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Welcome

Welcome to **Inscribe** the quarterly newsletter for employers within the Royal County of Berkshire Pension Fund.

Each edition of **Inscribe** contains the latest news and updates for the Local Government Pension Scheme (LGPS).

2025/2026 LGPS updates

Contribution bandings 2025/2026

Below are the employee contribution bands, which are effective from **1 April 2025**. They are calculated by increasing the 2024/2025 employee contribution bands by the September 2024 CPI figure of **1.7%** and then rounding down the result to the nearest £100.

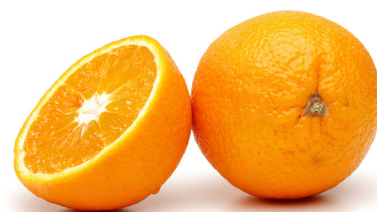
Band	Actual pensionable pay for an employment	Main Section	50/50 Section
1	Up to £17,800	5.5%	2.75%
2	£17,801 to £28,000	5.8%	2.9%
3	£28,001 to £45,600	6.5%	3.25%
4	£45,601 to £57,700	6.8%	3.4%
5	£57,701 to £81,000	8.5%	4.25%
6	£81,001 to £114,800	9.9%	4.95%
7	£114,801 to £135,300	10.5%	5.25%
8	£135,301 to £203,000	11.4%	5.7%
9	£203,001 or more	12.5%	6.25%



50/50 Section

If you have any employees who are in the 50/50 section you must re-enrol them into the MAIN section of the scheme if the following occurs:

- the member returns to work following a period of unpaid leave
- you go through your auto-enrolment/re-enrolment process



The [50/50 election form and factsheet](#) is available from our website.

Example - MAIN section versus 50/50 section based on an annual salary of £20,000.

Scheme Section	MAIN	50/50
Percentage contribution per month	5.8%	2.9%
Annual pension build up	£408.16	£204.08
Death in service grant	£60,000	£60,000

Assessing contribution rates

Employers assess their staff from 1 April every year to determine the employee contribution rate that they will pay for the year ahead based on their pensionable pay and the current contribution table.

However where an active member has a material change in their employment that affects their pensionable pay you can determine if a new contribution rate from a different band should be applied.

This discretion forms part of your policy statement. Your policy statement is a public document which should be made available to your staff and reviewed regularly.

You can find out more about formulating or reviewing your employer policy statement by visiting the [policy statements section](#) of our website.

Employer contribution rates

Please ensure you are deducting the correct employer contribution rate from 1 April 2025.

The amount each employer contributes is outlined in the **Rates & Adjustment Certificate** that forms part of the formal valuation of the Pension Fund. Your employer contribution rate for 2025/2026 can be found on the [Rates and Adjustment Certificate](#).

You should have already received an e-mail in March from the Pension Fund's Finance Officer, Renee Passman, confirming your employer rate for the coming year. If you have a query on the employer contribution rate you should be paying from 1 April 2025 please contact:

lgps@rbwm.gov.uk 01628 796 705

The 2025/2026 contribution return and accompanying guidance notes can be found in the Employer Forms section of our website:

- [Contribution return guidance 2025/2026](#)
- [Contribution return form 2025/2026](#)

New APC limit - 2025/2026

Under the LGPS regulations members can elect to purchase additional annual pension through the payment of **Additional Pension Contributions (APCs)**.

The maximum amount of additional annual pension that can be purchased under the LGPS can change every April to reflect the rise in cost of living. Please note the maximum amount of additional annual pension which can be purchased from 1 April 2025 has increased to **£8,903** (the 2024/25 APC limit was £8,344). Scheme members can calculate the cost of buying additional annual pension by using an online calculator to provide a quotation:

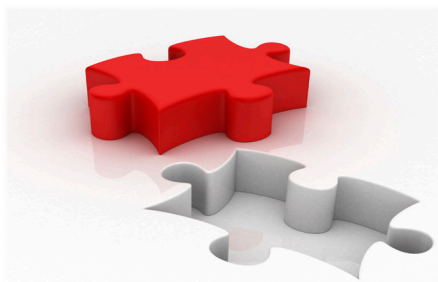
- [LGPS APC online calculator](#)

In addition regulation 31 gives a Scheme employer the discretion to award an active member of the Scheme additional annual pension up to a value of £8,903.

