

We hope you find it informative, as always we welcome any feedback you may have.

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**Customer Service Excellence 2018**



In April 2018, the Hampshire Pension Fund had its first year (full) assessment for Customer Service Excellence (CSE). We are pleased to advise that we have been assessed as fully compliant in all areas required under CSE and have also been awarded compliance plus in 5 areas.

## Pensions Administration for West Sussex County Council

West Sussex County Council have taken a decision to move their pension administration service provision from Capita to Hampshire County Council with effect from March 2019.

This decision will build on the existing partnership arrangements in place with West Sussex, for whom Hampshire already provide an Internal Audit Service, and will also add an additional partner to Hampshire's existing partnership arrangements for pensions administration, which already includes Hampshire Constabulary and Hampshire Fire and Rescue Service.

The same processes and service standards will be delivered for West Sussex as for Hampshire, ensuring efficient and effective administration is achieved for all members and employers. Pensions Services will ensure the appropriate staffing levels are in place to meet the increased workload and to maintain the existing agreed service standards in line with the administration strategy.

## Employer Policy and Funding Strategy Statement- Changes

Following a recent consultation changes to the Employer Policy and Funding Strategy Statement were approved by the Pension Fund Panel and Board in April 2018.

The Employer Policy documents the way in which employer changes are dealt with by the Fund, with particular focus on outsourcing and the creation of new organisations.

We keep this policy under review to ensure that it remains relevant for employers in the fund and have recently made

some draft amendments relating to the treatment of wholly owned companies, as well as the funding targets for admitted bodies. Some minor changes were also made to the Funding Strategy Statement.

Relevant Links

[Employer Policy](#)

[Funding Strategy Statement](#)

The purpose of the changes is to ensure that if an employer sets up a wholly owned company, they continue to pay for their pension liabilities and there is no impact on any other employer from their decision. It is not intended to restrict the ability of employers to structure their organisations but is necessary to continue to ensure the fair treatment of all employers in the fund. A table showing the intended outcomes from the policy is also attached for information, though this isn't an exhaustive list of the possible scenarios and any employer who is considering setting up a company should

contact Pensions at the earliest opportunity to understand the pension implications for their own organisation.

## Annual returns 2017/18

**The deadline for the completed and signed annual returns was 30 April 2018.**

By this date we received 79% of all returns (compared to 67% last year). Thank you to all employers who sent these on time.

**If you are yet to send your annual return** and have not already been in touch with us, please send us your return or urgently contact us by email at [eoy.pensions@hants.gov.uk](mailto:eoy.pensions@hants.gov.uk)

Please note we can only accept annual returns signed off from scheme employers and cannot accept this directly from any payroll providers.

We are now checking and uploading more than 300 scheme employers annual returns which we need to complete by mid July in order to generate annual benefit statements and meet the statutory deadline for these to be available by 31 August 2018.

**If we do raise any queries with you** following the processing of your annual return, please respond promptly in order for us to finalise and issues annual benefit statements to all of your employees who are members of the scheme.

## GDPR – Memorandum of Understanding

We are currently working on the changes required to be fully compliant with the requirements of GDPR. Part of this work includes a memorandum of understanding for employers in the LGPS. The document will set out that participating employers in the LGPS are able to share data with the LGPS administering authority without a data sharing agreement being in place. This is on the basis that both the employer and the administering authority are data controllers.

Once this document is available we will share it with all employers in the Hampshire Pension Fund.

## Scheme regulation changes

On 19 April 2018 the LGPS (Amendment) Regulations 2018 [SI2018/493] were laid. The new regulations come into force from 14<sup>th</sup> May 2018, but a number of provisions (largely those correcting wording to ensure the regulations deliver as intended) are backdated to 1<sup>st</sup> April 2014.

You can access a copy of the amendment regulations here  
<http://www.legislation.gov.uk/uksi/2018/493/contents/made>

Further guidance has also now been issued by the LGA and can be accessed here:  
<http://lgpslibrary.org/assets/bulletins/2018/171.pdf>

### Summary of the key changes and actions required

We have summarised below the key changes and the impact to you as a Scheme Employer, although you should note that there are a number of other amendments that have been made to clarify regulations and confirm the policy intention.

