



**Staffordshire**  
**Pension Fund**  
Local Government Pension Scheme

# Employer Focus

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**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.**

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**Issue June 2022**

## **Local Pension Board Representative and an Employer Focus Peer Group Representative – required from our Academies**

### **Local Pension Board (LPB)**

Following a recent resignation, the LPB has a vacancy for an Employer representative from one of our Academies.

The role of the LPB is to assist the scheme manager (Staffordshire County Council) to secure compliance with the LGPS regulations and to help secure the effective governance and administration of the LGPS, for the Staffordshire Pension Fund and its members.

As a member of the LPB, you would serve for a 4-year term of office and be expected to attend meetings, which are held on a quarterly basis. To help and support the LPB representative in their role we provide full training which includes access to online portals as well as in person training sessions, at least twice a year.

If you feel you would be interested in taking up this role, then please e-mail Vikki Evans Communications Officer, with an expression of your interest. [vikki.evans@staffordshire.gov.uk](mailto:vikki.evans@staffordshire.gov.uk)



## Employer Focus Peer Group

This informal group consists of representatives from across the Fund's Employer base e.g., District Councils, educational establishments, private companies, and other participating organisations. The group meets quarterly, to discuss a range of issues relating to pensions which impact the work of Scheme Employers and Fund Officers. The primary purpose of the Group is:

- to enable the Fund Officers to work collaboratively with Scheme Employers
- to share best practice
- to discuss current pensions issues and their impact on the Staffordshire Pension Fund, Scheme Employers and the LGPS and the wider pensions industry
- to encourage engagement between the peer group members (representing the Scheme Employers) and Fund Officers, to improve the exchange of information, accurate data, and communication
- provide feedback to the Fund Officers to assist them when implementing improvements
- agree on ideas for future Scheme Employer training events.

If you are interested in joining this group and are able to represent your Scheme Organisation, please contact Simon Jackson (01785) 276450 or email [simon.jackson@staffordshire.gov.uk](mailto:simon.jackson@staffordshire.gov.uk)

## McCloud – Update

We continue to work with our Employers to obtain the outstanding data returns and to improve your understanding of the requirements. In addition, we are currently preparing the top up data request for the period 2021 -2022, which will be issued to Employers in the coming months. As the criteria for scheme members in scope for protection has expanded recently, we may also need to request information for some members with membership before April 2021, who were not previously identified.

A combination of recovery from the coronavirus pandemic, year-end returns, a valuation year, and the McCloud Remedy, has placed huge pressures on Employers and the Fund. We would therefore like to acknowledge and thank Employers for your continued support in working alongside the Fund to meet our regulatory requirements.



**To discuss with us any challenges you are experiencing which could prevent you from submitting your data within the requested timeframe. Please contact us immediately at [SPFdata@staffordshire.gov.uk](mailto:SPFdata@staffordshire.gov.uk)**

## **Save the date 15 November 2022– Pension Fund Annual General Meeting (AGM).**

Along with all the Fund’s participating Employers, you are invited to our Fund’s AGM on 15 November 2022, commencing at 10.00 and concluding around 12.30. As well as an update on the Fund, the agenda will provide for the Fund Actuary to speak to you about the 2022 Actuarial Valuation of the Staffordshire Pension Fund. There will also be the opportunity for you to raise any specific questions about your organisations results with the Actuary or the Fund’s Officers.

We would be delighted for as many representatives as possible from the Fund’s participating Employers to join the meeting, so please forward this information to anyone else that you think might be interested. At this stage, the intention is for the meeting to be held in person, in Stafford.

## **Statutory Guidance on special severance payments**

On the 12 May 2022, the Department for Levelling Up, Housing and Communities (DLUHC) published statutory guidance on special severance payments.

[20210702\\_SG.pdf \(lgpslibrary.org\)](#)

Best Value authorities in England must have regard to the guidance in circumstances in which it may be appropriate to make special severance payments. The guidance also covers approval, disclosure, and reporting requirements. You can find a list of the bodies the guidance applies to at:

[20210702\\_SG.pdf \(lgpslibrary.org\)](#)

The guidance said: “Most public sector workers enjoy statutory and contractual redundancy or severance terms that are significantly better than the minimum statutory redundancy entitlement and are often higher than the value of redundancy or severance payments made in the private sector.



“The government is of the view that paying additional, discretionary sums on top of these entitlements do not usually provide good value for money or offer fairness to the taxpayers who fund them and so, should only be considered in exceptional cases.”

The government said that six types of payments are likely to constitute special severance payments including:

- Any payments reached under a settlement agreement between the employer and employee to discontinue legal proceedings without admission of fault.
- The value of any employee benefits or allowances which are allowed to continue beyond the employee’s agreed exit date.
- Write-offs of any outstanding loans.
- Any honorarium payments.
- Any hardship payments.
- Any payments to employees for retraining related to their termination of employment.

The guidance also confirms that:

- Pension strain cost related to the early payment of LGPS benefits under regulation 30(6) or (7) (flexible retirement, redundancy or efficiency retirement over age 55) does not constitute a special severance payment
- Pension strain cost of awarding additional pension under regulation 31 of the LGPS Regulations 2013 may constitute a special severance payment, depending on the terms of the individual’s contract
- pension strain cost related to waiving an actuarial reduction when a member retires before their normal retirement date under regulation 30(5) may constitute a special severance payment, depending on the terms of the individual’s contract.

**If you require any further information or clarification, please do not hesitate to contact [pensions.comms@staffordshire.gov.uk](mailto:pensions.comms@staffordshire.gov.uk)**

