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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).

Exiting the Pension Fund - 'deferred employer status'

The LGPS, the Berkshire Pension Fund included, has a large and diverse employer base covering both public and private sector employers.

As a result, employers join and leave the scheme every year and the circumstances of employers may change significantly between valuations, affecting both The Fund and Scheme Employers.

For some employers, a significant issue can be the cost of exiting the Scheme, which can be prohibitive.

Prior to September 2020, the LGPS Regulations 2013 required an exit payment to be made when the last active member of a Fund employer left the Scheme, or an employer otherwise ceased to be an employer in the Fund, and the employer was in deficit at the time of their exit.



The introduction of 'deferred employer status' into the Regulations allows an administering authority to defer the triggering of an exit payment for a Fund employer where the administering authority deems this appropriate, having regard to actuarial advice and its policy as set out in its Funding Strategy Statement (FSS).

'Deferred employer status' means that a 'deferred employer' will continue to pay contributions to the Fund as required by the administering authority and as revised from time to time following actuarial valuations as if the employer had not actually left the Fund.

Additionally, a new alternative power of spreading an exit payment allows an administering authority to recover an employer's exit payment over a period of time. This will be used where the administering authority does not consider that granting deferred employer status is in the interests of the Fund and other employers.

The administering authority and its employers face issues created by changes in the circumstances of employers. The contribution rates of Fund employers are normally assessed and set at Fund valuations, every three years. The administering authority, working with their actuary, will consider a variety of factors in setting an employer's contribution rate during valuations. However, there may be significant changes between Fund valuations, for example due to a change in covenant strength or workforce composition following a reorganisation. The September 2020 Regulations broaden the circumstances in which the administering authority may amend an employer's contribution rate between valuations to cover the following situations:

- **where it appears likely to the administering authority that the Fund employer's liabilities have changed significantly since the previous valuation,**
- **where it appears likely to the administering authority that there has been a significant change in a Fund employer's ability to meet their statutory obligations (e.g. payment of employer contributions), or**
- **where a Fund employer has requested a review and undertaken to meet the costs of that review.**

The introduction of the new powers is intended to help the administering authority manage its liabilities, ensuring that employer contribution rates are set at an appropriate level and that exit payments are managed, with steps taken to mitigate risks, where appropriate. Whilst there is no requirement on the administering authority to use any of the new powers, the administering authority has, in line with the amendments to the LGPS Regulations 2013 as made by the 2020 Regulations, decided to update its Funding Strategy Statement (FSS) in order to adopt 'new' employer exit policies. The update to the FSS ensures consistency and transparency.

Statutory guidance on the FSS, produced by CIPFA, requires the administering authority to identify the risks that inevitably arise from managing employers including many private sector providers whose covenants may vary in strength. As set out in the CIPFA guidance, the purpose of the FSS is to document the processes by which the administering authority establishes a clear and transparent fund-specific strategy that will identify how employers' pension liabilities are best met going forward. The policies as adopted by the administering authority have been guided by this over-arching purpose.

The input of the Fund actuary is important in reviewing and setting the FSS and associated policies. Fund officers have engaged with the actuary and the Pension Fund Committee and Pension Board with an updated FSS and debt arrangement policies now being available.

The latest Funding Strategy Statement for the Berkshire Pension Fund is available to view via the link below:

<https://www.berkshirerensions.org.uk/media/1588/download>

If you have any questions about exiting the Scheme please contact **Kevin Taylor, Pension Services Manager - kevin.taylor@rbwm.gov.uk**

New MoneyHelper website goes live



The Money and Pensions Service (MaPS) has launched a single offering for consumers called MoneyHelper. This replaces the **Money Advice Service**, the **Pensions Advisory Service** and **Pension Wise** (although Pension Wise will continue as a named service under the MoneyHelper umbrella).

MoneyHelper offers a single source of information and guidance where information can easily be found in one place.

The main website address and some useful links are shown below:

MoneyHelper: <https://www.moneyhelper.org.uk/en>

Pensions and Retirement section: <https://www.moneyhelper.org.uk/en/pensions-and-retirement>

Autoenrolment information: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/auto-enrolment>

Pension Wise: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>

State Pension: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/state-pension>



Are you using our up to date forms?

