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Welcome

Welcome to ***Inscribe*** the quarterly newsletter for employers within the Royal County of Berkshire Pension Fund. Each edition of ***Inscribe*** contains the latest news and updates for the Local Government Pension Scheme (LGPS).

Employer Self Service (ESS) - decommissioned

You will hopefully remember seeing in earlier editions of *Inscribe* an item informing you that formal notice had been given to the Pension Fund by its software provider, Heywood Pension Technologies (HPT), that the Employer Self Service (ESS) functionality available to you all will be decommissioned on 28 February 2023.



Understandably many of you will be disappointed by this news. Please be assured HPT are developing the existing i-Connect Software functionality making it a “one-stop shop” for all scheme employer and Pension Fund interactions, with the Pension Fund working closely with HPT about the developments including the ability for scheme employers to calculate employer strain costs, that the Pension Fund knows is one of the most popular features of ESS. Other developments include:

- Contribution reconciliation reporting improvements; and
- Capturing final pay for leavers & members reaching age 65 subject to McCloud.

As soon as there is more news about any of these developments the pension team will be in touch.

In the meantime, please direct any request for an early retirement estimate that may generate an employer strain cost to the Pension Fund Help Desk – info@berkshirerpensions.org.uk – making sure to use the appropriate form **EST3** available by visiting the '[Employer forms](#)' section of our website.

Year-end 2023 timescales

In preparation for the 2023 year-end process we have provided a schedule below outlining the timeline for completion of year-end 2023.

This schedule will be found in the Scheme Employer Guidance Notes that will be e-mailed to all non i-Connect users during **w/c Monday, 7 February 2023**.

Year-end Timetable 2023	
By 28 February 2023	Pension Fund to have issued year-end file requirement to scheme employers not on-boarded to i-connect Software
31 March 2023	The end of the Scheme Year
By 30 April 2023	All year-end files to have reached the Pension Fund
During 1 April 2023 to 31 May 2023	The Pension Fund to process year-end files
During 1 April 2023 to 15 June 2023	Scheme employers to respond to year-end queries within two weeks
During 1 April 2023 to 31 July 2023	The Pension Fund to process responses from scheme employers and make Annual Benefit Statements available via 'my pension ONLINE'
During 1 August 2023 to 31 August 2023	The Pension Fund to extract LGPS member data to send to printers. Issue Annual Benefit Statements to those LGPS members who still request a paper copy.
If you have any questions regarding year-end please contact Philip Boyton on 07792 324459 or e-mail philip.boyton@rbwm.gov.uk	



P E N S I O N

Year-end process for i-Connect users

If you are a user of i-Connect you will not be required to submit a year-end return. However you may still be contacted with queries identified as part of the month 12 reconciliation process but it is anticipated the number of queries will be low in number.



i-Connect

Please upload/submit your i-Connect file as soon as possible after your March payroll has been run. This will assist us in meeting all our year-end deadlines.

Please direct your i-Connect queries to **Amy Webb-Morris, Assistant Technical Analyst - 01628 796741** or **Paul Burke, Pension Administrator - 01628 796778**

Annual employer meeting 2023

Date for the diary!

Our Berkshire Pension Fund employer meeting this year will be held on **Thursday 16 March**.

Further information and a formal invitation will be sent out to employers shortly.



New! 'my pension ONLINE' user factsheets

We have created some new factsheets providing step-by-step instructions for our online portal '**my pension ONLINE**'. The factsheets provide guidance on how to register for this service.

We have also created a guide explaining how to perform your own benefit projections.

- ['my pension ONLINE' factsheet](#)
- [How to perform your own benefit calculations](#)



Valuation 2023 - update and results

As you will be aware, pension scheme regulations require the Fund's Actuary to undertake a full valuation of the Fund's assets and liabilities every three years and to set employer contribution rates for the next valuation period.

The most recent valuation used data as at 31 March 2022 and the provisional results are now known. The funding level has risen to 86% from 78% in 2019 with the funding deficit falling from £596m to £446m. This is good news and shows that the investment strategy of the Pension Fund is working and that the secondary (deficit recovery) contributions paid by employers is having the desired effect on the funding level. In fact the deficit recovery period has been reduced by one year driven mainly by the contributions employers have made.

