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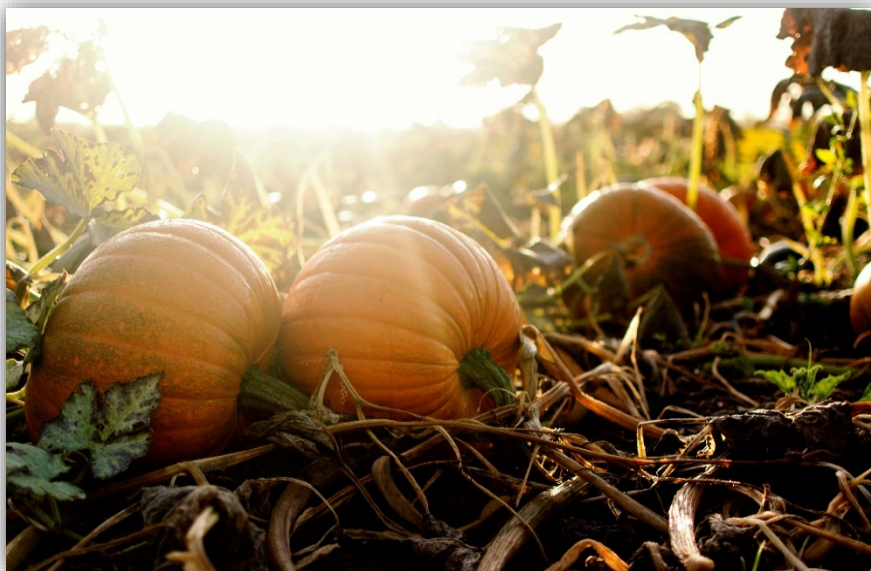
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Welcome to In-Form!

Welcome to another issue of In-Form, the quarterly newsletter for Buckinghamshire Pension Fund employers. If you're new to LGPS pension administration, it's worth taking a moment to tell you a little bit about how In-Form is structured. The LGPS is a national scheme administered locally by 86 Funds in England and Wales. In-Form has both a section which keeps you updated with the national developments ([Scheme news](#)) and a section which lets you know about local developments ([Fund updates](#)). To help expand your knowledge of the LGPS, in each issue of In-Form we include a short [bitesize training](#). In this quarter's issue we focus on service breaks. We also include a special feature which dives into a particular topic in detail. On 1 October 2023, the long-awaited regulations which implement the McCloud remedy in the LGPS came into force. This is a big national scheme development, and the subject of this quarter's special feature. Turn to [page 5](#) to find out more. Some of the items we cover in In-Form are just things for you to know, others will require you to take action. Throughout, you will find helpful action boxes to point out anything you may need to do.

Each Fund employer has a dedicated Employer Liaison Officer (ELO). Their contact details can be found on [page 13](#). If you have any questions about anything covered in this issue, or you require any further training or support, please contact your ELO.

Administration

Year-end project successfully delivered

We have a statutory obligation to provide all active LGPS members with an [Annual Benefit Statement](#) by 31 August. The Annual Benefit Statement shows the current pension build-up and provides an estimate of pension benefits at Normal Pension Age. In order to provide this information to members, we rely on you to provide us with accurate monthly, and year-end data. Last year, we issued 99.8% of all Annual Benefit Statements by the deadline - our highest issue rate to date. However, I am pleased to confirm, that this year we broke our previous record and issued 100% of Annual Benefit Statements by the deadline! This means that all of your LGPS employees, who began paying in before 1 April 2023, received this important information about their pension benefits. Thank you for your hard work and support in achieving this fantastic result!



Posters reminder

We have created 2x posters to promote our digital services to your LGPS staff. These posters can be downloaded from [our website](#) and can be displayed in communal areas such as lunchrooms, office kitchens, staff rooms and cafeterias.

Action – If you haven't already done so, please print and display the posters. If you are a Local Authority, or Academy Trust, please share the posters with schools.

McCloud data collection

On 1 October 2023, the [Local Government Pension Scheme \(Amendment\) \(No.3\) Regulations 2023](#) came into force. These regulations apply the McCloud remedy to the LGPS and amend the current regulations. As it represents a significant change, we are required under [the Disclosure of Information](#) regulations, to write to every Buckinghamshire LGPS member to inform them of the change. We are expecting a national template to be issued by the LGA for all LGPS Funds to use.

