

## Welcome to the latest edition of **Employer News**

It seems like we are moving even closer to normality as we managed to open our doors to Oakwell House in recent months to Employers, Payroll Providers and Members. More events are planned, as we move to in-person appointments and sessions.



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▶▶▶ roll up, roll up,

## payroll update

### ▶▶▶ Annual Allowance

Our Annual Benefit Statement production process has identified approximately 500 scheme members who may have had pension growth close to the Annual Allowance limit and therefore further information will be requested to allow us to provide accurate statements to these members. The Annual Allowance data form query issued through the EmployerWeb portal has a pre-populated response where you just add the figures requested and submit the form. There are strict HMRC deadlines to adhere to and therefore these data form queries have the same priority as the High Priority data forms i.e., **5 days** to respond. There are 3 versions of the Annual Allowance query:

**Annual Allowance** - Last Year Latest Check (just wants latest years information)

**Annual Allowance** - Partial Check (may require further information as well as the latest tax year information)

**Annual Allowance** - First Time Check (requires all pay figures for the last 5+ years)

Could we request that you keep checking your Group Tray for the Data Form queries and respond to them quickly to enable us to issue pension savings statements to these members.

### ▶▶▶ Local Government Association Training

#### Final pay bitesize training

The LGA have recently published final pay bitesize training. This free, interactive training is aimed at employers and payroll providers. It covers how to calculate final pay for members with final salary benefits. Final salary benefits were generally built up before April 2014. It also covers final pay protection where a member's pensionable pay is reduced or restricted in certain circumstances.

You can find the final pay bitesize training on the *employer bite size training* page of [www.lgpsregs.org](http://www.lgpsregs.org)

A text only version of the course is also available.

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▶▶▶ roll up, roll up,

## payroll update

..... continued

### Employer role training

The LGA have recently scheduled some more employer role training dates. These events are now live on the [LGA website](#). This is a live site and bookings are on a first come, first serve basis.

Please note that the LGA can only invoice those that are members of the LGA. All other payments will have to be made via debit/credit card. If you input the wrong authority, your place will automatically be cancelled from the system.

For your ease of reference each date has a link attached to the direct booking page:

**8 December 2022** ..... **Online Teams**

**10 January 2023** ..... **Online Teams**

The LGA employer training courses are limited to a maximum of 15 attendees. This is to ensure that everyone has sufficient opportunity to interact with the trainer and other attendees. For this reason, and as a revenue protection measure, the LGA ask that all attendees have their cameras turned on for the duration of the training.

Please contact Lisa Clarkson, LGPS Pensions Adviser, if you have any questions about the final pay bitesize training or the employer role training course, [lisa.clarkson@local.gov.uk](mailto:lisa.clarkson@local.gov.uk) or 07465432596.

### ▶▶▶ Opt Outs

#### *When are opt out forms required to be sent to SYPA?*

**Under 3 months in the scheme** with a refund of contributions paid through payroll or contributions never deducted. We **do not** require sight of these forms as you will have informed us on your monthly data submission. You do need to retain these opt out forms signed by the member however to satisfy any auto enrolment legislative requirements.

**Over 3 months** in the scheme. Membership should end on the last day of the month following receipt of the opt out form. We **do** require a copy of the opt out form which can be uploaded via our employer's portal Employerweb under "actions - upload a document" or emailed to [customerservices@sypa.org.uk](mailto:customerservices@sypa.org.uk)

We also require you to mark these on your monthly data submission as an opt out with more than 3 months membership. If we require any further information to complete an individual case we will request it via a Query process on Employerweb.





## employer's page

### ▶▶▶ In Person Pension Appointments

#### Individual 1:1 in person pension appointments are back!

We are changing the way that we do this and instead of being in a central location in each of the towns and cities in South Yorkshire on a specific day, we can come to your workplace!

If this is a service that your scheme members would like we need:

- A minimum of 4 appointments.
- A private room.
- Access to Wi-Fi.
- An employer contact to liaise with.

Please email any requests for this service to [engagement@sypa.org.uk](mailto:engagement@sypa.org.uk)

Members can also book virtual or in person appointments at our Oakwell House Head Office by visiting our website;

<https://www.sypensions.org.uk/Contact/Appointments/Book-Appointment>

### ▶▶▶ Pension Presentations

As we are offering member appointments in person, we are able to do the same for scheme member and employers presentations. Please visit our website to view the presentations available [Employer Engagement \(sypensions.org.uk\)](https://www.sypensions.org.uk) and complete the relevant enquiry form.