1. **Payment of surplus to an exiting employer** (when an employer's last active member leaves the scheme) – this will apply to exiting employers after 14<sup>th</sup> May 2018
  - Scheme employers who have their own side agreements following the creation of an admission agreement, whereby pension costs are recharged back from a contractor to the Scheme employer may wish to review these to reflect any requirement for the contractor to pass back any pension credit payment back to themselves.
  - HPF will shortly be reviewing our Employer Policy and Funding Strategy Statement to reflect this change and the timescales for an exit credit to be refunded back to the exiting employer
  -
2. **The calculation of Assumed Pensionable Pay (APP)**
  - The regulations now allow that where APP is lower than the pay the member would receive if they were at work, the employer can substitute a higher figure.
  - HPF are currently reviewing our website and Employer Manual to reflect this change

**3. Members who left the scheme before 2014 may be able to access their pension from age 55 without their previous employers consent.**

**New!**

<p><b>Left before 1 April 1998</b></p> <p>If you left or opted out of the scheme before 1 April 1998 you can now choose to take your pension reduced at age 55 <b>only</b>. This is providing that you are no longer in any other LGPS employment, if you are still in LGPS employment then this 'one chance' option for early access will instead be at the point at which your employment ends.</p> <p>There is no longer an option to take a reduced pension at age 60.</p> <p>If you do not take your pension early, this has to be taken at your normal pension age, and cannot be deferred past 65.</p>	1998
<p><b>Left between 1 April 1998 and 31 March 2014</b></p> <p>If you left or opted out of the scheme between 1 April 1998 and 31 March 2014 your normal pension age is 65. You can choose to receive your pension early at any point between 55 and 65. You can defer claiming your pension up until the age of 75.</p>	2014
<p><b>Left after 1 April 2014</b></p> <p>If you left or opted out of the scheme after 1 April 2014 your normal pension age is the later of 65 or your state pension age. You can choose to receive your pension early at any point between 55 and state pension age. You can defer claiming your pension up until the age of 75.</p>	Present

- Scheme employers should review their discretions policy if they wish to exercise the following new discretion
  - Scheme employers, may in respect of deferred members who choose to voluntarily draw their benefits on or after age 55 and prior to age 60, choose to:
    - 'switch on' the 85 year rule in full
    - Waive on the grounds of compassion any reduction for early payment

If there is a strain on the fund, a payment will be required of the Scheme Employer  
\*\*Where no revised discretions policy is in place, the Fund will take the default approach that the Scheme Employer does not exercise this discretion.

Revised discretions policies should be emailed to [servdev.pensions@hants.gov.uk](mailto:servdev.pensions@hants.gov.uk)

- HPF will be reviewing our documentation and discretions information held on our website

## Hampshire Pensions – Employer website

We are currently reviewing the layout and content of the ‘Employer area’ of our website, we will use your feedback to make the website easier to use and add any information which is missing.

We value the opinion of all our employers in the Hampshire Pension Fund; we would like to hear what you think, please complete the survey below.

<https://www.surveymonkey.co.uk/r/TLNDNCR>



Please also see below the link to our website

<http://www3.hants.gov.uk/pensions/lgps/employer-pension-homepage.htm>

Username & Password: Employer I

Thank you in advance for your time, it is greatly appreciated.

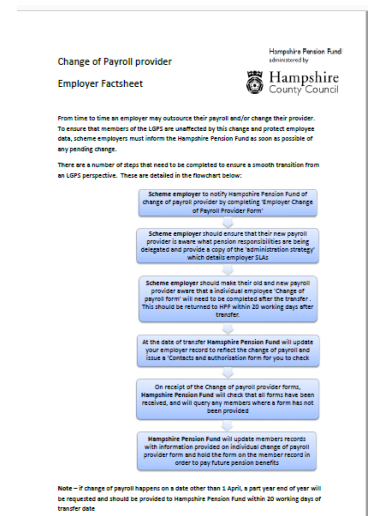
## Change of Payroll and other legal changes

### Change of Payroll

Please let us know if you have or are planning on changing your payroll provider by emailing [servdev.pensions@hants.gov.uk](mailto:servdev.pensions@hants.gov.uk), we will then let you know what actions we need to take to ensure members are not affected by this change.

### Other legal changes

If you are making any legal changes to your organisation e.g. mergers, name changes, transfers please let us know, so we can advise if there will be any LGPS impacts or requirements.