The provisional primary and secondary contribution rates were issued by the Fund to all employers in late 2022 and so you should be aware of the employer contribution rates you are due to pay for the period 1 April 2023 to 31 March 2026. The final valuation results will be presented to the Pension Fund Committee on 13 March 2023 and you will have the opportunity to attend our annual employer meeting on Thursday 16 March 2023 where the actuary will be present and you will have the opportunity to ask any questions that you may have.

The Pension Fund maintains a Funding Strategy Statement (FSS) the purpose of which is to explain the Fund's approach to meeting the employer's pension liabilities and in particular:

- To establish a clear and transparent Fund-specific strategy which will identify how employers' pension liabilities are best met going forward;
- To take a prudent longer-term view of funding those liabilities; and
- To support the regulatory framework to ensure the solvency of the Fund and the long-term cost efficiency of the Scheme, and where possible to maintain as nearly constant Scheme employer contribution rates as possible.

As part of the valuation process the Fund works with the actuary to review and update its FSS and once drafted the Fund will consult with all employers in order to seek their views and comments on the strategy. This consultation will run for the whole of February 2023 with the final version being taken to the Pension Fund Committee for approval on the 13 March 2023.



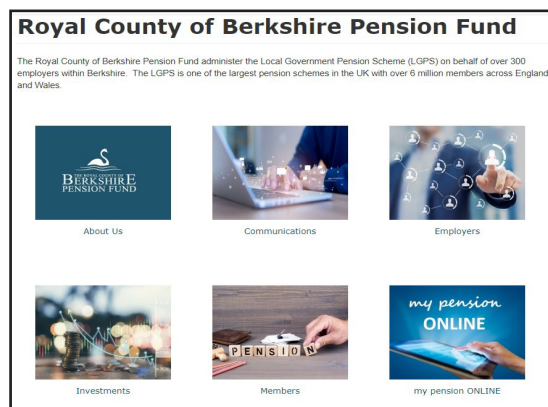
Revised web links

We have recently updated our website structure.

If you have previously saved our web page URLs as favourite please familiarise yourself with the new web sections and re-save the pages as the URL links may be different and no longer in use.

Changes include revised menu titles, and a more user-friendly navigation.

The main sections of the website are detailed below:



my pension ONLINE	Links to our online member portal
Members	Information for active, deferred, and retired members
Employers	Information dedicated to participating employers within the Berkshire Pension Fund
Investments	Section containing our Responsible Investment reports, and Transparency Dashboard
Communications	Member newsletters, Employer newsletters and news updates
Policies and Reports	Reports, statutory and non-statutory policies published by the Berkshire Pension Fund
Governance	Governance Structure of the Fund, The Pension Board and Legislation links
About Us	General information about the LGPS for non-members, and explanations of the terms used within the LGPS

Is your policy statement up to date?

Under the LGPS Regulations, Scheme employers are required to prepare, maintain and keep under review a statement of policy concerning a number of discretions made available to them throughout the Regulations. It is important that each Scheme employer takes full responsibility for ensuring that their obligations are fulfilled appropriately and in accordance with the statutory instruments laid by Parliament.

If you haven't got a policy statement we have provided a template document and accompanying guide to assist you:

- [Employer's guide to completing a statement of policy](#)
- [LGPS Regulations 2013 Employer Policy Statement - template](#)

LGPS Opt-out reminder

As you will be aware once an employee has joined the LGPS they can opt-out at anytime.

As a reminder certain safeguards were introduced by the Pensions Act 2008 prohibiting employers from discouraging members from joining or remaining in a workplace pension scheme (such as the LGPS).

If you have a member of staff who wishes to opt-out of the LGPS please refer them to the Berkshire Pension Fund directly.



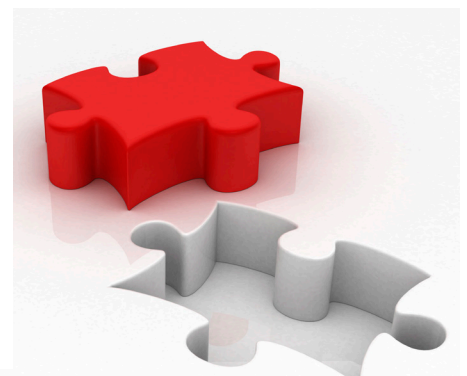
Under Pensions Regulator rules employers must not provide their staff with opt-out forms (or a link to an opt-out form). Any decision to opt-out must be taken freely by the employee.

