

Application information for prospective Scheme employers (other than academies)

This booklet aims to provide prospective Scheme employers with:

1. background information about Scheme employers and the LGPS;
2. details on how and when to apply to the Fund to join;
3. how to complete the Scheme employers application form.

1. Background information about Scheme employers and the LGPS

1.1 The LGPS regulations concerning Scheme employers

Scheme employers are listed in [Schedule 2, Part 3 of The LGPS Regulations 2013](#). Please see Parts 1, 2 and 4.

Schedule 2 Part 1 scheme employers have a statutory obligation to participate in the LGPS and its employees have the right to join the LGPS (assuming they meet the entry requirements). Please note that this list is amended from time to time.

Schedule 2 Part 2 bodies are ones that can designate employees for access to the Scheme. This list can also be amended from time to time. It includes town and parish councils and passenger transport executives. Employees of these bodies have the right to join the LGPS if they are covered by the employer's published admission policy or, if there is no admission policy, if their employer designates them as a member.

Schedule 2 Part 4 bodies are a mixture of employers where another body is deemed to be the scheme employer. For example bodies such as a governing body of a foundation/voluntary aided schools (these include Trust schools that are foundation schools and foundation special schools). Although the employees of these schools are employees of the governing body of the school, they are treated for the purposes of the LGPSR13 as if they were employees of the local authority in their area. Therefore the local authority is the scheme employer for pension purposes and is responsible for pension matters. Persons in the first column of the table in Part 4 of Schedule 2 are eligible for membership.

1.2 The 'Guide for Prospective Employers'

We recommend that before completing your application to join, you read through our guide entitled 'Guide for Prospective Employers'.

2. Details on how and when to apply to join the GMPF

2.1 Apply by completing and submitting the application form

You need to complete and submit our 'New Scheme Employers Application Form' either when you know you are going to become a Scheme employer or if you are going to designate

members for access to the Scheme for the first time. You will need to download the form and complete it following the guidance in section 3 below.

2.2 Liaise with ceding employer if applicable

If employees are going to be transferring to you then you will need to liaise with the ceding employer in order to complete the form. You must do this before submitting the form to the GMPF.

2.3 How to submit the form to the Pensions Office

Once you have completed the form, please send a scanned copy by e-mail to ect@gmpf.org.uk.

2.4 Recommended timescales for downloading and reading the pack and for completing and returning the application form

It is recommended that you arrange pension provisions at the earliest possible stage. We recommend that you read our 'Guide for Prospective Employers' and the application form and notes below as soon as you are considering becoming a Scheme employer.

We suggest that you complete and submit the application form as soon as you have all the information you need to do so. We would expect this to be at least two months before the date you have stated in 1.6 of the application form.

3. How to complete the New Scheme employers application form

This section provides step-by-step notes to assist you in completing the application form.

Part A – This section of the form needs to be completed by the prospective employer

Section 1 - Information about the employer

- 1.1 This must be the official name of the employer. If you are a company this must be the official name of the employer as registered with Company House.
- 1.2 When an employer registers with Company House, it is issued with a Company Registration Number. Please provide this number here.
- 1.3 Please provide the full postal address of the employer, including the postcode.
- 1.4 This should be the general e-mail address of the employer if there is one.
- 1.5 This should be the part of Schedule 2 under which the new employer is eligible for membership. Please follow the link to Schedule 2 below and then state whether you fall under Part 1, Part 2 or Part 4 of the Schedule as well as the category (for example, 'Part 2, 8. The Serious Organised Crime Agency').

Schedule 2, Part 3 of The LGPS Regulations 2013

- 1.6 The official date that the new employer starts operating from or, if you are an employer falling under Schedule 2 Part 2, the date that you are designating employees for membership from.

If you are designating employees to join GMPF please enclose a copy of your published admissions policy or details of the resolution made to designate employees along with your completed application form

- 1.7 Please state if there is an existing Fund employer involved in this application.
- 1.8 If so, please provide the name of that employer.
- 1.9 If you have answered 'Yes' to 1.7 please state here if the employees of the new employer are currently employed by that existing employer. If employees are transferring from a current GMPF employer to another then the GMPF needs to be aware in order to ensure its records are correct and to review any outstanding issues.

Section 2 – Contact details for the person making this application

- 2.1 to 2.4 It is important that the GMPF has contact details for the person making this application in order to be able to resolve any queries or questions that may arise in processing the application.

Section 3 - Information about the employer's pension function

- 3.1 As an employing authority you will have the responsibility to carry out your pension function as defined within the LGPS regulations. You can however delegate some or all of your responsibilities to a third party to carry these out on your behalf. Please state here whether you or a third party will be the main contact for your day-to-day employing authority matters and provide the contact details that GMPF should hold.
- 3.2 As an employer in the GMPF your main pension administrator will be required to adhere to the LGPS Regulations and GMPF procedures including the Pension Administration Strategy. You must ensure that they have access to the Employers website where this information can be found, along with notes from previous employer training sessions. The LGA provide employer training, details of which can be found on their website.