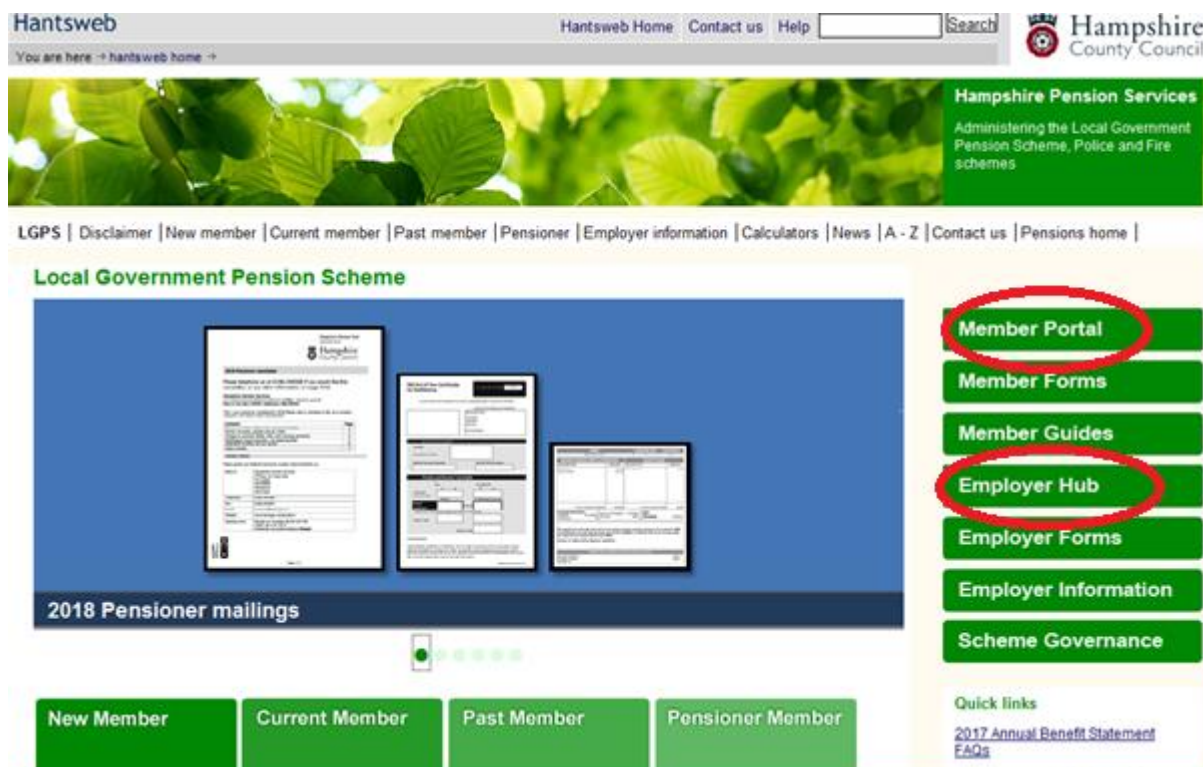
## Changes to Member and Employer self-service

### Change of name

We have recently made some changes to our Local Government Pension Scheme homepage as below – ‘Member Self Service’ is now known as ‘Member Portal’ and ‘Employer Web’ is now known as ‘Employer Hub’.

Following feedback from Employers, using ‘Employer Hub’ will make it easier for you to distinguish between our website and a link to our UPM system.

We are currently working on amending all outgoing communications to update the wording.



The screenshot shows the Hampshire Pension Services website. The header includes 'Hantsweb' and 'Hampshire County Council'. The main navigation bar contains links for 'New member', 'Current member', 'Past member', 'Pensioner', 'Employer information', 'Calculators', 'News', 'A - Z', 'Contact us', and 'Pensions home'. The main content area features a 'Local Government Pension Scheme' section with a '2018 Pensioner mailings' banner. On the right side, there is a vertical menu of green buttons: 'Member Portal', 'Member Forms', 'Member Guides', 'Employer Hub', 'Employer Forms', 'Employer Information', and 'Scheme Governance'. The 'Member Portal' and 'Employer Hub' buttons are circled in red. Below the main content area, there are four green buttons for 'New Member', 'Current Member', 'Past Member', and 'Pensioner Member'. A 'Quick links' section at the bottom right includes links for '2017 Annual Benefit Statement' and 'FAQs'.

