

Welcome to the second issue of the JSS employer newsletter. We hope you find this useful and we welcome any feedback or suggestions for what you would like to see in future editions.

Pension Contribution Rates for 2022-23

We sent an update out on 4 March 2022 to tell you that the pension contribution rates and earning bands for 2022-23 would be carried across from 2021-22. As a reminder, the current rates and bands are as follows:

Annualised Pensionable Earnings	Employee Contribution rate %
Up to and including £23,100	4.60
£23,101 - £56,000	5.45
£56,001 - £150,000	7.35
£150,001 and above	8.05

Annualised earnings are the monthly pensionable earnings multiplied by 12.

The RCPS employer contribution rate remains at 26%. The employer Partnership contribution rates are unchanged. The RCPS mini-ASLC of 0.8% is also unchanged (this is the payment employers make to the RCPS to cover Death in Service benefits for Partnership scheme members).

Annual Benefit Statements

We have started collecting the data required to issue the Annual Benefit Statements. Thank you to those employers that have provided their information. We are importing and reconciling data at the moment, and this will continue for the next few weeks. We expect to be able to start sending statements out in July. We will send a note out nearer the time.

Normal scheme pension ages:

Classic, Classic Plus and Premium – 60 Nuvos – 65

Minimum pension age 55 (57 from April 2028)

Buying extra pension “Added Pension”

Added Pension (AP) applications rose by 30% from 2021 to 2022, a very unusual increase. We don’t have any data to explain why more people decided to buy AP than ever before, although it suggest that more and more members are looking at ways to boost the amount they can save for retirement. It can be purchased by a single lump sum purchase each year, or by monthly deduction from pay.

New members can opt to buy AP by monthly contribution within the first three months of enrolment, otherwise it can be started on the 1 April. The deadline for purchasing by lump sum for this scheme year will be around 17 February 2023; we’ll issue a reminder in January 2023.

Please make sure you pass this reminder on to your staff.

ILL HEALTH RETIREMENT (IHR)

The scheme rules provide for the early payment of pension on ill health grounds where an employee meets certain qualifying criteria.

Employers should submit the IHR application to JSS on behalf of their employee. JSS will facilitate the assessment with our Scheme Medical Adviser; Medigold Health. Their consultants and practitioners assess the employee’s health and decide on the eligibility for IHR. The decision is not made by JSS.

Some employers have access to the Civil Service Pension Scheme Medical Adviser, who also do IHR assessments.

Occupational Health (OH) consultants are generally not authorised to assess an RCPS IHR case. If you are not sure who can carry out a formal IHR assessment for you or you need more information please contact us for further advice; email memberships@jss.ukri.org.

More information is under the Employer section on our website:
<http://jsspensions.nerc.ac.uk/help/index.asp>

RCPS Annual Accounts

The statutory RCPS Annual Accounts are normally laid before the Summer recess, and published shortly after. Copies of the previous annual accounts can be found here: <http://jsspensions.nerc.ac.uk/governance/accounts.asp>



Automatic Re-Enrolment

You will be well aware of your pension duties to enrol eligible staff into a workplace pension scheme. When Automatic Enrolment began in 2013 all employers participating in the RCPS had the same enrolment staging date; 1 July 2013. As time has moved on and organisations have changed and merged or become independent you will have varying re-enrolment dates. Re-enrolment is your responsibility.

You need to decide who has to be re-enrolled, when to re-enrol them, tell them when and why they are being re-enrolled (and how they can opt out). You will also need to complete your Declaration of Compliance to The Pensions Regulator.

If you need any scheme member information from JSS, e.g. a report of members that have opted out of the RCPS please email memberships@jss.ukri.org.

The Pensions Regulator have information for employers here: <https://www.thepensionsregulator.gov.uk/en/employers>

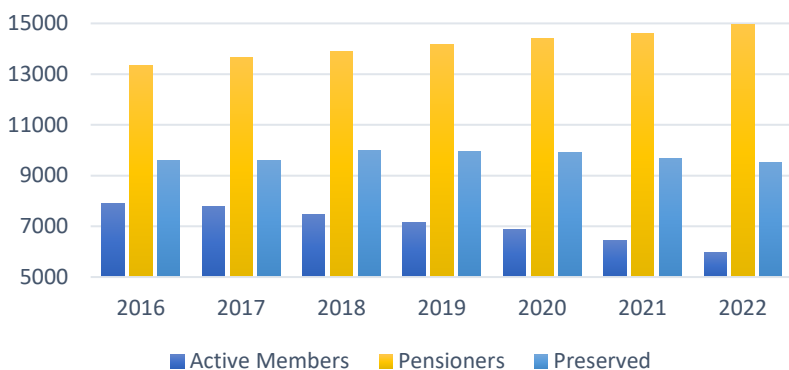
Partial Retirement

Are your employees aware of Partial Retirement? Subject to your approval employees can access their RCPS benefits in conjunction with reducing their salary, whilst still working. The requirement is that their earnings need to permanently reduce by 20%, and typically this is achieved by reshaping their role, for example; reducing from a five to a four day week or by taking a lower grade role.



If you or your employees want more information please visit <http://jsspensions.nerc.ac.uk/members/benefits/partial.asp>.

RCPS Membership 2016 to 2022



RCPS Scheme Membership

RCPS scheme membership has averaged 31,000 members per year in total since 2016. The split between active members, pensioners and preserved members has changed over time. Mostly this is because of employer's organisational changes and the enrolment of new starters into other pension schemes.

This chart illustrates the changing membership profile.

Useful Links:

[JSS Secure SharePoint Site](#)

[Scheme Guides and Forms](#)

Final Salary Pension Calculation

Pensions for final salary schemes; Classic, Classic Plus and Premium are based on the final pay, service worked and a scheme accrual rate. In this example we use Classic, which is a 1/80th scheme, with someone who has accrued 40 years of service and final pensionable pay of £40k.

**40 years x 0.0125 (1/80th) x £40k = pension £20k p.a.
plus tax free pension lump sum of £60k**

Classic has an automatic lump sum.

Contact JSS

You can visit us in Polaris House, Swindon
<https://goo.gl/maps/3rYFX1BsTtk3c2TA>

Phone one of the team, our contact details are [here](#)

Email us: memberships@jss.ukri.org

Collaborate with us on Zoom or Teams