

Hampshire Pension Fund employers' newsletter

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

Valuation 2

Annual Benefit Statements 2

Member Self Service - Update..... 3

Annual returns – Data cleanse..... 3

Employer performance 4

Late payment of contributions 4

Hampshire Pension Fund – Employer Manual 5

Scheme employer – outsourcings - reminder..... 5

Employer contacts, authorisations and change of payroll..... 6

Opt out forms..... 6

Auto enrolment..... 7

Consultation on salary sacrifice..... 7

Other news 7

DCLG bulletins7

Dates for your diary 8

Employer training days 20178

Annual Employer Meeting (AEM).....8

Valuation

As you will be aware this year is a valuation for the Hampshire Pension Fund.

The outcomes of the valuation will be shared by the fund actuary, AON Hewitt at this year's Annual Employer Meeting (AEM) which is due to take place on Friday 21st October 2016. Invites to this have been sent to the high level contact we have for your organisation.

The aim is to write to all employers with their individual results and details of employer contributions by end January 2017.

Employer estimates/strain charges

Please be aware that any employer estimate with a retirement date after 1 April 2017 containing a strain charge, may be subject to change depending on the outcome of the Fund valuation. We will send a stop press when any changes to the factors are available and updated on the system.

Annual Benefit Statements

Both deferred and active benefit statements were run before 31st August 2016 and are available to members to view online.

Members need to register for a member web account and will receive an activation code to fully activate their account and view documentation and pension details.

Between December and April we wrote to active members to let them know what they needed to do and now also provide details within the Statutory Notification issued to new starters. Members can find out more details of registering by visiting our webpages:

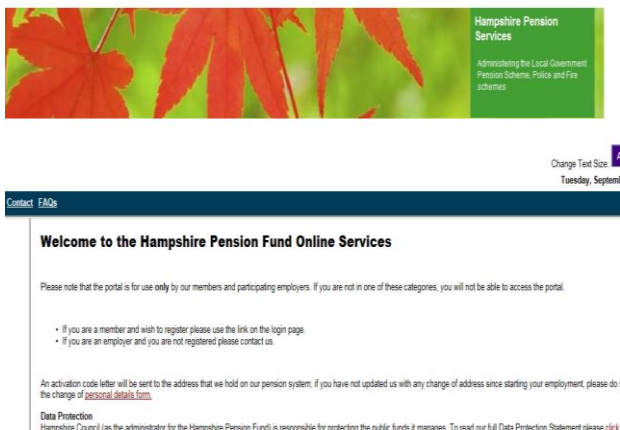
<http://www3.hants.gov.uk/pensions/lgps/member-self-service.htm>

Member online opt outs – For members who have opted out of member online services a paper statement has been sent (for deferred members this is to their home address, for active members this is to their employer to distribute). If a member hasn't opted out but wishes to, they need to put a request in writing (should be signed and dated) and sent to the Hampshire Pension Fund.

No annual benefit statement available – there are a number of reasons why an active member has no annual benefit statement on their account to view, this could be because:

- they joined the scheme after 31st March 2016, the first statement for these members will not be available until 2017
- we have an outstanding query with their employer on the annual return information that we received

Member Self Service - Update



We currently have approximately 18,000 deferred and active members registered for Member Self Service.

If you would like a report of which employees have registered to do your own internal promotion, please email

pensions.systems@hants.gov.uk

Annual returns – Data cleanse

We still have a large number of queries outstanding following this years annual returns. It is important that all queries are resolved promptly to ensure member's pension benefits are not affected.

Following on from this we are doing a further data cleanse of member records to ensure that all active members pre 31st March 2015 and/or 31st March 2016 have CARE benefits posted. We will issue any queries we do have to employers regardless of whether an employer outsources their payroll. It is an employer's responsibility to ensure that these are resolved quickly.

If you have any concerns or require any help with any of these please email:

finance.pensions@hants.gov.uk

Employer performance

As set out in the Administration Strategy, employers are responsible for providing information to Pensions Services within the agreed timescales. The Pensions Regulator also now has an active role in the governance and administration of the Local Government Pension Scheme and we are required to report any material breaches to the Regulator. Receiving late information from an employer can lead to a material breach in our ability to be able to provide statutory information to our members.

At the last Annual Employer Meeting on 23 October 2015 it was explained how we will report employer performance to the Pensions Funding Panel and Board, starting from 01 January 2016.

The key reporting areas are:

- Death of an active member
- Active members retiring
- Active members leaving the LGPS

We will be writing to any employers who breach the expected timescales on any cases processed during each quarter. The Pension Fund Panel and Board will need to understand what actions you are taking to address any issues with late submission of information to the Fund. Any employer receiving an email with information about late cases will be asked to provide a short summary that can be included with the report to the Pensions Fund Panel and Board on how you are addressing issues to ensure receipt of timely information going forward.

Late payment of contributions

This is just a reminder that fund employers are responsible for making payment of pension contributions to Pensions Services by the statutory deadline – the payment has to be received in the account by 22nd of the month following deduction (19th of the month for cheque payments). AVC contributions should be made directly to the relevant AVC provider within the same timescales.

As with Employer Performance, with the increased role of the Pensions Regulator and the expectation that breaches of the regulations are reported, we will be reporting late payment of contributions to the Pension Fund Panel and Board and this will also be recorded in the 2016/17 Pension Fund accounts.