We will still be offering all presentations via Microsoft Teams and can use other platforms if invited to do so.

### ▶▶▶ Pension Awareness Week

Although the Pension Awareness Week was postponed until 31 October - 4 November, we continued with the planned sessions for the original week 12 - 16 September. We contacted all scheme members over the age of 30 with the offer of attending our new offices in person or watching a live stream of a presentation. Two presentations were given by the Engagement Team:

The **Mid Life session** - topics including what the LGPS is and how we work out your retirement benefits, how and when your benefits are paid, how you can increase your benefits and your options if you leave before retirement.

The **Pre-Retirement** session included information on the different retirement types including ages, how your pension benefits are calculated and when they will be payable, and options if you leave before retirement.

The event was a great success with over 150 members being able to attend in person. The recordings of the presentation can be found here [News & information \(sypensions.org.uk\)](https://www.sypensions.org.uk)

### ▶▶▶ Talk Money Week

#### 7 - 11 November

We will be providing a few **Understanding Your Pension Sessions** during Talk Money Week at Oakwell House. The sessions will be promoted on our website shortly, could you please direct your staff to the sessions. The hybrid sessions will be available on a first come first served basis with spaces for 40 attending members per session. A link to watch live will be available on our website closer to the date, the sessions will be recorded and available to watch later.



## employer's page . . . . . continued

### ▶▶▶ Annual Fund Meeting 24 November

The Annual Fund Meeting will be held in November at Oakwell House. It will also be available to watch live through a link on our website. The Annual Fund Meeting is primarily intended for all scheme members (past and present) but Employers are also welcome to attend. Please look out for the link on our website.

### ▶▶▶ Valuation

We are expecting the results of the triennial Fund Valuation shortly which will set employer contribution rates for the three years from 1 April 2023. We will be contacting employers finance contacts separately via email with an invite to attend a virtual meeting where the individual employer results will be shared so please keep an eye out for your invite.

### ▶▶▶ Cost of Living Crisis - 50/50 Section of Scheme

We understand that many members will be feeling the effects of the cost-of-living crisis and it is not surprising that some members might think about opting out of the scheme in order to save money. We understand that, as employers, you are not responsible for advising individuals on their own financial decision making but we would request that if you are contacted by scheme members considering opting out that you draw their attention to the option of moving to the 50/50 section of the scheme, where the member can choose to pay half their normal contributions and build up half their pension benefits.

To do this, they will need to complete the *Election to Join the 50/50 Section form* and return it to their Employer/ Payroll Provider. They will start paying half their normal contributions from the next available pay period.

#### Who can choose the 50/50?

Any member of the scheme can choose to pay into the 50/50 section at any time. There is no limit to the number of times you can choose to move between the main and 50/50 sections, and back again.

If they have more than one job where they contribute to the Scheme, they must specify in which job(s) they want to be moved to the 50/50 section.

#### What happens to my life assurance and ill health cover when I'm in the 50/50 section?

If they die in service, the lump sum death grant, and any survivor pensions, would be worked out as if they were in the main section of the scheme.

If they are awarded an ill-health pension under Tier 1 or Tier 2 whilst in the 50/50 section, the amount of ill-health enhancement added to the pension is worked out as if you they were in the main section of the Scheme.

#### How long can members remain in the 50/50 section?

The 50/50 section is designed to be a short-term option for when times are tough financially. Because of this, employers must move members back into the main section of the Scheme every three years. This will be carried out at the employer's automatic re-enrolment date. The employer will tell the member when this is and, if they want to, they can move back to the 50/50 section of the Scheme by completing another election form.

#### What happens to members on sick leave?

If they are in the 50/50 section and move onto a period of no pay due to sickness or injury, they must be moved into the main section of the Scheme. By doing this, they will start to build up full pension again, even though they will not be paying any contributions.

#### How do members move back into the main section?

Whilst in the 50/50 section, members can choose to move back to the main section of the Scheme at any time by completing the Election to Re-join the Main Section Form.

If they have more than one job where they contribute to the Scheme, they must specify in which job(s) they want to be moved to the main section.

#### What does the employer pay scheme members are in the 50/50 section?

The employer continues to pay their normal contribution rate (not half their rate) when members are in the 50/50 section of the Scheme.

