

Employers' Briefing Note

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Important Information and Warnings

1 Update on 2019 Actuarial Valuation

Employer Health Check Ahead of 2019 Actuarial Valuation

The Fund recently issued an 'Annual Health Check' as part of its 2019 Actuarial Valuation preparations. The Health Check asked employers to check or confirm the following details:



- Accuracy of active member lists held by the Fund
- Details of any casual employees
- Details of the contacts held for the organisation (and payroll provider if appropriate).
- List of approved users currently registered as having access to an organisation via the Employer Web Portal

Why Are We Carrying Out the Check?

Active Member Lists: The validity of actuarial calculations depends on the accuracy of the data used. Small differences in member data can have an impact on pension liabilities and, as a result, the contribution rate paid by employers. It is vital that the Fund holds a correct reflection of your membership profile.

Employer Web Portal Access List: To verify the access held by your organisation to the Employer Web Portal.

Contact List:

To ensure the Fund are contacting the correct person in all scenarios; both in the coming 2019 Actuarial Valuation and in the future.

The Health Check email has been sent to all Fund employers, if you have not received the email please contact the Fund at WMPFEmployerValuation@wolverhampton.gov.uk and we will arrange for a copy to be sent to you. If you have received, but not yet completed the check, please do so at your earliest convenience.

2 IAS19/FRS102 Accounting Disclosures Dates

The Fund invites employers to participate each year in the Fund's bulk arrangement in respect of the IAS19/FRS102 accounting disclosure. An IAS19/FRS102 accounting disclosure is used in your organisation's financial report and accounts.

Participation in this exercise is optional, though please note if you have previously opted in to this arrangement, you will be automatically be enrolled into this year's bulk arrangement (though you will, however, still be given the opportunity to opt out). In light of the Supreme Court's decision regarding the McCloud/Sargeant judgements many auditors are requiring employers to provide for the potential impact of the McCloud judgement within their annual reports and accounts. As such, we intend to incorporate this information into your FRS102/IAS19 statement for this year unless you elect not to do so. If your year-end date was July or August, you will have already received a communication regarding this and the associated costs.

The timescale for the cycles are shown below:

Year-end date	Invite issued	Results to be issued
31 March 2019	February 2019	April/May 2019
30 April 2019	March 2019	June 2019
30 June 2019	May 2019	August 2019
31 July 2019	June 2019	September 2019
31 August 2019	June 2019	October 2019
30 September 2019	August 2019	November 2019
31 December 2019	November 2019	February 2020

3 Funding Strategy Statement Update

Following the consultation on the review of the Funding Strategy Statement, the statement has now been updated and is available to view on the our WMPF website [here](#).

The updated statement includes a change of policy for terminations of admission agreements and for new contracts/admission agreement that a pass-through arrangement is either included in the contract or admission agreement. There is also a flow chart on the pass through arrangement that is also accessible on our WMPF website [here](#).

The updated Funding Strategy statement is applicable from 1 April 2019 and we are communicating with the scheme employers that have awarded a contract from 1 April 2019 onwards to liaise with the organisation that has been awarded the contract to agree if the pass-through arrangement is to be included in the contract or the admission agreement.



4 2019 Annual Benefit Statement (ABS)

2019 annual benefit statements have now been uploaded onto the member's Pensions Portal accounts. It is easy for members to register for the Portal today at [My Pensions Portal](#).



Fund Support and Guidance

1 50/50 Scheme

There are two sections in the Local Government Pension Scheme (LGPS) from 1 April 2014: the main section and the 50/50 section.

The main section is where a member pays normal contributions and the normal amount of pension builds up as standard (based on a 1/49th accrual rate).

In the 50/50 section, the member can pay half of their normal contributions and build up half of their normal pension (based on a 1/98th accrual rate) during the period that they are in the 50/50 section. However, any members in the 50/50 section would still get full life assurance cover, full ill-health cover and full survivor benefits in the event of their death.

Please ensure that any members who are in the 50/50 section are highlighted on the relevant monthly data submission.

Further in-depth guidance is available to WMPF members on the Fund's website: [50/50](#).



2 Fund Query Reduction

Over recent months, the Fund has noticed an increase in the number of queries that we are raising with employers following receipt of leaver data. When leaver data is received from employers, the Fund do some validation checks before processing the relevant calculation for the member.

