

LOCAL GOVERNMENT 2020 Pensions Bulletin



Issue 12
1st September 2020

McCloud/Sargeant Judgement Update

Important Notice to all Employers

Further to Bulletin 8, dated 20th April 2020, I wanted to update you on the latest position regarding the McCloud/Sargeant Judgement. A public consultation on the proposed remedy is now underway and lasts until 8th October 2020.

However, regardless of the outcome of the consultation, I must advise you that in order to be able to comply with the judgement it will once again become a requirement for all pension fund employers to make arrangements to provide details of any hours changes made by scheme members since 1st April 2014, initially up to 31st March 2022. **This will apply to any leavers since 1st April 2014 as well as active scheme members.**

A breakdown of how the missing hours will be collected is detailed below.

In addition to the provision of hours changes, employers will also need to provide details of unpaid service breaks that have occurred between 1st April 2014 and 31st March 2022. I would request that you only provide details of breaks where the period in question is for 30 days or more. Should we need more detailed information on service breaks, these will be requested on a case by case basis. Nationally agreed templates have been provided, along with accompanying notes and related documentation, for completion by employers to provide data in respect of any changes in hours and details of breaks in service during the period 1st April 2014 to 31st March 2020. **This must be sent securely through Egress to pensionsdata@leics.gov.uk by 31st March 2021.**

Year end requirements for 2020/21 will include a further hours report, detailing changes of hours from 1st April 2020 to 31st March 2021. In addition, a further report of service breaks in respect of the same period will also be required. As before, these reports would also need to include details of any leavers.

Further information regarding the collection of data for the period 1st April 2021 to 31st March 2022 will be supplied following the end of the consultation period.

It will be vital for employers to begin to consider now what will need to be done to meet these requirements. It will also be important to consider how the data will be obtained in the event that you have changed payroll providers during the period in question.

Note that if your organisation is paid via East Midlands Shared Services (EMSS), **do not contact them at this time**; they are aware of these requirements and are actively working on a solution. Please direct any questions that you may have to Stuart Wells (stuart.wells@leics.gov.uk or 0116 305 6944) or Dean Campbell (dean.campbell@leics.gov.uk or 0116 305 5862).

Regards, Ian Howe – Pensions Manager