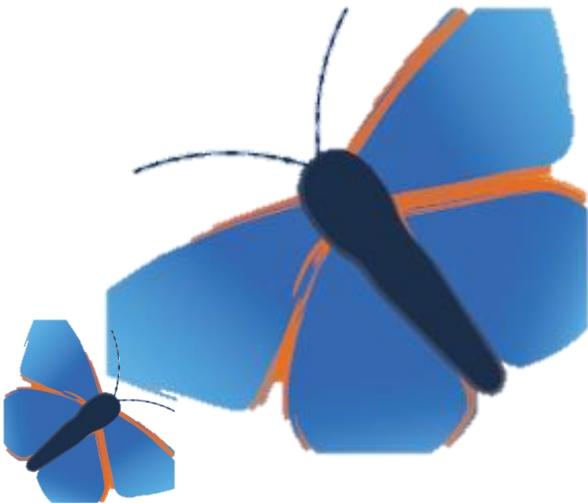


Dorset County Pension Fund - PLOG

Employers Meeting 26 June 2024

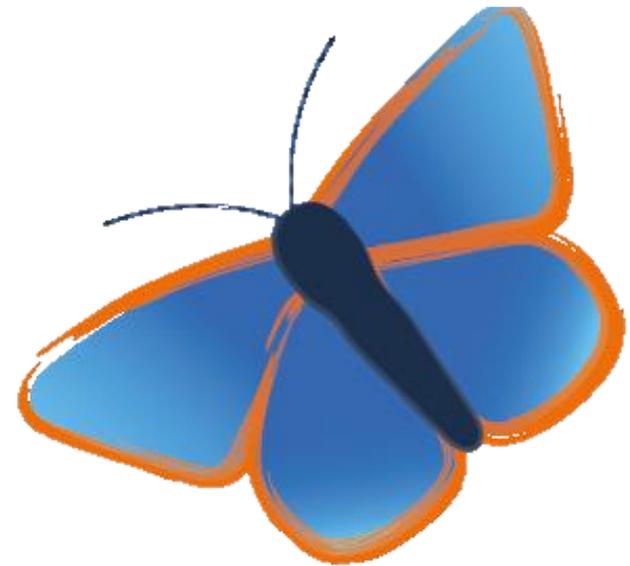


Welcome

To the Dorset County Pension Fund Employers Meeting!

TODAY

- End of Year – Feedback
- Flexible Retirement
- Gender Pensions Gap



Local Pension Board – Employer vacancy

- We have a vacancy for an Employer Representative on the Local Pension Board for the Dorset County Pension Board
- The position is voluntary, employers usually support time off for attendance and training
- If you are interested, please email;
 - karen.gibson@dorsetcouncil.gov.uk, and
 - lqpsemployers@dorsetcouncil.gov.uk



Pension Liaison Officer Group

End of Year Feedback

**Dorset County
Pension Fund**

administered by Dorset Council



End of Year 2023/24

Thank you to all employers who submitted on time and have addressed queries.

Thank

End of Year is very challenging.

We appreciate your support.