Thank you to those of you that have already supplied us with your data. Following the receipt of the regulations, it has been identified that there are other members in scope for the remedy which we have yet to collect data for. We will be contacting employers individually to request this.

Going forward, it should also be noted that we will request final pay calculations for anyone affected by McCloud when they leave, retire or reach age 65. We will also need to gather final pay calculation data for historic cases where we do not hold them.

If you haven't supplied us with any McCloud data yet, you should be aware that, should we not receive it, you may be issued a charge under item 13 of the [Pensions Administration Strategy](#). Please read our special feature on [page 4](#) which explains what changes have been made, how these will affect the data you provide to us and what we expect to happen next.

Action-

- 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 you receive or requests for additional data or final pay calculations
- Review special feature on page 4 and take any actions required

Discretionary policy reminder

All LGPS employers are required under the regulations to hold an LGPS discretionary policy covering, as a minimum, the 5 mandatory discretions employers are required to have. You must supply us with a copy of your discretionary policy.

Action – If you don't have a discretionary policy in place, please ensure you formulate one as soon as possible and provide us with a copy. To get started, you may wish to review our bitesize training in [In-Form issue 11 \(page 11-13\)](#).

Providing email addresses

It's really important that you provide us with email addresses for your employees so that they can register easily for our secure member portal. 'My pension online' allows scheme members to view their pension record, get pension estimates and make a nomination for their death grant. It is also the Fund's default communication method. We issue information to members about their pension such as Annual Benefit Statements, via 'my pension online'. [Auto-enrolment guidance](#) states that an email address must be provided to us if you hold it. We recommend a personal email address if you hold this, otherwise a work email will suffice.

Action – If you don't already supply email addresses to us as part of your data submissions, please amend your current processes. Please check to ensure you have supplied us with email addresses for all your current staff. Please provide personal email addresses where possible.

Performance monitoring

The pensions data you provide to us is essential for calculating the value of an LGPS pension. It's really important that this information is accurate and provided to us within the expected timescale detailed in the [Roles and Responsibilities document](#). The [Pensions Administration Strategy](#) sets out the charges that apply when an employer's performance does not meet the expected standard. We are pleased to say that most employers provide good quality information on time. Unfortunately, we do have instances where we find information is being repeatedly provided late or to a less than satisfactory standard. This causes delays to our processes and

prevents us providing information to members about their pension. While it's never our preferred option, we have a duty to monitor performance and issue such charges where applicable. We will shortly be updating our procedures which will enable us to monitor employer performance more consistently. Employers not meeting the expected standard will be written to and meetings arranged. Where significant improvement is not achieved, charges will be issued.

Action – Please review your procedures to ensure that they are in line with expectations set out in the [Roles and Responsibilities document](#). If you are experiencing issues supplying information to us, or you require any support of training, please contact your Employer Liaison Officer to discuss this as soon as possible.

Book your place on our next employer webinar

Our next employer webinar, Assumed Pensionable Pay (APP), will take place on 13 December 2023. This webinar will examine the circumstances when APP applies and provide you with calculation examples. Calculating APP accurately is your responsibility. Not applying it correctly could result in the member receiving significantly less pension than they should receive. We recommend you attend if you provide pension information to us.

Action – Book your space using the link below: Wednesday 13 December 2023 – 11am- 12pm [Assumed Pensionable Pay \(APP\)](#)

Intro to the LGPS webinars

Since May 2021, we have held a quarterly webinar 'Introduction to the LGPS' which is aimed at new and prospective members. Thank you to those of you have helped to promote the events to your LGPS employees. While we have received excellent feedback from those who attended, the average number of attendees per webinar accounts for less than 3% of the Fund's quarterly new starters. We are always looking for ways to improve our communications so that they reach as many people as possible. We have therefore decided to pause these events while we review alternative options. We will no longer hold the events that were scheduled in November and February. We will provide you with more

information about how we intend to communicate with new starters in due course.

Action – Please do not advertise these events going forward. If you have bookings for either of the withdrawn events, please contact us.

LGPS retirement planning webinar

On 3 August 2023 we held our first ever LGPS retirement planning webinar. This webinar was attended by over 600 Buckinghamshire LGPS members. Out of the 238 members that completed the feedback survey, 97% rated the webinar as ‘excellent or good’. Thank you to those of you who promoted the event. If you have any scheme members who missed it, please be reminded that they can [watch the recording](#). The link for the recording is contained within the event invitation flyer. Our annual webinar open to all active LGPS members ‘Buckinghamshire Pension Fund LIVE’ will take place on 29 November 2023. We will provide you with further details shortly. We hope you can help us to promote the event to LGPS members.

