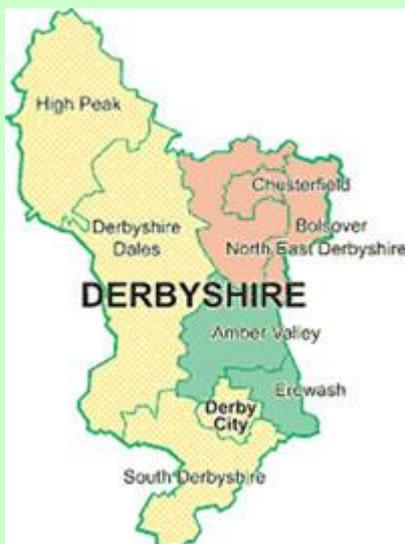


DERBYSHIRE PENSION FUND



Employer Newsletter

Issue Number 151

Date February 2017

1. Employer Consultation
2. Year End Reminder

EMPLOYER CONSULTATION- PROPOSED NEW FUNDING AND INVESTMENT STRATEGY STATEMENTS



All Scheme Employers were sent an email on 9 February which invited comments on the Fund's proposed new Funding and Investment Strategy Statements.

If you would like to respond, please send your comments to us by 28 February.

The links below will take you to the consultation pages:

[Proposed Funding Strategy Statement](#)

[Proposed Investment Strategy Statement](#)

Year End Reminder

APRIL
19
DEADLINE

Please ensure that the data you provide on the year end spreadsheet is reconciled to the CR1 forms for the period. If we find that the data does not match, the form will be returned to you for amendment.

The Year End Return email was sent to you on 6 February. It included the template and guidance notes. Please read the guidance notes which were

sent with the message. If you have queries, please contact us as soon as possible:

rachel.james@derbyshire.gov.uk

(01629 539250)

joseph.woodhouse@derbyshire.gov.uk

(01629 539247)

The deadline of 19 April must be met in order to give sufficient time to load data to each member's pension record and resolve any queries with employers before Annual Benefit Statements can be issued.

Copies of the Year End email message and the Guidance notes are included below.

Copy of Year End email message

2016-2017 Year End Return

Accurate year-end information is fundamental to enabling the Pension Fund to issue Annual Benefit Statements to scheme members. It is, therefore, important that employers submit correct details.

The Pension Regulator (TPR) monitors the Pension Fund's issuing of Annual Benefit Statements by a statutory deadline and failure of employers in providing accurate and up to date information that leads to breaches of statutory regulations may result in the Fund having to report the breaches to TPR, with potential fines or charges being passed on to employers.

Deadline: The final deadline for completion and return of your Year-End Return for 2016/17 is 19th April 2017.

Template: The template for your 2016/17 Year-End Return submission to Derbyshire Pension Fund.

You will note that the template has two tabs:

- Contact Details
- Year-end employer's data

Please ensure that both are fully completed before submitting your Return.

The employer's data section provides a description of the information required beneath each column heading.

Guidance Notes: Further guidance notes about completing your Year-End Return which you should read and understand before starting work on completing the Return are attached to this message.

It is important that you understand how to complete the Return. This will help to reduce the amount of queries which are returned to employers.

Should you have any queries after reading the guidance notes, please contact

Rachel James rachel.james@derbyshire.gov.uk (01629 539250) or

Joe Woodhouse joseph.woodhouse@derbyshire.gov.uk (01629 539247)

Submitting Your Return: When you submit your Year-End Return in to us please ensure your Employer name is in the subject of the email and send it to Pensionstech@derbyshire.gov.uk

Ensure the completed template is password protected. We will contact you for the password upon receipt.

If you have a secure email address please send to GCSXPenTech@derbyshire.gcsx.gov.uk

If sending from a secure email you do not need to password protect the spreadsheet.

Derbyshire County Council Payroll Users: Employers who use Derbyshire County Council's payroll service will not have to complete the Year-End Return as the data will be extracted directly from payroll records on your behalf.

Change of Payroll Provider: If you changed payroll providers during 2016-2017, you will need to liaise with your providers to gather the necessary information to enable you to provide a complete set of figures for the full year.

Deadline: Because of the short timescales, please ensure that you have plans in place to submit your Year-End Return accurately and by the deadline date. This will help us to assist you by resolving any issues you may have as early as possible.

Guidance Notes for Recording Contributions and Pensionable Pay on the Year-end spreadsheet 2016/17

The information required relates to year end contributions and pensionable pay for the period 01/04/2016 to 31/03/2017. Please ensure you complete the attached spreadsheet and not an earlier version. The spreadsheet has been updated and previous versions will not be accepted.

The data provided on the spreadsheet should be reconciled to the actual pensionable pay (CARE Main Section and 50/50 section) and total contributions (member and employer) that have been paid over and are shown on the CR1 forms. **Please note if this does not reconcile your spreadsheet cannot be actioned until the issue has been resolved and it will be returned to you for amendment.**

It is essential that Starter (S1), Leaver (L1) and Change (C1/C2) forms are always sent to the Pension Fund at the earliest opportunity during the year. This helps to ensure that our records reconcile and the number of queries we send to you will reduce at year-end. If you have any outstanding forms that have not been sent, please ensure that these are provided as soon as possible.

TIMESCALES

In order to ensure we meet timescales for the Derbyshire Pension Fund issuing Annual Benefit Statements this spreadsheet must be sent to the Pension Fund no later than 19th April 2017. However if this can be sent to us any earlier then please do so.