The cost of providing additional pension is determined in accordance with actuarial guidance issued by the Government Actuary's Department (GAD). If you were considering this as a scheme employer you will need to be fully aware of the cost implications in awarding any additional pension.

The discretion to award additional pension in this way forms part of your policy statement which should be regularly reviewed and kept up to date.

Opting out of the LGPS



As you will be aware once an employee has joined the LGPS they can opt-out at anytime.

As a reminder certain safeguards were introduced by the Pensions Act 2008 prohibiting employers from discouraging members from joining or remaining in a workplace pension scheme (such as the LGPS).

If you have a member of staff who wishes to opt-out of the LGPS please refer them to the Berkshire Pension Fund directly.

Under the Pensions Regulator's rules employers must not provide their staff with opt-out forms (or a link to an opt-out form). Any decision to opt-out must be taken freely by the employee. The pension team can post or e-mail a form if required to scheme members wishing to opt-out of the LGPS.

Annual CARE pension revaluation

Every April we revalue active member pension accounts in line with an inflationary increase (currently the CPI rate as at September). The CPI is added to the member's pension account so that it keeps its value from the point the pension is earned to the point from which it becomes payable.

As the September 2024 CPI rate was 1.7%, active member pension accounts will be revalued from **6 April 2025** by **1.7%**.



Submission of AVC payments and payroll files

Date for your diary...



Employer Payroll Training LGAVCs

Teams Presentation

Date: Wednesday 25 June 2025

Time: 10:30am-11:15am

[Teams meeting joining link](#)

It's important that Prudential receive all of the correct information that they need, in the right formats, to apply Additional Voluntary Contributions (AVCs) quickly and correctly.

With this in mind, they have produced a [guide](#) that provides all the information you need in order to submit contributions and payroll files correctly. In this presentation, one of Prudential's Client Management Team will go through the guide and answer any questions you may have.

Going forward, payroll files that are not submitted in the correct format, or with incorrect information, may result in you being asked to re-submit the payroll file, and cause delays in applying member contributions. This being the case, please make every effort to attend the presentation.

Shared Cost AVCs (SCAVCs)

As reported in previous editions of *Inscribe* the AVC provider for the Berkshire Pension Fund, Prudential, support the payment of Additional Voluntary Contributions (AVCs) through a **Shared Cost AVC arrangement**.

Regulation 17 of the LGPS Regulations 2013 allows an active member to contribute to an Additional Voluntary Contribution (AVC) scheme. Paragraph 1 of Regulation 17 of the LGPS Regulations 2013 states that an active member can also contribute to a Shared Cost Additional Voluntary Contribution Scheme (SCAVC). By its very definition, a SCAVC Scheme means that the cost of contributing to an AVC scheme is shared between the employee and the employer.

LGPS members already benefit from tax relief on the AVC payments they make, but by establishing an AVC shared cost arrangement both the employer and the employee will make a saving on the National Insurance contribution paid every month.

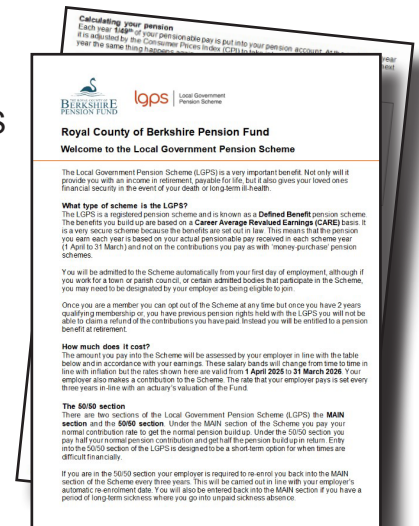
LGS1B - Brief guide to the LGPS

As part of an employee's appointment process a Scheme Employer should provide new employees with a copy of the short scheme guide (LGS1B) alongside their contract of employment. The LGS1B provides a summary of the LGPS and what it can provide for members. The 2025/2026 LGS1B can be downloaded from the Employer Forms section of our website. Please include this factsheet in contracts of employment commencing from **1 April 2025**:

- [LGS1B - Brief guide to the LGPS 2025/2026](#)

The LGS1B highlights the benefits of being a member of the LGPS and provides a brief overview of:

- The cost of being a member of the LGPS
- What type of Scheme is the LGPS?
- The 50/50 Section
- Transferring former pension rights
- Death in service information



Updated forms and guidance for 2025/2026

The Employer Forms section on our website contains the pension forms we require for completion at different stages of an employee's LGPS scheme membership.

Our pension forms and guidance have been updated for 2025/2026 and are available on our website.

[All forms can be downloaded via our website](#)

Pension and procurement Approach to admission agreements

It is of the utmost importance that this message reaches all officers responsible for outsourcing decisions at councils, maintained schools, academies and any other relevant establishments, to ensure that the proper pension advice and guidance is provided before any procurement exercise commences, i.e. before going out to tender. Should the Fund first be notified of an outsourcing event, by a scheme employer, after the completion a procurement process and after the date from which the employer's preferred contract provider has been appointed, the full pass-through conditions will be applied, as otherwise, the contract pricing will almost certainly be affected.

By way of background, during the month of February 2023, the Berkshire Pension Fund entered a period of consultation with all scheme employers, providing them with the opportunity to put forward any concerns or comments that they might have with regard to the Pension Fund's Funding Strategy Statement (FSS). The employer response was extremely limited and the FSS was approved by the Pension Fund Committee at its meeting on 13 March 2023.

The purpose of this article is to highlight a key policy change adopted by the Fund since 1 April 2023 in respect of new employers (admission bodies) joining the Fund as set out in the FSS.

When a new admission body joins the Fund, the Fund Actuary is required to set the employer contribution rate payable by the admission body and allocate a share of Fund assets to them. In almost all instances, new admission bodies are external private sector companies appointed under a commercial contract to provide a service otherwise undertaken by an existing scheme employer, usually a Unitary Authority, one of their maintained schools or an Academy/Multi-Academy Trust. From 1 April 2023, all such new admission bodies became subject to the risk sharing provisions set out in [Section 7.19 of the FSS](#)

In the past, when a new admission body joined the Fund, they typically became responsible for all the pension costs and risks associated with the scheme members who TUPE transferred to them i.e. the cost of the pension benefits built up in respect of their 'new' employees (scheme members) during the lifetime of the service contract plus any increases applied to the former benefits of those employees, built up prior to the TUPE transfer, over the service contract length. This is known as a full risk transfer.

To mitigate the risk to the Fund that a new admission body will not be able to meet its pension obligations in the future, the new admission body is usually required to put in place a bond or indemnity in accordance with Schedule 2 Part 3 of the LGPS Regulations.

Although pension risks may be shared between the scheme employer and their chosen commercial contract service provider, it is common for the new admission body to remain responsible for pension costs that arise from:

- Above average pay increases, including the effect on service accrued prior to contract commencement; and
- Pension strain costs relating to redundancy and early retirement decisions; and
- Any other scenario not specifically mentioned whereby a decision is taken by the admission body that disproportionately increases pension liabilities

The risk-sharing arrangements must be clearly documented in the pension admission agreement, the commercial contract agreement or any other side agreement. Any agreed arrangement should not lead to any undue risk to the other employers in the Fund. Legal and actuarial advice in relation to risk-sharing arrangements should be sought where required.

There are already some employers that participate in the Fund with a risk-sharing arrangement in place with another employer in the Fund. For example, there are employers participating in the Fund with pass-through provisions. Under such an arrangement, the pass-through admission body does not take on the risk of pension underfunding, as this risk remains with the existing outsourcing scheme employer or relevant guaranteeing employer. When the 'pass-through admission body' exits the Fund, it is not responsible for making any exit payment, nor receiving any exit credit, as any deficit or surplus ultimately falls to the scheme employer that outsourced the service in the first place.