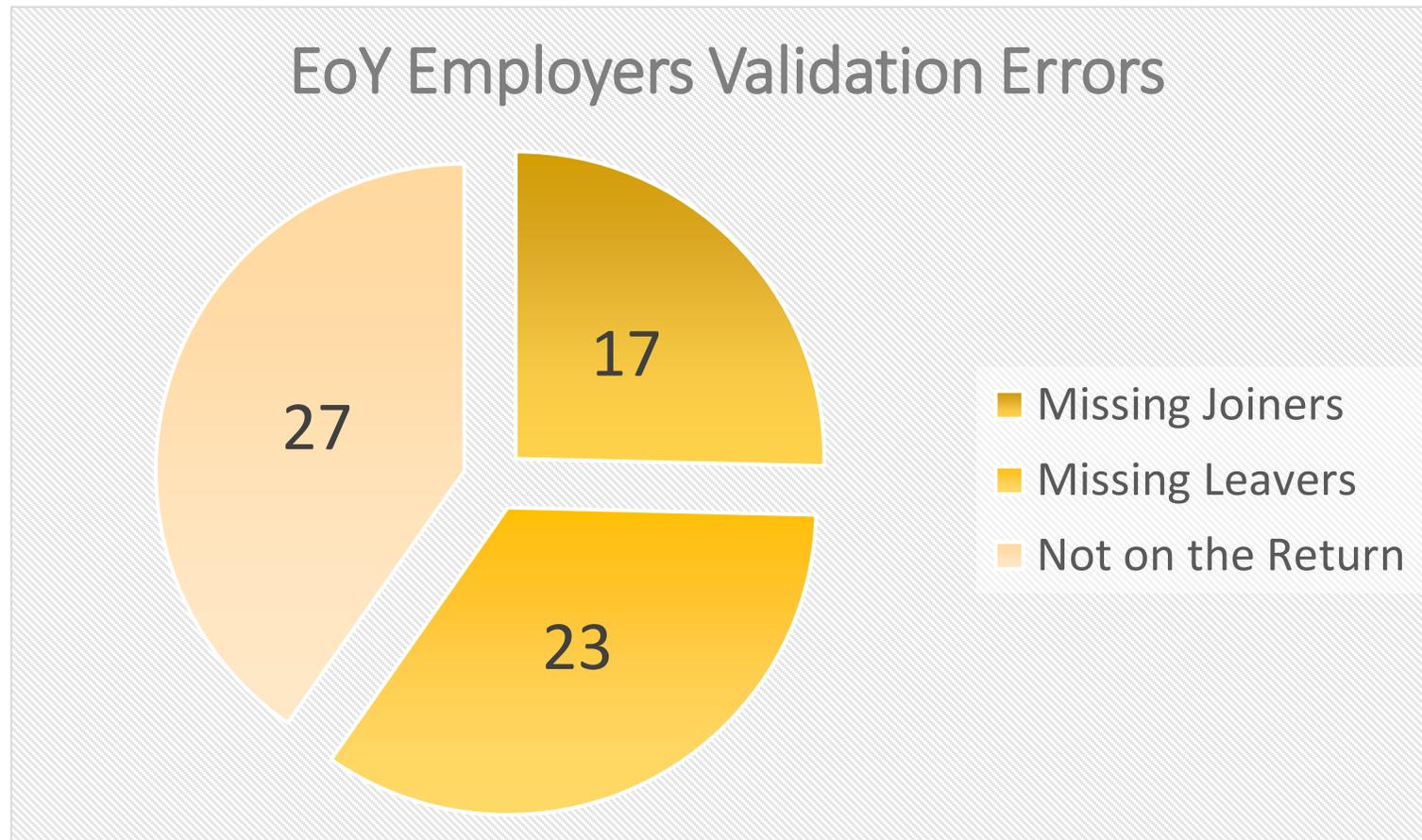
You

End of Year 2023/24 statistics

- Systems Team = 2 members of staff + Manager. The team worked exceptionally hard this year processing EoY
- Fund has 165 employers totalling 29,281 members
- 158 EoY submissions met the deadline
- 7 Employers will incur a financial penalty for late submission of £100 per day

