

## Year-end special

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### Welcome to In-Form!

Welcome to this year-end special edition of In-Form, your quarterly employer's newsletter.

With Spring comes the arrival of a new scheme year and as usual there is a lot to do. On page 5-8 you will find [our employer action guide](#) listing all the most important actions you need to take as an LGPS employer at year-end.

One of your most important responsibilities at this time of year is to provide us with your year-end data, so that we can update records and issue annual benefit statements to your employees. Thanks to those of you who attended our year-end webinar. It was great to answer your questions and provide clarity about the process, we hope you also found it useful.

We understand the terms we use in the LGPS can be confusing when you're new to LGPS pension administration. In this issue's [bitesize training](#) we review key pay terminology.

As usual you can get the latest need to know from us in the [Fund updates](#) section, as well as the latest regulatory developments in the [Scheme news](#) section.

We hope you find this issue of In-Form useful. If you have any questions about anything covered in this issue, don't forget your [Employer Liaison Officer \(ELO\)](#) is available to assist.

### Administration

#### Year-end data reminder

On 17 February we sent an email requesting your year-end data for the period 1 April 2022 to 31 March 2023. Your i-Connect upload for March should be provided by 19 April and if you are completing the year-end return template, this should be provided to us by 30 April.

**Action** – Please ensure you submit your year-end data by the deadline. Review the Annual Updates employer action guide to ensure you understand what is expected as well as the other necessary actions you need to take. If you require training or support, contact your [Employer Liaison Officer](#)

#### Pension strain reminder

You may be required to meet an upfront cost known as pension strain if an employee draws their LGPS pension earlier than Normal Pension Age, due to redundancy, efficiency, or flexible retirement, or where an employer awards additional pension or consents to switch on the 85-year rule before age 60. We always recommend that you obtain an estimate **before** you provide consent in cases where a pension strain cost may be payable. This can be done by submitting a completed '[employer estimate request form](#)'.

**Action** – Please review our bitesize training in [In-Form Issue 10](#), (page 10- 12) if you haven't already done so. Ensure everyone who deals with retirements is aware of this.

#### Data retention requirements

This is a reminder that you are required to hold pensions related data for a period of at least 13 years. Where you do not provide us with information we need to calculate pension benefits you could be issued a charge under the [Pension Administration Strategy \(PAS\)](#).

**Action** – Review your processes to ensure that you are keeping data for the required time frame

### Valuation 2022

LGPS Funds carry out a full Fund valuation every 3 years. The key aims of the valuation are to:

- Determine any shortfall in past service liabilities
- Set your employer contribution rates for the next three years to ensure that all current and future benefits can be paid

We are pleased to confirm that the 2022 Fund valuation is now complete. You should have received your individual report providing you with your employer contribution rates for the next three years. A copy of the Fund valuation report will shortly be uploaded to the web and the [employer contribution table](#) will be updated with the new rates in due course.

More information about how funding levels are monitored can be found in the [Funding Strategy Statement](#). If you have any further questions about your individual valuation report, please contact your ELO.

Thank you for all your support and cooperation in carrying out the 2022 valuation.



#### Reminder – submitting documents

Please be reminded that i-Connect employers should submit forms/documents in respect of individual LGPS members via the document upload facility on i-Connect only. If you email documents/forms to us, we may not be able to accept them and will ask you to resubmit via i-Connect.

**Action** – Please ensure your procedures are in line with this requirement. See our document upload facility guide for full instructions.

## McCloud project update

In [Issue 10](#) we provided you with an overview on the progress of applying the McCloud remedy in the LGPS to date. We updated you on the data gathering project and what was likely to happen next. (Please review this if you have not already done so) In [Issue 10](#) we advised that the final LGPS regulations for McCloud had again been delayed and we are expecting further consultations during 2023/2024. The PAS has been updated to incorporate a specific charge in relation to McCloud. This was issued to you for consultation on 27 February and approved by the Pension Fund Committee (PFC) on 21 March 2023 with minor amendments. On 3 March, the Scheme Advisory Board (SAB) published [guidance to administering authorities](#) regarding actions they may consider taking where data is either missing or inaccurate. SAB sought [legal advice](#) on the new guidance which should be read in conjunction with the document.

Thank you to those of you who have already submitted your McCloud data to us. As explained in the previous issue of In-Form, it has been difficult for us to check the data collected in a meaningful way due to the regulatory uncertainty and significant software updates. However, we are now beginning to perform some initial data validation checks which may result in queries being sent to you about your McCloud. These are only initial checks. The project to cleanse your McCloud data will be multi-layered and we will perform further checks once the regulations are received and we perform underpin calculations on individual records.

