

ACADEMY APPLICATION AND TERMINATION



West Midlands Pension Fund

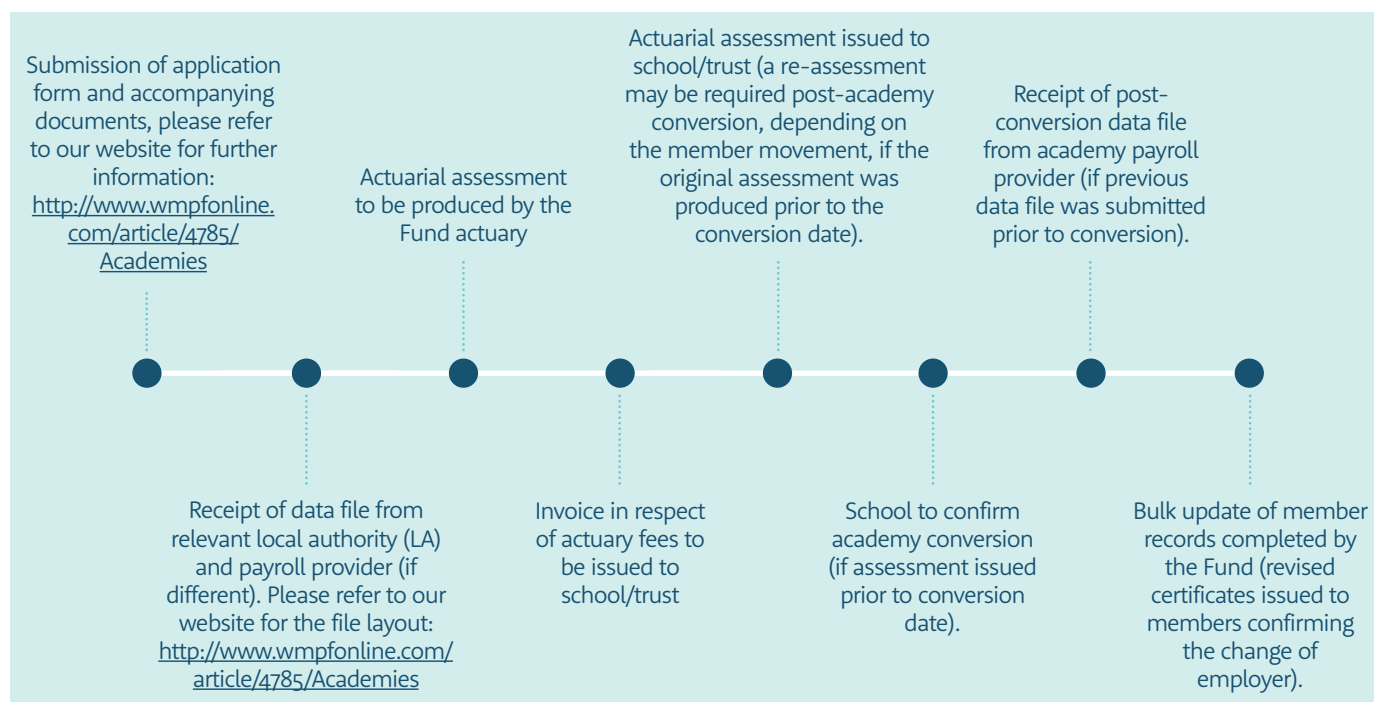
FACT SHEET

Academy Application

An academy is automatically a scheme employer under the LGPS Regulations (schedule 2 part 1). The potential cost of an academy conversion is up to £515 + VAT (these costs are correct at 1st January 2024).

- Please note that if your application involves over 250 members, this cost may differ.
- We are unable to provide exact costs until an application has been received. For further information regarding academy arrangements, please see the DCLG document <http://lgpslibrary.org/assets/othergov/201704Academies.pdf>

Process Requirements



Please note that we are unable to confirm exact timescales due to various factors which may affect the application progress.

Employer's Contribution Rate Upon Academy Commencement

The Fund actuary Hymans Robertson will be asked to calculate and certify the employer contribution rate, reflected as one single contribution rate payable by the academy upon conversion.

In the first instance, the rate would be payable from the conversion date and ending on 31 March of relevant year.

Thereafter, the employer rate would be reviewed at three-yearly intervals in line with the LGPS triennial valuation dates.

If the employer contribution rates are not determined prior to the conversion date, the rate is provisionally set at the ceding local authority rate, or the relevant Multi-Academy Trust (MAT) or Company (MAC) rate, depending on whether the school is joining a Trust already participating in the Fund. In respect of free schools (where there is no conversion from an LA school), provisional rate is 18.3% unless the free school is joining a Trust already participating in the Fund in which case the primary rate will be that of the Trust.

The employer contribution rate would be payable from the academy commencement date. Payment should be made no later than the 19th day of the following month. If a school conversion is notified to the Fund after the conversion date, then an arrears of pension contributions will need to be made to the Fund

Employee and employer pension contributions should be paid to the Fund following academy commencement. The employee contribution rate bandings can be found on our website [here](#).

The employee contribution rate is payable from the academy commencement date. Payment should be made by the employer to the Fund no later than the 19th day of the following month.

Monthly Data Submissions

Upon academy conversion, the employer/payroll provider will be required to submit one monthly interface (in a standard format) a month (by 19th of the following month) via Employer Self-Service. The one monthly interface will enable employers to notify the Fund of new joiners and employee/employer contributions and earnings.

Members who will be subject to the TUPE transfer must not be flagged as new joiners on the monthly interface. This will create a duplicate record for the members, which may incur a charge for data rectification. Only new members that joined on/after the academy conversion and any members that previously opted out should be flagged as a new joiner.

Further information about the monthly submission process can be found [here](#).

Additionally, please view the video on 'How to submit a monthly data file' on our website [here](#).

In order to submit monthly files, access to Employer Self-Service is required. Further information about Employer Self-Service can be found [here](#).

Academy Termination

Termination of an Academy

If an academy ceases to exist, the Fund must obtain:

- from the actuary an actuarial valuation of the assets and liabilities of the Fund in respect of the members as at the date this agreement terminates, calculated on such basis as the actuary recommends.

A revised rates and adjustments certificate showing the exit payment due from the exiting academy or exit credit payable to the exiting academy in respect of those benefits.