Updated ‘notification of employee leaving’ form

We have recently updated the ‘notification of employee leaving’ form to include a box which you can populate to tell us when you were notified of a death in service. The updated form can be found on [our website](#). From 1 November, we will be unable to accept older versions of this form.

Action – Please ensure you incorporate the new version of the form into your processes.

Updated member forms

We have amended all our member forms to include a reminder by the signature, that while digital signatures can be accepted, we cannot accept a typed name. To sign a form digitally, the member should download the form and open it in a pdf reading programme such as Abode. They can then click into the signature box and add a handwritten signature to Adobe. The updated forms are available to access on [our website](#).

Investments

Pension Fund performance summary

Quarter 1 2023/2024	Quarter %	Annual %	3 year %
Fund (excl private equity)	0.7	2.8	4.0
Benchmark	0.6	3.6	4.2
Out/Under performance	0.1	-0.8	-0.2
Market Value (£bn)	3,629		

Governance

The Buckinghamshire Pension Board met on 19 July. Items discussed included ‘annual benefit statements’ and ‘McCloud’. The Board’s updated policies were approved and have been updated on the [Buckinghamshire Pension Board webpage](#).

The [Pension Fund Committee](#) met on 27 September 2023. The main point of discussion was the draft annual report 2022/2023, which must be published under the regulations by 1 December.

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.

Changes to the LGPS (McCloud)

On 1 October 2023, [the Local Government Pension Scheme \(Amendment\) \(No.3\) Regulations 2023](#) came into force, making substantial amendments to the LGPS underpin regulations. In this special feature, we take a look at what changes have been made and what this means for the McCloud project. For a full background explanation of why the regulations have changed, please see our special feature in [In-Form issue 10 \(page 5-7\)](#), 'Progress on McCloud'.



The regulations in brief

The LGPS regulations have been amended to accommodate changes to a protection known as the underpin.

The LGPS was a final salary scheme until 1 April 2014 when it became a CARE scheme. Final salary pension is worked out differently to CARE pension. When this change occurred, it was thought that older members required protection as they had already made plans based on the old method of calculation. The underpin was introduced to provide this protection.

When someone qualifies for the underpin, we can calculate pension benefits built up in the CARE scheme between 1 April 2014 and 31 March 2022 as final salary pension if it resulted in a higher pension overall. The main purpose of the amended regulations is to change who qualifies for the underpin protection. The graphic below compares the original and revised qualifying criteria.

Original qualifying criteria

- They were paying into the scheme *on* 31 March 2012 and
- Were within 10 years of Normal Pension Age and
- Continued to pay in after 1 April 2014
- They did not have a disqualifying gap, which is a continuous period of more than five years.

Revised qualifying criteria

- They were a member of the LGPS or another public service pension scheme *before* 1 April 2012 and
- They paid into LGPS at any time between 1 April 2014 and 31 March 2022 at some point before age 65.
- They do not have a disqualifying gap, which is a continuous period of more than five years.

Applying the amended regulations

It's important to understand that these regulations are amendments to the original regulations. This means that they apply retrospectively, and every qualifying LGPS member now needs to be in the position they would have been, had these regulations been in force from 1 April 2014.



Will this result in higher pension benefits for those affected?

If someone retired, transferred out or died, we need to check to see if the benefits paid to them (or their beneficiaries in death cases) would have been higher under final salary rules. If it was, we will pay the difference.

If pension benefits haven't yet been paid, we will perform this calculation when they are. The vast majority of people are not going to be better off, as the CARE accrual rate is generally higher. Where there is an increase it is unlikely to be substantial.

Why we need your data

For all qualifying members, past and present, we need to check we have the information on their record to be able to calculate the underpin accurately. Where we don't have this information, we will need to take steps to obtain it. To calculate final salary pension, we require hours and service break data which we stopped collecting on 1 April 2014 (apart from service break data for those with 85 year rule protection) as it wasn't needed to work out CARE pension. We need all LGPS employers to provide us with hours and service break data for all members between 1 April 2014 and 31 March 2022 (the remedy period). The LGA issued a data collection template for all Funds to use to collect this data from employers. Employers that are responsible for LGPS pensions data for any point during this remedy period would have been sent the data template. Alongside this, we supplied documents explaining how to complete the template. This now needs to be returned to us as soon as possible. Since the application of the regulations, we have identified that there are additional members in scope for the remedy that we haven't yet collected data for. Additionally, we will need to collect final pay calculations for those that have left, retired or reached age 65. We will be contacting employers individually requesting this data.