Our employer forms are updated every April to reflect changes in the employee contribution bandings and the CARE years. Please ensure you are completing the most up to date versions of our employer forms.

2021/2022 employer forms can be found on our website by following the link below:

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

A full list of our updated employer forms are detailed on the next page for your convenience.

Employer forms 2021/2022

The Employer Forms section on our website contains the pension forms we require for completion at different stages of an employee's LGPS scheme membership.

All forms can be downloaded via our website at:

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

| Form | Title | Reason for Use |
|-----------------------------------|--|---|
| LGS1B | Brief Guide to the Berkshire Pension Fund | Include with new contracts of employment issued from 1 April 2021 |
| LGS10 | Application to opt-in to the LGPS | Employees wishing to opt-in to the LGPS |
| LGS10B | Application for re-entry to the MAIN Section from the 50/50 Section | Employees wishing to opt back in to the MAIN Section from the 50/50 Section. |
| LGS5050 | Application to opt-in to the 50/50 Section | Factsheet and application form for members wishing to opt-in to the 50/50 Section of the LGPS |
| LGS15A(5050) | Notification of Entry to the 50/50 Section of the LGPS | Formal notification to Berkshire Pension Fund advising of a member opting in to the 50/50 Section. |
| LGS15A | Admission to the Scheme | Formal notification to Berkshire Pension Fund advising of a member joining the LGPS |
| LGS15C | Withdrawal from the Scheme | Formal notification to Berkshire Pension Fund advising of a member opting-out, leaving or retiring from the LGPS |
| LGS15C (i-Connect) | Withdrawal from the Scheme | Withdrawal notification for users of i-Connect |
| LGS15D | Opt-out notification | Formal notification to the Berkshire Pension Fund of a member who has opted-out of the LGPS with no further entitlement to a pension. Please complete this form if the member has received a refund through payroll |
| Employer Estimate Requests | | |
| EST3 | Request for an Estimate of Pension Benefits for an active Member | Please complete this form to request an estimate of pension benefits for an active member. Employer estimate requests will be generated within 5 working days of your request. |
| EST4 | Request for an Estimate of Pension Benefits for a former Member | Please complete this form to request an estimate of pension benefits for a former member. Employer estimate requests will be generated within 5 working days of your request. |
| LGS44 | Early Retirement Costs | A factsheet for employers providing further information surrounding early retirement capital costs. |

LGS15C Withdrawal from scheme *reminder*

Due to the revocation of the exit cap regulations we have reverted back to the original style 'LGS15C Withdrawal from scheme' form.

This latest version of the LGS15C is to be used with immediate effect. The form can be found in the 'Employer forms' section of our website:

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

Employer resources

The LGPS Regs website has been updated with some changes to make it easier for Scheme employers to access information and resources that are relevant.

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

- **Employer guides and documents**

Containing guides and documents relevant to the LGPS Employers in England and Wales.

<http://www.lgpsregs.org/employer-resources/guidesetc.php>

- **LGPS Employer bite-size training**

As part of the LGPS Regs website update the LGA have launched a bite-sized training section for LGPS employers.

<http://www.lgpsregs.org/employer-resources/employer-bite-size-training.php>

There are currently six modules on Assumed Pensionable Pay (APP).

Further employer training modules will be added in the future.



New! i-Connect leaver form upload facility

There is a new feature in i-Connect, that allows all employer users to securely upload documents, electronically from i-Connect to the member's Document List in Altair.

This means that you can notify the pension team of leavers at any time and do not have to wait until your next monthly submission.



Currently you can upload documents in respect of the following scenarios:

- **Ill-health Retirement - Leaver form & ill health certificate**
- **Withdrawal From Scheme - Leaver form**
- **Opt-out (Over 3 months) - Leaver form & Opt-out form**
- **Opt-out (Under 3 months) - Opt-out form & confirmation contributions have been refunded**

i-Connect document upload *instructions:*

You can upload documents via the Member Search function in the main i-Connect navigation bar. The following document types are accepted:

| | | | | |
|-----|------|------|-----|------|
| pdf | doc | docx | rtf | odt |
| txt | tif | tiff | jpg | jpeg |
| png | heic | csv | xls | xlsx |

1. Identify the member by entering the NI Number in the Member Search box and clicking the 'Member Search' button. The search results will display the latest payroll submissions for the relevant member. Select the corresponding payroll reference and then choose '**Upload Leaver Document**' button to notify your Administering Authority of a leaver:

A screenshot of the i-Connect Member Search interface. At the top, there is a search bar with the text "Shropshire - Live - Age UK Shropshire - Age Concern PAYEXTA/R" and a "Member Search" button. Below the search bar, the results show "1 result(s) for 'YW598568C'". The results table has columns for Employer Name, Payroll Name, Payroll Reference, and Period End Date. The results row shows "Age UK Shropshire", "Age Concern PAYEXTA/R", "[3898364] [0964123]", and "31 July 2020". At the bottom of the results, there are three buttons: "Upload Active Member Documents", "Upload Leaver Documents" (which is circled in red), and "View Document History".

- A pop-up window will appear to guide you through the document upload process:

You are about to start uploading leaver documents for member **YW698556C** linked to Payroll Reference **[3898364]** **[0964123]**.

Step 1- Select Reason

Reason for Leaver

Step 2- Select Date Member Is Leaving

This is the the last date the member is employed.
Date of Leaving is mandatory and cannot be more that one year in the past or more than three months in the future

Date Of Leaving

Step 3- Add Documents

All documents must be attached to before you can proceed!

Leaver Form 07022121-Shropshire I-Connect

IRMP Report

Select a Reason for Leaver from the selector box. You will then be prompted to enter a Date of Leaving and to upload the relevant documents your administering authority have requested.

- To check on the progress of the submission, click on the 'View Document History' button within the relevant Member search result to bring up a list of all submission attempts for that Member / Payroll. Once a submission is complete, the Document Status will change to 'COMPLETE' (Both Administrating Authority and Employer users can view this):

View Document History

Complete document upload history for member **YW698556C** linked to Payroll Reference **[3898364]** **[0964123]**.

| Document | Reason for Upload | Uploaded By | Date Uploaded | Document Status |
|--|----------------------------------|-------------|---------------|-----------------|
| Additional Pension Contribution Form 001 | Additional Pension Contributions | GINNY852 | 2021-05-05 | PROCESSING |
| Leaver 1 | Leaver Reason 1 | GINNY852 | 2021-04-27 | PROCESSING |

If you would like any help with the upload process or have any queries please contact **Rachael Granger, Technical Analyst**, on 01628 796 765 or e-mail rachael.granger@rbwm.gov.uk

Year-end 2021 - update

We are in the process of finalising our year-end 2021 requirements.

Annual Benefit Statements will be available for scheme member's to view through their 'my pension ONLINE' accounts as soon as their employers Year End reconciliation has been completed.

All will be available to view by no later than 31 August 2021.

An e-mail will be sent to all employers in August to advertise the availability of the statements to view on 'my pension ONLINE'. You are welcome to then communicate this message to your staff.

'my pension ONLINE' portal:

Access to 'my pension ONLINE' can be found via the link below.

<https://mypensiononline.berkshirepensions.org.uk/>

'my pension ONLINE' enables a member to...

- securely access their pension information
- calculate future pension benefits
- update address details
- update their Expression of Wish
- View current and historic annual benefit statements
- View the latest newsletters and Pension Fund factsheets



Document upload facility available for members

Members can now upload documents to their own pension record.

Rather than sending us forms in the post or via e-mail members can upload documents securely via 'my pension ONLINE' so that they appear on the member's pension record.

This is particularly useful if members need to send us paperwork or provide us with verification of their date of birth or marital status.

The '**Document upload**' facility can be found in the 'Documents' section of the member's online account.



Pension Surgery events

In light of the current social distancing restrictions in place we do not know when we will be able to resume our face to face pension surgery events.

As an alternative we are able to offer a virtual pension surgery for your staff.

We can arrange a pension surgery to take place on a particular date (or over two days) and your staff members can request a 20 minute appointment either via Microsoft Teams or over the telephone.

If you would be interested in offering a pension surgery for your staff please contact Joanne Benstead - joanne.benstead@rbwm.org.uk

LGPS bite-sized videos

The LGA have made a series of bite-sized videos aimed at Scheme members - "**pensions made simple**". A '**Transferring your pension**' video has recently been added to the collection.

Each video is less than 4 minutes long and provides a short summary around a specific LGPS topic.