By ticking this box you are committing to ensure that the main pension administrator will have access to the necessary information required to properly carry out their role.

- 3.3 If you are to delegate some or all of your pension function to the local authority or other third party then we require your written authority to deal with them and to provide them with access to your employees' pension records should they request it. Please therefore confirm if you authorise this access to be given.

Section 4 - Accounting information

- 4.1 GMPF's accountancy section will need to know if you are required to show pension costs within your accounts in accordance with Financial Reporting Standard 102 (FRS102), International Accounting Standard 19 (IAS19) or other financial reporting standard in order to provide you with the information you require regarding this. If you are unclear on whether or not this is required then you should discuss this with your auditors.
- 4.2 GMPF's accountancy section will also need to know the date on which your accounting year ends in order to provide you with the relevant information in time.

Part B – This part of the form needs to be completed by the prospective employer and any ceding employer if and where necessary

Section 5 - Pension costs

- 5.1 There are two possible options when it comes to deciding how pension costs will be managed. GMPF allows employers to be 'pooled' together where employers request and agree to pool together, and where the Fund decides it would be in the employers and the GMPF's interest to do so.

When employers are pooled, their assets and liabilities are grouped together for the purposes of determining their future contribution rates. Generally, pooling enables greater stability of contribution rate and, depending on the arrangement, can enable costs such as those that are generated through ill health retirements to be 'shared' by the pool and be taken account of as part of the future contribution rate, rather than being paid for up front.

Pooling is agreed to by the GMPF on the basis that contribution rates are determined by the aggregate funding position of the pool.

If you wished to be pooled with any ceding employer or other employers within the GMPF we advise that you ring us to discuss this. In some cases, GMPF will recommend that you are added to an existing pool where it is in everyone's interests to do so. Please contact a member of the ECT team on 0161 301 7042 to discuss this and the terms of the pooling arrangement.

If you do not wish to be pooled or the GMPF will not agree to your request to pool then you will be a 'stand alone' employer. If this applies to you, please tick the second box.

Section 6 - Transfer information

- 6.1 If some or all of the employees of the prospective employer are to transfer from an existing employer then we will need to know in order to resolve any pension matters. If the ceding employer is an employer outside of the GMPF (for example if employees are transferring from another LGPS fund, public sector scheme or other pensions scheme) then please send us details of this with your application.
- 6.2 If the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("the TUPE Regulations") apply, or if a transfer is treated as if it were a relevant transfer within the meaning of regulations 2(1) and 3 of the TUPE Regulations (notwithstanding regulation 3(5) of those regulations), then please tick 'yes' here.

6.3 If the ceding employer is an employer within the GMPF and if all current employees are to transfer to this new employer then please confirm if all pension assets and liabilities are also to transfer from the ceding to the new employer. By ticking 'Yes' the new employer will become responsible for all the assets and liabilities currently belonging to the ceding employer. If you tick 'No', GMPF will be in touch with the ceding employer to discuss termination matters.

6.4 If employees are transferring from the previous employer then a decision needs to be made regarding how the transfer of assets will be funded. The ceding employer and the new employer will need to agree to this decision. Three of the more common options are detailed below but if you agree upon another method please tick 'other' and provide details.

a) Fully funded

Liabilities associated with the transferring members are transferred to the new employer with sufficient assets to fully fund the liabilities. The new employer will be 100% funded at the outset (on an ongoing actuarial basis) and start in a neutral position.

b) Funded in line with the solvency of the ceding employer

Liabilities associated with the active transferring members are assessed and the amount of assets transferred are in line with the solvency of the ceding employer, as estimated at the date of transfer. The opening funding level of the new employer will therefore be the same as that of the ceding employer with any past service deficit relating to the transferring active members passing to the new employer. All responsibility for, and any deficit relating to former employees, who are either deferred or pensioner members, is retained by the ceding employer.

c) Funded assuming the liabilities remaining with the ceding employer are fully funded

Liabilities associated with the active, deferred and pensioner members will be calculated in this scenario. The total assets associated with the active, deferred and pensioner members will be calculated in line with the solvency of the ceding local authority at the date of transfer. The deferred and pensioner liabilities will remain with the local authority on a fully funded basis. The transferring active member liabilities will transfer with the total assets (as previously defined) less the assets retained by the ceding employer once the deferred and pensioner liabilities have been fully funded. The employer would therefore open with a funding position which is lower than that of the ceding local authority.

d) Other

An alternative to the above may be agreed upon and if that is the case then please indicate here and give details of the agreed funding basis of the transfer.

6.5 If employees are to be designated for membership or if they are to transfer from a ceding employer then you must provide a list of those employees. This must be done using the GMPF template spreadsheet (suitably encrypted) and if there is a ceding employer then they must check this list to ensure it is correct. If the list is incorrect or incomplete then employee pension records may be incorrect and you may be charged for any re-work required to correct them.

Section 7 – Declaration and authority

Please ensure this section is completed and signed before returning to GMPF.

Checklist

The final section is a checklist to help you to ensure that your application is correct and complete.

Please complete this as part of your application and return it with the form.