Processing your data

The project to cleanse your data will undergo several stages. You should prepare to receive queries at each stage and ensure you have enough resources in place to respond to queries.

Stage 1:	We will perform an initial check to see if the spreadsheet has been populated correctly.
Stage 2:	We will perform further data validation checks as the information is uploaded to records.
Stage 3:	The McCloud project team will look at the data provided at an individual level. They will check that the data you have provided can be reconciled with other information we hold.

It's important to note that once we get to stage 3, it is unlikely we will be working employer by employer. DLUHC have confirmed that they will be issuing guidance in the near future regarding prioritisation. They may determine that Funds should review member data where there is already a pension in payment as a priority. We could be dealing with groups of members, rather than just all members for a particular employer. We will keep you updated on this aspect when we receive further guidance.

What we will do if we can't collect data or data provided appears to be inaccurate

While we will take all reasonable steps to obtain data in the first instance, the Scheme Advisory Board (SAB) have [published guidance](#) setting out how we should deal with the issue of missing or inaccurate data where all options are exhausted. We will be using this guidance in our McCloud project and we recommend all employers read this guidance carefully.

Communication with scheme members

Communication with scheme members about the changes will be an important part of the project. Here are a few of the stages we will need to complete:



- As this represents a material change to the LGPS regulations, under disclosure regulations, we will need to write to all Buckinghamshire LGPS members to confirm the changes. We are expecting a national template to be issued for Funds to use.
- As a member qualifies for the underpin if they have remedial service in another public sector scheme, we will need to collect this data. The government will be prescribing statutory guidance in this area and is considering a data sharing exercise.
- We will also need to make changes to many of our letters, scheme material and our website. Again, we are expecting standard wording to be issued to ensure consistency across all Funds.
- From 1 April 2025 annual benefit statements will need to include underpin estimates.

If you have any members with questions please direct them to our webpage, [The McCloud Judgement](#). You can also direct them to the [LGPS national scheme member website](#).

Next stages

We are still expecting statutory and non-statutory guidance to be issued in relation to various aspects of the project which may affect how we cleanse your data. DLUHC have set up a national guidance group to look at statutory guidance. We are also expecting SAB and the LGA to supply further technical guidance and templates.

Some of the areas we are expecting more information about include:

- Guidance on which cases we need to prioritise.
- Guidance for calculating certain transfers for those affected by McCloud
- Changes to the LGPS database in order for us to gather membership data from other Funds.
- Guidance for identifying who is in scope for the regulations due to other public sector service outside of the LGPS
- A further consultation and subsequent regulations regarding how to deal with excess teacher's service who will be entitled to an LGPS pension

We will keep you updated as the project progresses.

Actions:

- Complete your McCloud data template and provide this to us without delay
- Tell us if there is any data you are not able to supply if you haven't already done so
- Respond to any queries you receive regarding your McCloud data in a timely manner
- Respond to requests for further service history data for additional members identified as being in scope for the remedy and final pay calculations.
- Review [SAB guidance](#) to ensure you know what will happen if any data you have provided is inaccurate, or where you unable to provide certain data
- Contact your Employer Liaison Officer if you have any queries or questions.

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

Bulletins this quarter	Minutes of meetings this quarter
July	CWG 9 July (Communications working group)
August	
September	

Transfers/divorce actuarial guidance update

In [issue 12 of In-Form](#) we confirmed that the government had requested we suspend *all* transfers and divorce calculations from 30 March as revised actuarial factors were due to be reissued. This was due to changes to the SCAPE discount rate which is used by the Government Actuary Department (GAD) to work out certain pension calculation factors. We have received all revised factors and worked through the transfer and divorce cases we previously put on hold. The Cabinet Office published revised [Club transfer guidance](#) effective from 1 October 2023.

However, we have now been told that the method of calculation for transfers out will change from 1 October 2023 to incorporate McCloud. As the guidance hasn't yet been released, we will need to suspend transfers again for anyone affected by McCloud. We will continue to process transfers for those not affected.

