

Annual Returns 31 March 2016

The East Riding Pension Fund has successfully validated and loaded year end returns for 233 scheme employers. This is a fantastic achievement for all involved and the ERPF would like to take this opportunity to pass on our thanks to all individuals who were involved in submitting these files.

When we agreed and set the timetable for this year's annual return we recognised the many challenges that both scheme employers and the Fund would face. However we were very conscious of regulatory requirements and increased scrutiny from external bodies and therefore it was imperative that all efforts were made to complete the exercise within the agreed timetable.

The next steps for the ERPF will be to submit the valuation data to the Fund actuary, Hymans, and to extract individual member data in preparation for the 2016 Annual Benefit Statements (ABS). Both of these exercises have deadlines which are approaching fast, however the ERPF is on track to meet these and comply with the legal requirements.

More information about the Fund's triennial valuation and the issuing of ABS's will be provided in future employer bulletins.

The small number of employers who did not submit a year end return in the correct format by the extended deadline of 14 July will be notified individually and separate discussions will take place regarding the triennial valuation and the issuing of ABS's.

Consultation on amendment regulations

DCLG have commenced a consultation on amendment regulations for the LGPS in England and Wales. Amongst other amendments, the consultation covers Fair Deal, for pension protection for situations where an LGPS member's employment is compulsorily transferred out of the public sector, and changes to AVC provisions in light of the recent Freedom and Choice reforms which would allow greater flexibility in how individuals may access their AVCs.

The consultation document is available on the website www.lgpsregs.org, under the section 'Drafts and Consultations', and the closing date for response is the evening of the 19th August 2016. The ERPF are currently reviewing the document in order to prepare a response.

Automatic Enrolment Guidance

Scheme employers who participate in the Local Government Pension Scheme (LGPS) are required to comply with automatic enrolment and in some cases scheme employers are now reaching their re-enrolment date. As a result of this the ERPF has received some enquiries from scheme employers asking what paperwork is needed for scheme members who have previously opted out of the LGPS or joined the 50/50 section of the scheme and are now being auto-enrolled.

The ERPF considers it good practice for employers to retain all copies of member opt out and 50/50 forms including those resulting from re-enrolment, and to also ensure the ERPF is sent a copy of the

members signed form and the correct completed pension administration form for our records. The ERPF will need to record the date the scheme member was re-enrolled into the main scheme and the date the member re-joined the 50/50 scheme or opted out if applicable. Having copies of all paperwork, including that arisen from auto-enrolment ensures that in future years the ERPF has accurate member records.

It is important to note that both the 50/50 form and opt out form cannot be completed and signed by the member before the date of auto-enrolment, and that employers cannot provide opt out forms to employees, these must be obtained by the scheme member from the ERPF either via the website or by contacting the ERPF directly.

The earlier employer bulletin (issue 21 – June 2016) included links to the Local Government Association and The Pensions Regulator websites where useful guides and information relating to automatic enrolment are available.

Additional Voluntary Contribution (AVC) workshops

The Prudential, who are the East Riding Pension Fund's (ERPF's) appointed Additional Voluntary Contribution (AVC) provider, would like to make employers aware of the advice and support available to members who would like to start planning for their retirement much earlier in their career and what options are available to improve their retirement benefits. As part of their service they have specialist staff who deal specifically with public sector pensions and are therefore able to offer advice to individuals or as part of a group.

It is very important that members are made aware of the benefits of paying AVCs and if already contributing are kept up to date with current developments. There have been recent changes that affect AVCs including the ability to still take up to 100% of accumulated AVC funds as a tax free cash sum subject to limits imposed by Her Majesty's Revenue and Customs (HMRC). You may be aware that the intention was to restrict tax free cash from accumulated AVC funds to 25% for all new AVC contributors with effect from April 2014 however this change was not implemented.

AVC's are a very tax efficient method of saving for retirement so it is important that all staff are made aware of their availability. The AVCs are taken through salary payments so attract tax relief at source at either 20% or 40%.

The Prudential would like to deliver presentations and therefore the ERPF are looking for employers who would be willing to host events. The presentations are expected to last approximately 45-60 minutes.

If you are interested in hosting such an event please email suzanne.firth@eastriding.gov.uk with availability or ring 01482 394178 to discuss. Once events have been agreed, these will be advertised through future employer bulletins and on the ERPF website, and Prudential have introduced their own online booking system so there will be no burden on employers thereafter.

Prudential have also recently launched a new online application service in relation to AVCs; this can be accessed via their AVC website at www.pru.co.uk/localgov

Revised ERPF contact details

ERPF contact details form has recently been updated and a revised version is attached. Please refer to this document to ensure you contact the most appropriate person for your enquiry.

And finally ...

Employer bulletins will be e-mailed each month directly to employer contacts which have been provided to the ERPF. If you wish to update the contact details for your own organisation please supply the new details to: liz.vollans@eastriding.gov.uk so that the contact details held can be updated.

If you would like to view any earlier bulletins issued, these can all be found on the ERPF website <http://www.erpf.org.uk/employers>