Since 1 April 2023, in anticipation of "new fair deal", all new admission bodies created through a procurement or outsourcing exercise have not been and will not be considered on a full risk transfer basis. Instead, in line with its FSS, the Fund has only and will only consider new employer admissions on a pass-through basis. Under this policy, the scheme employer responsible for the TUPE transfer of scheme members to their chosen private company service provider, will retain the majority, if not all, of the pension risk associated with the service transfer. The outsourcing scheme employer will retain indirect responsibility for guaranteeing the pension costs of outsourcing a service.

There are several approaches to pass-through arrangements and several risk categories to be considered for responsibility under this pass-through arrangement policy. The full approach to risk-sharing, must be agreed in advance between the Fund and outsourcing scheme employer in consultation with the Fund Actuary before any contract procurement process commences, as this is highly likely to impact contract pricing. The final terms of the risk sharing agreement shall be ratified in the pension admission agreement ultimately agreed and signed by the outsourcing scheme employer, their chosen service provider and the Pension Fund Administering Authority.

The Fund Actuary is engaged in all pass-through arrangements to ensure the Fund and the outsourcing scheme employer receive appropriate professional advice due to the complicated and technical nature of these arrangements. If you would like to discuss any points raised in this article please contact Philip Boyton, Deputy Pension Fund Manager: **philip.boyton@rbwm.gov.uk or telephone 07792 324459**

Fund valuation 2025



Every three years the Royal County of Berkshire Pension Fund is required to appoint an independent actuary to carry out a valuation of the Fund.

The valuation ensures the Fund's assets are sufficient to meet its liabilities. Employer contribution rates for the forthcoming three year period are set as part of the valuation process.

The last valuation took place on 31 March 2022 with employer rates being set for the period 1 April 2023 to 31 March 2026. The next valuation date is **31 March 2025**.

The results of the valuation will not be known until the end of 2025 and employer contribution rates for the period 1 April 2026 to 31 March 2029 will be set.

The current 2022 valuation report and Rates and Adjustment certificate (which shows employer contribution rates) can be found via the links below:

- [Valuation Report 2022](#)
- [Rates and Adjustment Certificate](#)

We would like to reiterate to employers the importance of providing clean, accurate and timely year end data to the Pension Fund which is used as part of the valuation process:

1. We rely on year end files to update LGPS members pension records. If scheme employers fail to provide this information it will result in the Pension Fund holding incorrect information, and will generate future queries that may prove timely to resolve.
2. There is a legal requirement for us to provide your LGPS members with an Annual Benefit Statement by 31 August 2025. If year end files are sent to us late it means the Pension Fund may not have sufficient time to fully cleanse and process the data.
3. If the Pension Fund is unable to meet the Annual Benefit Statement deadline, due to late and/ or inaccurate year end files being received, the scheme employer may be held responsible for any fine the Pension Fund incurs.
4. All the information provided directly determines the level of income received by LGPS members in their retirement.
5. Holding incorrect information is a breach of The Public Service Pension (Record Keeping and Miscellaneous Amendment) Regulations 2014, as well as the GDPR, and can result in fines to the scheme employer and Appeals from scheme members.
6. The year end process enables the Pension Fund to identify anyone who is exceeding their HM Revenue & Customs (HMRC) Annual Allowance. A delay in running and processing the year end file will mean LGPS members may not be notified about their Annual Allowance in time. If any LGPS members incur additional tax liabilities (i.e. fines and interest being charged by HMRC because of late notification), this may result in Appeals from LGPS members and cost implications.
7. The LGPS comes under The Pension Regulator's record keeping requirements. The Pension Regulator will be concentrating on the quality of data that we hold, and failure to comply could result in improvement notices, or penalties.

Year end 2025

The Pension Fund sent out an email during the week commencing **Monday, 3 February 2025** to all those scheme employers who are not on-boarded to i-Connect. The email provided a Year End 2025 Template together with Year End 2025 Guidance Notes.

