



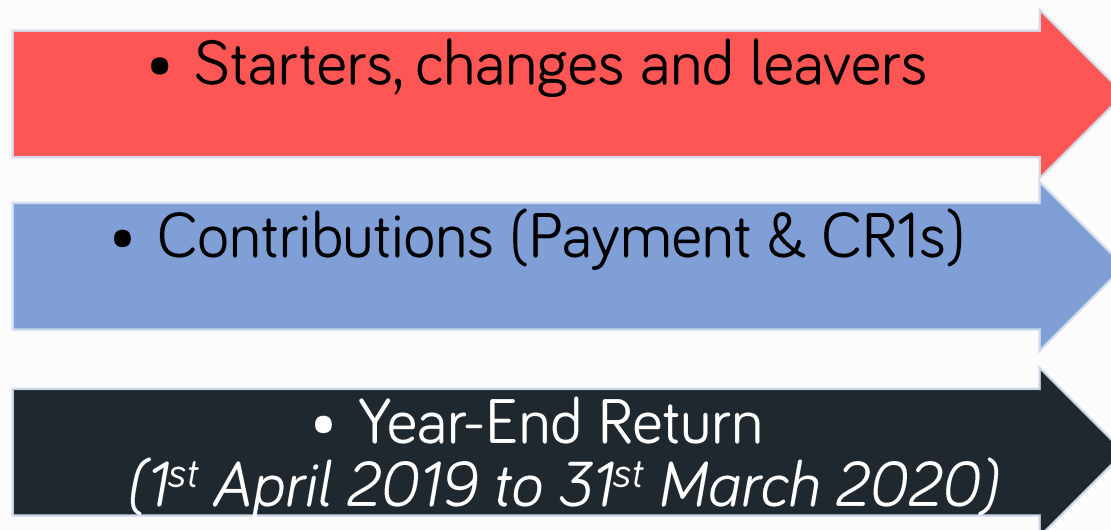
LGPS Year End Return 2019/20

Deadline – Monday 20th April 2020

Year-End Return 2019/2020

The process through the year

Notifications to Pension Fund



Timescale



Year-End Return 2019/2020



Why is the Year-End Return important?

- It is the report of your LGPS year
- It provides member data which:
 - is added to each member's pension record
 - determines your employee's pensions in retirement
 - is the basis of your employee's LGPS Annual Benefit Statements
 - helps determine the Annual Allowance status for your employees
- Contributions – Enables us to reconcile contributions against pay
- Influences your employer contribution rate at Fund Valuations

Year-End Return 2019/2020

Your Year-End Return Target

Our expectation is that your return reaches the Fund...



Complete: It includes all of your LGPS members

Accurate: The data is accurate

Reconciled: The totals match those from your CR1's

Timely: It reaches the Fund by the deadline (20 April)

Year-End Return 2019/2020

Complete: Who should it include?

Your Year-End Return **must** include ALL of your **employees** who contributed to the LGPS in the period 1 April 2019 to 31 March 2020

... plus anyone in the scheme who didn't earn during the year (e.g. casual staff)

This includes:

- Employees who left the scheme during the year:
 - either via leaving their post or
 - by opting out of the LGPS
- Employees who have been, or are:
 - Absent due to sickness
 - On Maternity, Paternity, Adoption leave

You must complete **ALL** relevant fields for each person



Year-End Return 2019/2020

Accurate: Reliance on the data you provide!

- **Your employees** rely on you providing accurate data to the Fund
- **The Fund** relies on you to ensure we can use your data for the following;

Paying
Pension
Benefits

Annual
Benefit
Statements

Working out
Annual
Allowance

- Make sure your data is accurate and matches with your CR1's sent during 2019/20 before submitting



Year-End Return 2019/2020

Reconciling contributions against pay

Your Return must match your CR1's



- Check that the totals of entries on your Year-End Return tally with the totals shown on your CR1's during 2019/20
- This is the first thing the Fund checks
- If it doesn't match, something is wrong, so your Return will be returned to you

Please make sure your pay and contributions match before submitting!

Year-End Return 2019/2020

Timely: When do you send it?



