

Pension Bulletin No. 26

End of Year Return— Cambridgeshire & Northamptonshire Pension Fund

February 2014

Key Points:

- The year end requirements for each Fund are unchanged from last year; please ensure you comply with the guidance below for your Fund.
- Cambridgeshire Fund Employers who do not provide a monthly individual breakdown of contributions are required to submit an end of year employee contribution return.
- Northamptonshire Fund Employers are required to submit a number of returns relating to end of year, namely an end of year employee contribution return, a reconciliation of contributions paid and a payroll report, these reports must reconcile prior to submission.
- The deadline for submission of end of year contribution return(s) is **30th April 2014**. This deadline is critical as 2013/14 is a valuation year for the LGPS.
- Note the new year end data requirements from 2014/15 will be issued in due course.

Further Detail:

This document details the end of year reporting requirements for the 2013/2014 financial year in respect of the contributions paid to:

- Cambridgeshire Local Government Pension Fund
- Northamptonshire Local Government Pension Fund

The deadline for the return of the 2013/2014 year end data is **30th April 2014**.

Please ensure all data is correct and reconciled prior to submission.

End of Year Employee Contribution Return

The Pensions Service requires an end of year return from all employers of both Funds, with the exception of Cambridgeshire small employers who provide individual contribution information on a month-by-month basis. The format of the end year return is unchanged from last year.

The attached Excel file (Contributions Pro-Forma 13-14) contains data items that should enable the Pensions Service to efficiently process end of year contribution returns without the need to refer all apparent anomalies back to the employer.

The file includes an Employer contact details tab, a worksheet containing sample data and a “clean” worksheet for your completion. The specification contains comments against each of the data items required, including details of required data formatting. Please hold your mouse pointer over each heading to view the relevant comment.

Northamptonshire Fund employers should also verify that the total amount of employee contributions paid matches that of the figure you are reporting in the PEN22 reconciliation prior to submission.

Please ensure the contact details and contributions data sheets are completed in full prior to submission. Common errors on previous submissions from employers include:

- Failing to provide average hours where current pensionable hours are variable.
- Failing to provide accurate contractual weeks information where less than 52 per year.
- Failing to provide a legitimate employee contribution rate (i.e. rates quoted should be on the tiered contribution scale).
- Failing to provide correct full time equivalent pensionable pay.

Reconciliation of contributions paid 2013/14 (PEN22)

The PEN22 spreadsheet, attached, provides a reconciliation of the contributions that your authority has paid to the Northamptonshire Pension Fund during the course of 2013/2014 against what is reported from the year end file produced by your payroll system. This return must reconcile with the end of year employee return and your payroll report prior to submission.

The first section of the spreadsheet asks you to detail the employee and employer contributions paid. You should use the PEN18s you have submitted to complete this section.

The second part of the spreadsheet asks you to use your year end payroll report to detail the total pensionable pay for all pay bandings. This information is then used to calculate the actual employee contributions due for each banding for the 2012/2013 year. In the grey cells of the third section of the spreadsheet please use your year end spreadsheet to enter the totals actually deducted for each of the pay bandings. If any variances are produced please investigate, resolve or provide an explanation for before returning the spreadsheet to the Pensions Service.

The fourth section of the spreadsheet generates the employer contributions due based on the pensionable pay total from your year end report. Again, any variances between the year end report and what has been paid during the course of the year must be investigated and resolved before submission of the document.

Please remember to populate the spreadsheet with the employer contribution rate for your authority for the 2013/2014 year.

End of Year Payroll Report

Northamptonshire Fund employers are also required to submit a copy of the payroll report that details the total contributions that each employee has paid during the course of the financial year. This report also needs to include the employer contributions that have been paid for each employee. It is an audit requirement that the year end payroll report matches that data supplied on the PEN22 and employee contribution return.

LGPS 2014 year end requirements

The LGPS 2014 is introducing challenging new data requirements for fund employers. We will be communicating the revised data specifications in due course. In the meanwhile please see our website for information on the changes being introduced by the new look LGPS.

Action:

- Review the end of year contribution return specification and contact the Pensions Service should you need clarification.
- Ensure you can obtain the required data items from your payroll/HR system.
- Ensure your returns reconcile prior to submission.
- Submit your final end of year return in the specified format by the **30th April 2014** deadline.
- Be prepared to respond to urgent queries regarding individual members

following the submission of the end of year return.

- Please return the relevant documents by **30th April 2014** to;

Cambridgeshire Fund Employers and Northamptonshire Fund Employers:
PenEmployers@northamptonshire.gov.uk

- We suggest that you password protect your data and ask us to contact you for the password.

From April 2014

We are currently producing a new Pen18 (monthly contribution notification) to be used from April 2014. We will send this along with instructions before the end of March 2014.

Pensions Service Contacts:

Employers Team: PenEmployers@northamptonshire.gov.uk

Mark McAuliffe, Employer Services, Pensions Officer
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01604 366535

Website:

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

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