



Employer Focus

This bulletin from the Staffordshire Pension Fund, focuses on the current issues that you should be aware of relating to the Local Government Pension Scheme.

Issue February 2025 (extra)

Important information for Scheme employers and payroll managers

- Triennial Fund valuation
 - Submission of year end pension data returns – deadline 19 April 2025
 - Revised Scheme employee and Scheme employer pension contributions effective from 1 April 2025
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Actuarial valuation 2025

A valuation of the Fund must be carried out every 3 years and is one of the most important functions the Pensions Section undertakes in administering the Local Government Pension Scheme. It is a statutory obligation and measures the financial position of the Fund as well as individual employers, in terms of their assets relative to their liabilities. The valuation process determines individual employer contribution rates for the 3 years commencing 1 April 2026.

The formal valuation will be based on the membership data held at 31 March 2025 which the Fund is required to submit to the Fund's Actuary by 30 June 2025. This deadline will ensure that the initial results are communicated to Scheme employers at the earliest opportunity as they are likely to be key for future financial planning decisions.

To enable the Fund to meet these deadlines, it is vitally important that all Scheme employers submit their annual pension returns by 19 April 2025. This early deadline will allow for data validation processes to be completed and any necessary data cleansing to be performed prior to submission to the Fund's Actuary.

Submission of year end pension data returns

Background

Scheme employers will be familiar with this annual business critical and regulatory requirement, to maintain the accuracy/integrity of all the Scheme members' pension data. This also enables the Fund to issue our Scheme members' annual benefit statements by 31 August 2025.

Deadline for employer's submission (except employers using i-Connect)

As mentioned already the submission of data for the financial year ending 31 March 2025 must be received by Pensions Services no later than **19 April 2025**.

If you are an employer using i-Connect, you are not required to provide a full year end return, but your March 2025 monthly return must be uploaded to the i-Connect system by no later than the 19 April deadline.

Failure to respond by 19 April 2025 may result in the late issue of Scheme members' Annual Benefit Statements, which constitutes a breach of law. This means the Fund has a legal requirement for the breach to be reported to the Pensions Regulator. This exposes both you, as the Employer and the Fund to reputational risk and also the risk of financial penalty.

Employer guidance

To assist Scheme employers with completing their annual return, we have a dedicated area of the Pension Fund's website, which contains all the necessary documentation for completion including guidelines and supporting information (please see link below):

<https://www.staffspf.org.uk/Employers/Year-end/Year-End.aspx>

The above link includes the following:

- Common Scheme employer data return issues Staffordshire Pension Fund - <https://www.staffspf.org.uk/Employers/Year-end/Common-issues-with-the-data-supplied-previous-year-end-Scheme-Employers.aspx>
- How to complete the year end return Staffordshire Pension Fund - <https://www.staffspf.org.uk/Employers/Year-end/Completion-of-Contpostmaster-Scheme-employers.aspx>
- How to complete the career average pay Staffordshire Pension Fund - <https://www.staffspf.org.uk/Employers/Year-end/Guidance-for-the-completion-of-CARE-return-Scheme-Employers.aspx>
- Documents you are required to complete Staffordshire Pension Fund - <https://www.staffspf.org.uk/Employers/Year-end/Year-End.aspx>
- [LGPS Payroll Guide](#) – if you are uncertain of the data that should be supplied, then please refer to this guide. The guide sets out the requirements for payrolls in respect of the LGPS.

Importance of accurate employer data

To assist us with ensuring the accuracy of your data and the calculation of correct pension liabilities, it is imperative that you complete the leaver and new starter forms for all employees who have left or joined your organisation during 2024-2025 and return them to the Fund.

Casual workers

Some employers will have casual workers on their payroll. Casual work will be on an 'as and when' required basis and the working pattern will be determined by the needs of the employer and the availability of the individual.

On becoming employed, casual workers who are eligible are enrolled as members of the LGPS by the Scheme employer. The Fund has noted that in some cases casual employees have for several years appeared on the employer's annual returns with a nil pension return.

It is quite likely that these employees have left your organisation, but as we haven't received a leaver notification they are still treated as a member of the LGPS. We would therefore be grateful if Scheme employers could review their casual employees' contracts on a regular basis and notify the Fund of any individual who has left your employment.

LGPS Scheme members contribution banding from 1 April 2025

The table below sets out the employee contribution bands which will be effective from 1 April 2025. These are based on the actual received pay bands for 2024/25 as increased by the September 2024 Consumer Price Index (CPI) figure of 1.7% and then rounding down the result to the nearest £100.

Please ensure your HR and Payroll Teams take the necessary action to implement the changes from 1 April 2025.

Band	Pensionable pay range	Main scheme contribution rate	50/50 section contribution rate
1	Up to £17,800	5.50%	2.75%
2	£17,801 to £28,000	5.80%	2.90%
3	£28,001 to £45,600	6.50%	3.25%
4	£45,601 to £57,700	6.80%	3.40%
5	£57,701 to £81,000	8.50%	4.25%
6	£81,001 to £114,800	9.90%	4.95%
7	£114,801 to £135,300	10.50%	5.25%
8	£135,301 to £203,000	11.40%	5.70%
9	£203,001 or more	12.50%	6.25%

Revised employer pension contributions effective from 1 April 2025

As a participating employer in the Staffordshire Pension Fund, unless you are a contractor or partner organisation operating on a fixed contribution rate admission basis, you will previously have received notification of your Employer's 2022 valuation schedule which outlines your organisation's expected LGPS employer contribution rate for the three years commencing 1 April 2023.