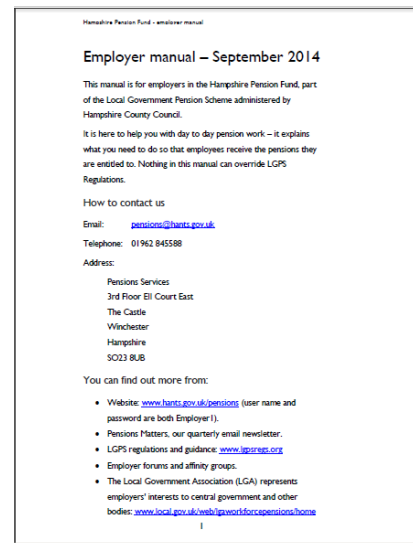
We currently make no interest charges for late payment, however we will start to do this from 1st January 2017.

Hampshire Pension Fund – Employer Manual

We are in the process of undertaking a review of our current employer manual and would like to make this both accessible and useful to all of our employers.

We would love to hear what you think and would be pleased to hear of any further improvements we could make

[Employer Manual Feedback](#)



Scheme employer – outsourcings - reminder

If you are currently undertaking any outsourcings which effect employees who are eligible to be in the LGPS scheme can we please ask you to let us know by emailing servdev.pensions@hants.gov.uk

In most instances employees cannot automatically continue in the LGPS – in order to do this and protect employee’s pension provision when TUPE’ing, the outsourcing employer must ask for the new contractor to be admitted to the scheme. When we receive any details of possible outsourcings, we will advise on the information needed and potential costs for arranging this.

More information and factsheets can be found on our website:



Employer contacts, authorisations and change of payroll

We can only receive information and release information to those named on the contacts and authorisation form in the areas that they are named as being able to deal with.

Please keep us up to date with any changes to ensure there are no delays in processing. Please let us know by emailing servdev.pensions@hants.gov.uk

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, we will then let you know what actions we need to take to ensure members are not affected by this change.

Opt out forms

Local Government Pension Scheme
Opt out form

Hampshire Pension Fund
admin@hants.gov.uk
Hampshire County Council

If you want to opt out of pension saving, please read all the information on this form and complete the declaration overleaf. This form should be sent to your employer.

Personal information

First name: _____
Surname: _____
NI number: _____ Pay number: _____
Name of employer: _____

Important information about opting out of the LGPS

- The government has introduced new laws designed to help people save for their retirement. It requires all employers to enrol their workers into a workplace pension scheme if they are not already in one. This is known as automatic enrolment.
- Although you can opt out of the Local Government Pension Scheme (LGPS) at any point after you start work, under automatic enrolment your employer may have to put you back into the pension scheme and start deducting contributions again.
- Your employer must tell you if they enrol you into the LGPS.
- If you become a member but you do not want to be, you will need to opt out by completing another opt out form, even if you have only recently done so.
- Usually your employer would put you back into the LGPS in about 3 years time, but because of the way the new laws work, it could be much sooner so it is important to read, and act on if necessary, any information that your employer gives you.

What happens when you opt out

- You must return the completed form to your employer who will then stop deducting contributions from the next available payroll (or later if you have chosen a future opt out date).
- If you opt out of the LGPS within 3 months of joining, and you have not transferred or provided services, your employer will refund your contributions through your pay.
- If you opt out of the LGPS between 3 months and 2 years of joining, and you have not transferred or provided services, the Hampshire Pension Fund will write to you providing you with the option of a refund of contributions or transfer to another approved pension scheme.
- If you opt out of the LGPS on or after 11 April 2015 with deferred benefits (and do not have a contracted employment in which you are still a member of LGPS) you will no longer have the right if you subsequently re-join the scheme, to combine those deferred benefits with any future period of membership in the LGPS.

We just wanted to send another reminder that employers **must** not be giving members opt-out forms as to do so would be a breach of legislation and Pensions Regulator requirements. Employers should instead direct the employee to our website where members are able to print a form. If this is not possible they should contact the Pension Fund and we will post a copy of the form to them. Employees should then complete and send you their completed form. Employers must not give this out with starter information.

Auto enrolment

Reminder to employers to contact the Pensions Regulator

Employers should contact The Pensions Regulator if they have any questions about auto enrolment, as this is out of the remit of the LGPS and Hampshire Pension Fund. The LGPS is a qualifying scheme for auto enrolment purposes and details of the scheme that you may need to provide the regulator can be found on [our website](#).

You can find out your staging date online, by visiting [The Pensions Regulator website](#)

Consultation on salary sacrifice

There is currently a government consultation on limiting the range of employee benefits-in-kind that attract Income Tax and National Insurance Contributions advantages when provided as part of salary sacrifice arrangements.

The consultation closes on 19th October 2016.

<https://www.gov.uk/government/consultations/salary-sacrifice-for-the-provision-of-benefits-in-kind>

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 146 – June 2016

- Contracted-Out Pension Equivalent (COPE)
- Pension tracing
- Annual and Lifetime allowance updated factsheets

Bulletin 147 – July 2016

- Update of exit payment reforms
- Salary sacrifice SCAVCs
- LGA full employees' guide updated to reflect changes to early retirement factors

Bulletin 148 – August 2016

- LGPC Secretariat consultation responses
- Investment Pooling Q&As
- HMRC – Consultation – salary sacrifice for provision of benefits-in-kin

Dates for your diary

Employer training days 2017

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.

All sessions are held in Winchester.

- 27th January 2017 - 9.30 to 3.30pm

If you would like to register your interest in any of the training days, please email servdev.pensions@hants.gov.uk

Annual Employer Meeting (AEM)

Held in Winchester – 21st October 2016 (Invites sent to high level contacts)

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