Please keep in mind that a project on this scale has never been carried out before and we are still awaiting guidance. We will continue to update you on the project progress.

### In the meantime, please take the following actions:

- If you have yet to supply your data to us, please do so as soon as possible
- If there is data you are unable to supply, please let us know what is missing and why
- Respond promptly to any queries received
- Ensure you factor McCloud into your future resource planning and keep updated with communications

## Employer webinars – have your say!

We launched our first free employer webinar in January 2021 and have since offered regular employer webinars to assist you in your role as an LGPS employer. During 2022/2023 we held 5 employer training webinars on various topics including 'i-Connect', 'ill-health retirement' and 'Final pay'.

**60%** of attending employers completing the post-webinar survey rated an employer webinar as 'excellent' and a further **35%** rated a webinar as 'good'.

**98%** of attending employers said they would recommend our webinars.

***Thanks to those of you who attended an employer webinar during 2022/2023. We are also very grateful to those of you who completed a post-webinar survey. Your feedback is used to help us ensure the quality of our employer webinars and used to make improvements for the future.***

**Action** – We would like your help to decide what webinars to offer in 2023/2024. **Please complete the [LGPS Employer Webinar survey](#) by 30 April 2023.** There are only 4 questions to answer, the survey takes around a minute to complete and your answers will be anonymous.

## Introduction to the LGPS webinar

The next webinar for new LGPS members (your employees) is taking place on 17 April 2023 from 4-5pm. To book your employees onto this webinar, please return the completed booking form to us by 13 April 2023. Links will be issued after the booking closes. The webinar is for any prospective, or new LGPS scheme members within 12 months of enrolling in the LGPS, that have not already attended a previous new starter webinar. A recording of the webinar will be available for those who register for up to 30 days after the event ends. If anyone wants to attend a live webinar, we run these events on a rolling basis. Dates for 2023/2024 have now been added to the ['employer events and training webpage'](#) where you can also obtain a copy of the booking form.

**Action** – Advertise the webinar to suitable employees. Forward your booking form to us by the deadline.

## Personal email address request

[‘My pension online’](#) is our secure pension portal allowing your employees to view their pension record and perform a number of useful self-service functions. Using ‘my pension online’, they can nominate someone to receive their death in service grant and get an estimate of how much they will receive when they retire. To register for ‘my pension online’ they need to have provided us with an email address. We recommend that members do not register with a work email address. This is because when someone leaves their employment they will lose access to their ‘my pension online’ account which means they could miss out on important letters we send to them about their pension.

**Action** – Please ask your employees to register for ‘my pension online’ with a personal email address. Consider asking your employees if they would like you to pass along their personal email address to us and update any relevant privacy policy to accommodate this.

## Updated guides and forms

We have made changes to the following documents:

[Final Pay calculation spreadsheet](#)  
[Monthly reconciliation spreadsheets](#)  
[Roles and Responsibilities document](#)

### The Pension Fund Committee approved updates to the following policies:

[The Pensions Administration Strategy \(PAS\)](#)  
[Governance Compliance Statement](#)  
[Administering Authority discretionary policy](#)  
[Communications policy statement](#)

**Action** – Review the list of documents and ensure you are not using outdated versions.

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## Investments

### Pension Fund performance summary

Quarter 3 2022/2023	Quarter %	Annual %	3 year %
Fund (excl private equity)	0.8	-11.7	3.4
Benchmark	1.1	-9.8	3.5
Out/Under performance	-0.3	-1.9	-0.1
Market Value (£bn)	3.601		

## Governance

The [Buckinghamshire Pension Board](#) met on 29 March. Items discussed included ‘employer and member communications’ and ‘administration performance’.

The [Pension Fund Committee](#) met on 21 March. Items discussed included the investment strategy review and the 2022 valuation.

The agenda and minutes for both the Buckinghamshire Pension Board and the Pension Fund Committee are made available in the [democratic services section](#) of the Buckinghamshire Council website.



## Annual LGPS Updates - Employer action guide!

To help you undertake all the necessary LGPS actions at the end of the financial year, we've put together this quick reference guide. Further information can be found in the [Roles and Responsibilities document](#) and the Local Government Association's (LGA) HR and Payroll guides available in the 'employers' section of [www.lgpsregs.org](http://www.lgpsregs.org).

If you have any queries, please contact your [Employer Liaison Officer](#).