### New member self-service platform

We are currently looking at moving to a new platform for ‘Member Portal’ users, which will allow greater functionality and better user experience – this is still in the early stages of planning and more information will follow.

In the meantime, please encourage any of your employees who have not 'upgraded' their online account using their activation code to do so. This will ensure that they do not need to start the registration process again when we transfer to the new platform.

If you would like a report of which employees have registered to do your own internal promotion, please email [pensions.system.team@hants.gov.uk](mailto:pensions.system.team@hants.gov.uk)

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## Employer Focus Group

There will be an **Employer Focus Group on 21 June 2018**. The focus of this meeting will be Member Portal.

As above, we are moving to a new version of Member Portal (previously known as Member web) as we know it was implemented in 2015, with very little functionality for members but did allow them to view annual benefit statements.

The Focus Group will be an opportunity for employers to see what the new web could look like and to be able to feed into the project.

We would welcome a wide range of employers who wish to come to this meeting; however spaces are limited and will be done on a first come first services basis.

Please email [servdev.pensions@hants.gov.uk](mailto:servdev.pensions@hants.gov.uk) as soon as possible to register your interest.

## Dispute Resolution Signposting

The Pensions Advisory Service's (**TPAS**) dispute resolution function has moved to The Pensions Ombudsman (**TPO**). The transfer was effective from 19 March 2018.

Customers will be able to access all pension dispute resolution, previously handled by two services, whether pre or post IDR at TPO.



Any documentation or publications in connection to complaints or IDRs should be reviewed to reflect this change. In the LGAs bulletin 170 a TPO's signposting template was made available and can be found on the link below:

<http://lgpsregs.org/bulletinsetc/bulletins.php>

## Other news

### DCLG bulletins

Since the last Pensions Matters the DCLG have released the following bulletins on their website

<http://www.lgpsregs.org/index.php/resources/news-updates>

#### Bulletin 166 – January 2018

- DCLG now MHCLG
- Insolvency regime for further education and sixth form colleges: technical consultation – closes 12 Feb 2018
- Elmes v Essex – High court
- Consultation outcome on indexation and equalisation of GMP in public service pension schemes

#### Bulletin 167 – February 2018

- Contribution bands
- High Court Judgement – Elmes v Essex
- New pensions online HMRC service
- Pensions Indexation and CARE revaluation
- PAS move to the Pensions Ombudsman

#### Bulletin 168 – March 2018

- Freedom and Choice AVC guide

#### Bulletin 169 – March 2018

- Annual updates

#### Bulletin 170 – April 2018

- The LGPS (Amendment) Regs 2018

- DWP – New State pension – updated guidance
- The Pensions Ombudsman - Signposting

Bulletin 171 – May 2018

- Guidance and details on 'The LGPS (Amendment) Regs 2018

## Dates for your diary

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### Annual Employer Meeting (AEM)

The AEM will take place on Friday **12<sup>th</sup> October 2018**. Please update your diaries accordingly. Held in Winchester (Invites sent to high level contacts, although open to all Scheme Employer representatives)

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### Employer training days 2018

If you are new to the LGPS, either as a new employer in the scheme or if you have recently taken on a role that involves LGPS administration for the first time, this is an ideal opportunity to come along to a session aimed at helping you understand some of the complexities of the employer role in the LGPS. The sessions could also be used as a refresher for existing staff.

Following feedback from employers, we will now run the day in two halves, covering the following:

- 22<sup>nd</sup> June 2018 – 9.30 to 4.30pm (**Fully booked**)

Morning – LGPS overview 9.30 – 12.30

Afternoon – Pensionable pay workshop 1.30 – 4.30

- 28<sup>th</sup> September 2018 – 9.30 to 4.30pm

Morning – LGPS overview 9.30 – 12.30

Afternoon – Pensionable pay workshop 1.30 – 4.30

- 30<sup>th</sup> November 2018 – 9.30 to 4.30pm

Morning – LGPS overview 9.30 – 12.30

Afternoon – Pensionable pay workshop 1.30 – 4.30

If you would like to register your interest or book a place on the full or partial day, please email [servdev.pensions@hants.gov.uk](mailto:servdev.pensions@hants.gov.uk)

All sessions are held in Winchester.

**We hope you find this edition of *Pensions matters* helpful. If you have any comments or queries please email [servdev.pensions@hants.gov.uk](mailto:servdev.pensions@hants.gov.uk) and we'll be glad to help.**