

Milly Southworth

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Sent: 03 March 2022 08:44
To: Cornwall Pension Fund
Cc: Matthew Davies; Matthew Allen (Cornwall Pension Fund)
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Importance: High

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Employer Newsletter

March 2022



REMINDER | 2022/2023 Employee contribution bands

Below are the employee contribution bands, which will be effective **from 1st April 2022**. They are calculated by increasing the 2021/22 employee contribution bands by the September 2021 CPI figure of 3.1% and then rounding down the result to the nearest £100:

Contribution bandings 2022/2023		
Actual Pensionable Pay	Main Section	50/50 Section
Up to £15,000	5.50%	2.75%
£15,001 to £23,600	5.80%	2.90%
£23,601 to £38,300	6.50%	3.25%
£38,301 to £48,500	6.80%	3.40%
£48,501 to £67,900	8.50%	4.25%
£67,901 to £96,200	9.90%	4.95%
£96,201 to £113,400	10.50%	5.25%
£113,401 to £170,100	11.40%	5.70%
£170,101 or more	12.50%	6.25%

Please ensure that you apply the above employee contributions bandings from **1st April 2022** and inform your payroll provider accordingly.

2021/2022 Year end

We will shortly be issuing instructions to all employers with regard to your organisation supplying the **2021/2022 year end data to the Fund by 30th April 2022**.

Please ensure your payroll provider is aware of our deadline and you, as the employer, have allowed sufficient time to carry out the appropriate data checking ahead of the submission to the Fund by the deadline.

Data quality

In January 2022 we contacted 122 non-Cornwall Council maintained payroll employers regarding undertaking a population data check.

Thank you to all those non-Cornwall Council maintained payroll employers that responded with updates to their January 2022 population data.

The purpose of the population data check is to compare what our pension system holds for your organisation against what you hold, to check for data accuracy and to minimise queries at year end. As this is a triennial valuation year, those employers who didn't respond are now likely to have increased queries at year end and the actuaries may need to make prudent assumptions regarding your data quality – which in turn, may increase your employer contributions over the next three years.

Detailed below is a comparison for this year's population data check versus the previous one in January 2021:

Comparison of 2022 vs 2021 population data checks		
No. of employers contacted	No. of members in scope for population data check	Percentage of employer responding
+1	+205	-13%
Previously un-notified leavers	Previously un-notified new entrants	Previously un-notified address changes
+55	+6	-32
Previously un-notified other changes e.g. name	Total previously un-notified changes	Accuracy of data
+1	+28	-0.02%

It didn't go unnoticed that last year's (2021) population data check took place in the middle of COVID restrictions and employers were still adapting to working differently, with the results reflecting this at that time.

However, you'll also notice that the general direction of previously un-notified changes between 2021 and 2022 has got worse, which is disappointing.

13% less employers responded this time, as outlined earlier, this may have an effect on your year end return and subsequent valuation results.

With the introduction of the Pension Administration Strategy from January 2019, which **applies to all Fund employers**, we have the ability to levy costs associated with the employer's poor performance. Where necessary, we could also report your organisation to the Local Pension Board and The Pension Regulator who could also impose financial sanctions, as it is a statutory requirement that you provide us with all necessary and timely information in order to administer the LGPS.

To remind you, the Pension Administration Strategy states that employers should notify the Fund of a new joiner **within 10 working days of the start date** and notify the Fund of a leaver **within 10 working days of the leave date**. Please check that you and your payroll provider have the necessary processes in place to ensure that these deadlines are met going forward.

Automatic enrolment trigger

The Department of Work and Pensions (DW) has published its review of the automatic enrolment trigger for 2022/23. The earnings trigger will remain at £10,000. This is a real term decrease in the value of the trigger and the Government estimates this will bring a further

17,000 savers into pension savings, when compared to increasing the trigger in line with average wage growth.

Normal minimum pension age

The Finance Act 2022 received Royal Assent on 24th February 2022. In the Act it states that the normal minimum pension age will increase from 55 to 57 from 6th April 2028. This will not apply to members of uniformed services pension schemes. The Act provides for protected pension ages for members who meet the entitlement condition.

We do not yet know whether the Department for Levelling Up, Housing and Communities (DLUHC) intend to amend the Local Government Pension Scheme (LGPS) regulations to introduce a protected pension age.

Fund bank account

Did you know that the Cornwall Pension Fund has its own bank account?

As Cornwall Pension Fund is a separate entity to Cornwall Council, the bank account is also separate to Cornwall Council's.

If you are making any payments to the Pension Fund in respect of invoices or contributions, you should use the Cornwall Pension Fund bank account not Cornwall Council's. If you need the details of the bank account, please contact pensioninvestments@cornwall.gov.uk who will be happy to supply these to you.

Sending information securely to the Fund

If you or your payroll provider are sending us membership data, we strongly suggest you do this securely, by using Egress. We are unable to use or open documents using any other encryption services e.g. Office 365 encryption, as these conflict with our systems or may even not reach us. **Please ensure your payroll provider is aware that we only use Egress and all other encryption services will be rejected.**

Egress is free to use when you are sending your information to us and can be accessed by using the link below:

[Egress Web Access](#)

Are the right people receiving this communication?

Please ensure that staff responsible for providing information to us from your organisation receives this communication and if necessary, please notify us of the updated contact details for your organisation.

Contact:



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