### 1. Apply the correct employer contribution rate

You will have received your individual employer valuation report specifying your contribution rate for the next three years and any applicable deficit payments. From 1 April 2023 you should apply the 2023/2024 employer contribution rate. Please ensure that you have informed your payroll department/provider about the new rates. If you have a deficit which you are required to make up by way of a lump sum, please contact the pension finance team to arrange payment, if you haven't already done so: [pensionfinance@buckinghamshire.gov.uk](mailto:pensionfinance@buckinghamshire.gov.uk)

### 2. Review and apply the new employee contribution bands

The 2023/2024 employee contribution bands effective from 1 April 2023 are set out in the table below.

Band	Actual pensionable pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £16,500	5.50%	2.75%
2	£16,501 to £25,900	5.80%	2.90%
3	£25,901 to £42,100	6.50%	3.25%
4	£42,101 to £53,300	6.80%	3.40%
5	£53,301 to £74,700	8.50%	4.25%
6	£74,701 to £105,900	9.90%	4.95%
7	£105,901 to £124,800	10.50%	5.25%
8	£124,801 to £187,200	11.40%	5.70%
9	£187,201 or more	12.50%	6.25%

Employee contribution bands are set at a national level and are worked out by increasing the previous year's contribution bands by the September CPI which is 10.1% this year. It's your responsibility to review an employee's contribution band at least once a year and instruct your payroll team accordingly. Don't forget, when determining an employee's contribution rate, you should ignore reductions in pay due to sickness, child-related leave, reserve forces leave and any other absences from work.

Due to the high inflation the UK is currently experiencing, the CPI rate of 10.1% is likely to be higher than relative increases in earnings. The result may be that more of your employees than normal will experience a reduction in their contribution percentage. For example, someone earning £16,000 in 2022/2023 will have paid 5.8% in contributions (£928 per annum), while someone earning the same in 2023/2024 will pay 5.5% instead (£880 per annum). The pension build up however, will not reduce.

### 3. Confirm you have reviewed the updated Roles and Responsibilities document

The Roles and Responsibilities document is intended to support you in fulfilling your role as an LGPS employer and make you aware of our internal processes. We update this document each year to ensure it is in line with current regulations and practises. The 2023/2024 document was issued to you on 3 April 2023. Please ensure you review this document and adjust your procedures accordingly. If you didn't provide a read receipt, please send us a quick email confirming you have received it as we require this for audit purposes.

### 4. Ensure you are using our updated forms and guides

When we sent the Roles and Responsibilities document, we also confirmed that we have updated the final pay calculation spreadsheet and our monthly submission spreadsheets. Please ensure you are using the most up to date version of our documents going forward. All documents can be found on [our website](#).

### 5. Ensure you apply updated auto-enrolment guidance

The automatic enrolment earning bands for 2023/2024, as set out in the [government's review](#), remain unchanged since 2014/2015 and are displayed in the table below. Please follow the guidance contained in this review.

Earnings (Note: separate contracts treated separately)	Age 16-21	Age 22 to State pension age	State pension age to <75
Under lower earnings threshold of £6,240	Entitled worker	Entitled worker	Entitled worker
Between £6,240 and £10,000	Non-eligible jobholder	Non-eligible jobholder	Non-eligible jobholder
Over the earnings trigger of £10,000	Non-eligible jobholder	Eligible jobholder	Non-eligible jobholder

The NI limits and thresholds for 2023/2024 are set out in the [Social Security \(Contributions\) \(Rates, Limits and Thresholds Amendments and National Insurance Funds Payments\) Regulations 2023](#) and take effect from 6 April 2023. Only eligible jobholders will need to be automatically enrolled, but don't forget that anyone can join the LGPS if they choose to. They can do this by providing you with a completed [Opt-in form](#). Assessing eligibility for auto-enrolment is an employer responsibility. You can find more about auto-enrolment duties in The Pensions Regulator's [auto-enrolment employer guide](#).

### 6. Apply the new Additional Pension Contribution (APC) limit for 2023/2024

The maximum pension purchase through an APC will increase to £7,579 from 1 April. Please note: This is the maximum pension purchase, not the maximum contributions that can be paid towards an APC. Please ensure all relevant parties responsible for processing APCs are informed of the new limit. Members can obtain a quote for APCs by accessing the [APC calculator](#).

### 7. Provide your year-end data to us by the deadline

Under statutory requirements, LGPS employers must provide year-end data in respect of all staff that were active at any point during the period 1 April 2022 to 31 March 2023. We sent an email about submitting your data to us on 17 February. We also held a webinar on 6 March to provide further clarification. The summary below sets out how you should submit your data to us depending on whether or not you use i-Connect and how long ago you onboarded.

