

# Pension News

Winter 2024



## An update for Employers in the Local Government Pension Scheme (LGPS)

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We are pleased to publish the latest edition of our Employers' Newsletter; keeping you informed of your responsibilities as a Local Government Pension Scheme (LGPS) employer. Inside you'll also find the latest developments in the LGPS and any changes in the services we offer.



## Holiday Operating Hours

Our working hours during the festive season are:

23 December - Normal hours

24 December - 9am to 2pm

25 & 26 December - Closed

27 December - 9am to 2pm

30 December - Normal hours

31 December - 9am to 2pm

1 January - Closed

2 January - Normal hours



# Employer Responsibilities



## Submitting pensions data to the Surrey Pension Team

Upon becoming a Scheme Employer, it becomes your responsibility to provide us (the Pension Scheme) with the appropriate and relevant information required to administer and manage the pension benefits of your employees.

Should you choose to delegate this responsibility to a third party, the responsibility remains with you as the Employer to make sure that this provision is upheld. The relationship with the Surrey Pension Fund is with the Employer and not the third party.

Therefore, we require the following information to be supplied to us on a monthly basis:

### i-Connect software users

- Submit via i-Connect portal. Depending on the size of the employer, this will either be an online return or csv file upload.
- This file will notify us of new joiners, changes in personal information, and contributions / pay information.
- It will also notify us of leavers; however, we also require a completed leaver data file to process benefits for employees.

### Leaver data files

- We **MUST** receive a leaver file each month in addition to the i-Connect submission.
  - If your payroll provider does not offer this service, you must liaise with your provider for the information required to complete these documents.
- Non i-Connect users must supply a leaver data file each month.
- The Scheme Leaver Datafile has been updated, so please use the latest version on the [forms and publications page of our employer website](#).

### Change of details (for non i-Connect users)

- If a member changes the number of hours they work, or any of their personal details such as their Surname, you must inform us by sending a [Change of Details Spreadsheet](#) so that we may update the records that we hold for them.

We would recommend that if you are unsure if your payroll provider is supplying this information on your behalf, you should contact them and confirm as soon as possible. If your payroll provider does provide you with this service, please make sure that they are up to date and sending this information to us promptly.

For information on providing data for leavers of the scheme as well as the latest leaver datafile templates, please visit [our employer website](#).

Please send completed Leaver Datafiles and Change of Details Spreadsheets to [pensions.technical@surreycc.gov.uk](mailto:pensions.technical@surreycc.gov.uk)

# Online Retirements



## New feature on the 'My Pension' Portal

As part of the Surrey Pension Team's Digital Transformation, we aim to use digital administration to improve the level of service provided to our members.

We're pleased to announce that members taking voluntary retirement over age 55 now have the option to retire online through our 'My Pension' Portal. This new feature aims to simplify the retirement process, making it faster, easier, and more convenient to access pension benefits.

The process works by setting specific tasks for members to complete online, such as providing information and choosing their retirement options.

The information is securely transferred directly to our Pension Administration System to enable the processing of their pension benefits into payment. The new online retirement option offers a more efficient, user-friendly way to access the benefits, and we're thrilled to provide this tool for our members.

To support this new facility, we ask that you encourage employees within the pension scheme to register for the ['My Pension' Portal](#) using their personal email address. For reference, more information regarding the Portal can be found on our [Surrey Pension Fund](#) website.



# Annual Engagement for Schools and Trusts

## How the meeting went and what was discussed

The Annual Engagement for Schools and Trusts was an online meeting held on Friday 18 October 2024.

The morning was divided into 2 sessions.

The first session commenced with a Valuation 2025 Update from our actuary Hymans Robertson. This was followed by an i-Connect update from John Coombes. Beth Evans then described the Customer Insights process.

Chris Beetham started the second session by going through Academy Conversions, Outsourcing, Pass Through Agreements and Pension Contributions.

Sandy Armstrong concluded the session by discussing Employer Responsibilities, useful Websites and Resources.

A copy of the slides was emailed to participants. If you did not receive these or would like a copy, please email us at [employer.pensions@surreycc.gov.uk](mailto:employer.pensions@surreycc.gov.uk)

## Informer Document Feedback



### Let them know your thoughts

In our [Autumn employer newsletter](#), we informed you that the Scheme Advisory Board (SAB) together with the Institute of Chartered Accountants in England and Wales (ICAEW) launched a useful [informer document](#). This document provides general information about the LGPS, together with interpreting actuarial data and understanding key information flows.

The SAB and the ICAEW would welcome any feedback you may have.

For example, whether you found the document useful, if you have not found it useful, or if there are any other topics that could be explored in an update to the document or in a new publication.