The deadline of 19 April 2017 is critical for the following reasons:

- To provide sufficient time for the Pension Section to load data to each member's pension record and resolve any queries with employers (if required).
- To load and check data used in the production of Annual Benefit Statements.
- The Scheme Regulations allow Scheme Managers to recover costs from employers as a result of poor performance. The LGPS now falls under scrutiny from The Pensions Regulator (TPR) and the Pension Fund could be fined for breaches in data quality and poor governance. **Any such fines or any extra administration costs incurred by the Pension Fund which are directly as a result of an employer's poor performance may be passed on to the employer within the terms of the LGPS regulations 2013.**
- The pension fund is valued every 3 years resulting in a reassessment of the employer's contribution and deficit amount. It is therefore essential that accurate information is

provided by employers as discrepancies could directly impact the contribution rate you pay.

There is a description underneath each column heading to help identify the information required. This will minimise the number of queries which the Pension Fund returns to the employer. Please ensure you fully understand the data required in each column before completing the spreadsheet. If you have any queries, please contact Rachel James 01629 539250 or Joe Woodhouse 01629 539247.

It is important that you enter all the information in the fields provided and retain the structure and format of the spreadsheet. Please leave any columns that are not relevant to your organisation blank and do not delete.

Please ensure pay information is provided as follows:

Pre 2014 Pensionable Pay

- The full time equivalent (FTE) pensionable salary at 31/03/2017 (2008 regs) (column S) is required for the calculation of the members pension benefits for pre 2014 membership (this should be reduced for a term time employee for the number of days or weeks contracted to work) and should not include any additional payments. If the member has been on protected pay please ensure the FTE rate of this protection is stated. Please ensure this figure is not left blank. If a member has been on reduced pay due to sickness, injury or family leave please provide the FTE pensionable pay they would have received had they been in work. If there are any employees in receipt of the living wage please incorporate the appropriate amount into their full time equivalent pensionable salary.
- Please provide any pensionable payments (column T) made in addition to the FTE salary on which contributions have been paid for the year ending 31/03/2017 in the column headed "Additional Payments/Allowances for Period 01/04/2016 to 31/03/2017 (2008 regs)". Please **do not** include the actual FTE annual salary in this column and ensure only allowances that would have been pensionable for the calculation of pre 2014 pensionable pay are included. Payments that should **not** be included in this column are: Non-Contractual overtime, additional hours, payments made in respect of accrued annual leave or any elements in respect of protected pay.

Please **do not** enter negative pensionable payments in the year end spreadsheet. If there are any such instances these must be resolved prior to submitting the file.

- Where employees have left the scheme during the year please enter the full time equivalent pensionable salary as at date of leaving.

Actual Pensionable Pay (CARE)

- Please provide Actual Pensionable Pay from 01/04/2016 to 31/03/2017 (column O and/or Q if applicable). If member has been on sickness, injury or family related leave with reduced or no pay please ensure you include the amount of Assumed Pensionable Pay in this figure and include the relevant details in columns AJ and AK.
- Please note the CARE pensionable pay provided will be used to calculate each member's pension benefits for the period 01/04/2016 to 31/03/2017. CARE benefits are built up each Scheme year and it is essential that this information is accurate.
- If an employee is paying an Additional Pension Contract for lost pay due to authorised unpaid absence do not include this amount of lost actual pay but ensure you include the APC contributions in the appropriate column.

Full guidance on pay related data, including Assumed Pensionable Pay, is available in the LGA's [Payroll Guide](#)

Employer Contributions: This must include all employer contributions including those related to Assumed Pensionable Pay as a result of sickness / injury or family related leave.

If any of the conditions below apply, please add an explanation in the notes column.

Sickness, Injury or Family-related leave

- If a member is on family leave please provide the dates and unpaid period if applicable. Please ensure that a P44 Maternity/Adoption form has been completed and sent to the Pension Section in cases where there is unpaid leave.
- If a member is on long term absence due to sickness or injury please inform us if the contributions have been reduced due to half pay / no pay. **Casual** It is essential that all scheme members are listed on the year-end return whether they have paid contributions during the year or not. Therefore, if a member is casual but has not worked in the period 01/04/2016 to 31/03/2017 please enter 'not worked' and ensure all columns are populated where applicable (including Full Time Equivalent Salary) **Term Time indicator** If the member is employed on a "Term time" basis enter applicable weeks/payment days at 31/03/2017 and ensure the Full Time Equivalent Salary in column 'S' has been reduced accordingly. **Increase / Decrease to FTE Salary** If a members Full Time Equivalent Salary has changed as a result of regrading, restructure or single status please state the reason in this column. **Protected Pay Indicator** Please indicate if member is in receipt of protected pay. **Change of Post** If the member changes post and the pay has changed we will need an entry on the year-end for each post. Please identify these cases with an indicator in column AP and ensure the dates for each post are shown in columns K and L

When sending the spreadsheet, please ensure your Employer name is in the subject of the email and send it to:

Pensionstech@derbyshire.gov.uk and ensure the spreadsheet is password protected. We will contact you for the password on receipt of the spreadsheet.

However if you have a **secure** email address please send to GCSXPenTech@derbyshire.gcsx.gov.uk . If sending from a secure email you do not need to password protect the spreadsheet.

We would welcome your feedback about the Employer Newsletter. If you have any comments, or would like to see something in particular in a future edition, please contact: denise.wragg2@derbyshire.gov.uk

If you have any queries about the information provided in this Newsletter, or about the LGPS in general, please contact us at:

Pensions Section
Derbyshire County Council
County Hall
Matlock
Derbyshire
DE4 3AH

pensions@derbyshire.gov.uk

01629 538900

www.derbyshire.gov.uk/pensions