### All i-Connect employers

Your year-end data is submitted once you have completed the March data submission. This should be uploaded to i-Connect by 19 April. If you onboarded to i-Connect after 1 April 2022, you will also need to submit a completed annual return template and SUP52.

#### Tips for submission

- Ensure you include a Final Pay FTE (Full Time Equivalent) figure for every member
- Check the Year to Date (YTD) totals agree with previous monthly submissions
- Check that you have applied an APP when a member qualifies for it. We will be checking for APP errors at year-end
- Please provide YTD totals of additional contributions (ADDCONTS) including AVCs and APCs
- Ensure you have told us about all starters and leavers for 2022/2023. You only need to tell us once though - telling us more than once can cause delays
- Ensure you have uploaded any applicable forms via the document upload facility
- Please do check the data before you submit
- If you realise anything is incorrect after submission, please let us know

### Non-i-Connect employers and i-Connect employers that onboarded after 1 April 2022

Complete the annual return template and SUP52 emailed to you on 17 February and return it by 30 April to: [lgsystems@buckinghamshire.gov.uk](mailto:lgsystems@buckinghamshire.gov.uk)

#### Tips for submission

- Read the notes section first
- If the member has more than one employment, show these on separate lines
- Explain anything unusual in the notes section (e.g., pay fluctuations/absences)
- Check that you have applied an APP when a member qualifies for it. We will be checking for APP errors at year-end
- You only need to add the start or leaving date where an employee has left or joined within the last tax year. The Employee status column will populate automatically based on these dates
- Make sure the total boxes on the SUP52 form (final tab) match the corresponding boxes on the annual return template
- Please only complete the green boxes on the SUP52, the white boxes will populate automatically
- If the member has been in both the main section and the 50/50 section within the previous year, we would expect both the CCP1 & CCP2 columns to be populated

### General submission tips

- ✓ If you use a third-party payroll provider, please check the data before it is submitted. The employer is ultimately responsible for ensuring data quality
- ✓ The final pay FTE (Full Time Equivalent) figure is different to the CPP (Cumulative Pensionable Pay)- take a look at this quarter's [bitesize training feature](#) for more information
- ✓ Ensure you have applied Assumed Pensionable Pay (APP) where applicable
- ✓ Make sure you have submitted all applicable forms for the previous year (e.g., opt out/leaver forms)
- ✓ Ensure you meet the deadline. Late submissions may be subject to charges under the Pensions Administration Strategy. Please contact us as soon as possible if you experience any issues

### 8. Respond to queries as soon as possible

Once we have received your year-end data, we will carry out data consistency checks which will usually return errors. We will forward these queries to you for resolution and it's really important that you respond as soon as possible to resolve any queries. We won't be able to issue annual benefit statements to any members where we have not received year-end information, or where there is an unresolved query on their record by the statutory deadline of 31 August. If you have any complex queries you are struggling to resolve, please contact your Employer Liaison Officer as soon as possible.

## 9. Encourage your employees to register for ‘my pension online’

‘My pension online’ is our online portal providing members with access to their LGPS pension at the click of a button. We publish all annual benefit statements by 31 August to ‘my pension online’ and send members a notification email. However, if we don’t hold an email address for them, we will be unable to notify them when their annual benefit statement is ready. We only send printed statements to those who have opted out of electronic communications.