- **What is a pension?**
- **How your pension works**
- **Looking after your pension**
- **Protection for you and your family**
- **Life after work**
- **Your annual allowance**
- **Your lifetime allowance**
- **Transferring your pension**



Pensions
made
simple.

Please feel free to add the link below to your intranet sites or online communications to staff.

Click on the link below to view the videos:

<https://www.lgpsmember.org/more/Videos.php>

Online calculators

Online calculators are available to help members understand how their pension builds up and the cost of belonging to the Scheme.

The online calculators can be found on the LGPSmember website:

<https://lgpsmember.org/calculators-listing.php>



Contribution calculator - find out the monthly cost of being a member of the LGPS.

Pension account modeller - This modeller shows how a pension builds up under the CARE Scheme.

Lump sum calculator - find out how much tax-free lump sum is payable.

Additional pension calculator - Use this calculator to get a quote.

Revised HR and Payroll guides published

Revised versions of the HR and Payroll guides (version 4.2) have been published by the LGA. You can find the guides in the '**Administrator resources**' and '**Employer guides and documents**' sections of the lgpsregs website: www.lgpsregs.org

HR administrator guide

<https://www.lgpslibrary.org/assets/gas/ew/HRv4.2c.pdf>

Payroll administrator guide

<https://www.lgpslibrary.org/assets/gas/ew/Pv4.2c.pdf>



The update links have also been added to the Employer Forms section of our website:

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

Shared Cost AVCs

As reported in previous editions of *Inscribe* the AVC provider for the Berkshire Pension Fund, Prudential support the payment of Additional Voluntary Contributions (AVCs) through a salary sacrifice shared cost arrangement.

Prudential don't have a facility in place to do this directly for employers, however AVC Wise has been created by PSTAX to assist with this initiative. PSTAX are the leading tax specialists within the Public Sector.

LGPS members already benefit from tax relief on the AVC payments they make, but by establishing an AVC salary sacrifice arrangement both the employer and the employee will make a saving on the National Insurance contribution paid every month.

Further information and contact details for AVC Wise can be found on the next page.





Make valuable savings for your organisation, and your staff...

Shared Cost Additional Voluntary Contributions (Shared Cost AVCs) facilitated by experts in both Tax and the Local Government Pension Scheme (LGPS).

AVC Wise Ltd, brought to you by PSTAX, manage the employee onboarding and ongoing management of salary sacrifice Shared Cost AVC schemes for members of the LGPS.

When making contributions on a shared cost basis, you and your employees enter into a salary sacrifice arrangement, which means you both make contributions into the AVC fund held by your current provider, Prudential.

Employer savings - your organisation will enjoy National Insurance contribution (13.8%) and Apprenticeship Levy* (0.5%) savings

Employee savings - your staff benefit from National Insurance contribution savings in addition to Income Tax

Working with AVC Wise makes launching a Shared Cost AVC scheme easy:

- Complete end to end project management
- Bespoke webinars for your staff to learn more about their retirement options
- Free highly effective employee communication plan to increase take up

Save your organisation money at this crucial time.

Contact AVC Wise today for a personalised proposal of how much we could help your organisation save.

Here's an example of how much you could be saving:



£1 tax relief contribution

£199 contribution via salary sacrifice



£34,148 saved
in total per year

£341.48 saved
per employee
per year

E-mail Jonathan.Kempson@AVCWise.co.uk
Call **01252 784 546**

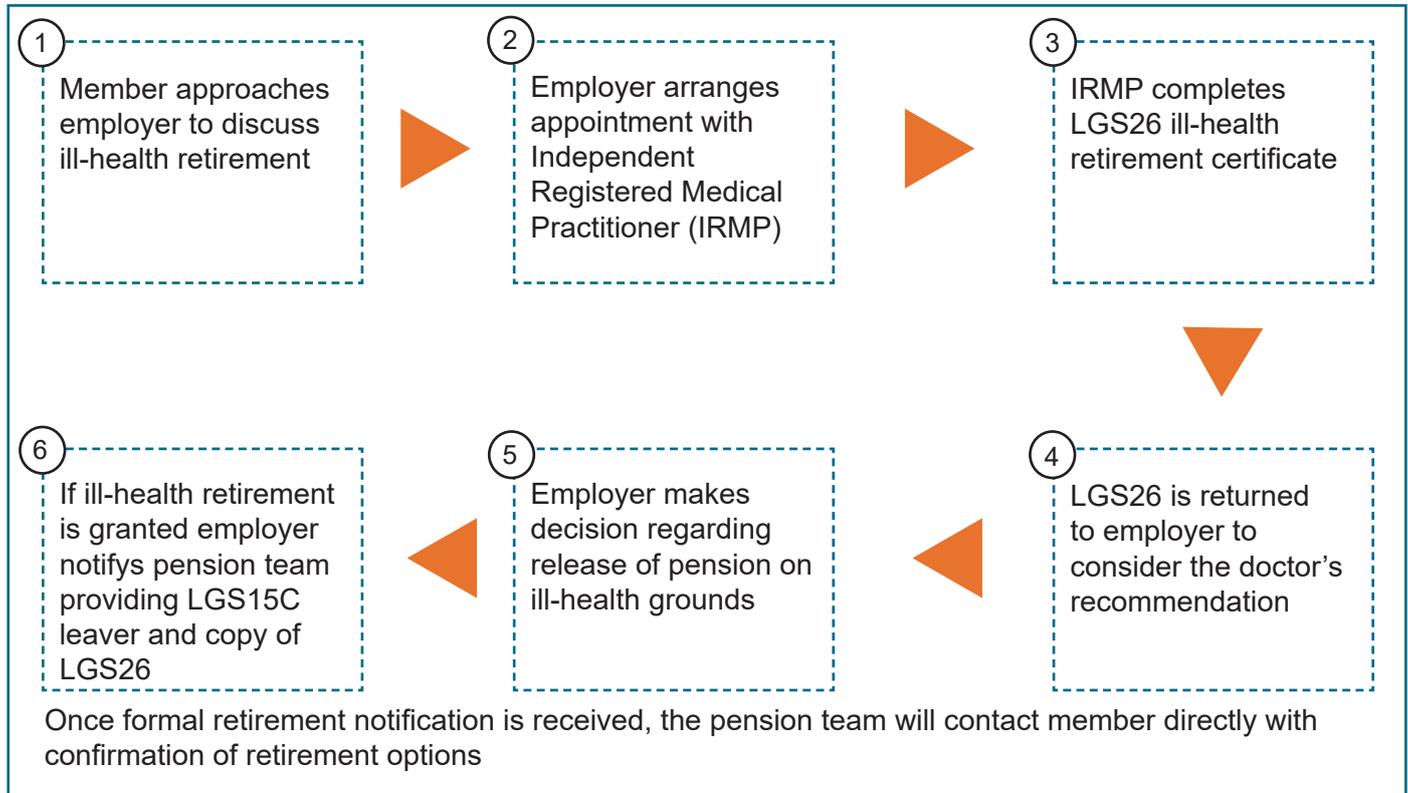
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 @AVCWise

AVC WISE

*Only applicable to employers with a payroll over £3m where the full Apprenticeship Levy fund is not used

Ill-health retirement process - reminder

As a reminder we have provided a summary of the ill-health retirement process for an active scheme member.



Ill-health retirement certificates

Please ensure you forward the correct ill-health retirement certificate to the Independent Registered Medical Practitioner (IRMP) to complete when investigating an ill-health retirement on behalf of your employee.

There are 10 different versions of the ill-health retirement certificate depending on the membership status of the individual within the LGPS.

We have listed below the certificates for your information.

LGS26 - Occupational Health Ill Health Retirement Certification for a Current (active) Employee

LGS26B - Occupational Health Ill health Retirement Certification for a Deferred Beneficiary who ceased membership as an employee on or after 1 April 2008 and before 1 April 2014

LGS26C - Occupational Health Ill health Retirement Certification for a Deferred Beneficiary who ceased membership as an employee on or after 1 April 1998 and before 1 April 2008

LGS26D - Occupational Health Ill health Retirement Certification for a Deferred Beneficiary who ceased membership as an employee before 1 April 1998

LGS26F - Occupational Health Ill health Retirement Certification for a Deferred Beneficiary who ceased membership as an employee on or after 1 April 2014

Turn to the next page for Tier 3 ill-health certificate list.

Tier 3 ill-health retirement certificates

Ill-health certificates for completion when a Tier 3 ill-health retirement is awarded.

