Local Government Pension Scheme (LGPS)

Royal Borough of Kensington & Chelsea Sept 2023 version

**LG29 PENSION ESTIMATE REQUEST FROM EMPLOYER**

**Instructions to employer:**

This form is to be used when a member of the LGPS requires an estimate of their pension benefits because they are (or may be) leaving your employment and will take their pension benefits immediately on leaving (or they are transferring them to an alternative non-employment pension provider). If the member has concurrent multiple employments, a separate LG29 will be required for each employment the member may be leaving. Complete all sections of this form and send it to: [pensions@rbkc.gov.uk](mailto:pensions@rbkc.gov.uk)

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| **Section 1 – Member’s Details** | |
| Employer: |  |
| Surname: |  |
| Forename(s): |  |
| NI Number: |  |
| Date of Birth: |  |
| Unique Job Reference Number: |  |
| Job Title: |  |

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| **Section 2 – Proposed leaving date and reason for leaving** | |
| Proposed leaving date: |  |
| **Proposed reason for leaving (select one box only)**  **Voluntary leaver**  Voluntary Resignation (aged 55 or over)  Voluntary Resignation (aged 55 or over) – early payment reductions waived on compassionate grounds and being funded by the employer in accordance with its discretionary policy  Notional Cash Equivalent Transfer Out (CETV) to an alternative non-employment pension provider  **Compulsory leaver**  Redundancy (aged 55 or over)  Business Efficiency (aged 55 or over)  Ill Health Retirement Tier 1 (any age)  Ill Health Retirement Tier 2 (any age)  Ill Health Retirement Tier 3 (any age)  Death In Service (any age)  **Flexible Retirement (if permitted by the employer’s discretionary policy)**  Flexible Retirement (aged 55 or over) with actuarial reductions applied  Flexible Retirement (aged 55 or over) with employer consent to waive actuarial reductions  For all Flexible Retirements, specify the following:   1. The % of post-2008 benefits being taken by the employee:       % 2. The % of post-2014 benefits being taken by the employee:       % | |

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| **Section 3 – Whole Time Equivalent (WTE) Pay**  **(Covering the final 365 days to the member’s proposed last day of pensionable employment)** |
| Note for employer: The Whole Time Equivalent (WTE) pensionable pay, as defined by the 2008 scheme regulations, must be calculated for the final 365 days of scheme membership ending on the member’s proposed last day of employment. The details must be entered in **Table A** below.   * If the member has had higher WTE Pay in any of the **previous 2 years** ending on the anniversary of the proposed last day of employment, this figure must be entered in **Table B** below. * If the member has had a drop in their pay **within the last 10 years** prior to their date of leaving, the WTE Pay can be calculated as the average of any three consecutive years (within the last 10 years) ending on 31 March. If applicable, this figure must be entered in **Table C** below. Guidance at the end of this form gives further details on eligibility.   **TABLE A – WTE PAY**   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | | **Start Date (From)** | **End Date (To)** | **Ready Reckoner Col D** | **Ready Reckoner Col E** | **Ready Reckoner Col F** | **Ready Reckoner Col G** | **Ready Reckoner**  **Col H** | | **Actual Basic Pay (£) paid between the start / end dates** | **Actual Pensionable Contractual Allowances (£) paid between the start / end dates** | **Employee’s Full Time Equivalent % (1) between the start / end dates**  **(Enter 100% if full-time)** | **No. of calendar days between the start / end dates** | **Whole Time Equivalent Pay (£) between the start / end dates**  **(2)** | |  |  |  |  | % |  |  | |  |  |  |  | % |  |  | |  |  |  |  | % |  |  | |  |  |  |  | % |  |  | |  |  |  |  | % |  |  | |  |  |  |  | % |  |  | |  |  |  |  | % |  |  | |  |  |  |  | **TOTAL** | **365 days (3)** |  |   (1) Full-time equivalent % must include any reduction for term-time workers  (2) Formula for calculating the WTE pay between two dates = (Col D + Col E) x 100, then divided by the % in Col F.  (3) If the total number of days is less than 365, the resulting WTE Pay figure must be grossed up to the equivalent of 365 days. This is done by taking the total WTE Pay for the part-year, dividing it by the total number of days it was paid, then multiplying by 365. Example: £20,000 WTE pay was paid over 280 days. The WTE pay for the full year = £26,071.42 (which is £20,000 divided by 280 x 365)  **TABLE B – HIGHER WTE PAY IN PREVIOUS 2 YEARS**   |  |  | | --- | --- | | If the member has had higher WTE pay in the previous 2 years ending on the anniversary of the proposed last day of employment, enter it here: | **£** |   **TABLE C – HIGHER AVERAGE WTE PAY IN PREVIOUS 10 YEARS**   |  |  | | --- | --- | | Subject to eligibility (see guidance at end of this form), if the member has had a drop in their pay within the last 10 years prior to their day of leaving, the average WTE pay of any 3 consecutive years ending on 31 March must be entered here if it is higher than the WTE pay in Table A: | **£** | |