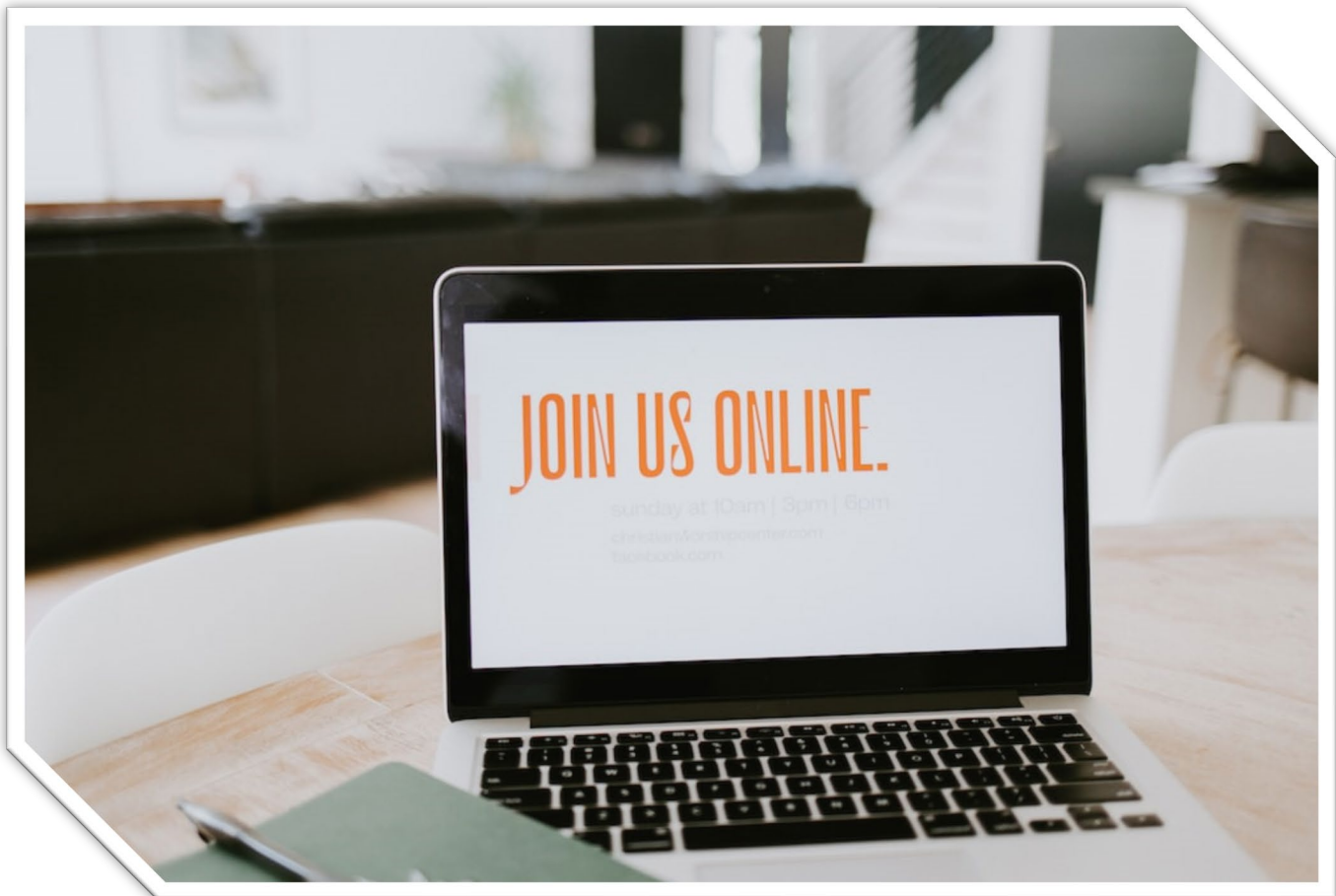
Please encourage your staff to register for ‘my pension online’ in advance. We recommend that they register with a *personal email address* to ensure that they don’t lose access to their pension record if they leave their employment. We would appreciate it if you could provide us with personal email addresses of your staff. Please ensure that this does not conflict with any of your data protection related policies before you do so.

Once registered your employees can:

- Update their personal details and make or change a nomination for the death grant
- Run an estimate of how much pension they will receive if they leave the scheme or retire
- Check what would be payable in the event of their death
- View any letters we have sent to them
- Send information/documents to us safely and securely

To register, members can visit: <https://ms.buckinghamshire.gov.uk/>

Members can contact our dedicated inbox if they need any support accessing or using ‘my pension online’: [mypensiononline@buckinghamshire.gov.uk](mailto:mypensiononline@buckinghamshire.gov.uk) or phone our helpline on 01296 383755





### LGPC Bulletins and circulars

The Local Government Pension Committee (LGPC) issue monthly bulletins updating administering authorities on scheme changes. This section provides a summary of these updates as well as news from the wider pensions sector. The full bulletins contain more detail and additional information and are available to read at the links below. More information for employers can be found at: [www.lgpsregs.org](http://www.lgpsregs.org)

Bulletins this quarter	Minutes of meetings this quarter
<a href="#">236 – March</a>	<a href="#">LGPC meeting – 20 February</a>
<a href="#">235 – March (annual update)</a>	<a href="#">Communications working group – 10 January</a>
<a href="#">234A – March (annual revaluation)</a>	
<a href="#">234 – February</a>	
<a href="#">233 – January</a>	

### Changes to SCAPE discount rate

On 30 March the government published a response to the consultation on the SCAPE discount rate methodology and issued a written ministerial statement. The statement confirmed that the new SCAPE rate, effective from 30 March, will be CPI plus 1.7%, a reduction from the previous rate of CPI 2.4%. The government also confirmed that going forward, the discount rate will be reviewed once every four years.