The pension team can post or e-mail a form if required to scheme members wishing to opt-out of the LGPS.

TUPE transfers and outsourcing

If you are intending to outsource a service to an external company in the future, we request that you advise the Berkshire Pension Fund before you go out to tender.

It is important that both you and any company bidding for your service is fully aware of the pension implications, costs and responsibilities of protecting membership of the LGPS for your transferring employees. This applies to all scheme employers but in particular both academies and schools which are maintained by their Local Education Authorities as the Pension Fund is experiencing a significant increase in staff transfers from these areas, for example, catering and cleaning contracts.



If you are intending to outsource a service (or are currently in the process of outsourcing a service) and have not yet been in contact with the Pension Fund, or you have any questions relating to this topic please contact **Kevin Taylor** on **07792 324393** or e-mail: **kevin.taylor@rbwm.gov.uk**

Responsible investment update and market statement - January 2023

Dear Scheme Employers

The Royal County of Berkshire Pension Fund (the Fund) is committed to responsible investment (RI) and positive engagement, working with its specialist investment manager Local Pensions Partnership Investments Ltd (LPPI) to manage its investment portfolio. Since 2018 the Fund has been in the process of transitioning its assets into pooled investment arrangements where it is able to benefit from increased scale and resources which are enabling improved evaluation of risks and greater capacity to engage and mitigate these risks.

In previous editions we have provided employers with an update on the key positive RI activities and highlights in recent times, along with how the Fund has reacted to some of the recent geopolitical issues. In this edition, we wanted to take this opportunity to provide you with another update now that time has moved on.

- Following our investment manager's (LPPI) commitment to achieving Net Zero portfolio emissions by 2050 by signing the IIGCC (Institutional Investor Group on Climate Change) Net Zero Asset Manager Commitment (NZAMC) in November 2021, LPPI provided a client update to the Fund on the progress made against this commitment which was taken to our October 2022 Pension Fund Committee meeting. This update focussed largely on the interim target setting as required by the IIGCC within 12 months of making the formal commitment to net-zero emissions. LPPI have since prepared a roadmap and detailed plan as to how they (on our behalf) will achieve net-zero which shall be presented to the Committee in March 2023 and reported here in a later update.
- Following the approval of the Fund's RI policy in October 2022, RI quarterly reporting to the Pension Fund Committee has become more focussed, targeting the key priorities set out in the RI policy. The Fund continues to report publicly on its RI and engagement activities and outcomes each quarter, with the latest report taken to the Pension Fund Committee continuing to break down the split of Green and Brown Investment exposures in the portfolio. Brown sectors (extraction, transportation, storage, supply, and generation of energy from fossil fuels) make up just 1.69% of the portfolio. Whereas Investments in green sectors (renewable energy generation, clean technology, and decarbonising activities) make up 4.69% of the portfolio. The green exposures significantly outweigh the brown demonstrating the Fund's "net" green investment exposure. The December 2022 RI report continued to report on practical engagement, outlining many of the Fund's positive stakeholder engagement activities across the investment portfolio. Each quarter, we aim to further improve upon the report content, informing the reader of the positive progress the Fund is making in its continuous RI journey.

Responsible investment update and market statement - *January 2023* contd...

- The Department for Levelling Up, Housing and Communities published a 12-week consultation from 1 September to 24 November 2022 in order to seek views on proposals to require Local Government Pension Scheme (LGPS) administering authorities in England and Wales to assess, manage and report on climate-related risks, in line with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). The Fund prepared and submitted a detailed response to this consultation setting out our views on how this might be implemented in practice. This exercise really enabled us to understand what the TCFD requirements might look like and offer our thoughts on how we can best manage and implement it in line with our existing RI policy and practices.

As we reported to you in earlier editions RI, ESG and the Fund's response to climate change remain high up on the agenda and effectively underpin all investment decisions. This is far from a tick box exercise and is continuously being monitored, adapted, and improved in conjunction with industry best practice. All policies, statements and reports referred to above can be found on the Fund's website <https://berkshirepensions.org.uk> along with supporting policies available on LPPI's website <https://www.localpensionspartnership.org.uk/Investment-management/Responsible-investment>

Please do not hesitate to get in touch with us if you have any questions on any of the matters raised in this newsletter.

