




EMPLOYER BRIEFING

MARCH 2020

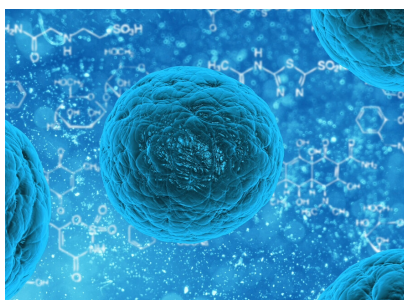
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SPOTLIGHT

KEY POINTS THIS MONTH



CORONAVIRUS UPDATE

Following Government advice the Employer Team will be working in the office on a reduced basis. This will have no effect on service and the team can still be contacted as usual.



YEAR END

Year end returns are due by **17th April**. A year end bulletin was issued detailing what is required from employers in March.



EASTER HOLIDAYS

The Pension Fund will be closed from 4pm Thursday 9th April until Monday 13th April 2020.

CONTRIBUTION RATES

EMPLOYEE CONTRIBUTION RATES

The 2020/21 guidance for recalculation of employee contribution rates as at 1 April 2020 has not, as yet, been made available by the SPPA. However, the following [spreadsheet is available](#) which lists the tiered contribution rate bands which may allow you to begin your reassessment process.

As soon as the guidance has been updated nationally the Employer Team will email it to all participating employers.

As previously advised it is essential that employers adhere to the statutory guidance when attributing contribution rates to members. For the LGPS employee rates are determined annually and are only reassessed if there is a **permanent material change** to the member's pay. Members must be advised of their contribution rate in advance of any deduction made by payroll.

The SPPA have confirmed that the practice of reassessing rates monthly is unacceptable and falls out with the statutory requirements of the scheme.

EMPLOYER CONTRIBUTION RATES 2020/21

Any new employer contribution rates for 2020/21 need to be applied to the April payroll figures. The Employer Team will confirm the employer rates and issue new contribution remittance forms (Pen 4.0) along with the employee rate guidance.



YEAR END BULLETIN

The year end bulletin was issued to all employers in early March. This mailing details the steps that need to be taken by payroll teams to meet the scheme requirements for data provision as at 31 March 2020. A copy of the bulletin can be found [here](#).

Please ensure that Full Time Equivalent Pays are included as part of your i-Connect uploads for March and any additional information spreadsheets are sent to the Fund by 17 April 2020. If any employers have any queries around the requirements, please contact the Employer Team at employer@nespf.org.uk.

TRIENNIAL VALUATION

The Fund valuation will be carried out by the scheme actuary as at 31 March 2020 in line with all Scottish LGPS Funds. Calculations will be carried out using data as at the valuation date with initial results expected around October. The valuation is used to determine the overall funding level for the NESPF/ACCTF as well as individual employer funding levels and contribution rate requirements.

Financial Forums will be set up later in the year so that the actuary can discuss the results and start the consultation process around the Funding Strategy Statement and suggested assumptions.

ILL HEALTH GUIDE

The SPPA have issued an updated [Ill Health Guide for employers](#). As the first instance decision maker it is important that employers familiarise themselves with the process and ensure that they have a robust procedure in place that meets the requirements of this decision-making process. Cases sent to SPPA for consideration by Scottish Ministers, at the second stage of the IDRP, will be reverted back to the decision-maker if this process has not been followed.

CORONAVIRUS - FUND UPDATE

The spread of COVID-19 has had a significant impact on financial markets over the last few weeks and as a result the value of the assets held by the Fund has been affected.

The Fund are monitoring the situation in accordance with both the scheme actuary and the Investment Consultant to determine what action, if any, needs to be taken in advance of the Fund valuation as at 31 March 2020.

MONTHLY CONTRIBUTIONS

This is your annual reminder that any contributions deducted from members need to be paid to the Fund, along with the employer contributions, by the 19th of the following month. A remittance in the form of your i-Connect file and/or a completed Pen 4.0 to show the amounts due also needs to be received by this date. Any late payments of contributions are put on our breaches register with continued breaches being reported to Committee for further action.

ACCOUNTING REQUIREMENTS

The annual exercise to provide employers who are required to disclose their pension liabilities as part of their annual accounts as at 31 March has begun. Data is currently being gathered and will be sent out for checking in advance of sending it to the scheme actuary to allow them to carry out their calculations. If any employer has identified the requirement to include this disclosure for the first time in their 2020 accounts please contact the Employer Team at employer@nespf.org.uk to discuss the process and associated costs.

GOT A QUESTION? GET IN TOUCH



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