

2020 Pensions Bulletin

Bulletin 7: Year End Guidance – Tips for Employers

I have compiled a list of tips and information relating to the LGPS year end which I hope you will find useful.

When submitting your year end data, please ensure that:

- All three documents are submitted (Year End Return Spreadsheet, Year End Certification Document and Year End Contributions Balancing Sheet)
- Only one line of data is submitted per member, even if the person has multiple posts with your employer. The only exceptions to this rule are Returning Officers and Clerks to the Governors, who should have a separate line of data per post.
- Figures do not include £ or % signs and are formatted to 2 decimal places.
- The total of the contributions on the Year End Return Spreadsheet matches the totals on the Year End Contributions Balancing Sheet.
- Date Joined Employer: This field is only necessary when the scheme member has joined during the last financial year.
- CARE Dates From/To: Although typically the dates to be entered here would be 1st April and 31st March, please ensure that for anyone that started or left during the last financial year that the correct period is quoted. For example, entering 1st April as the CARE Date From when the member joined on 20th May would cause an error when submitting your return to the pensions system.
- The Final Pay is an annualised full time figure, and therefore usually no lower than £12,000. Past returns have included a pay figure that seemed to reflect a part year amount. The Final Pay figure should show what somebody would have earned if they had worked full time, all year.
(There are of course exceptions, such as in the case of apprentices where a lower than normal rate of pay will be correct)
This figure can be blank if the member has left the LGPS during the year.

In addition, it is usually the case that employers will have questions and issues around the calculation of CARE pay and in particular, when to include Assumed Pensionable Pay. **Given that the CARE pay is used to calculate the value of your scheme member's pension benefits it is vital that this is calculated correctly**, so I feel it is worthwhile revisiting this topic.

Please find alongside this bulletin an information sheet designed to help you in this area.

For more information on Assumed Pensionable Pay including some example calculations, please see the link below to our website and the section Completing the pension scheme leavers form (ePen3) which includes a section on APP. Alternatively, feel free to contact us.

<https://www.leicestershire.gov.uk/jobs-and-volunteering/working-for-the-council/local-government-pensions/advice-for-employers/completing-the-pension-scheme-leavers-form-epen3>

Finally, remember that since 2017 the Year End return includes columns as a result of legislative changes that require employers to provide details of employee contributions figures, split between main scheme and 50:50 scheme contributions and also pre and post 2014 additional contributions.

As mentioned in Pensions Bulletin 4 dated March 30th, the deadline for the submission of year end data is 30th April 2020. If you are unable to do this you must contact me immediately via pensionsyearend@leics.gov.uk and confirm when you will provide it.

Should you have any queries regarding this bulletin, do not hesitate to contact Stuart Wells stuart.wells@leics.gov.uk for further information.

Regards.

Ian Howe
Pension Manager