



Derbyshire Pension Fund

Local Government Pension Scheme
Employer Newsletter

Issue 202
November 2023

In this issue:

- Employer shortfall costs
- Cost of living
- McCloud
- My Pension Online



Employer shortfall costs - reminder

There can be a [shortfall cost](#) for members aged 55 or over when made redundant or when they retire on the grounds of business efficiency. This is because the pension is paid unreduced on these grounds and must be paid immediately. The cost for waiving the reduction is worked out on how early the retirement is before the member's State Pension age (SPa).

There can also be a cost associated with granting flexible retirement to an employee aged 55 or over which is costed based on the length of their membership and their age at retirement.

It is important that you request an estimate of any potential cost from the Fund before approving these retirements to avoid an unexpected charge.

More information can be found on our [Redundancy and other retirements page](#).

How to request a shortfall estimate

You should always request an estimate of the potential shortfall cost from us. Please complete our [redundancy, flexible retirement & serious ill health estimate request](#) form and send to dpf.employers@derbyshire.gov.uk. We will reply to you with details of any estimated shortfall costs.

If you'd like us to provide your employee with an estimate of their pension benefits following your consideration of the shortfall cost, we'll require confirmation from an authorised signatory.



Cost of living

Many of your employees may be concerned about the cost of living. The LGPS Member website has some frequently asked questions on the subject: lgpsmember.org/help-and-support/frequently-asked-questions

We'd be grateful if you could share the link with your LGPS eligible employees.

Paying less

Some members may wish to opt out, however before they do, they may want to consider paying less towards their pension by joining the 50/50 section.

The benefits

The 50/50 section allows your employees to flexibly pay 50% of their normal contributions and build up 50% pension benefits for the period they're in it. Regardless of which section of the scheme an employee is in, they retain full life assurance cover and remain fully protected under ill-health retirement regulations.

If any of your employees ask about opting out of the LGPS, please let them know about the 50/50 option by sharing our [Paying less](#) page with them.

How to apply

Employees can opt into the 50/50 section by completing our 'Pension option form' and returning it to your payroll or HR team. This form is available on our [Forms and guides](#) page for members.

What you need to do

You must re-enrol your employees who are in the 50/50 section back into the main section at each auto re-enrolment date. You'll also need to let them know when this is happening.

They can re-join the 50/50 Section easily by completing another 'Pension option form'.

McCloud

The McCloud remedy regulations came into force from 1 October 2023.

Your employees may ask you what this regulation means for their Local Government Pension Scheme (LGPS) benefits. In summary, the McCloud remedy gives all qualifying members of the LGPS the same protections that were awarded to older members of the LGPS on the introduction of the CARE scheme in 2014.

Our team is working to check who is eligible, and we'll apply protections automatically. Most members' pensions are unlikely to be affected.

We are planning to write to all our members in December 2023 to inform them about McCloud. Letters will be uploaded to members' My Pension Online accounts or where a member is yet to register, sent by post.

You can guide your employees towards our [McCloud](#) website page, which provides an explanation and a link to the main LGPS member website, which includes a video about the McCloud changes.



Derbyshire Pension Fund

My Pension Online

Access your pension details:
derbyshirepensionfund.org.uk/mpo

Scan the code to go straight to our access form

lgps

My Pension Online

Almost 35% of our active and deferred scheme members have already registered for our [My Pension Online](#) service. We need your help to encourage more of your Local Government Pension Scheme (LGPS) members to register so they can access their LGPS pension details online. On My Pension Online, members can:

- access their latest annual benefit statement
- work out their own pension estimates
- update some of their personal details
- submit queries to us

Members can access their My Pension Online account, anytime, anywhere. If they encounter any problems when logging in, they can reset their log in details using the “I have forgotten my...” feature.

The [My Pension Online resources](#) page on our website includes some useful content to help you promote the service to your employees, such as banners, posters, and slides.

Employee details changes

It's important that you let us know as soon as possible when an employee's details change, for example, title, name, address. This helps us to minimise the risk of data breaches occurring.

If you're not using i-Connect yet, please remember to notify us using the C1 Form when any of your LGPS members change their personal and contact details. The C1 Form is available on the [Forms for employers](#) section of our website.

Email addresses

A quick reminder of our email addresses and what they should be used for:

dpf.employers@derbyshire.gov.uk - For submitting member notification forms such as the S1, L1, C1 and estimate requests. [All found here](#).

pensions.tech@derbyshire.gov.uk - For submitting contribution returns (CR1), data and payment queries.

pensions.regs@derbyshire.gov.uk - For queries relating to LGPS regulations, employer training, events and communications.

pensions.iconnect@derbyshire.gov.uk – For employer queries about i-Connect.

For queries and requests from members of the LGPS, please direct them to the [enquiry form](#) on our website.

**If you have any queries about the information provided in this Newsletter,
or about the LGPS in general, please contact us at:**

Derbyshire Pension Fund, County Hall, Matlock, DE4 3AH

Tel: 01629 538900

Email: pensions.regs@derbyshire.gov.uk

Website: www.derbyshirepensionfund.org.uk



Local Government
Pension Scheme