

Employers' Newsletter

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

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Administration update from Hampshire Pensions

A growing administration service

London Borough of Hillingdon and Westminster City Council have taken a decision to move their pension administration service provision to Hampshire County Council with effect of September and November 2021, respectively.

We will have the same processes and service standards for all partners, including West Sussex, ensuring efficient and effective administration is achieved for all members and employers.

For context, this will increase the membership administered by Hampshire Pensions by approximately 16%. Pension 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.

Hampshire Pension Phone Lines

Since the lockdown in March 2020, we have had a recorded message on our phone lines to advise we were only taking urgent member calls. This was to ensure that we were able to help the most vulnerable members including those that do not have access to the internet.

Over the last nine months we have implemented a new phone system and provided further support and training to our call centre team to enable us to move back to the previous service provision we offered.

From **Monday 21st June 2021**, we have removed the recorded message and opened up the line to all members with the aim to answer 90% of queries we receive over the phones first time. Where enquiries need to be escalated to another team we will take a phone message with a call back given within one working day – this is the same standard pre-covid.

Annual returns 2020/21

The deadline for the completed and signed annual returns was **30 April 2021**.

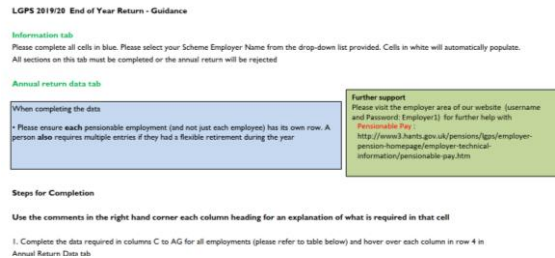
By this date we received 85% of all returns (compared to 80% last year). Thank you to all Employers who sent these on time.

We have uploaded and sent queries to all Employers where a return has been reconciled and are continuing to work through query responses from Employers.

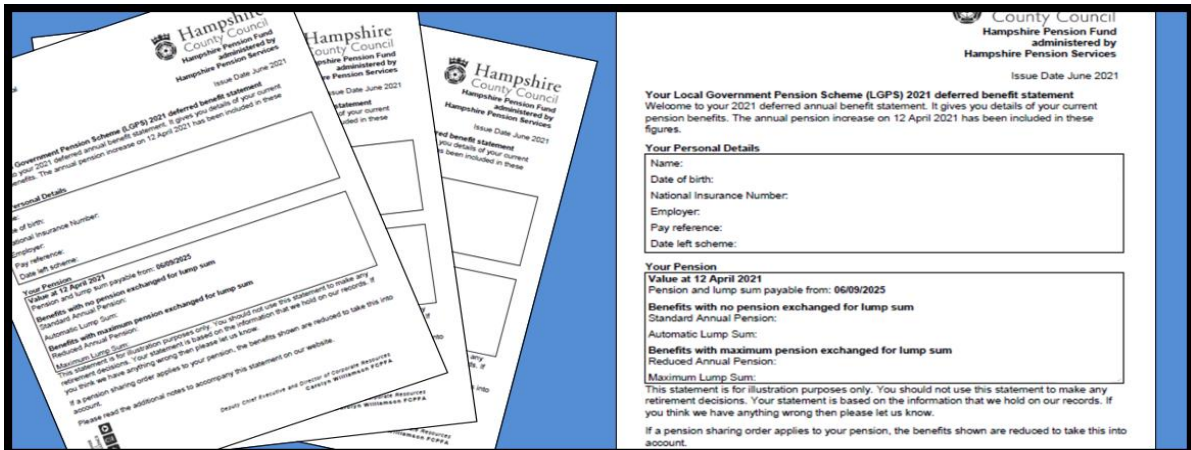
We are also pleased to advise that the level of queries we have needed to raise with Scheme Employers on membership data/notifications has decreased this year to 1,368 (compared to 2,583 in 2020 and 7,254 in 2019).