The main type of query is around pay figures provided, where these don't look consistent with those provided either via monthly submissions or previous annual returns. This inconsistency can sometimes be explained as the member has had a change in hours, been off sick or undertaken overtime. As the pay figure used has a material effect on the calculation of the member's benefits, the Fund cannot make assumptions that it is due to one of these reasons and isn't an error.

To help us to validate the data provided, and reduce the number of queries raised with yourselves, please provide this information in the other information box provided on the WebS4, as detailed below:

Any other additional information	
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The more information provided the better to help avoid the Fund raising queries when processing member benefits...we don't want employers to have to provide data more than once!

There is also guidance available on the Fund's website on how to calculate final pensionable pay and assumed pensionable pay. Please also take a look to ensure the data provided is accurate: <http://www.wmpfonline.com/APP-FTE>

We run coaching sessions that offer support with general and complex queries including how to calculate the above. These sessions are available to all our employers so to find out when the next session is being held and how the session could benefit you, please visit our WMPF website: <https://www.wmpfonline.com/employercoaching>

3 Monthly Data Submissions - Zero Pay

Where a member does not receive any pensionable pay in a period, a zero entry should still be provided in the extract. The Fund's processing system expects an entry for each month, in order to derive annual earnings and contribution values at the end of the financial year. These in turn are then used to calculate the member's CARE pension pot which must be present, in order for an annual benefit statement to be produced.

Please ensure that all members have an entry present on each monthly submission.

If you have not already done so please provide the Employer Services team with a list of your casual employees to help reduce data queries going forward

4 Auto-enrolment

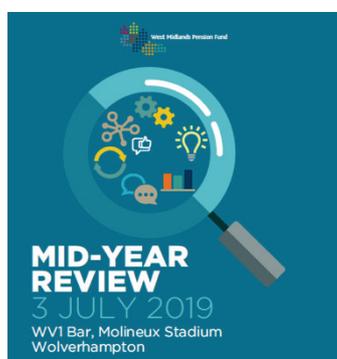
If your organisation participates in auto-enrolment of new members into the scheme, please could you confirm your auto-enrolment date so we can log this on our records.



Events and Consultations

1 Mid-Year Review - Feedback

The Fund recently hosted its annual Mid-Year Review (MYR) event at the Molineux Stadium. It was nice to see so many of you attending, together with Councillors, Pensions Board members, union representatives and other various stakeholders.



This year as well as the Fund updates, we heard from an external speaker from Impax who delivered a brief overview on the sustainable investment.

Following feedback from last year we introduced greater audience interaction, to include an opportunity for attendees to corroborate comments and feedback previously received. Workshops were held at the end of the event on a variety of topics including the calculation of early retirement costs, flexible retirements and the calculation of pay. Thank you to all who submitted their feedback throughout the day and, like last year, we will use this to shape our service moving forward.

We look forward to seeing you all again at the Fund's Annual General Meeting towards the end of the year.

2 MHCLG consultation - LGPS: Changes to the Local Valuation Cycle and the Management of Employer Risk

The Ministry of Housing, Communities and Local Government opened a consultation 'Local Government Pension Scheme: Changes to the Local Valuation Cycle and the Management of Employer Risk'. The consultation closed on 31st July 2019 and the Fund has submitted its response for consideration.

The consultation document can viewed [here](#). Topics of this consultation included:

- Amendments to the local fund valuations from the current three-year (triennial) to a four-year (quadrennial) cycle
- A number of measures aimed at mitigating the risks of moving from triennial to quadrennial cycles
- Proposals for flexibility on exit payments
- Proposals for further policy changes to exit credits
- Proposals for policy changes to employers required to offer LGPS membership – further education corporations, sixth form college corporations and higher education corporations

Further Information Available to Employers and Members

Further information on the LGPS can be found on the Fund's website at wmpfonline.com

The website can also be used to provide information to members or as signposting for them to access information about the scheme and web portal.

We always welcome feedback on our services. If you would like to make any further suggestions for improvement, please email: wmpfemployerliaison2@wolverhampton.gov.uk or via the feedback form www.wmpfonline.com/feedback

Website: wmpfonline.com

Web portal: <https://portal.wmpfonline.com/UPMWebApp/home.page>

Employer helpline: 0300 111 6516

Please only give members the Customer Service telephone number 0300 111 1665, not the employer helpline telephone number.