LGS26E1 - 3rd Tier Ill Health Retirement Review Certificate for a Current 3rd Tier Pensioner where the cessation of employment occurred after 31 March 2014 – England and Wales – Review taking place 18 months after the date of cessation of employment

LGS26E2 - 3rd Tier Ill Health Retirement Review Certificate for a Suspended 3rd Tier Pensioner where the cessation of employment occurred before 1 April 2014 – England and Wales – Review taking place 3 or more years after the date of cessation of the 3rd tier pension

LGS26E3 - 3rd Tier Ill Health Retirement Review Certificate for a Suspended 3rd Tier Pensioner where the cessation of employment occurred after 31 March 2014 – England and Wales – Review taking place 3 or more years after the date of cessation of the 3rd tier pension

LGS26E4 - 3rd Tier Ill Health Retirement Review Certificate for a Suspended 3rd Tier Pensioner where the cessation of employment occurred after 31 March 2014 – England and Wales – Review taking place at the request of the member whilst the 3rd Tier pension is in payment or within 3 years after payment of the 3rd Tier pension has been discontinued

LGS26E5 - 3rd Tier Ill Health Retirement Review Certificate for a Suspended 3rd Tier Pensioner where the cessation of employment occurred before 1 April 2014 – England and Wales – Review taking place within 3 years of date of cessation of the 3rd Tier pension



All ill-health certificates are available via the Employers section of our Berkshire Pension Fund website:

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

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' Section | https://www.berkshirepensions.org.uk/bpf/employers |
| Employer Self Service facility | https://www.berkshirepensions.org.uk/bpf/employers/employer-self-service |
| National LGPS website | https://www.lgpsmember.org |
| LGPS Regs website | http://lgpsregs.org/index.php |
| HR Guide | https://www.lgpslibrary.org/assets/gas/ew/HRv4.2c.pdf |
| Payroll Guide | https://www.lgpslibrary.org/assets/gas/ew/Pv4.2c.pdf |
| The Pensions Regulator | http://www.thepensionsregulator.gov.uk/en/employers |
| 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://mypensiononline.berkshirepensions.org.uk/ |



Employer Factsheets

'*Pension Pointers*' are a series of topical factsheets exclusively designed for employers administering the Local Government Pension Scheme within Berkshire. Each factsheet contains information on a particular LGPS topic. The factsheets are available to download from our website.

| Factsheet No. | Name | What's inside? |
|---------------|-----------------|---|
| 1 | Final Pay | <ul style="list-style-type: none"> • What is Final Pay? • Protected Final Pay • How to calculate Final Pay? • Final Pay calculation examples • Notification of Final Pay • Calculating Pension based on Final Pay |
| 2 | CARE Pay | <ul style="list-style-type: none"> • What is CARE? • Pension Build Up • How does a CARE Scheme Work? • CARE Scheme Example • Completion of CARE Pay on LGS15C |
| 3 | Contributions | <ul style="list-style-type: none"> • Employee Contributions - MAIN and 50/50 Sections • Assessing the Employee Contribution Rate • Employer Contributions • Paying Contributions to the Fund • Employer Policy Statement • Additional Contributions • Employer Contributions • Opting Out |
| 4 | Pensionable Pay | <ul style="list-style-type: none"> • Pensionable Pay • Definition of Pensionable Pay • Pensionable Pay Checklist • Assumed Pensionable Pay • Ill-Health and Death in Service APP |
| 5 | Retirement | <ul style="list-style-type: none"> • Normal Retirement • Early Retirement • Flexible Retirement • Redundancy and Efficiency Retirement • Ill-health Retirement • Late Retirement • Notice periods and forms • Estimate requests |

All the above factsheets can be found on our website via the link below:

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

Contact us

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

| | | | |
|------------------------|---------------------------------------|--------------|--|
| Kevin Taylor | Pension Services Manager | 07792 324393 | kevin.taylor@rbwm.gov.uk |
| Philip Boyton | Pension Administration Manager | 01628 796752 | 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 |
| Rachael Granger | Technical Analyst | 01628 796765 | rachael.granger@rbwm.gov.uk |

Royal County of Berkshire Pension Fund

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

Helpdesk: 01628 796 668

E-mail: info@berkshirepensions.org.uk

www.berkshirepensions.org.uk



THE ROYAL COUNTY OF
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PENSION FUND