If we have raised any queries with you that remain outstanding, please respond urgently in order for us to finalise and issue Annual Benefit Statements to all of your employees who are members of the scheme. The statutory deadline for publication of Annual Benefit Statements is 31 August. If this is missed the Fund will need to consider the materiality of any breach.

As part of our annual process, during September we will be reviewing and issuing letters to Scheme Employers to advise on Employer Performance following this year's Annual Return exercise. Although we will be looking to work with all Employers where concerns are raised, our primary focus will be to work with Employers where insufficient improvements have been made over the last 2-3 years and/or historic queries remain outstanding.



Annual Benefit Statement Update



Deferred Annual Benefit Statements have now been published on the Member Portal account, with email communications sent to members by 6th July 2021 where email addresses are held.

Active Annual Benefit Statements are currently being produced and will be available on Member Portal accounts before 31st August 2021. We will provide a separate communication to Employers to advise when these are available, along with some suggested communications that you can use to promote these to your staff.

Annual Allowance queries

We have started to work through those members who may be effected by Annual Allowance limits in the tax year ending 5 April 2021.

To ensure that we are able to provide Pension Savings Statements to members by the statutory deadline in early October, it is important that Scheme Employers (and payroll providers) respond promptly to any queries that are raised.

McCloud Data Collection

We have now received approximately 2/3rds of scheme employer McCloud Data Collection returns that **were due on 31st March 2021** (for the period 1st April 2014 to 31st March 2020).

Thank you also to those Employers who have also provided the McCloud Data Collection templates for the period 1st April 2020 to 31st March 2021. The **deadline** for this was set as **30th June 2020**.

Action:

Outstanding McCloud Data Collection templates should be sent to pensions.eoy@hants.gov.uk

If you are experiencing delays in getting the data to us, or the data no longer exists, please get in touch with us urgently if you haven't already done so – please email pensions.eoy@hants.gov.uk

Hampshire Pension Services – Next steps

We are currently still testing the upload facility into our Pensions system and once signed off we are eager to start uploading data. In the meantime, we are:

- Phoning Employers who we have not had any data or contact from in relation to McCloud
- Carrying out initial checks of the data templates received to check formatting and full completion. Queries are currently being sent back to Employers and resubmission requested where needed.

50:50 and Main Scheme Notifications – Reminder

When a member moves to either the 50:50 section of the scheme or back to the main section (either through election or re-enrolment) it is important that you let us know about this change.

You can do this in a number of ways:

- Provide a copy of the 50:50/Main Section member election form (with the Employer section completed)
- Complete an amendment form (this is available on the Employer Hub)

Please ensure that no new starter notifications (including bulk starters) are provided for this change.

If you have any questions or concerns about this, please email pensions.employer@hants.gov.uk

Member's Opting Out of the Scheme- reminder

We wanted to take this opportunity to remind Scheme Employers that since July 2012, they have not been allowed to take any action to encourage, persuade or induce a member to:

- Opt out of the scheme or
- Opt out in order to transfer their benefits to a Defined Contribution Scheme

**The Pensions Regulator can fine Scheme Employers who contravene the above law
(fine of up to £50,000)**

Opt out forms

Employers must let Hampshire Pension Services know if a member has opted out of the scheme. If you send us a copy of the opt out form to advise of this, **it is important that the 'Employer section'** of this form is completed before sending this to us. We are currently needing to return a large number of these back to Scheme Employers/Payroll providers as we have no confirmation of the date the opt out was effective from and if under 3 months, whether this has been refunded through payroll.

****New** bulk opt out under 3 months Form**

We will also be shortly adding a new form to the Employer area of the Hampshire Pension Services website to allow you to tell us about opt outs under 3 months in a spreadsheet form, rather than provide copies of individual opt out forms, which you must still retain for your own records.

If you have any questions about this, please email pensions.employer@hants.gov.uk

Member Portal



Register to view your pension details and future annual benefit statements online.