Damien Pantling

Damien Pantling CPFA
Head of Pension Fund

Cost of living crisis FAQs

The Local Government Association (LGA) have added a series of frequently asked questions on the cost of living crisis to the LGPS member website. The FAQs cover:

- **Where can I find help with money troubles?**
- **Can I reduce or stop my pension contributions?**
- **Could pension scams increase?**
- **Is there any help for pensioners on lower incomes?**

You can access these on the 'Frequently Asked Questions' page of www.lgpsmember.org

The 50/50 option...The LGPS offers a 50/50 option for members to pay half the normal pension contributions to receive half the normal pension build up. This provides an option for members to remain in the scheme and receive full life cover and ill-health retirement cover whilst paying a lower contribution to help with day-to-day spending. It is possible to opt back into the Main section of the scheme at any time when affordable.

Members can find out more about paying less by visiting the [50/50 section](#) of our website and downloading our [50/50 Section factsheet and election form](#).

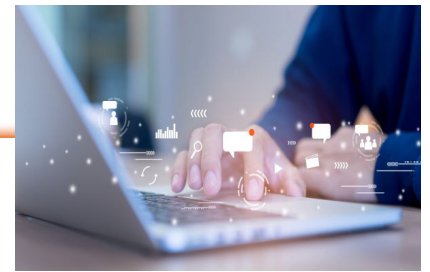
Please note - employers continue to pay their full employer contribution rate for members in the 50/50 section.

Example - MAIN section versus 50/50 section
Based on an annual salary of £20,000.

Scheme Section	MAIN Section	50/50 Section
Percentage contribution per month	5.8%	2.9%
Monthly contribution deduction	£96.67	£48.33
Pension build-up rate	1/49 th	1/98 th
Annual pension build up	£408.16	£204.08
Death in service grant	£60,000	£60,000



How can we help you?



Did you know the pension team can provide a range of information sessions for you and your scheme members?

• **Scheme Member Presentations**

Information for your staff on the benefits of LGPS membership.

- **General topics covered include:**
- **Understanding your pension**
- **Life Cover**
- **Retirement options**
- **Increasing and decreasing monthly contributions**
- **Examples of pension calculations**

• **Pension Surgeries**

We can arrange a pension surgery to take place on a particular date and your staff members can request an appointment either via Microsoft Teams or over the telephone.

We offer 20 minute appointments slots and all discussions are conducted in complete confidence.

• **Employer Training**

Training on all areas of LGPS pension administration for HR and Payroll Officers. Topics covered during employer training include:

- **New starters**
- **Leavers**
- **Final salary calculations**
- **Retirement**
- **Completion of standard forms**

• **Individual pension support**

We provide individual pension support for your Scheme members if they have any questions about their Berkshire pension. Members can contact us to arrange a one to one meeting over Microsoft Teams or over the telephone. The pension team are unable to give advice but we can assist with pension queries and help your staff understand their LGPS pension.

• **Staff benefit events**

If you are holding staff benefit/well-being events for your staff, representatives from the pension team can attend to be on hand to help with LGPS pension questions.

Member presentations and employer training sessions can be tailored to your requirements. If you would be interested in arranging any of the above pension sessions please contact **Joanne Benstead** on **01628 796 754** or e-mail **communications@berkshirerpensions.org.uk**

Please note any support provided by the Berkshire Pension Fund for you and your staff is completely free of charge.

LGPS employer bite-size training

The LGPS Regs website makes it easier for Scheme employers to access information and resources that are relevant to the administration of the LGPS.

A bite-sized training section of the LGPS Regs website is available for LGPS employers and has recently been updated with a Final Pay training module:

<https://www.lgpsregs.org/onlinetraining/finalpay/index.html#/>

A training module focussing on Assumed Pensionable Pay (APP) is also available for employers:

<https://www.lgpsregs.org/onlinetraining/assumed-pensionable-pay/#/>

Further guides and documents for LGPS Employers can be found via the link below:

<https://www.lgpsregs.org/employer-resources/index.php>

Other training opportunities:

There are a series of '**Employer Role**' Training courses being run by the LGA in 2023.

Details of these dates were sent to employers on 10 January. If you would like to book onto one of the courses please follow the link below. 'Employer Role' training courses are aimed at staff working for scheme employers who have responsibilities under the Local Government Pension Scheme (LGPS).

