

## *Pension Bulletin No. 30*

# LGPS 2014 – Re-Cap

### Key Points:

- The new look Local Government Pension Scheme (LGPS 2014) has introduced new data requirements and you should now have these established in your processes
- Our forms have been updated and should be used in all cases
- A Membership Information Form is now a requirement and should be provided to all new starters
- National HR and Payroll Guides are available to assist you and should be checked regularly for updates

### Further detail:

LGPS 2014 has now been in place for a number of months. The new look scheme brought in new responsibilities and data requirements for employers and these should now be embedded into your processes. This bulletin provides a re-cap on the main changes.

### New Data Requirements

LGPS 2014 works on an accounts based system with the pension built up by a member now calculated at the end of each scheme year. This figure is based entirely on data provided by employers, namely, the members pensionable pay and whether the member is in the main section or 50/50 section of the LGPS.

The Pensionable Pay figure that we need for benefits built up under LGPS 2014 is different to what you previously provided. The figure that we now need is called Cumulative Pensionable Pay.

Cumulative Pensionable Pay is the total of any Pensionable Pay and any Assumed Pensionable Pay for the member in that scheme year.

This figure should be provided per employment and per section of the scheme. If a member has more than one employment with you, we will need separate figures for each job and if during a scheme year a member has been in both the main section and 50/50 section of the LGPS, you will need to provide us with separate figures for each section for each separate employment.

### Multiple Employments

The LGPS has always treated each employment separately for pension purposes, and following the introduction of the 50/50 section of the scheme, it is now more important than ever that you are clear about which employment you are submitting data for. As a result we now require you to include the payroll/job reference number on any data you submit to us.

## **Final Salary and Hours Changes**

Even though LGPS 2014 is based on the actual pay a member receives in each scheme year, we will still require final salary details and information about any hours changes for your members. This is because there are certain protections in place for anyone who was a member of the LGPS prior to 1 April 2014.

Certain members nearing retirement may be covered by the Underpin protection which ensures they will not be worse off under LGPS 2014 and members with any existing added years contracts will also have these protected and continue to pay contributions based on LGPS 2008 arrangements.

As a result you still need to inform us whenever a member has a contractual change to their working hours. Please note working hours should be expressed as a percentage e.g 50% of full time = 50.00 or as a fraction e.g. 50% of full time (18.5 hours) = 18.50/37.00.

## **Submission of Data**

We provide great flexibility in the way you can submit data to us. The available methods include:

i-Connect - Suitable for all employers

Interface - Suitable for medium and large employers and payroll bureaus

Employer Self Service - Suitable for all

Pension Forms - Suitable for smaller employers only

The majority of these forms and extracts have been updated following the introduction of LGPS 2014. This includes a completely new Pen18 contribution certificate to reflect the different data requirements of LGPS 2014.

Please ensure that you are using these new forms and templates as any submissions received on old forms or extracts or completed incorrectly will be returned and you will be asked to resubmit them in the correct format.

## **Membership Information form (MEMBER)**

It is now necessary for all new members of the LGPS to complete and return a Member form disclosing previous public service pension rights. Please ensure that you are issuing a Member form to all new staff eligible for membership of the LGPS and anyone opting in who is not presently contributing.

## **Forms, Resources and Further Details**

Copies of all of these forms and resources as well as more detailed information about the topics mentioned in this bulletin is available from our website:

<http://pensions.cambridgeshire.gov.uk>

<http://pensions.northamptonshire.gov.uk>

Detailed HR and Payroll guides are also available from <http://www.lgpsregs.gov.uk>