

Milly Southworth

From: Daniel Pattingale <Daniel.Pattingale@cornwall.gov.uk>
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To: Cornwall Pension Fund
Cc: Zoe Johnston; Matthew Davies; Matthew Allen
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Employer Newsletter

April 2023



REMINDER | 2023/2024 Employee contribution bands

Below are the new employee contribution bands, which have now taken effect (**1st April 2023**). They are calculated by increasing the 2022/23 employee contribution bands by the September 2022 Consumer Prices Index (CPI) figure of 10.1% and then rounding down the result to the nearest £100:

Contribution bandings 2023/2024		
Actual Pensionable Pay	Main Section	50/50 Section
Up to £16,500	5.50%	2.75%
£16,501 to £25,900	5.80%	2.90%
£25,901 to £42,100	6.50%	3.25%
£42,101 to £53,300	6.80%	3.40%
£53,301 to £74,700	8.50%	4.25%
£74,701 to £105,900	9.90%	4.95%
£105,901 to £124,800	10.50%	5.25%
£124,801 to £187,200	11.40%	5.70%
£187,201 or more	12.50%	6.25%

Please ensure that you apply the above employee contributions bandings from **1st April 2023** and inform your payroll provider accordingly. It is the responsibility of the employer to ensure members are informed of any changes in their contribution bands.

REMINDER | 2022/2023 Year-end

If you are not on i-Connect, you'll need to submit your 2022/2023 year-end membership data via the usual year-end template. An email was circulated Wednesday 1st March and Friday 14th April, which included this template and a guide to the Year-end process.

The deadline for your year-end submission is 30th April 2023, please sent to employerdata@cornwall.gov.uk. Please ensure your payroll provider is aware of our deadline and you, as the employer, have sufficient time to carry out the appropriate data checking ahead of the submission to the Fund.

If you are on i-Connect, your year-end is captured in your March monthly submission. The Employer Data Team will have contacted you already in regard to this. This will be your final chance to correct any mis-aligned information for the financial year, if you have any questions or concerns, please contact the team at employerdata@cornwall.gov.uk

If you currently use Cornwall Council Transactional Services as your payroll provider, we are expecting your 2022/2023 year-end submission to be completed via i-Connect. We've been working with them over the last few months to bring you on-board and if you have any questions in regard to this process, please contact Cornwall Council Transactional Services.

Employer Meetings 2023/2024

Our next Employer meetings will be as follows:

- Colleges and Academies – 20th September 2023 and 13th March 2024 both at 2pm
- Town and Parish Councils – 20th September 2023 and 13th March 2024 both at 10am
- CORSERV Group companies – 21st September 2023 and 12th March 2024 both at 2pm

- Cornwall Council – 22nd September 2023 and 14th March 2024 both at 10am
- Admitted bodies – 21st September 2023 and 12th March 2024 both at 10am

The meetings are grouped by employer type to ensure you receive relevant information and to give you the opportunity to raise any issues that others may also be experiencing in your sector. Each meeting lasts approximately 1.5hrs.

Areas typically covered include future changes, updated legislation, training and common issues plus time for any of your questions.

The admitted bodies employer meetings will include catering and cleaning companies, charities and any other private organisations, not covered by the other employer meetings.

If you or anyone in your organisation would like to attend these meetings, please email Daniel.Pattingale@cornwall.gov.uk and we will send you the Microsoft Teams appointment details.

Valuation outcome letter

Last month, we sent valuation outcome letters to all employers, these letters confirmed the employer contribution rates for your organisation for the next 3 years.

You can find the current and previous Actuarial [Valuation Reports](#) on the Cornwall Pension Fund website.

If you have not received your letter or would like to discuss your valuation outcome, please email Zoe.Johnston@cornwall.gov.uk and we will endeavour to assist in this matter.

CARE Revaluation Date Consultation

Active scheme member's Career Average pensions that have been built up in the scheme are revalued each year to take account of the impact of inflation over the previous scheme year. This increase was applied every 1st April in-line with the previous September's CPI figure, which this year this will be 10.1%.

The LGPS (Amendment) Regulations 2023 changed the annual revaluation date from the 1st April to the 6th April in England and Wales. This came into effect from 31st March 2023. Changing scheme regulations to move the revaluation date from 1st April to 6th April means that inflation would be reflected in the value of the pension after HMRC assess the value of an LGPS pension for the purposes of the annual allowance test in the tax year 2022/23 and future tax years. Without this change to scheme regulations, there would be a significant increase in the number of LGPS members breaching the annual allowance threshold, and potentially incurring a tax charge simply due to the level of the revaluation being applied to their accrued pensions.

The change will have no effect on the amount of LGPS pension benefits scheme members are entitled to on retirement.

This is set out in [The Public Service Pensions Revaluation Order 2023](#) [S I 2023/252].

Spring Budget 2023

On 15th March 2023, the Chancellor of the Exchequer delivered his Spring Budget.

The [Finance \(No.2\) Bill 2022/23](#) was published on 23rd March 2023, with effect from 6th April 2023. The Bill proposed to enact some of the changes announced at the Spring budget. In particular:

- increasing the Annual Allowance (AA) from £40,000 to £60,000
- increasing the money purchase AA from £4,000 to £10,000
- increasing the adjusted income level for the tapered AA from £240,000 to £260,000
- increasing the minimum tapered AA from £4,000 to £10,000
- abolishing lifetime allowance (LTA) charges arising in relation to benefit crystallisation events (BCE) occurring on or after 6th April 2023
- allowing members to accrue new pension benefits, join new arrangements or transfer, without losing enhanced protection or fixed protection where the protection was applied for before 15th March 2023

Contact:



Cornwall Pension Fund. 4th Floor South Wing, County Hall, Truro TR1 3AY



01872 322322



www.cornwallpensionfund.org.uk



pensions@cornwall.gov.uk