Login to Portal

Find out more

Reminder of Member Portal functionality:

- ✓ Add or amend an 'expression of wish' for payment of a death grant
- ✓ Change address, name, marital status
- ✓ Securely view Annual Benefit Statements
- ✓ Securely view Pension Saving Statements
- ✓ Run or request a retirement estimate
- ✓ Complete a Membership Option Form
- ✓ Complete a Retirement Declaration Form
- ✓ Securely view Statutory Starter Notification
- ✓ Securely view retirement and deferment letters
- ✓ Securely view P60's (pensioners only)
- ✓ Update bank details (pensioners only)
- ✓ View tax code changes (pensioners only)

Improving user experience of 'Forgotten details'

We continue to look for ways to improve members experience when logging in.

We have already improved some of the messaging on the Portal to support members when logging in. However, we continue to keep this under review and are currently working on the following improvements:

- Messaging to prompt members to 'type' temporary password, security answers received, rather than copy and paste (to ensure blank spaces aren't carried forward)
- A prompt for members when logging in using a temporary security answer to immediately change this
- Amending the way we shut down inactive member Portal processes, which if left active can cause issues when the member attempts to reset their password/security answer

Planned Member Portal Developments

- ✓ Ability to upload documents such as birth/marriage certificates and passports (currently these need to be emailed separately to us)
- ✓ Dynamic Homepage – when a member logs in, they will have notifications on the Portal to remind them to check/update details and to let them know about any new documents.

As always, if you do have any feedback from members of their experience or suggestions to improve the existing functionality then please email with examples to pensions.employer@hants.gov.uk

Employer Hub – Online Services

Over the last 6 months we have been rolling out our Employer online Service ‘Employer Hub’ to all Scheme Employers.

To support in this, we have offered demos of the Employer Hub, where take up has been excellent. If you missed out on one of these sessions and would like to know more, please email pensions.employer@hants.gov.uk



The Employer Hub enables employers to:

- ✓ View member pension records
- ✓ Submit new starters forms
- ✓ Submit leaver forms
- ✓ Submit changes
- ✓ Run Estimates (additional access will need to be granted)
- ✓ Run basic reports

As previously advised, in August 2021, we will be removing any ‘online’ versions of our Starters and Leaver forms which is currently accessed through our webpages. Instead, we will be asking Employers who use these forms, to complete these via the Employer Hub. If you currently use Word versions of the forms for mail-merges – you can continue to do this.

Planned Developments

As we continue to embed the existing functionality of the Employer Hub, the following are planned developments over the next 3 to 12 months:

- ✓ Upload document facility
- ✓ Bulk starter upload facility
- ✓ Implementation of automation (changes made to a record are instant such as update to payroll number)
- ✓ Annual return upload facility
- ✓ Employer work tray

We are looking for ways to move most interactions with Employers/Payroll providers via the Employer Hub, which will enable more secure ways of sending data and better oversight for all.

Employer training bitesize sessions



Hampshire Pensions currently run a number of virtual bitesize training sessions for Employers on various areas of the LGPS to help them with their administration and regulatory responsibilities. Each session is between 45 minutes and two hours long.

The next available sessions are detailed below:

Employers in the LGPS, Starters and Opt Outs	16 th September 2021	9.30am to 10.30am
Leavers and Retirements, including Starter, Leaver and Estimate Forms	16 th September 2021	11.00am to 12.30pm
Pensionable Pay Workshop	16 th September 2021	2pm to 4pm
APC's, Absences, paying in more, Paying in less – 50:50	29 th September 2021	11am to 12pm
Organisational changes (Outsourcing, Mergers, Change of Payroll)	29 th September 2021	2pm to 3pm
Discretions and disputes	29 th September 2021	3.15pm to 4pm

To reserve a space or to ask more please email pensions.employer@hants.gov.uk

Employer Focus Group

Currently Hampshire Pension Services lead on running 2 Employer Focus Groups a year.