## employer's page . . . . . continued

### Example of the main section compared to the 50/50 section:

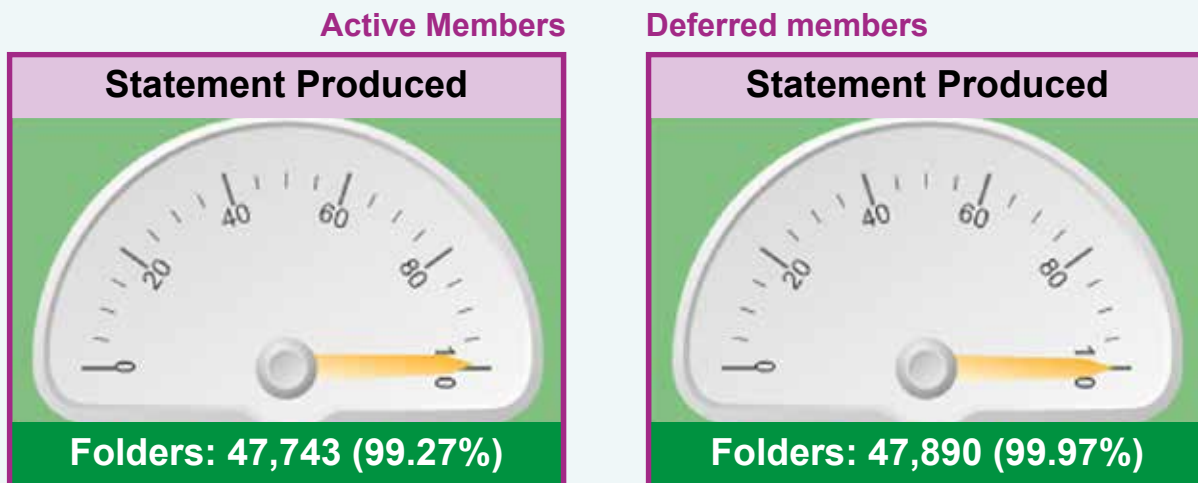
This example is based on an employee earning £24,500 per year who pays a normal contribution rate of 6.5% for one year in the Scheme.

MAIN SECTION	50/50 SECTION
Gross contribution in the main section (for 1 year) <b>6.5% = £1,592.50</b>	Gross contribution in the 50/50 section (for 1 year) <b>3.25% = £796.25</b>
Pension build up before revaluation in the main section (for 1 year) <b>£500 for each year in retirement</b>	Pension build up before revaluation in the 50/50 section (for 1 year) <b>£250 for each year in retirement</b>
*Lump Sum Life Assurance Cover <b>£73,500</b>	*Lump Sum Life Assurance Cover <b>£73,500</b>
<b>Full ill health cover</b>	<b>Full ill health cover</b>

The Employer cannot issue Opt-out forms, but they can direct their members to the 50/50 section of the scheme.

## ▶▶▶ Annual Benefit Statement

As you can see, we have issued a great many statements to our members by 31 August which is the deadline we work to. This has been achieved with the training, co-operation and improved level of data quality from employers and payroll providers as well as hard work and dedication from all teams here at SYPA.





## Employer Focus Group

Thank you to the Employers who volunteered to be part of our inaugural Employer Focus Groups. The first meetings were held in person at our offices in Barnsley on 23 and 26 September and discussed the following topics:

**Cost of Living Crisis and the LGPS • McCloud Update • MDC • Ill Health Retirement**

### Outcome:

#### Cost of Living Crisis and the LGPS

We wanted to understand from Employers if there had been an influx of members wanting to opt out of the scheme due to the cost-of-living crisis. We are aware that it is the re-enrolment date for the four largest Employers in the fund so would be difficult to monitor. Reiterated to make sure all contractual enrolments were on the MDC files, even if they had opted out from day one, and to flag them on the MDC as opted out. We can then run a report of all non-members.

A discussion around the promotion of the 50/50 scheme took place. Whether a 50/50 Flyer would be useful, with a lot of members now working hybrid, could Employers make this accessible to members?

#### *Suggestions for the flyer included:*

- The useful link to the 50/50 section of the SYPA Website for more information and the forms.
- Concerns were raised as would the promotion of the 50/50 Scheme create a negative effect and increase opt outs?
- Would it be possible to show the differences between opting out v 50/50 section, pros and cons?

#### *Other suggestions included:*

- Pop up message promoting the 50/50 section when a member clicks on the Opt out page.
- 50/50 Information on mypension.

We will be producing a flyer for employers to share with members.