End of Year 2023/24 and monthly returns

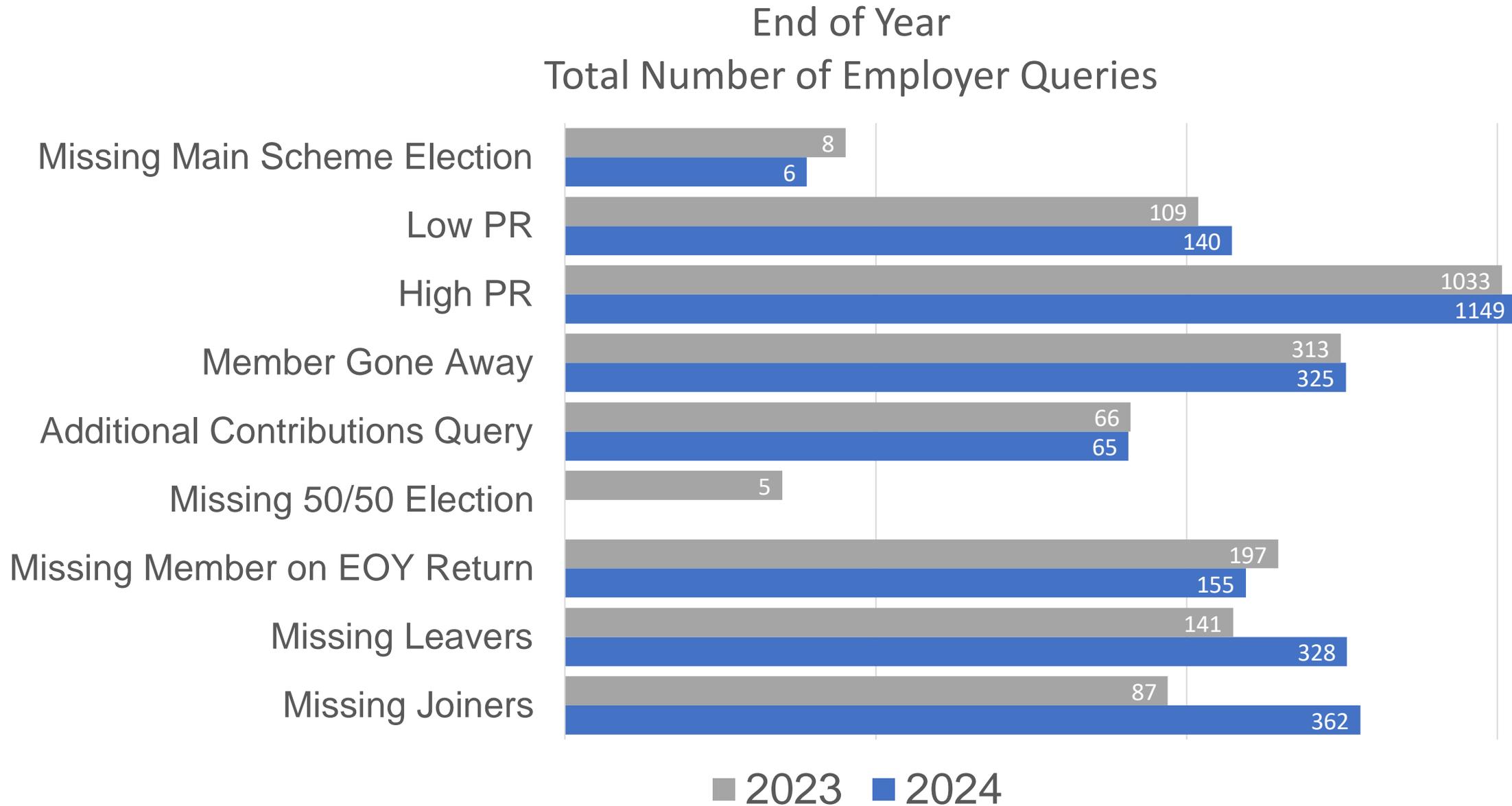
- 99 employers submit Monthly Returns
 - 52 are Dorset Council and their external customers
- Employer submitting monthly returns, 65 no validation errors, 52 are Dorset Council
- 11 employers who submit monthly returns had missing information in all 3 categories



End of Year 2023/24

- Large amount of late submissions of starters and leavers
- Not all errors raised via Employer Portal were dealt with in timely manner, increasing workload for Systems Team chasing employers
- Issue with return not balancing despite declaration confirming correct before upload, resulting in revised submissions – unable to load until resolved
- 5,868 Employer Queries were raised across the Fund

Employer Queries Stats



Outsourced Payrolls

Majority of End of Year issues caused by outsourced payrolls

Please check your payroll is providing accurate information throughout the year for the LGPS.

- 6 out of 7 late EOY submissions were outsourced payrolls
- Top 3 missing starters, leaver and missing on End of Year financial penalties from outsourced payrolls

If outsourcing payroll, ensure pension provision is detailed correctly in contract and they can deliver to timescales.

Next Steps

Employer

- Please advise your employees to notify the Fund of any change of address

The Fund and Employer

- Continue resolve EoY queries
- Please respond to the EoY Leaver form request don't create a leaver form outside the request – it creates duplicate processes
- We are unable to introduce monthly returns including financial data due to volume of errors/issues with End of Year

The Fund

- Revalue members CARE Pension
- Annual Benefit Statement (ABS) data for mailing 15.08.2024
- Update Annual Allowance – July 2024
- Pension Payroll Migration to UPM from June 2024
- Continue to process monthly returns when submitted by employers

Questions/Feedback

- Questions
- Any feedback on the monthly or EoY return gladly accepted
 - any feedback that improves the process for all employers and is possible within the pensions software will be investigated
- Questions for Pensions Systems Team - email pensionssystem@dorsetcouncil.gov.uk

Pension Liaison Officer Group

How to do...

Flexible retirement

What is flexible retirement?

A flexible retirement helps a member to move gradually into retirement.

Members can take flexible retirement:

- from age 55 onwards
- if they have met the two-year vesting period, and
- only if the employer agrees.