Changes to actuarial factors - Retirements

In our email of 5 May, we advised that we expected late and early retirement factors to change. Revised early retirement factors came into force on 3 July and revised late retirement factors came into force on 1 September. Relevant webpages have been updated to take account of the changes.

McCloud

In the [previous issue of In-Form](#), we confirmed that a further consultation, in respect of McCloud, was issued on 30 May. [A full response to](#) this consultation was published on 8 September, and the regulations applying the McCloud remedy in the LGPS came into force on 1 October 2023. Regulations in relation to those with excess teacher's service have not yet been decided and a further consultation is expected. We are also expecting more statutory guidance. The LGA have published resources on the [LGPS national scheme member website](#) for scheme members. Please read the special feature on [page 5](#) which covers what this will mean for LGPS members and the next stages in our project to cleanse employer data and apply the regulations.

New resources issued by the LGA

The LGA have published new interactive ill health retirement bitesize training for employers. This free e-course covers the ill health retirement process including the criteria, the decision-making process and the benefits that would be payable at each tier. There are separate courses covering active members and deferred members. You can find the ill health retirement bite-size training on the [employer bite-size training page](#) of www.lgpsregs.org, where you will also find bitesize training covering 'final pay' and 'APP (Assumed Pensionable Pay)'.

As you may be aware, when an employee goes on strike, it can affect their pension build-up. The

LGA have recently published two new resources specifically related to strikes and LGPS pensions:

- Employer strike FAQs: This guide is aimed at employers and can be found on the [employer guides and documents](http://www.lgpsregs.org) page of www.lgpsregs.org
- A section to the [frequently asked questions page](http://www.lgpsmember.org) of www.lgpsmember.org covering strike action specifically for members

Action – Review the strike FAQs and ensure your procedures are in line with this guidance.

Gender pensions gap update

In January 2023, [the LGPS Gender Pensions Gap report](#) was published highlighting inequalities in pension accrual between male and female scheme members. The report reveals the gap is due to the ‘complex interaction between the type of work women do, their career paths (including part-time work and career breaks) and their ability to progress their careers after taking on childcare and other caring responsibilities’. The SAB secretariat has set up a working group to look into the issues raised in more detail and consider changes that could be made to address the gap within the scheme.

One of the ways women in particular are most negatively affected is by missing out on pension build up during child-related leave. They have the ability to [buy back the lost pension](#) when they return to work. However, the take-up for this option across the scheme is generally low.

Action – Consider how you can help raise awareness about the ability for people to [buy back lost pension](#), particularly when someone goes on unpaid child related leave.



Scheme valuation report

On 10 August 2023, SAB published the [2022 scheme valuation report](#). This document summarises the overall funding position of the LGPS. Highlights of the report include:

- The LGPS as a whole is in surplus as the average funding increased from 97% to 107%
- Membership of the LGPS increased from 6.2m in 2019 to 6.6m in 2022
- Employer contributions have generally decreased
- The average employee contribution rate has risen slightly from 6.5% to 6.6%.

Government unveils plans to remove LTA and introduce new limit on tax-free cash

On 11 July 2023 [the Finance Act \(No.2\)](#) received Royal Assent. This legislation delivers the tax changes outlined in the Spring Budget which includes the abolition of the lifetime allowance and various changes to the pensions tax regime which we outlined in [In-Form issue 12](#). Between 18 July and 12 September 2023, HMRC issued a [consultation](#) and set of draft regulations for new pension taxation measures after the lifetime allowance is abolished on 1 April 2024.

The key proposals summarised in the consultation were:

- The limit of £268,275 on lump sums will be maintained.
- A limit of £1,073,100 will be placed on the total value of tax-free lump sums that anyone can receive in total from **all** the pensions they hold inside and outside of the LGPS, without having to pay tax on the excess at a marginal rate.
- A member can take a higher lump sum tax-free if they hold the relevant protection certificate.

The LGA’s response to the consultation is available [online](#).

Bitesize training: Service breaks

If someone has a leave of absence that results in a service break, it could affect their pension benefits. There are certain things you will need to do as an LGPS employer when someone has a service break to ensure that we work out their pension entitlement correctly. In this quarter's bitesize training, we explain what absences will result in a service break and the important actions you will need to take as an LGPS employer when one occurs.