The purpose to primarily help us create and improve communications including the online service offering, feedback to help with administration policy setting and review of documents for both members and employers. We have had some great feedback in the past, which we use to form part of our considerations before implementing changes. Our next Employer Focus Group is detailed below:

Date: Monday 26th July 2021

Time: 10am to 12pm

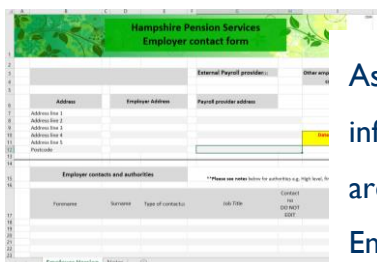
Location: Microsoft Teams, a separate invite will be sent so you can join

Agenda:

- Update on visuals and planned changes on the Hampshire Pension Services website
- Review of the Employer area of the Hampshire Pensions Website
 - Feedback and suggestions
- Review of Employer communications including Pensions Matters and Stop Presses
 - Ensuring these work for Employers

If you are interested in participating, please email pensions.employer@hants.gov.uk

Contact Forms and Updates



The image shows a spreadsheet titled "Hampshire Pension Services Employer contact form". It contains several sections: "External Payroll providers..." with columns for "Address", "Employer Address", and "Payroll provider address"; "Other emp..."; "Employer contacts and authorisation" with columns for "Person", "Surname", "Type of contact", "JOB TITLE", and "Contact NO. (DO NOT USE)"; and "Employer Version" with a "Notes" column.

As always, we just want to remind you that we can only accept 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 for you as a Scheme Employer.

Please keep us up to date with any changes by emailing pensions.employer@hants.gov.uk and we will send you a copy of your Contact Form to update.

Consultation: Cost Control and discount rate methodology

HM Treasury has published consultations on the cost control mechanism and the discount rate methodology alongside a [written ministerial statement](#).

Both consultations are available to view on the [non-scheme consultations page](#) of www.lgpsregs.org

The cost control mechanism consultation sets out HM Treasury's response to the Government Actuary's review of the mechanism. The Government proposes making three changes:

1. Moving to a reformed scheme only design: to remove any allowance for legacy schemes in the cost control mechanism, so the mechanism only considers past and future service in the reformed schemes.
2. Widening the corridor: to widen the corridor from 2% to 3% of pensionable pay.
3. Introducing an economic check: currently the mechanism does not include changes in long-term economic assumptions and therefore cannot consider the actual cost to the Government of providing the pension benefits. The Government proposes introducing an economic check so that a breach of the mechanism would only be implemented if it would still have occurred had the long-term economic assumptions been considered.
4. On page 16 of the consultation document, HM Treasury notes that further consideration will need to be given to the detailed implementation of the 'reformed scheme only design' in the LGPS, given the effects of the underpin.

The second consultation is about the methodology used to set the SCAPE discount rate. The primary use of the SCAPE discount rate is to determine the level of employer contribution rates in the unfunded public service pension schemes, but it is also used in the production of actuarial factors in the LGPS.

Both consultations last for eight weeks and close on 19 August.

MHCLG 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 206 – February 2021

- Exit payment cap disapplied.
- Draft guidance to employer flexibilities
- HMT response to McCloud Consultation
- Consultation: Implementing the increase to the minimum pension age

Bulletin 208 – March 2021

- Employer Flexibilities
- Exit payment reform.
- Video on transferring out.

Bulletin 209 – April 2021

- Prudential brand update
- LGPC respond to consultation on normal minimum pension age.

Bulletin 210 – May 2021

- Written ministerial statement on McCloud.
- DWP consultation on pension scams
- 2020 LGPS Scheme Annual Report

Dates for your diary

Employer Focus Groups

- Monday 26th July 2021

Focus Group meetings are currently being held via Microsoft Teams.

If you have any topics, you would specifically like covered, please let us know for consideration by emailing pensions.employer@hants.gov.uk

Annual Benefit Statements

Annual benefit statements will be published by the statutory deadline of 31st August 2021. A communication will be sent to Scheme Employers when this is available.

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