In the LGPS, the SCAPE discount rate is used to set the GAD factors used to calculate transfers in and out the scheme, as well as a Cash Equivalent Value (CEV) for divorce purposes. The government has instructed all LGPS Funds to suspend all such calculations with immediate effect. Going forward, when we receive a request for either a transfer or divorce, we will write to the member to acknowledge receipt of the request and confirm we will be unable to process the request until further notice.

It may be some time before the relevant guidance is issued and it is likely that once we receive the updated factors we will have a large backlog of cases which we will then need to work through in chronological order.

There is also likely to be an impact on the cost control process, in particular the economic check element which will be linked to the SCAPE rate.

However, we will keep you updated once we receive further information about this.

**Action** – ensure all relevant staff are aware that while we will continue to accept requests in respect of transfers or divorces, there will be a delay in fulfilling the request.

### Pensions Increase 2023

Each April LGPS pensions are revalued to keep up with the cost of living. LGPS pensions will therefore increase by 10.1% this April, the previous September's CPI rate. Active and deferred pensions built up after 1 April 2014 that are not yet in payment will receive the increase on 6 April and pensions in payment will receive the increase on 10 April. Pensions that have been in payment for less than a year will receive a pro-rata increase.

### Change to revaluation date

On 9 March 2023, the Department for Levelling Up, Housing and Communities (DLUHC) laid the LGPS (Amendment) Regulations 2023 ('the regulations') which moved the annual revaluation date from 1 April to 6 April. The change will mean the 10.1% revaluation rate won't count for tax purposes until the 2023/2024 tax year and therefore less people will be subject to an annual allowance tax charge in 2022/2023.

## McCloud costs court case

The cost of implementing the McCloud remedy has been estimated at £19 billion across all UK public sector schemes. You may recall from previous issues the government announcement that the cost of administering McCloud would be covered in the Cost control mechanism. This led to strong opposition from various unions and a legal challenge was mounted by six trade unions. [The judgement](#), handed down on 16 March, found in favour of the government and dismissed the judicial review. However, the matter is not settled yet. It is understood that the unions will ask permission from the Court to appeal the judgement. We will keep you updated on any developments.

## Expansion of auto enrolment

On 3 March the DWP [released a press statement](#) confirming it will support the private members bill to expand auto-enrolment. The [Pensions Extension of Auto-enrolment \(No.2\) Bill 2023](#) will allow the government to:

- Abolish the LEL (Lower Earnings Limit) for contributions
- Reduce the age of auto enrolment for eligible job holders from 22 to 18.

The government has yet to set out for a plan for when they intend to use these new powers.

## State pension review published – no changes!

In previous issues of In-Form, we confirmed that the government was carrying out a review of State Pension Age. We advised that as Normal Pension Age, is linked to State Pension Age, any changes could impact on the date LGPS pension benefits are payable from without reductions. On 30 March 2023, the [government published the results of its review](#). The review confirms that the planned rise to age 67 between 2026 and 2028 is still appropriate, however it will not be making any further changes. The next review will be undertaken within 2 years with the report to be published no later than 29 March 2029.

## Spring Budget

On 15 March 2023, the Chancellor presented his [Spring Budget](#) to Parliament announcing substantial changes to pension tax rules. The key updates were:

- From 6 April 2024 the lifetime allowance will be abolished

And from 6 April 2023

- the standard annual allowance will increase from £40,000 to £60,000
- the money purchase annual allowance will increase from £4,000 to £10,000
- the adjusted income for the tapered annual allowance will increase from £240,000 to £260,000
- the minimum tapered annual allowance will increase from £4,000 to £10,000

We will update our [tax controls webpages](#) in due course.



## Bitesize training: Pay terminology in the LGPS

Each quarter we provide you with a short bitesize training article to increase your knowledge of the LGPS and support you in your role as a Fund employer. In this issue, we look at the definition of 4 key terms related to pay in the LGPS:

- Pensionable Pay
- Cumulative Pensionable Pay (CPP)
- Assumed Pensionable Pay (APP)
- Final Pay



Pay is essential in the calculation of pensions and it's vital you have a full understanding of what these terms mean to ensure you can provide us with the correct information.