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| **Section 4 – Actual pensionable pay (2014 CARE scheme)** |
| Note for employer: from 1 April 2014 the LGPS became a career average (CARE) scheme. This section requires you to provide the member’s actual pensionable pay (the CARE pay) for the preceding financial year, the current financial year, and the next financial year, where applicable.  **Table 1** – Actual Pensionable Pay in the **preceding financial year ending 31 March.**   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Pensionable pay in **Main Section** | **£** |  | Pensionable pay in the **50/50 section** | **£** |   **Table 2** – Actual Pensionable Pay **in the current financial year** up to the employee’s proposed last day of pensionable employment, or to 31 March if the employee will remain in employment up to 31 March.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Pensionable pay in **Main Section** | **£** |  | Pensionable pay in the **50/50 section** | **£** |   **Table 3** – (Only required if the employee’s proposed last day of pensionable employment extends into the next financial year). Actual Pensionable Pay in the **next financial year** starting 1 April, up to the proposed last day of pensionable employment.   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Pensionable pay in **Main Section** | **£** |  | Pensionable pay in the **50/50 section** | **£** | |
| **Ill Health Retirement or Death in Service**  If the estimate request is in respect of a Tier 1 or Tier 2 ill health retirement, or a death in service, you must also provide the Assumed Pensionable Pay (APP) figure as at the member’s proposed last day of scheme membership. The APP must be shown as an **annual amount**. Guidance on the calculation of APP can be found using this link: <https://www.rbkcpensionfund.org/resources/whole-time-equivalent-pay-wte-and-assumed-pensionable-pay-app-guidance/>   |  |  | | --- | --- | | What is the **Assumed Pensionable Pay (APP)** as at the last day of scheme membership?  *(This must be an annual figure)* | **£** | |

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| **Section 5 – Employer’s Declaration** |
| I understand that the information given on this form will be used to calculate an estimate of pension benefits and any errors or omissions will result in an incorrect estimate of member’s benefits as well as any associated employer costs.  I understand that, in the event of an actual retirement, the *Final Pay* figure (LGPS 2008 definition) will need to be the highest year in the last 3 years ending on the anniversary of the date of leaving. I further certify that I am aware of the requirement to provide additional salary figures if there has been a drop in pay in the 10 years prior to the date of leaving.   |  |  |  | | --- | --- | --- | | Print name: |  | Phone number: | |  |  |  | | Email address: |  | Date: |   Send completed form to: [pensions@rbkc.gov.uk](mailto:pensions@rbkc.gov.uk) |

**Further employer guidance on pension estimates**

**When and where to send the LG29 pension estimate request**

The LG29 estimate request should be sent to [pensions@rbkc.gov.uk](mailto:pensions@rbkc.gov.uk) as soon as you are aware that the scheme member will (or may) be leaving and taking their pension immediately after leaving. On receipt of the form, we will run the estimated pension calculations and send it as follows:

* **Compulsory Leaver or Flexible Retirement** – the calculations are sent back to you, the employer. It is then your responsibility to pass these on to the employee.
* **Voluntary leaver** – the calculations are sent by us to the employee. They are not sent to the employer.

**Flexible Retirement**

Flexible retirement is an employer-led process made at the request of the employee. There is no right for an employee to be granted flexible retirement. The employer’s discretionary policy will define whether the employer allows flexible retirement and, if so, on what grounds the flexible retirement will be considered and what reductions in the member’s ongoing (new) working arrangements will be required if the flexible retirement is agreed. Further guidance on flexible retirement can be found here: <https://www.lgpsmember.org/your-pension/planning/taking-your-pension/>

**Redundancy or Business Efficiency Retirements**

Where a scheme member is aged 55 or over and has not yet reached their Normal Pension Age (NPA), they are entitled to the immediate payment of their pension with no reductions if they are made redundant or retired on grounds of business efficiency. Redundancy or Business Efficiency retirements for scheme members aged 55 or over will usually result in a capital cost to the employer, which is also known as a ‘strain’ cost. The amount of the employer strain cost will be included in the estimate we send back to the employer. If the employer proceeds with a retirement, it must immediately pay the strain cost in full to the RBKC Pension Fund.

**Ill Health Retirements – Tiers 1, 2 and 3**

Ill Health Retirements must go through a process defined by the LGPS Regulations, further details of which are given in this link: <https://www.lgpsmember.org/your-pension/planning/ill-health-retirement/>.

**Vesting Period**

Members must satisfy the scheme vesting period to be entitled to the payment of retirement benefits. The vesting period is usually 2 years, although this can in some circumstances be shorter if the member has already met the vesting period with another LGPS employer.

**Calculation of Whole Time Equivalent (WTE) Pay and Assumed Pensionable Pay (APP)**

Further information on the calculation of Whole Time Equivalent (WTE) Pay and Assumed Pensionable Pay (APP) can be found on the RBKC website using this link: <https://www.rbkcpensionfund.org/resources/whole-time-equivalent-pay-wte-and-assumed-pensionable-pay-app-guidance/>

**The member’s WTE Pay is higher in the preceding 2 years on the anniversary of their leaving date**

If the member’s WTE Pay is higher in the preceding 2 years on the anniversary of their leaving date, you must provide the higher WTE Pay figure because this will be used to calculate their final salary benefits on leaving. There is space in section 3 of this form to do so.

**The member has had a reduction in their WTE Pay in the 10 years prior to their leaving date**

If the member has had a had a drop in their pay within the last 10 years prior to their date of leaving, the WTE Pay can be calculated as the average of any three consecutive years (within the last 10 years) ending on 31 March. This option is available if:

* The member’s pay reduces because they move to a job with less responsibility, or
* The member’s pay reduces due to a job evaluation exercise or equal pay exercise, or
* The member’s pay reduces because the definition of pensionable pay specified in their contract has changed (based on the definition of pensionable pay before 1 April 2014) and the pay reduction has occurred less than 10 years before leaving the LGPS.

This pay protection applies if the pay is not reduced but increases to pay are restricted.

Members cannot make us of this protection if their pay is reduced at the end of a period when it was temporarily increased, for example due to temporary additional responsibilities. It also cannot be used if the pay was reduced on flexible retirement.