

Agenda Item 5

County Offices, Newland,
Lincoln, LN1 1YL
www.lincolnshire.gov.uk



25 November 2019

To all Employer Strategic and Finance Contacts

Dear Employer

EMPLOYER MONTHLY PENSION CONTRIBUTION DATA RETURNS

I am writing to you in my capacity as Chair of the Lincolnshire LGPS Local Pensions Board. The Board has a key role in overseeing the management and operation of the Pension Fund. One area which has been of particular focus for the Board over the past twelve months has been the accuracy and timeliness of monthly contributions data made to the Fund by its employers.

Over this period the Board has been disappointed in the number of employers who have either submitted late payments or inaccurate data each month. I am writing to you now to remind you of your responsibilities as an employer within the Lincolnshire Pension Fund and would encourage you to review your processes to ensure you have robust arrangements in place to meet your statutory responsibilities.

As I am sure you are aware, all employers have a statutory responsibility, as set out in the Pensions Act 1995, to ensure that they pay over any contributions due to the Fund by the 19th of the month following their payroll. The Fund classes an employer a 'late payer' if the cash and/or the data are received after this date; where the two do not agree; or where the employer contribution rate is incorrect.

If you have not met these deadline in the past you will have received communications from the Fund asking you to submit the information required, or to review and correct data supplied. If you have missed this deadline three times in a six month period you will have received a fine from the Fund.

It is not only the Board who has an interest in these metrics. The Pensions Regulator, who oversees the whole sector, is taking an increased interest in the accuracy of data and the role of employers in ensuring the highest levels of accuracy are achieved. The Fund has a duty within the regulations to report any employers that persistently do not meet these requirements. Action by the Regulator can include fines of up to £50,000 for non-compliance.

If you are at all unsure of the requirements placed on your organisation by the Pension Fund or need any assistance please contact your pension fund representative or finance contact at West Yorkshire Pension Fund, who act as the Lincolnshire Fund's administrator.

Yours sincerely

Roger Buttery
Chair of the LGPS Local Pensions Board

This page is intentionally left blank