We discussed the expected cost-of-living increases to CARE pots in April 2023 and the effect on members, especially those with long service,

potentially reaching the Annual Allowance limits. This could result in a large number of requests for Annual Allowance pay figures. Employers asked if there was an easy-to-follow guide for Employers to understand why someone could hit the Annual Allowance. We agreed that we would work on a guide to show at the next Focus Group for comments.

*Timescales for Valuation* - end of October beginning of November and that there would be Employer meetings set up to discuss the results (see article on page 5).

#### McCloud Update

Awaiting Legislative Guidance and a software update, but the steer from SYPA was to continue to submit hour changes and absences, therefore the records should be OK if the steer has been followed. SYPA will be requesting Employers to check the service history records from April 2014 onwards for every member who has been in the scheme. We will also be contacting members to check their records. It is the **Employers** responsibility to keep members records updated.

Employer Web shows the membership for all active members. Smaller Employers could check that the members records are correct for their active members.

#### *Issues raised:*

**Previous Payroll Provider Issues** - Who supplies the information?

SYPA reiterated that it is the employer's responsibility to provide information on working hours.

## Employer Focus Group continued

### MDC

We are aware of software issues related to moving MDC processes from Group Tray to Work Tray, currently assigning the MDC process to the Employer Web user who submitted the previous months. Please contact [customerservices@sypa.org.uk](mailto:customerservices@sypa.org.uk) if the MDC process needs to be assigned to a different user.

Reminder emails are issued to MDC contacts and can be issued to more than one person per Employer. If you need to update who receives the reminder emails, please email [engagement@sypa.org.uk](mailto:engagement@sypa.org.uk) with your Employer Details, including Employer Code, and the email address of the staff you wish to receive the reminders.

Explained that we are working on a new MDC Data Form to be completed via the portal rather than emailing a list of the individual MDC queries. It is still in its infancy and there are a few issues we have currently found - for example, employers can't partially respond to queries - they all have to be answered before the form can be submitted.

#### Suggestions Raised:

- Before submitting the MDC can it be run alongside a validator to see the potential problems to stop the queries, similar to the Teachers MCR
- Could the Folder References be sent out, this used to happen and now has stopped.

### Ill Health Retirement

Reiterated that the Ill Health Retirement process is Employer Led and the decision still rests with the Employer after taking advice from the Independent Registered Medical Practitioner (IRMP) opinion.

Anecdotally, a lot of Employers simply take the IRMP recommendation, but employers should have a documented decision-making process in place. It is technically possible for an employer to reach a different decision to the IRMP provided this can be justified. SYPA would seek confirmation of the justification in these circumstances but would be unlikely to challenge this if the decision-making process was robust.

Employers can contact the SYPA team to discuss the rationale if they are considering reaching a different outcome to the IRMP opinion. Remember that there is a full Internal Dispute appeals process if a member does not agree with an employer decision in relation to ill-health retirement.

### Reminder

**All Forms and Guidance in relation to ill-health retirement is available on the SYPA website under the *Employer Section*.**

### Topics for the next Focus Group (February 2023)

**Valuation • Annual Allowance • March MDC's**



The next Focus Group will be in person and online (hybrid).



## Training Sessions



We are working on developing video training sessions on the following:

- Replying to Data Forms
- Running Retirement Quotes
- Termination Form/Pensionable Pay
- Ill-Health Retirement

The sessions will be available on our new Website under the Employer section in the next few months.

We will still be providing Training Sessions on request. These can be arranged for individual Employers/Payroll Providers. Have a look at the Employer Presentations we already offer and get in touch at [engagement@sypa.org.uk](mailto:engagement@sypa.org.uk) or the *Contact Us* form on the website if there is anything that you would like a specific session on.

Contact Us



### Changes to Payroll Contact?

Please make sure you contact [engagement@sypa.org.uk](mailto:engagement@sypa.org.uk) if you need to notify SYPA of a change to our usual payroll contact. Whether this is due to changing Payroll Providers or the usual contact is leaving. We require time to set up access to the Employer Web portal and update the contact details on EPIC.

Contact Us



lgps

Regulations  
& Guidance



Please click on the link to see regulations and guidance from the LGPS Website.

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

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

**Make sure to keep up to date with your responsibilities as an employer and contact us if you need any training or support.**

Remember to read the monthly LGPC bulletins as these often contain important information for employers. They can be found here: <https://www.lgpsregs.org/bulletinsetc/bulletins.php>