There will be an expectation that all Year End 2025 Templates are returned duly completed to the Pension Team by no later than 30 April 2025 with the Year End 2025 process to be concluded and scheme member data provided to the Pension Fund Actuary by no later than 30 June 2025.

We have provided a timetable below for reference. Please note this timetable also applies to i-Connect scheme employers:

31 March 2025	The end of the Scheme Year
By 23 April 2025	All year end files to have reached the Pension Fund
During 1 April 2025 to 31 May 2025	The Pension Fund to process year end files
During 1 April 2025 to 15 June 2025	Scheme employers to respond to year end queries within two weeks
During 1 April 2025 to 31 July 2025	The Pension Fund to process responses from scheme employers
During 1 July 2025 to 31 August 2025	The Pension Fund to extract LGPS member data to send to printers. Issue Annual Benefit Statements to LGPS members in line with statutory obligation via 'my pension ONLINE' and post
If you have any questions regarding year end please contact our Technical team: technical@rbwm.gov.uk	

Neonatal Care Leave (NCL)

New regulations come into force on 6 April 2025 which make changes related to neonatal care leave (NCL) and pay.

This is a new statutory entitlement for employed parents whose child receives neonatal care starting within 28 days of birth and goes on to spend seven or more continuous days in care.

Eligible parents will be entitled to up to 12 weeks of NCL in addition to existing entitlement such as maternity, adoption and paternity leave. The leave must be taken within 68 weeks of the baby's birth. The entitlement applies to children born after 5 April 2025

Employees receiving NCL should be treated as receiving Assumed Pensionable Pay (APP). If an employee has a period of unpaid NCL they have the choice of buying the lost pension back (to be treated in the same way as unpaid child-related leave).

Preparing for 'Pensions Dashboards'



The Department for Works and Pensions (DWP) is introducing Pensions Dashboards to the UK to enable individuals to access their pension information online, securely and all in one place.

Dashboards will provide clear and simple information about multiple pension savings, including LGPS and State Pension.

Like all other public sector pension schemes, the LGPS must be connected with the Pensions Dashboards by 31 October 2025 and able to go LIVE no later than October 2026.

We will let our members know when you can login to the Live portal.

To find out more about Pensions Dashboards please visit the [official website](#).

Responsible Investment update

Dear Scheme Employers

As always, the Royal County of Berkshire Pension Fund (the Fund) continues to work with its pooled investment manager, Local Pensions Partnership Investments Limited (LPPI), to manage its diverse investment portfolio, embedding responsible investment (RI) principles in its investment strategy.

The Fund's Responsible Investment Strategy was last approved by the Berkshire Pension Fund Committee in September 2022. At its meeting in March 2025, the Committee agreed to form a Task and Finish Group to review and update that policy, ensuring that the stated values, beliefs and priorities remain current, and considering any new areas for priority focus for the future.

The Task and Finish Group, comprising members for the Berkshire Pension Fund Committee, the Pensions Advisory Panel and the Local Pension Board, will be supported by Fund Officers, the Fund's independent advisers and LPPI in assessing what are the key responsible investment priorities for the Fund. The group can then assess what actions the Fund needs to take to ensure those priorities are reflected in the Fund's investment portfolio and in the future reporting from LPPI.

The Task and Finish Group will meet in April and May 2025, with a view to presenting an updated Responsible Investment Policy to the Pension Fund Committee in September 2025 for adoption. We hope to carry out some member engagement with the revised policy over the course of the next few months. At each of its meetings, the Committee receives a report from LPPI, outlining the key Responsible Investment activities and outcomes over the previous quarter.

These reports are published on the Fund's website, along with reports from the Fund's engagement partner, Robeco, on their engagement with the companies in which the Fund is invested.

As the Fund's investments are all managed by LPPI, we rely on their Responsible Investment processes and due diligence to support our continued improvements in this area. To that end, it is pleasing to report that LPPI has successfully retained its signatory status for the UK Stewardship Code for the fourth year in a row.

You can read about the engagement activities undertaken on behalf of all three funds within the LPPI pool in the [LPPI Responsible Investment and Stewardship Annual Report 2023-24](#). Please contact us if you have any questions on any matters raised in this article.

