from the Fund Actuary of the potential employer's contribution rate and level of indemnity or bond required by the Transferee Admission Body upon receipt of all information as set out above.

Supply a draft admission agreement and draft indemnity / bond agreement. NB it is the responsibility of the Transferee Admission Body to obtain the indemnity / bond to the satisfaction of the Employing Authority.

Obtain details from the Fund Actuary of any outstanding liabilities resulting from the termination of the Employing Authority's contract with the Transferee Admission Body.

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This service statement has been produced by Warwickshire Pension Fund whose administering authority is Warwickshire County Council.

It is a statement between Warwickshire Pension Fund and all participating bodies to the Warwickshire Pension Fund.

It is understood that the Administering Authority shall monitor the requirements of this statement and report its findings to the Pensions Board on an annual basis.

Each of the parties as defined in this statement and the scheme regulations, shall abide by the requirements of this statement .

DATA PROTECTION OBLIGATIONS

The Authorities acknowledge that they have mutual obligations in relation to the handling of data and agree to comply with the Data Protection Act 1998.

The Authorities will process the Personal Data to which this statement relates for the purposes of administering the pension scheme and in particular the Authorities individually agree that they shall process the Personal Data at all times in accordance with the Data Protection Act and in full compliance with the eight (8) data protection principles contained therein and solely for the purposes connected with the collection and transmission of employee information in relation to pensions in such manner agreed between the Authorities for no other purpose or in any alternative manner without further agreement

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