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### Pensionable Pay

Pensionable Pay is defined in regulation 20 of the LGPS regulations 2013 as the total of:

- All the salary, wages, fees and other payments paid to the employee, and
- Any benefit specified in the employee's contract of employment as being pensionable emolument

It does not include:

- Any sum which has not had income tax determined on it
- Travel, subsistence, or other allowance paid in respect of employee expenses
- Payment in consideration for loss holidays
- Payment in lieu of notice of termination of contract
- Payment as inducement not to terminate contract
- Payment for the provision of a motor vehicle, or in lieu of such provision
- Payment in consideration of loss of future pensionable payments
- Any award of compensation for the purpose of achieving equal pay to other employees (not including pay arrears)
- Any actual pay paid to a reservist during reserve forces service leave
- Returning officer or acting returning officer fees other than fees paid in respect of:
  - i) Local government elections
  - ii) Elections for the national assembly for Wales
  - iii) Parliamentary elections or
  - iv) European Parliamentary elections.

Prior to 1 April 2008, the definition of pensionable pay was similar, but with the following differences:

- Non-contractual overtime was excluded; and,
- payment in consideration of loss of future pensionable payments was included,
- as was any actual pay made to a reservist during reserve forces leave

You need to be aware of both definitions of pensionable pay as you will use the 2013 definition to calculate **CPP** and the 2008 definition to calculate **final pay**.

**Find out more:**

[In-Form](#): Issue 4 (page 9) and Issue 8 (page 11)

[Roles and Responsibilities document](#)

Also see [LGPS payroll guide](#) (page 14), available in the employer’s section of

**Cumulative Pensionable Pay (CPP)**

The Cumulative Pensionable Pay (CPP) is used to calculate the member’s pension benefits after 1 April 2014. The CPP is the member’s pensionable pay (2013 definition), including any applicable APP (see next section), in a given scheme year (1 April to 31 March). If the employee has more than one LGPS job, the CPP for each should be reported to us separately. You should also report the CPP in the main section (CPP1) separately to any CPP built up in the 50/50 section (CPP2).



**Find out more:**

[In-Form](#): Issue 4 (page 9)

[Roles and Responsibilities document](#)

[LGPS payroll guide](#) (page 13), available in the employer’s section of [www.lgpsregs.org](http://www.lgpsregs.org)

**Assumed Pensionable Pay (APP)**

The CPP is very important for calculating pension. If the CPP goes down, the pension will also go down. Assumed Pensionable Pay (APP) is a notional pay figure used to protect a CPP from going down when someone’s pensionable pay is reduced due to certain qualifying reasons. The APP is what the member’s pensionable pay would have been if they had not been away from work. In some circumstances you will need to work out an APP and add it to the pensionable pay before you report it to us as the CPP. In the case of ill-health or death in service, you will need to work out an annual APP figure and report it to us separately.

APP and the method for calculating it is set out in [regulation 21](#). The table below sets out when an APP would and would not apply.

Yes – APP applies	No – APP does not apply
Sickness or injury	Unpaid additional maternity/adoption leave
Ordinary maternity/adoption leave	Unpaid shared parental leave
Paternity leave	Unpaid parental bereavement leave
Paid additional maternity/adoption leave	Annual leave purchase
Paid shared parental leave	Strike break
Paid parental bereavement leave	Sabbatical/career break
Reserved forces leave (if applicable)	Any other period of authorised leave



### Find out more:

APP has been covered (with examples) in previous issues of [In-Form](#): Issue 1 (page 8), Issue 5 (page 7), and Issue 7 (page 9) [Roles and Responsibilities document](#)

Information available on [www.lgpsregs.org](http://www.lgpsregs.org): [LGPS payroll guide](#) – pages 19-27  
Assumed Pensionable Pay (APP) – [employer's bitesize training](#)

## Final pay

Final pay is used to calculate final salary benefits. Before 1 April 2014, the LGPS was a final salary scheme and any pension benefits included in someone's pension built up before that date, continue to be calculated according to the old scheme rules.

The definition of final pay is set out in [8 to 10 of the 2008 regulations](#). Final pay is the average full time equivalent pensionable pay (2008 definition) over the final year of employment, or if it produces a higher figure, either of the two preceding years.

In working out someone's final pay you should keep in mind that:

- ✓ If someone is part-time or term-time only, you will need to gross up their pensionable pay to a full time equivalent. For example, if an employee works half time and their pensionable pay is £15,000, then the full-time equivalent would be £30,000.
- ✓ You should **include** periods of sick leave or certain other absences that would not result in a service break (e.g. paid maternity leave) in the calculation. However, you should ensure you **exclude** any period that would count as a 'service break' under the regulations.
- ✓ If someone's salary changes, perhaps because they have a pay rise, the full-time equivalent salary will change and needs to be taken into account when working out the final pay.

You can use the final pay spreadsheet to help you work out someone's final pay quickly and easily.