What is a service break?

A service break is essentially a break in LGPS membership which happens as a result of someone taking unpaid time off from work, for at least 1 day or more, due to certain reasons.

The table below sets out which absences count as a service break and which do not. In all cases where the leave doesn't count as a service break, APP (Assumed Pensionable Pay) will apply if the pensionable pay reduces. APP protects the member's pension from being affected by the absence.

Service break	Not a service break
Strike/industrial action	Sickness/injury
Unpaid maternity/adoption leave	Paid maternity leave
Unpaid shared parental leave	Paid shared parental leave
Holiday purchase	Paternity leave
Sabbatical	Paid parental bereavement leave
Any other type of unpaid leave	Reserve forces leave:
Reserve forces leave: (If they choose to <i>leave</i> the LGPS)	(If they choose to <i>stay</i> in the LGPS)

The impact of a service break on an LGPS pension

A service break can affect an LGPS pension in a variety of ways:

- 1. The member will build-up less pension for the period** – If someone is away from work and their contributions stop, they won't have built up pension for the period. That means their pension accrual will be less than it would be, had they not had a service break.

For example, a monthly paid employee usually receives £2,000 per month. We would therefore work out the annual pension to add to their account for that month as: $1/49 \times \text{£}2,000 = \text{(annual pension)}$ However, due to some unpaid leave the following month, they only received £1,700. We would therefore work out the annual pension to add to their account for that month as: $1/49 \times \text{£}1,700 = \text{(annual pension)}$

- 2. It could change the date the member meets the vesting period** - To be entitled to an LGPS pension benefit, you need to have paid into the LGPS for a total of 2 years. This is known as the vesting period. All LGPS membership is used to work out if someone has met this requirement, including membership held at other LGPS Funds. However, service breaks are deducted from the calculation of membership. If the vesting period isn't met, the member can choose to receive a refund of member contributions less a deduction for tax, or they can transfer the value of the pension to

another Fund. If they don't extinguish their LGPS rights, or they re-join the LGPS within 30 days of leaving, this period of membership will be combined with the later period automatically and they won't have the option to leave it separate. Therefore, it's really important we know about service breaks as it can change the pension options available when a member leaves their LGPS employment.

- 3. It could change the date the member meets the 85-year rule** – In the LGPS, there is a protection for those who paid in between 1 April 1998 and 30 September 2006 known as the 85-year rule. If their age plus total length of LGPS membership adds up to 85, some elements of their pension benefits will have lower early retirement reductions should they decide to take their LGPS pension earlier than Normal Pension Age. When we work out an 85-year rule date, service breaks are deducted from the calculation. If we don't know about service breaks, we may determine that someone meets the 85-year rule sooner than they should.
- 4. It could change the final pay calculation** – Before 1 April 2014, the LGPS was a final salary scheme and any pension benefits included in pension built up before this date will be calculated using the old final salary rules. Final pay is used to work out final salary pension benefits. Final pay is the average Full Time Equivalent (FTE) pensionable pay (2008 definition) over the final year of employment, or if it produces a higher figure, either of the two preceding years. Service breaks should be excluded from final pay calculations. Instead, a part-year calculation is worked out in proportion to the number of days membership earned in a 365 day period, less any service breaks. Service breaks can reduce the overall value of final pay and the value of someone's final salary pension. If we do not know about a service break, we may think the member has had a drop in pay which could qualify them for final salary protection.

Example final pay calculation

Jill's FTE (Full Time Equivalent) was £27,000 until 1 April when she had a pay rise. Her rate of pay after this date was £27,800. Jill's last day of service was 15 September 2023. Between 1 to 12 June 2023, Jill was on unpaid leave which resulted in a service break.

16 Sept 2022 to 31 March 2023 = 15/30 (days in Sept) + 6/12 (total months) x £27,000 = **£14,625**

1 April 2023 – 31 May 2023 – 2/12 (total months) x £27,800 = **£4,633.33**

13 June 2023 – 15 September – 18/30 (days in June) + 15/30 (days in Sept) + 2/12 (months) x £27,800 = **£7,181.67**

Now we can add these three amounts together to get the final pay: £14,625 + £4,633.33 + £7,181.67 = £26,440

This amount is then proportioned to an annual figure: £26,440/353 (number of days worked during the period) x 365 = £27,338.81

Without the service break it would be £27,366.67. This would change the overall value of any final salary pension benefits. The longer the service break, the more significant the difference will be. You can use our final pay spreadsheet to help you calculate final pay.