<https://www.lgpsregs.org/employer-resources/other-employer-training.php>

Are you using the correct pension forms?

Our employer forms are regularly updated to assist employers when notifying the pension team of member data - i.e starter, leaver forms and estimate requests. Please ensure you are completing the most up to date versions of our employer forms.

2022/2023 employer forms can be found on our website by following the link below:

<https://www.berkshirerpensions.org.uk/bpf/employers/employer-forms>

If you are an i-Connect user you will also see i-connect versions of the **EST3 Estimate request form** and **LGS15C - Withdrawal from Scheme form**.

Promotional material for your employees

We have a range of promotional material about the LGPS which you are welcome to use and distribute to your employees:

- **LGPS factsheet**: A factsheet highlighting the benefits of being a member of the LGPS. Also contains links to our 'my pension ONLINE' online platform and external pension/finance websites.
- A4 posters: **A series of A4 posters** are available for you to use within your organisation to promote the LGPS to your employees. There are three posters in the series:
 - * ***my pension ONLINE***
 - * ***Boost your LGPS pension***
 - * ***Benefits of the LGPS***
- **LGPS videos**: The LGA have made a series of bite-sized videos aimed at Scheme members - "***pensions made simple***". Each video is less than 4 minutes long and provides a short summary around a specific LGPS topic.
- **Member factsheets and forms**: electronic copies of our factsheets and forms covering all aspects of the LGPS. Paper copies of all the factsheets and forms are also available by contacting the pension team.



A look ahead ...

- **LGPS pensions increase rate - *to be confirmed***

The rate of Pensions Increase is linked to the Consumer Prices Index (CPI) and is calculated in line with the CPI index based on the 12 months to September.

The CARE pension built up each Scheme year is revalued in line with CPI from 1 April. As the September 2022 CPI rate was 10.1%, it is expected that pension accounts will be revalued from 1 April 2023 by 10.1%. However until the actual percentage rate of Pensions Increase is confirmed by The Chief Secretary to the Treasury we can only estimate at this stage. Confirmation is usually received late February or early March. As soon as official confirmation is received we will notify employers and Scheme members.

- **Change of 'Normal Minimum Pension Age'**

The normal minimum pension age (NMPA) will increase from **55** to **57** in April 2028.

NMPA is the earliest age from which members can take their LGPS pension (unless the member is retiring on ill-health grounds).

We will keep you updated of these changes in future editions of *Inscribe*.



Useful contacts

Please find detailed below some further links to external websites containing information relating to the LGPS.

Berkshire Pension Fund website	https://www.berkshirepensions.org.uk
Employer's Section	https://www.berkshirepensions.org.uk/bpf/employers
National LGPS website	https://www.lgpsmember.org/
LGPS Regs website	https://www.lgpsregs.org/
HR Guide	https://www.lgpslibrary.org/assets/gas/ew/HRv4.3c.pdf
Payroll Guide	https://www.lgpslibrary.org/assets/gas/ew/Pv4.3c.pdf
The Pensions Regulator	https://www.thepensionsregulator.gov.uk/
State Pension Age calculator	https://www.gov.uk/state-pension-age
State Pension information	https://www.gov.uk/check-state-pension
'my pension ONLINE'	https://www.berkshirepensions.org.uk/bpf/my-pension-online

Contact us

If you would like to discuss any items contained in this newsletter please do not hesitate to contact us:

Kevin Taylor	Pension Services Manager	07792 324393	kevin.taylor@rbwm.gov.uk
Philip Boyton	Pension Administration Manager	07792 324459	philip.boyton@rbwm.gov.uk
Sandra Rice	Deputy Pension Administration Manager	01628 796743	sandra.rice@rbwm.gov.uk
Joanne Benstead	Assistant Pensions Manager	01628 796754	joanne.benstead@rbwm.gov.uk
Amy Webb-Morris	Assistant Technical Analyst	01628 796 778	amy.webb-morris@rbwm.gov.uk

Royal County of Berkshire Pension Fund

Minster Court, 22-30 York Road, Maidenhead, Berkshire, SL6 1SF

Pensions Helpdesk: 01628 796 668

lines are open Monday to Thursday 8.30am to 5pm and Friday 8.30am to 4.30pm

E-mail: info@berkshirerpensions.org.uk

Website: www.berkshirerpensions.org.uk

