




EMPLOYER BRIEFING

JULY 2019

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REGULATION CHANGES

On 28th June 2019, regulation changes came into place for the LGPS, backdated to 1st June 2018. There are two major regulation changes to be aware of.

UNPAID LEAVE

The first is to Regulation 11 which will affect all employers regarding unpaid leave. For any member who takes a period of unpaid leave of up to 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 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..

APP FOR ILL HEALTH & DEATH IN SERVICE ENHANCEMENTS

The second is to Regulation 37 regarding the calculation of APP for ill-health or Death in Service enhancements. When providing the annual APP figure to the pension fund, no account is to be taken of any reduction in the pensionable pay the member incurred due to working reduced contractual hours because of ill-health or infirmity of mind or body.



APCS

If a member applies to buy back lost pension, a copy of the paperwork must be forwarded onto the North East Scotland Pension Fund so we can ensure the member's record is set up correctly. We have had a couple of instances in the last few months where an APC has been paid but we have not been notified and therefore the member is not getting the benefit of paying back their lost contributions.

BREACHES

From 1st April 2019, the North East Scotland Pension Fund has taken the decision that all late payments and submissions of data through I-Connect will be recorded on our Breaches Register. This will be monitored by the Employer Relationship Team throughout the year and employers will be contacted if a breach occurs to advise what action will be taken.

I-CONNECT ONLINE RETURNS

Please remember that your I-Connect Online Return has not been uploaded to our system until you press Proceed and you see the progress bar on the Dashboard go green. Since the recent update to I-Connect, the Employer Relationship Team only receive an email alert when an update has been fully completed, we are not notified when an employer has started the Online Return process. By not pressing proceed this could result in the team thinking that the update has not been completed by an employer and could potentially mean that you are reported on the breaches register.



DISCRETIONS POLICY

The North East Scotland Pension Fund will be carrying out a review of discretion policies for all employers following the regulation changes in 2018. More information will be issued in due course.

STAFF TRAINING

The Employer Relationship Team are always happy to help Employers with Pensions training for any new members of Payroll or HR staff. If any employer feels that their staff would benefit from pensions training, please contact the Employer Relationship Team to discuss this.

CONTACT US



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