Under flexible retirement, members reduce hours or move to a less senior position and take some or all of the pension benefits built up.

Employer Costs?

- ✓ Complete an estimate request on the employer portal
- ✓ If member would like their pension details complete an Member Consent form
- ✓ Only information regarding employer cost will be sent to the employer unless member has indicated otherwise on form

Capitalised costs will be applicable when flexible retirement causes pension strain

This is usually when a member is aged between 55 and 60 but could be up to State Pension Age.

Always get an estimate!

Employer Decision

It is employer's decision to allow or not the flexible retirement.

Employer discretions policy is needed

? Reduction amount

? Allow to go back to original hours/grade – when

Positive for employer

✓ Reduced pay

✓ Retained knowledge and skills

✓ Happy staff!

What does this mean to the member?

The member will reduce hours or grade and continue working.

They will receive pension built up to date of reduction – no enhancement to pension and pension may be reduced for early access

They continue working for employer at lesser hours or grade

They continue in LGPS with new pension record from date of hours / grade change unless opt out.

Employer process

After the flexible retirement is agreed

- Complete a leaver form on the portal
- Select flexible retirement as reason for leaving
- Date of flexible retirement is the day before the hours/grade decreases
- Contract continues on same payroll/post number (fund removes the payroll/post number from old pension record)
- Invoice for any capitalised cost will be sent to employer

Further information?

<https://dorsetpensionfund.org/forms-and-publications/flexible-retirement-guide/>

<https://www.lgpsmember.org/your-pension/planning/taking-your-pension/>

Pension Liaison Officer Group

Pensions Gender Gap

**Dorset County
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Gender Pensions Gap - LGPS

- Scheme Advisory Board (SAB)
- Gender Pensions Analysis (GAD) – [25 January 2023](#)
- Gender Pensions Analysis (GAD) – [22 June 2023](#)
- SAB – Gender Pensions Gap Working Group
 - Are there any changes that can be made to the LGPS?
 - How do we best communicate with members to ensure they are informed about the potential implications of the career choices they make?
 - Can we direct employers to best practice in managing the career paths of those who take time off for caring responsibilities/other life events etc?



Gender Pensions Gap - LGPS

Table 3: Summary of actives data

	Mean FTE pay (£)	Mean actual pay (£)	Mean number of jobs	Mean CARE pension (£)	Mean legacy pension (£)	Mean age	Headcount	Percentage of overall headcount
Females	24,018	18,807	1.14	1,656	1,542	45.46	1,199,566	74.1%
Males	28,874	27,532	1.05	2,536	2,879	45.45	419,888	25.9%
Gender gap	16.8%	31.7%		34.7%	46.4%			

Table 4: Summary of pensioners data

	Mean pension (£)	Mean survivor pension (£)	Mean number of pensions	Mean age	Headcount	Percentage of overall headcount
Females	4,285	1,653	1.15	70.45	833,330	61.9%
Males	8,466	3,834	1.09	71.30	511,332	38.0%
Gender	49.4%	56.9%				

Gender Pensions Gap - LGPS

Various factors at play;

- More likely to be part time
- More likely to need to take time off or reduce hours for caring responsibilities
- More career breaks
- Need for flexible working
- Still a significant pay gap



Gender Pensions Gap - LGPS

Some stats from Dorset Council and DCPF submitted to the working group about unpaid leave specifically

Looking at April 2024, for Dorset Council;

- there were 263 members who had unpaid leave in total
- 90% of these were female
- 89.43% were school staff
- 92.37% had an hourly rate of pay of less than £15 per hour (max £14.99)
- 77.1% had an hourly rate of pay of less than £13 per hour (so max £12.99)

	January	February	March	April
Total People with unpaid leave	354	365	443	262
Total of women with unpaid leave	310	328	397	237
% of unpaid leave taken by women	88%	90%	90%	90%
total people who bought back lost pension	10	11	6	30
Total of women who bought back lost pension	10	9	5	23

Gender Pensions Gap - LGPS

What can employers do now?

- Promote the scheme at recruitment and for retention
- New starter information – how is this given?
- Is the LGPS mentioned at inductions?
- Communications – what can you do?
- Please ask us for ideas, text, links, and more
- Unpaid leave – are you writing to members?
- Impacts of caring responsibilities/life events – communicate impact to pension and ways in which this can be addressed
- There is a lot of poor quality and confusing information out there