### Find out more:

Final Pay has been covered in previous issues of [In-Form](#): Issue 4 (page 9), Issue 5 (page 7), and Issue 8 (page 9) [Roles and Responsibilities document](#)

Information available on [www.lgpsregs.org](http://www.lgpsregs.org): [LGPS payroll guide](#) – page 42  
Final Pay – [employer's bitesize training](#)

**If you need any further clarification or require training, contact your ELO**

## Employer FAQs

Answers to your questions

### **I made a backdated payment to an employee in April in respect of earnings for March, do I need to revise the March CPP/year-end submission?**

No. There is no need to adjust an earlier CPP due to backdated payments made at a later date that relate to that period. This is because from 1 April 2014, pension is calculated based on pensionable pay received during the scheme year not, pay that is due for a scheme year.

### **Should an honorarium payment be included on a final pay calculation?**

It should be included unless it is being given due to overtime that is not set out in an employee's contract.

### **Should first aid allowance be included in a final pay calculation?**

Only if it is a contractual requirement. If it is voluntary, it should be excluded.

### Employer Liaison Team contacts

Your Employer Liaison Officer (ELO) is there to answer your questions, provide training support and guidance. **The contact details for your ELO can be found in the table below.** ELOs operate an alphabetical split between employers. ***Please ensure that the ELO you contact is the correct point of contact for your organisation.***

Employer by initial	Employer Liaison Officer (ELO)
A-BI	Karen Hemming 01296 382371 <a href="mailto:karen.hemming@buckinghamshire.gov.uk">karen.hemming@buckinghamshire.gov.uk</a>
Bm-Ch	Summar Akram 01494 475797 <a href="mailto:summar.Akram@buckinghamshire.gov.uk">summar.Akram@buckinghamshire.gov.uk</a>
Ci-He	Megan Spurrier 01296 382719 <a href="mailto:megan.spurrier@buckinghamshire.gov.uk">megan.spurrier@buckinghamshire.gov.uk</a>
Hi-N	Georgia Keen 01296 382719 <a href="mailto:georgia.keen@buckinghamshire.gov.uk">georgia.keen@buckinghamshire.gov.uk</a>
O-Si	Jan Bennion 01296 382242 <a href="mailto:jan.bennion@buckinghamshire.gov.uk">jan.bennion@buckinghamshire.gov.uk</a>
Sj-Z	Teresa Webb 01296 382382 <a href="mailto:teresa.webb@buckinghamshire.gov.uk">teresa.webb@buckinghamshire.gov.uk</a>
BC & MKCC	Please email: <a href="mailto:employers@buckinghamshire.gov.uk">employers@buckinghamshire.gov.uk</a>

### Other contacts

Senior Employer Liaison Officer: Hannah Corigliano	<a href="mailto:hannah.corigliano@buckinghamshire.gov.uk">hannah.corigliano@buckinghamshire.gov.uk</a>
TUPE Liaison Officer: Marie Dunbar	<a href="mailto:marie.dunbar@buckinghamshire.gov.uk">marie.dunbar@buckinghamshire.gov.uk</a>
Employers General Inbox	<a href="mailto:employers@buckinghamshire.gov.uk">employers@buckinghamshire.gov.uk</a>
LGPS Monthly Returns Inbox	<a href="mailto:LGPSreturns@buckinghamshire.gov.uk">LGPSreturns@buckinghamshire.gov.uk</a>
Annual Returns/SUP52	<a href="mailto:lgsystems@buckinghamshire.gov.uk">lgsystems@buckinghamshire.gov.uk</a>
Pensions Finance	<a href="mailto:pensionfinance@buckinghamshire.gov.uk">pensionfinance@buckinghamshire.gov.uk</a>

If you are responding to an administration query you should send these to our main pensions inbox [pensions@buckinghamshire.gov.uk](mailto:pensions@buckinghamshire.gov.uk)

### Member contacts

Please refer members to our contact details below:

Member helpline number	01296 383755
Member email	<a href="mailto:pensions@buckinghamshire.gov.uk">pensions@buckinghamshire.gov.uk</a>
Member self-service portal	<a href="https://ms.buckinghamshire.gov.uk">https://ms.buckinghamshire.gov.uk</a>
Member technical support for 'My pension online'	<a href="mailto:mypensiononline@buckinghamshire.gov.uk">mypensiononline@buckinghamshire.gov.uk</a>

**Thanks for reading. We hope you found this issue of In-Form, useful and informative.**

**We welcome your feedback on this issue of In-Form. If you have any comments or suggestions please email [pension.feedback@buckinghamshire.gov.uk](mailto:pension.feedback@buckinghamshire.gov.uk)**