- 5. It could change the underpin calculation** – We need to know about any service breaks which occurred between 1 April 2014 and 31 March 2022 for the calculation of the underpin. The underpin previously only applied to those who were paying in on 31 March 2012 and were close to retirement, however, it has now been extended to a wider number of people (See on page 5 for more information) If someone qualifies for underpin protection we will work out whether they would have been better in the final salary scheme, or the CARE scheme for the period 1 April 2014 to 31 March 2022 and pay the higher of the two. To work out the final salary pension benefits we use their total LGPS membership. If someone has had a service break, this will be deducted. It's really important that you include details of all service breaks that occurred during this period on

your McCloud data submission. We also need to know the reason for the absence to ensure we calculate this correctly.

Can a member make up for a service break?

Members will usually be able to make up for a service break by paying a [lost pension APC](#) (Additional Pension Contribution). If the absence is authorised, the employer will meet 2/3rds of the cost as long as the member applies within 30 days of returning to work. You can choose to allow a member an extension on the deadline if you have a discretionary policy in place which permits this. For leave due to strike, the member must apply by the deadline also, but the employer is not obliged to contribute. For any other unauthorised leave, there is no provision in the regulations to make up for the service break. Processing APCs has been covered in bitesize training, [In-Form, issue 9](#).

Communicating with employees about service breaks

It is best practice to advise your LGPS employees that they can pay a lost pension APC to make up for a service break. If you provide clear, accurate information at the time, the risk of a complaint due to not being aware of this option is likely to be lower. If a complaint is made and it reaches the pensions ombudsman, the risk that the complaint will be upheld will also be lower.

Actions you need to take as an LGPS employer

It is your responsibility to ensure that you keep a record of service breaks and process them according to the regulations. If the member has a service break, you should take the following actions:

- ✓ Report the service break to us via i-Connect. This can be done as part of your monthly submission.
- ✓ If the member applies to make up for the service break through the purchase of a lost pension APC, you will need to supply them with the date they returned to work, and the lost pensionable pay. The member can get a quote for the cost and apply for this via the lost pension APC calculator.
- ✓ Once you receive a completed lost pension APC application form, you should check that they have applied within the deadline. We won't be able to accept an application made after this date unless you have a discretionary policy in place which permits this. Once you are satisfied the form is completed correctly, you should upload this via i-Connect.
- ✓ Exclude the service break period from any final pay calculation. To avoid queries, you should ensure you have reported the reason for the service break.

More information can be found in the [Roles and Responsibilities document](#).

If you need any further clarification or require training, [contact your ELO](#)

Employer FAQs

Answers to your questions

One of my LGPS employees took the afternoon off unpaid, does this count as a service break?

Not usually, but it depends on the individual's normal working hours. Service breaks are for a period of at least one day. If a full-time employee took the afternoon off, this would not count as a service break. However, if the employee is contracted to work for 3 hours a day and took the afternoon off, this may count as a service break.

If someone's pay changes, does it change their contribution band?

From each 1 April, an employer should determine an employee's annual rate of pensionable pay and set the corresponding contribution band. This should be reviewed each April when the updated employee contribution table is issued. However, [regulation 9\(3\)](#) permits an employer to reassess the contribution band, should they choose to, where there is a change in employment, or a material change which affects the member's pensionable pay in the course of the financial year.

Contacts

Full list of contacts for all services

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 karen.hemming@buckinghamshire.gov.uk
Bm-Ch	Summar Akram 01494 475797 summar.Akram@buckinghamshire.gov.uk
Ci-He	Megan Spurrier 01296 382719 megan.spurrier@buckinghamshire.gov.uk
Hf-Ne	Georgia Keen 01296 382719 georgia.keen@buckinghamshire.gov.uk
Nf-Si	Jan Bennion 01296 382242 jan.bennion@buckinghamshire.gov.uk
Sj-Z	Teresa Webb 01296 382382 teresa.webb@buckinghamshire.gov.uk
BC & MKC	Please email: employers@buckinghamshire.gov.uk

Other contacts

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

If you are responding to an administration query you should send these to our main pensions inbox pensions@buckinghamshire.gov.uk

Member contacts

Please refer members to our contact details below:

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

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