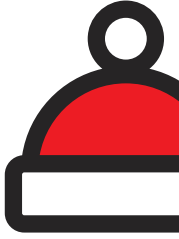
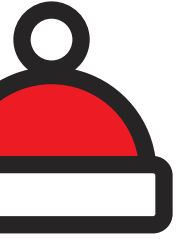




North East Scotland
PENSION FUND



EMPLOYER BRIEFING



DECEMBER 2019



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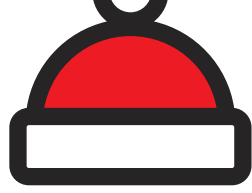
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DATA QUALITY SCORES

The Fund are now required to provide data quality scores as part of the annual return requirements for the Pension Regulator. For the 2019 return the NESPF disclosed the following scores:

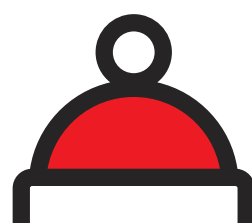
- Common Data: 98.3%
- Scheme Specific Data: 97.1%

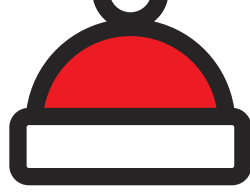
These fantastic scores are as a result of the hard work put in by both the Pensions Team and our employers to ensure that good quality data is provided on a monthly basis through the i-Connect system. The team will continue to work on the historical data held to improve the scores for next year. Thank you for your continued support with data provision to the Fund.

MEMBER APPOINTMENTS



Previously members could drop into our office to discuss their pension without notice. However the Fund is now running an appointment based system for 1-2-1 meetings with members. Those with quick queries such as dropping off forms or certificates can book their own appointment online. While those who need more time are advised to contact the Fund to arrange an appointment. More information can be found on [our website](#).





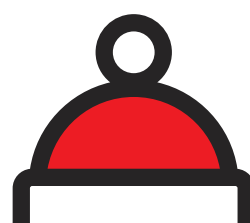
EMPLOYEE CONTRIBUTION RATE

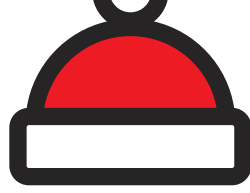
It has come to our attention that some employer payroll systems are automatically recalculating and applying different employee contribution rates on a monthly basis. The regulations clearly state that contribution rates are attributed to members in April each year and should only change if there is what the employer deems to be a permanent material change to the members pay. If a member's rate does change, the employer is required to notify them in writing before the contributions are deducted.

Having discussed this with the Scottish Government they have clarified that amending rates for a reason other than a permanent material change and/or without notifying employees is a breach of the regulations. Action must be taken by all employers to ensure that this does not continue and that manual processes are put in place to ensure that this breach does not occur in future. For further information, please refer to the 'LGPS Circular - Tiered Contributions Appendix Mar 2019' found on the [SPPA's website](#).

MEETINGS WITH THE EMPLOYER TEAM

If you would like to arrange a meeting to discuss any issues you have around pensions or would like the Employer Team to attend one of your board meetings please do not hesitate to contact us at employer@nespf.org.uk





★ MCCLLOUD JUDGEMENT

There have been no further decisions regarding the changes that will have to be made to the LGPS (Scotland) as a result of the McCloud Judgement. However, the most likely solution to equalising the benefits will be by using some kind of underpin against the previous scheme. To ensure that the Fund holds the relevant information in the event that an underpin is put in place all employers must continue to provide information on any additional hours worked by members at year end as well as updating hour changes through I-Connect and any breaks in service that are over 31 days.

Retention policies will have to be reviewed by all employers to ensure that this information will be available from 01 April 2015 onwards.

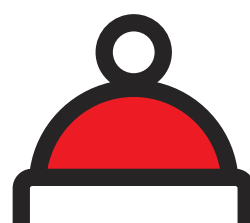
We will provide a further update when we have more information.

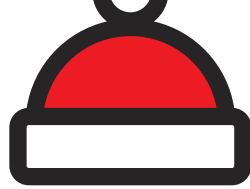
UNPAID LEAVE

In July we let you know about regulation changes that came into place on 28 June 2019 and backdated to 1 June 2018.

Changes were made to Regulation 11 regarding unpaid leave which affects all employers. For any member who takes a period of unpaid leave of less than 31 days (that is not maternity or sickness) contributions should be deducted automatically. This is not the same as the pre 2015 regulations where contributions were deducted for the first 30 days on an absence of any length of time. The member and employer should pay the contributions based on the pay they would have received if they had not been absent i.e. based on APP.

Any PEN 11 (Buying Lost Pension) form we now receive which relates to a break for less than 31 days (that is not maternity or sickness) will be returned to payroll for the contributions to be deducted by this new method. Please ensure that you have reviewed your processes to incorporate these changes going forward.





YEAR AHEAD

As we head into 2020, it will be another busy year for the NESPF. The valuation process starts all over again as of 31 March 2020 as well as the usual day to day business. We have outlined a timetable below of important dates for your diaries

February 2020	FRS101/102 & IAS19 Accounting Disclosures - initial information issued to employers for consideration
March 2020	Employee Contribution rate tables issued by SPPA (applicable from 1 April 2020)
April 2020	Year End due 30 April - i-Connect users to include FTEs within March Return
May 2020	Employer Administration Forum (provisional)
June 2020	NESPF and Transport Fund Draft Accounts to be signed off
July 2020	Data sent to Mercer for valuation
August 2020	Benefit Statements to be issued to all members by 31 August
September 2020	NESPF and Transport Fund Final Accounts to be signed off and published
October 2020	Annual Allowance Statements sent to all affected members
November 2020	Results of the Valuation, proposed employer contributions rates and Finance Forum to be held



CHRISTMAS HOLIDAYS

The office will be closed from 4pm on Tuesday 24 December 2019 and will reopen on Friday 3 January 2020.



MERRY CHRISTMAS & HAPPY NEW YEAR

SEE YOU IN 2020!