



Pensions in partnership

February 2011



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Employee contributions for 2011 / 2012

Employee contributions for 2011 / 2012 have not yet been announced by the SPPA, Scottish Public Pensions Agency.

Forms: shading

We may be changing our blue shading in some areas of our embedded Excels to assist our scanning process.

Processing deadlines

Our deadlines for processing retirements in 2011 are detailed in line 2 of the Employers / Forms area of our website.

Pensions politics

At round tables run by Lord Hutton's Independent Public Service Pensions Commission the main talking point was the increase in employee contribution rates previously announced by the Chancellor as an average of 3% of payroll across the public sector schemes. It seems increasingly likely that that figure will also apply to the LGPS with a gradual implementation starting in 2012. It was made very clear to Lord Hutton that this could see a huge number of local government employees opting out.

The Pensions Bill 2010, accelerating an SPA (State Pension Age) of 66 and equalisation of SPA @ 65, has moved to the House of Lords.

LGPS tax valuer

This annual allowance "deemed contribution" ready reckoner is now available from the home page of our website. It is in the USEFUL TOOLS area in the bottom right of the homepage.

It will reassure members that, based on our understandings as detailed in the valuer's accompanying notes, they are only likely to be affected:

- At AVC levels that take them over their £50K annual allowance.
- After a pay rise of at least £10,000 is applied to their existing pensionable service.
- At very high salaries.

Other news

We are likely in the short term to use a sticker approach for keeping our Scheme Summary, Guide to the LGPS and Councillors Guide up to date for:

- 2011/12 employee contributions.
- The new pension annual allowance regime.
- The changes to SPA.
- The move to CPI inflation indexing.

We will shortly be issuing all of our employers with some draft text suitable for an "All staff" email to their employees announcing the 2010 active annual benefit statements.

The next Admin Forum is on 25 Feb.

It will be followed by an Admitted Bodies Forum on 2 March.