If you do have any feedback, please submit this directly to [sabsecretariat@local.gov.uk](mailto:sabsecretariat@local.gov.uk)



## The Pension Fund Annual Engagement

### How the meeting went and what was discussed

The Pension Fund Annual Engagement took place on Friday 8 November 2024, with participants joining in person at our Woodhatch office in Reigate.

The morning was divided into 2 sessions.

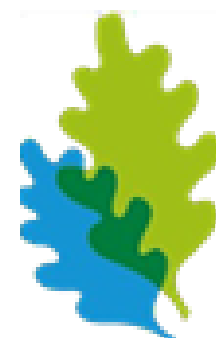
Chair Nick Harrison introduced the first session, with Neil Mason presenting the Local Pension Board Review (in Tim Evans' absence) and Looking Towards 2025. Tom Lewis then provided a Service Delivery update.

The second session started with a Valuation 2025 Update from our actuary Hymans Robertson, followed by a presentation on Investment Returns from Anthony Fletcher, an Independent Investment Advisor.

Lloyd Whitworth provided a Responsible Investment update before a video from Milo Kerr at Border to Coast on Pooling of Investments and more. Finally, Neil Mason and Nick Harrison concluded the proceedings.

Feedback was received from attendees - with the majority rating the sessions/experience as Excellent or Good.

If you would like a copy of the slides, please email us at [employer.pensions@surreycc.gov.uk](mailto:employer.pensions@surreycc.gov.uk).



# McCloud Remedy in the LGPS

## What it is and what you need to do

### What is the McCloud Remedy?

When the LGPS changed from a final salary to a career average pension scheme in 2014, protections for older scheme members were introduced. A court ruling established that this was age discrimination as the protection did not apply to younger members.

This ruling is often called the 'McCloud judgment' or McCloud remedy. Legislation has now been made to allow Public Sector Schemes to implement the McCloud remedy. The final regulations came into force on 1 October 2023.

### What do members need to do?

Members do not need to do anything. Unlike other Public Sector Schemes, they do not need to make a choice about their pension benefits, the protection will apply automatically - members do not need to make a claim.

### What do employers need to do?

Scheme employers have provided information about service during the remedy period (April 2014 to March 2022). This is being checked and applied to records to allow us to calculate any protection. If there are any further queries about the data, employers will be contacted directly.



### What happens next?

If the Surrey Pension Team identifies any member that is protected by the remedy, we will contact them directly and amend their benefits to include the protection.

From 2025 annual benefit statements will include information about the McCloud remedy.

There's no protection from 1 April 2022 onwards. Pensions built up after this date are based on the career average scheme only.

Please direct members to [our website](#) and the [National LGPS member website](#) for further information on the McCloud remedy.



## Submission of AVC Payments and Payroll Files

### A new guide for employers

Prudential, the in-house Additional Voluntary Contribution (AVC) provider for the Surrey Pension Fund, has put together a [payroll guide](#) for employers. This guide covers how to format and send payroll information to Prudential and when payments should be made.

# Employer Customer Insights Report



## You said, we did

Back in our [Spring Employer Newsletter](#), we announced that we would be conducting a customer insights project. When we set out to complete this, our objectives were to:

- Understand needs and expectations – what do customers expect from their pension provider?
- Explore how to improve and deliver excellence – what would customers do differently or in addition to what is already on offer?
- Set parameters for on-going monitoring – what does success look like to customers?



To find out what we have already achieved, please check out our article on [our employer website](#). This article delves into who was involved, how insights were collected, and what we plan to do going forwards.

## Increase to National Insurance Contribution (NIC)

### Increasing from 6 April 2025

In the [Budget](#) held on 30 October 2024, the Chancellor announced a change to the employers National Insurance Contribution (NIC) rate from 6 April 2025.

The rate will increase from 13.8% to 15% and the relevant threshold will reduce from £9,100 to £5,000.

Since this announcement, many employers may be looking at salary sacrifice arrangements as a means of limiting the increase. Under the LGPS, the only types of salary sacrifice arrangements that are pensionable and still benefit from the income tax and NIC advantages are:

- Workplace nurseries, childcare vouchers, and directly contracted employer provided childcare
- Bicycles and cycling safety equipment (including cycle to work)
- Employer provided pensions advice
- [Shared Cost Additional Voluntary Contributions](#) (SCAVC), providing the employer has a policy in place and the member is issued with a new contract of employment, or contract amendment, stating the pensionable value of their SCAVC.

### Our Contact Details

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 Reigate, RH2 2HA

### Useful Links:

[employers.surreypensionfund.org.uk](http://employers.surreypensionfund.org.uk)  
[www.surreypensionfund.org](http://www.surreypensionfund.org)  
[lgpsregs.org/employer-resources/](http://lgpsregs.org/employer-resources/)