Your **Complete, Accurate, Reconciled** Year-End Return must reach us securely by:

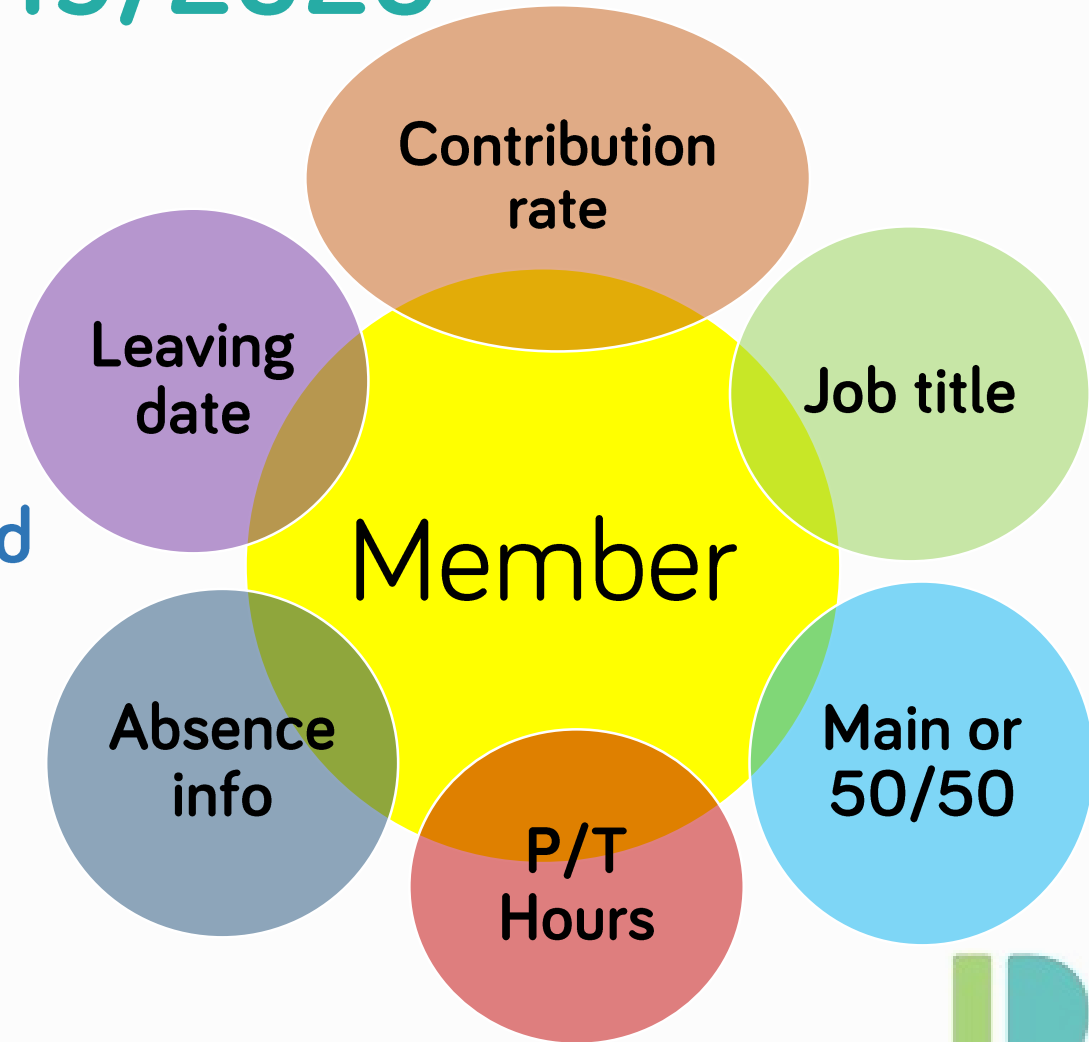
5:00pm on **Monday 20th April 2020**

Send to: pensions.tech@derbyshire.gov.uk

Year-End Return 2019/2020

Data you need to provide:

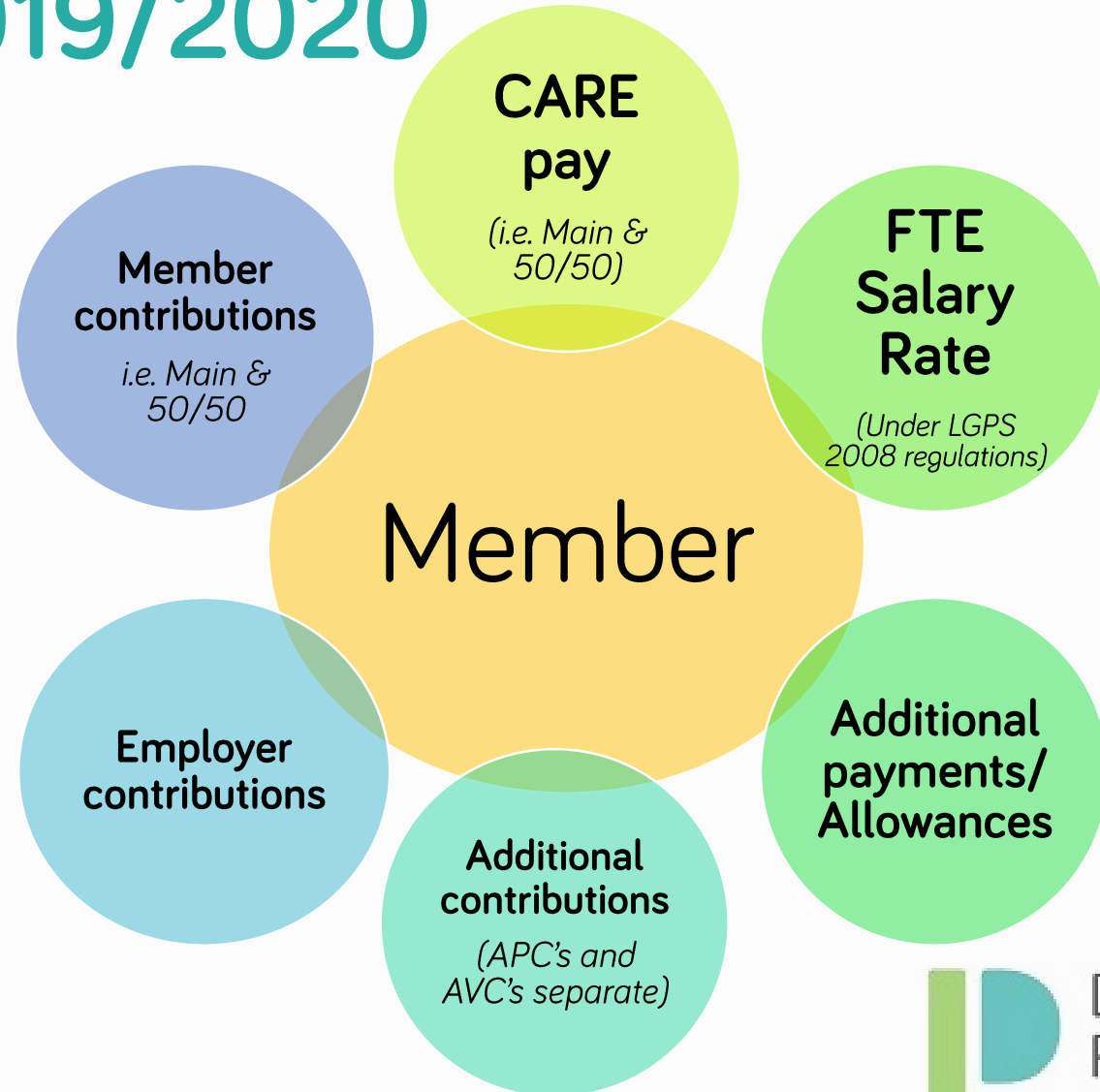
The core information we need



Year-End Return 2019/2020

Data you need to provide:

Main cumulative totals



Year-End Return 2019/2020

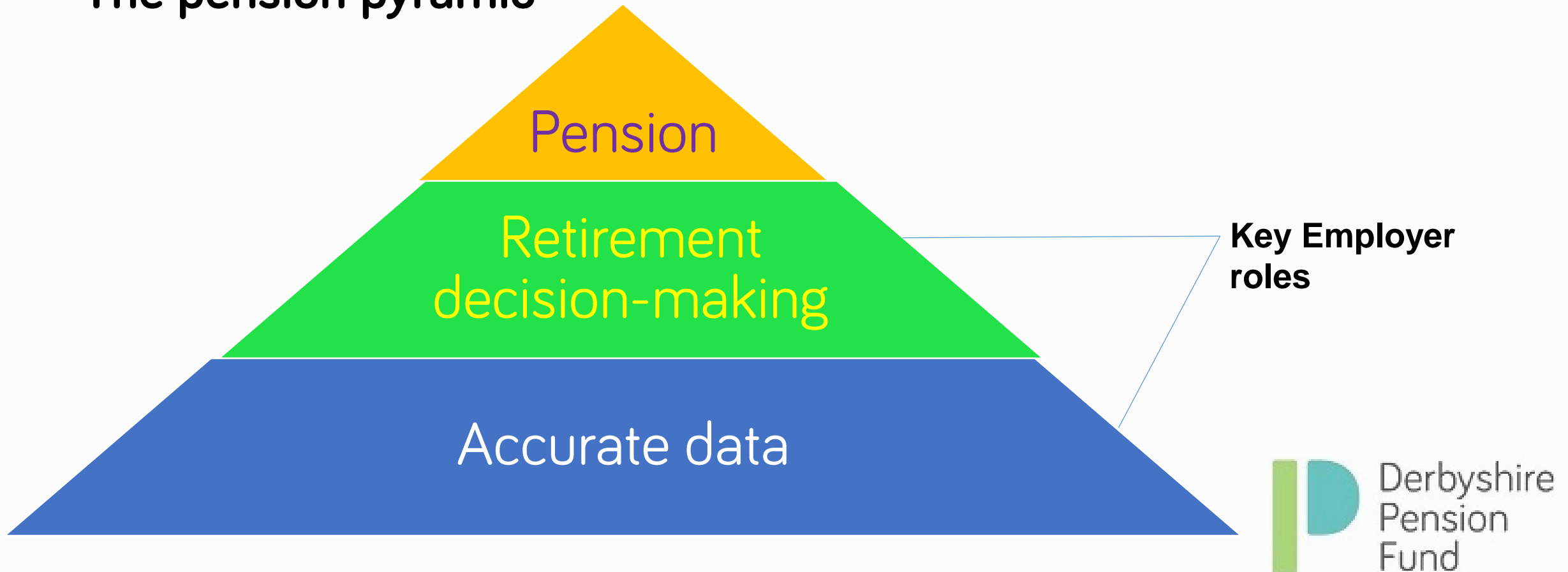
Faulty data: The impact

- Wrong Annual Benefit Statements (or no ABS)
- Wrong pension benefits being paid
- Penalty charges
- Higher contribution rate
- Tax bills
- Appeals
- The Pensions Ombudsman
- The Pensions Regulator



Year-End Return 2019/2020

The pension pyramid



Year-End Return 2019/2020

Simple example of faulty data

Your employee, Barry Scott, is a full-time worker. He earned £25,000 during 2019/20. This shows the impact a simple error can make. We can only work out Barry's correct CARE pension for 2019/20 by his employer submitting accurate data.

Name	Date of Birth	Start	End	CARE pay	CARE pension
Barry Scott	13/03/1969	01/04/2019	31/03/2020	20500	418.36

WRONG!

Name	Date of Birth	Start	End	CARE pay	CARE pension
Barry Scott	13/03/1969	01/04/2019	31/03/2020	25000	510.20



Year-End Return 2019/2020

Year-End considerations and checks Absences on reduced and nil pay

- **Types of absence:**

- Sickness
- Maternity Leave, Paternity Leave,
- Adoption Leave, Shared Parental Leave
- Other types of leave

- **Assumed Pensionable Pay (APP)**

- Was it applied, and if so, was it applied correctly?
- LGA guidance on APP
(HR & Payroll Guide available at

<http://www.lgpsregs.org/resources/guidesetc.php>)

Check that all such cases are reported accurately on your return



Year-End Return 2019/2020

The 10 most common Year-End Return errors (1-5)

1. Year end does not reconcile with the CR1's submitted throughout the year
Something must be wrong! Returned to employer without further checking.
2. Non-submission of starter, changes and leavers forms during the year.
Year-end data can't match with information held on pension record
3. Amalgamating data for a member who changed posts during the year
Each post must be reported individually
4. Leaving casual staff who have not worked in the year being missed off
If the member is still on your books as a potentially active member, you must include them
5. Employer contributions don't correlate with CARE pay
Either the CARE pay or the contributions must be wrong

Year-End Return 2019/2020

The 10 most common Year-End Return errors (6-10)

6. Assumed Pensionable Pay (APP) not included

Member possibly denied their pension building as it should

7. Not including pensionable additional allowances under 2008 regs in the separate column

Member's pension for pre-2014 membership may be based on wrong FTE Annual Salary Rate

8. Not completing all relevant columns

Data can be processed much quicker if all information added, including relevant notes

9. Full-Time Equivalent (FTE) not shown correctly

If the member is paid for less than 365 days (Payment days) , the salary must be reduced accordingly

10. Dates shown incorrectly

Dates must be shown to reflect the period of LGPS membership in the year, rather than 1st April to 31st March in all cases

Year-End Return 2019/2020

Checks before sending: **Don't** think.....

As long as it's
correct by the time
the member retires
it'll be okay...

We can **ignore**
pensions throughout
the year and just
sort it at year end...



Year-End Return 2019/2020



Checks before sending: Things to do

- ✓ Check that you have sent in all of your **new joiners, changes** (e.g. change in hours) and **leavers** during 2019/20
- ✓ Check that **everyone** is on your Year-End Return who needs to be
- ✓ Check that your data is **complete and accurate**
- ✓ Check that the totals **reconcile** with those on your CR1's

Year-End Return 2019/2020

Summary

- Your **Complete**, **Accurate**, **Reconciled** & **Timely** Year-End Return must reach the Fund by
- Deadline: **5.00pm Monday 20th April 2020**
- The Fund and all of your staff who are part of the LGPS rely on you:
 - Annual Benefit Statements
 - Member's pension benefits
 - Fund Valuation
 - Employer Contribution Rate
- Any problems with entries or meeting the deadline, please let us know ASAP