

2017 Year End submission

As 2016 draws to a close it is timely to remind all scheme employers of the requirements of the 2016/2017 year end submission.

Once again the ERPF has produced a timetable for the submission of the year end returns in 2017. It is vital that all employers adhere to the timetable and submit accurate year end returns by the deadline. Failure to do so may result in the Fund not being able to issue annual benefit statements by the 31 August 2017 and as such will be in breach of regulation 89 of the Local Government Pension Scheme (LGPS) Regulations 2013.

The timetable is as follows:

- **Employers to submit year end returns for 2016/17 by Monday 24 April 2017.**
- **25 April 2017 to 26 May 2017 - Fund to check year end returns to validate data for loading and posting to the member records.**
- **Fund will notify employers by 30 May 2017 where there are any queries and employers will have until 16 June 2017 to resubmit an accurate year end return.**
- **19 June 2017 to 21 July 2017 - Fund to load and post correct year end returns which were received on or before 16 June 2017.**

In January 2017 the ERPF will issue further information and guidance via the Employer Bulletin in respect of the 2017 year end return.

Email guidance for sending information to ERPF

The ERPF now has the facility to import emails automatically onto the pensions administration system from the group email boxes; erpf@eastriding.gov.uk, leavers@eastriding.gov.uk, mmt.users@eastriding.gov.uk, and abs@eastriding.gov.uk.

To make this system work more effectively we need to make some small changes to how information is emailed to the ERPF. Employers will need to use the information below with immediate effect when sending emails to the ERPF.

- Each document attachment needs to contain documentation which relates to only one member. An email can include more than one attachment, but sometimes the ERPF receives one PDF attachment which contains documentation for more than one person. These have to be manually split to prevent documentation for one member appearing on another member's record.
- The new system will recognise **key words** in the 'subject title' of an email and from this will identify the appropriate subject for the email to be recorded as. The more specific the 'subject title' the more accurate the system will identify the subject type. Also as the subject title is visible once the email is recorded onto the system, this will enable the ERPF to identify, from the 300 emails we get each day, those that are the most urgent so that these can be dealt with as a priority. The **key words** recognised are; **estimate, retirement, joiner, absence, opt out, address, name, leaver, starter, APC, 50/50, transfer and casual**
- Documents generated from older version of word (.doc) or PDF documents are easier for us to handle than those created from newer version of word (.docx) and so are preferred.

Employee Leaver Form – guidance for completion

The ERPF has recently been asked to clarify the correct procedures when completing employee leaver forms in different circumstances. Please take time to read and note this information and ensure that this is shared with the relevant people in your organisation.

Date of leaving following maternity absence when employee does not return to employment

Where a scheme member goes on maternity leave, and **does not** return to work and **does not** pay APCs for the period of unpaid additional maternity leave, the date of leaving should be the **date the employment ends**. This ensures the member retains active member rights during the time when they are on unpaid maternity leave, for example active member death grant cover.

However the calculation of the 2008 definition of full time equivalent pay is different in these cases. This is because the member is only entitled to 'count as membership' under the 2008 regulations the days where paid maternity leave applies. This means that the pay figure will need to be 'scaled up' to 365 days.

The example below explains this.

Unpaid maternity leave commenced 30 January 2016 and date of leaving employment was 30 April 2016. Rates of salary over the final year were £14100 from 1 May 2015, £15500 from 1 October 2015 and £16500 from 1 January 2016.

The final pay calculation is thus:

01/05/2015 – 30/09/2015	£14100 x 5/12=	£5,875.00
01/10/2015 – 31/12/2015	£15500 x 3/12 =	£3,875.00
01/01/2016 – 29/01/2016	£16500 x 1/12 x 29/31 =	£1,286.29
	Total	£11,036.29
Final pay =	£11,036.29 x 365/274	= £14,701.63

Date of leaving for casual employees

Where a casual scheme member leaves employment the date of leaving is the last day on which the member worked. This is because casual employees are not treated as active employees when they are not working and so when they leave employment it is the last day worked which is the date of leaving for pension purposes. The 2008 definition of full time equivalent pay should be calculated using the 365 days from the last day worked.

Provision of final pay under the LGPS 2008 definition on employee leaver forms

The earlier employer bulletin, ERPF Bulletin 20, issued 11 May 2016, advised that the 2008 definition of full time equivalent pay should be completed on employee leaver forms **in all cases**. This is because the LGPS regulations give scheme members with an earlier period of LGPS membership the option to elect to combine their periods of membership, and where this election has been made then the 2008 final pay at leaving will need to be applied in the calculation of pension benefits.

The full time equivalent pay should always be uprated to 365 days, even where the scheme member has worked a proportion of the year.

Any employee leaver forms which have not been fully completed, or not uprated to 365 days, may be returned for this information to be added.

2016 Fund Valuation

The ERPF are pleased to confirm that almost all scheme employers have now received their Formal Valuation Draft Results for the 2016 triennial valuation. At the Employer Forum on the 15th December 2016 the Fund Actuary, Hymans Robertson, provided an overview of the whole fund results and how individual employer contribution rates were set. A copy of the slides from the Forum has been issued by email to the agreed contact at each scheme employer along with information about the next steps employers may need to take.

The draft Funding Strategy Statement will be issued to all scheme employers shortly for consultation.

Christmas Opening Hours

The ERPF will be closed from 4pm on Friday 23rd December until 9am on Tuesday 3rd January 2017 when we will re-open for business. If you need to contact the office between these dates you can still email us and we will reply to you as soon as possible when we return from the Christmas break.

We would like to take this opportunity to wish all our scheme employers a Merry Christmas and a Happy New Year.

Distribution details

To make sure the information provided in the monthly employer bulletins is reaching the right people, could you please circulate this bulletin to colleagues within your organisation who have responsibilities for pensions including Business Managers, Finance Officers, HR and Payroll staff.

If you would like to add anyone to the mailing list please then their details (name, email address and organisation): liz.vollans@eastriding.gov.uk.

Earlier bulletins issued can all be found on the ERPF website <http://www.erpf.org.uk/employers>