

ACADEMY APPLICATION AND TERMINATION



FACT SHEET

1) Application

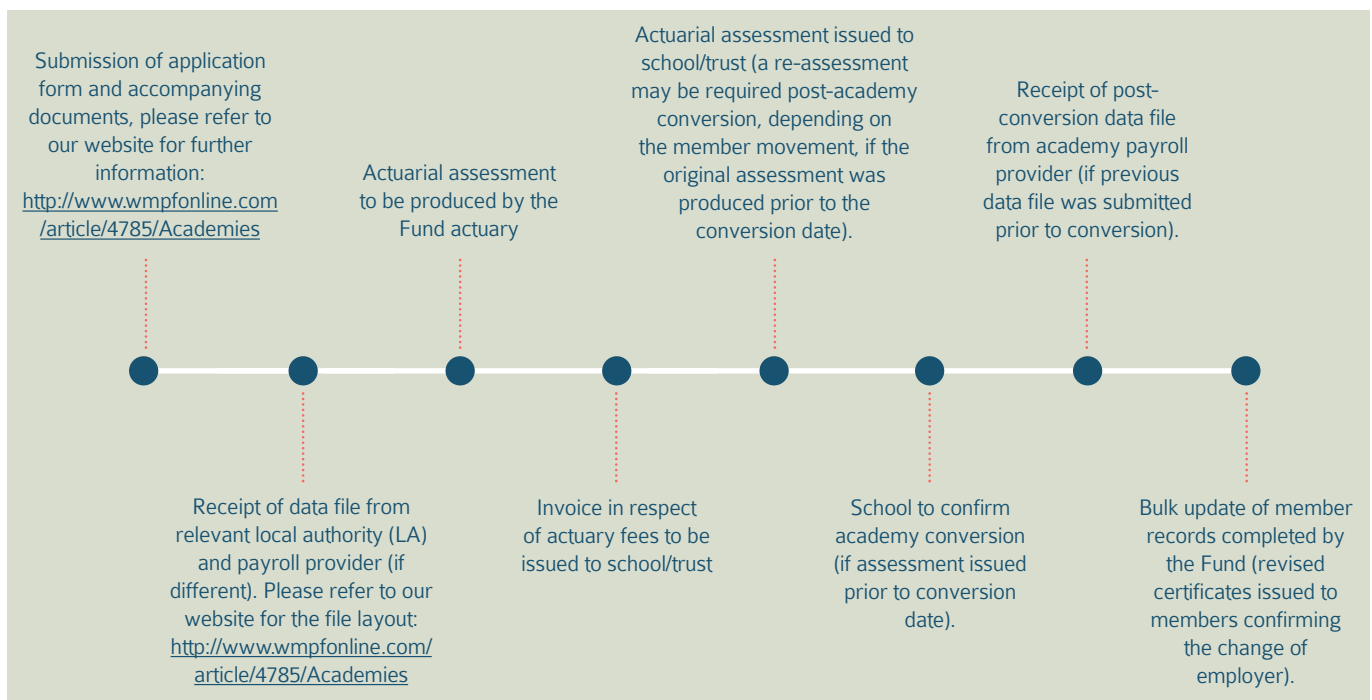
An academy is automatically a scheme employer under the LGPS Regulations (schedule 2 part 1).

The potential cost of an academy conversion is up to £1,015 + VAT (these costs are correct as at 1 January 2019).

- Please note that if your application involves over 250 members, this cost may be higher.
- We are unable to provide exact costs until an application has been received.

For further information regarding academy arrangements, please see the DCLG document <http://lgpslibrary.org/assets/othergov/201704Academies.pdf>

2) Process Requirements



Please note that we are unable to confirm exact timescales due to various factors which may affect the application progress.

3) Employer's Contribution Rate

Upon academy commencement, the Fund actuary - Barnet Waddingham - will be asked to calculate and certify the employer contribution rate and the past service deficit transferred from the local authority.

The past service deficit is the excess of the value of the employer's liabilities over the value of its assets.

In the first instance, the rate would be payable from the conversion date and ending on 31 March 2020. Thereafter, the employer rate would be reviewed at three-yearly intervals.

If the employer rate/past service deficit figures are not determined prior to the conversion date, the rate is provisionally set at the relevant LA rate. In respect of free schools (where there is no conversion from an LA school), the provisional rate is 18.3%.

The employer contribution rate would be payable from the academy commencement date. Payment should be made no later than the 19th day of the following month.

4) Employee Contribution Rates

Employee pension contributions should be paid to the Fund following academy commencement. The employee contribution rate bandings can be found on our website: <http://www.wmpfonline.com/activemember>

The employee contribution rate would be payable from the academy commencement date. Payment should be made by the employer to the Fund no later than the 19th day of the following month.

5) Monthly Data Submissions

Upon academy conversion, the Fund will require monthly data submissions from your organisation with effect from the academy commencement date. More information can be found on our website: <http://www.wmpfonline.com/monthlysubmissions>

6) Termination of an Academy

If an academy ceases to exist, the Fund must obtain:

- from the actuary an actuarial valuation of the assets and liabilities of the Fund in respect of the members as at the date this agreement terminates, calculated on such basis as the actuary recommends.
- A revised rates and adjustments certificate showing the exit payment due from the exiting academy, or exit credit payable to the exiting academy in respect of those benefits