

Welcome to the sixth issue of the JSS employer newsletter. Please let us know if there is anything you would like to see in future editions.

## RCPS Employee Contribution Rates for 2024-25

The RCPS Management Board have approved the RCPS employee contribution rates for 2024-25. The changes from the current arrangement are in the first tier, where the earnings threshold increases from £32,000 to £34,199, and the second tier, which now starts from £34,200.

All employer and payroll contacts were notified of these changes on 17 November 2023. Your payroll systems need to be updated by 1 April 2024.

**Table 1: Employee Contribution Rates from 1 April 2024**

Annualised Pensionable Earnings	Employee Contribution rate %
Up to and including £34,199	4.60
£34,200 - £56,000	5.45
£56,001 - £150,000	7.35
£150,001 and above	8.05

These continue to mirror the Civil Service Pension Scheme employee contribution rates.

The RCPS employer contribution rate remains at 26% (please note the Actuarial Valuation update). The mini-ASLC employer contribution rate for members in the Partnership scheme remains at 0.8%.

## Added Pension Reminder

We have already published our annual Added Pension reminder; <https://jsspensions.nerc.ac.uk/docs/added-pension-reminder-2024.pdf>. If you have not already, please share this with your staff.

The deadline for Added Pension lump sum purchases for the current 2023-24 scheme year is 9 February 2024.

The deadline for buying Added Pension by monthly deduction for the next scheme year 2024-25 through payroll is 8 March 2024.

## Actuarial Valuation Update

Actuarial valuations are normally carried out every four years. The last valuation of the RCPS was as at 31 March 2018. A new valuation, commissioned by the RCPS Management Board is in progress, assessing the scheme liabilities as at 31 March 2022 and the future funding position. The valuation is being carried out by the Government Actuary Department (GAD) and is due to be completed by April 2024. Employers should note a possible outcome of the valuation is a change to the employer contribution rate.

### REFORM UPDATE

**Reform of the RCPS is not expected to happen before 2026**, and possibly not until 2027.

This means JSS will continue to administer the RCPS, pensions will continue to be paid by our payroll provider (UKSBS) and also means members will continue to accrue pension benefits in the RCPS.

It remains likely at some stage all active members will move into the Civil Service “Alpha” pension scheme in the future.

We will share more information when a potential reform date is agreed.

We would also like to re-iterate changes made by other public service pension schemes in 2015 or 2022 do not affect pensions already accrued in the RCPS.

In the meantime we will continue to share information on our reform page:

<https://jsspensions.nerc.ac.uk/reform.asp>

### 2024 CUSTOMER SURVEY

We will be sending out invitations to complete our annual survey in late January. Please complete this and share with your staff.

## **Actuarial Valuation - Continued**

This has been set at 26.0% since April 2020, prior to that it was 21.3% (from April 2008 to March 2010). Many factors influence the funding (contributions) required to pay the scheme benefits, some of these are set and managed by HM Treasury, for example the SCAPE rate (Superannuation Contributions Adjusted for Past Experience); this moved from 2.4% to 1.7% in March 2023. Mortality and demographic changes also impact the future costs of paying for scheme benefits.

At this stage it is too early to say whether the current rate of 26.0% will change. If it does change then typically a 12-month implementation period is set; any changes would be applied from April 2025. We will contact all scheme employers with the results of the valuation to advise on the outcome as soon as possible.

## **Pension Webinars**

We trialled our first pension awareness webinar in July 2023. It proved to be very successful and so we rolled out a programme of webinars for the rest of the year resulting in JSS presenting and speaking to over 900 attendees throughout the second half of 2023. Feedback from attendees has been very positive with many praising how informative, engaging and helpful they have been. Attendees voted the fourth webinar either good (28%) or excellent (72%). Analysis has also shown nearly everyone who attended has improved their knowledge and understanding, with those rating their understanding as 'good' generally doubling after attending the webinars.

We have a schedule planned for 2024 with a mixture of general awareness and scheme specific topics. Our first is on 10 January 2024, focused on Added Pension. Details of future webinars and recordings of past webinars are on our website: <https://jsspensions.nerc.ac.uk/engagement.asp>.



Partial Retirement allows scheme members to reduce their earnings and access some of their pension, or in some cases all their pension. To be eligible for Partial Retirement the employee's earnings must be reduced by at least 20%, for most this is moving from a five-day week to a four-day week but can also be achieved by moving to a lower grade position. The overriding principle is the employee's earnings should not increase

during their partial retirement (aside from normal annual pay increases).

Employers are responsible for agreeing partial retirement requests, not JSS. Employers are also responsible for ensuring earnings for partially retired staff do not increase and being aware of potential abatement implications if the employee's earnings do increase.

We recently published a new [Partial Retirement Process Guide](#) for employers to help understand the process and give more information about the rules and responsibilities.

## **Pension Disclosure Calculations for Exec Staff 2023-24**

Some organisations need to disclose their salary and pension benefits for their Board/Executive/Senior staff. Please can employers let JSS know which staff they need the pension figures for by 4 March 2024. We also need to know the date those staff joined or left if they joined/left between 1 April 2023 and 31 March 2024.

Requests need to be emailed to Teresa Gemoli ([Teresa.gemoli@jss.ukri.org](mailto:Teresa.gemoli@jss.ukri.org))

## **Pension Increase 2024**

Annual public service pension increases are based on the rate of CPI in the preceding September. For April 2024 we expect pensions in pay to be increased by 6.7% (CPI September 2023). This rate will be confirmed by the Government in Feb/Mar 2024. Nuvo and Added Pension would also be uprated by 6.7%.