To assist payroll managers, details of the Scheme employer contribution rate due from **1 April 2025** for all participating employers in the Staffordshire Pension Fund, can be found on our website (see link below):

<https://www.staffspf.org.uk/Employers/Year-end/Year-End.aspx>

N.B. If the contribution rate your organisation pays is fixed for the life of your current contract, the Fund's actuarial valuation will not alter the contribution rate payable.

Automatic enrolment earnings bands 2025/26

Employers need to know the earnings bands that apply for 2025/26 for the purposes of automatic enrolment under the Pensions Act 2008. The UK Government announced in its [review of the automatic enrolment earnings trigger for 2025/26](#) that it will remain at its current level of £10,000. This is unchanged since the 2014/15 year. The tables below show the position for the 2025/26 year.

Automatic enrolment earnings bands 2025/26

Earnings*	Age 16-21	Age 22 to <SPA**	Age SPA** to <75
Under lower earnings threshold (£6,240)	Entitled worker	Entitled worker	Entitled worker
Between £6,240 and £10,000	Non-eligible jobholder	Non-eligible jobholder	Non-eligible jobholder
Over earnings trigger for automatic enrolment (£10,000)	Non-eligible jobholder	Eligible jobholder	Non-eligible jobholder

* Earnings: separate contracts are treated separately

** State Pension Age

Automatic enrolment earnings bands per period

Pay reference period	Lower earnings threshold	Earnings trigger for automatic enrolment
Annual	£6,240.00	£10,000.00
6 months	£3,120.00	£4,998.00
3 months	£1,560.00	£2,499.00
1 month	£520.00	£833.00
4 weeks	£480.00	£768.00
2 weeks	£240.00	£384.00
1 week	£120.00	£192.00

Reminder – vacancies for Co-opted Representative on the Pensions Committee and the Local Pension Board (LPB)

In the shortened [February 2025](#) edition of the Employer Focus newsletter, we notified you of vacancies for the role of Co-opted Representative on the Pensions Committee and employer representative for the Local Pension Board.

We would like to express our thanks for those who have already registered their interest in these positions. However, we are still looking for applicants to fill all of the vacancies.

The expectations of the role are set out below:

- There are four Pension Committee/Board meetings a year, plus 2 additional training sessions.
- The meetings take place in person in the County Building offices on Martin Street, Stafford. They take place annually on the last Friday of March, June, September and December (unless this falls on a bank holiday).
- Two training sessions are held each year and tend to be held in July and November (again these are generally organised to take place on a Friday, although they can be arranged for a different day).
- We would expect you to undertake more formal pensions training provided via external organisations, such as the three-day Local Government Association Pensions Fundamentals Training. This will likely take place in your own time, but please note that this training will be paid for by the Pension Fund.
- There will be a reasonable payment of expenses, such as travel expenses.

If you feel you would be interested in taking up either role, or would simply like further information, please e-mail Staffordshire Pension Fund's Governance and Communication Manager: martin.elliott@staffordshire.gov.uk

Staffordshire Pension Fund Scheme member videos

Staffordshire Pension Fund have developed a series of videos to help our Scheme members register for My Pension Portal, run benefit calculations online and complete the retirement claim form. These are available to view on our website: <https://www.staffspf.org.uk/Videos-Pensions-Made-Simple.aspx>

We hope to increase the available content and range of topics covered over the course of the next several months. In addition, we are looking to provide videos for our Scheme employers. If you have any thoughts or suggestions on what you would find beneficial, please email the Fund at pensions.comms@staffordshire.gov.uk

Arrange a Microsoft Teams call – overview of the Fund

We would like to offer you the opportunity to book an information call with the Pensions Employers and Funding Team to discuss your role and responsibilities as a Scheme employer, and to provide you with a brief overview of the Fund.

Although you may already be familiar with the LGPS as an existing Scheme employer, we would still like to meet with you and your colleagues, introduce ourselves and answer any specific questions you may have on the services we provide at the Staffordshire Pension Fund. These sessions may be of particular benefit to your colleagues who have recently joined your organisation.

The calls are held on Microsoft Teams and will last no more than 45 minutes. These are hosted on an individual organisation level to ensure that we can keep it as personalised as possible and so that you get the most out of your time.

If you are interested in attending, please email the Fund for further details at pensions.comms@staffordshire.gov.uk

We will then arrange for a booking link to be sent to you so that you can arrange a time that is convenient to you.

New pensions minister

On 14 January 2025, Torsten Bell MP was appointed [Parliamentary Under Secretary of State \(Minister for Pensions\)](#) in the Department for Work and Pensions. Emma Reynolds, who previously held this role, was appointed Economic Secretary to the Treasury.

Circulating the newsletter within your organisation.

We would be grateful if you could continue to circulate this newsletter to appropriate colleagues in your organisation for example, Human Resources, Payroll and Finance Department or alternatively provide us with their email address, so we can add them to our distribution list.

If you require any further information or clarification, please do not hesitate to email the Fund at pensions.comms@staffordshire.gov.uk