Jo Thistlewood

Jo Thistlewood CPFA, ACA
Head of Pension Fund

The Fund's Responsible Investment strategy and reports can be found on our website:

<https://www.berkshirepensions.org.uk/investments/responsible-investment>

Employer meeting 2025

As you will be aware we held our Employer Meeting on 19 March (online and in person).

A recording of the meeting will be available to view [on our website](#).
The recording is unlisted on You Tube so it is not in the public domain.

The accompanying presentation slides are linked below:

Part 1: [Welcome and Pension Administration update presentation slides](#)

Part 2: [Investments update](#)

Part 3: [Shared Cost AVCs](#)

Part 4: [Actuarial Valuation update](#)

If you have any questions about anything discussed at the meeting please do not hesitate to contact us.



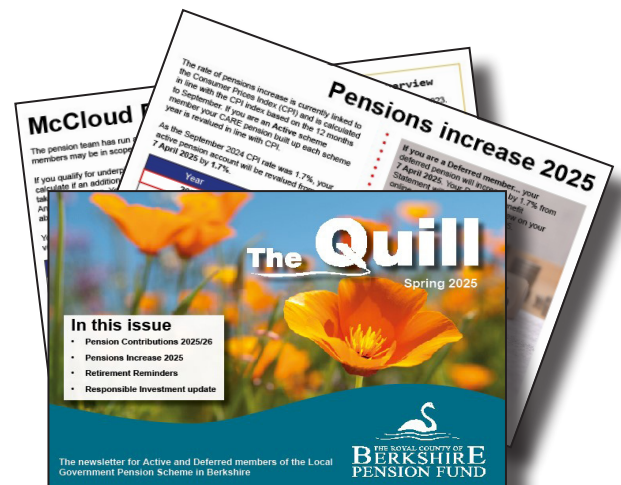
Active member Spring newsletter

The Spring 2025 edition of our Active and Deferred member newsletter - **The Quill** - has been published and is available to view [on our website](#)

What's inside the latest issue...?

- Pension Contributions 2025/26
- Pensions Increase 2025
- Retirement Reminders
- Responsible Investment update
- The 'McCloud Remedy' update

Please could we ask you to communicate the availability of this newsletter to your active employees to advertise this for us.



LGPS employer bite size training

A series of employer training courses are available on the LGPS Regs website. The courses can be viewed in text format or as an interactive module. Courses available are:

- Assumed Pensionable Pay
- Final Pay
- Active member ill-health retirement
- Deferred (former) member ill-health retirement

The above courses are available on the [LGPS Regs website](#)

Employer section on BPF website

As a reminder you will find an Employers section available on our website containing resources and information to support our employers with the administration of the LGPS in Berkshire:

<https://www.berkshirepensions.org.uk/employers>



Employers Section - Quick Links

[Employer news articles](#)

[Employer contributions](#)

[Employer forms and guides](#)

[Admission Agreements](#)

How can we help you?

Did you know the pension team can provide a range of information sessions for you and your scheme members?

Pension Surgeries

We can arrange a pension surgery to take place on a particular date and your staff members can request an appointment either via Microsoft Teams or over the telephone.

We offer 20 minute appointment slots and all discussions are conducted in complete confidence.

Employer Training

Training on all areas of LGPS pension administration for HR and Payroll Officers. Topics covered during employer training include:

- New starters
- Leavers
- Final salary calculations
- Retirement
- Completion of standard forms

Scheme Member Presentations

Information for your staff on the benefits of LGPS membership.

- General topics covered include:
- Understanding your pension
- Life Cover
- Retirement options
- Increasing and decreasing monthly contributions
- Examples of pension calculations

Individual Pension Support

We provide individual pension support for your Scheme members if they have any questions about their Berkshire pension.

Members can contact us to arrange a one to one meeting over Microsoft Teams or over the telephone. The pension team are unable to give advice but we can assist with pension queries and help your staff understand their LGPS pension.

Staff benefit events

If you are holding staff benefit/well-being events for your staff, representatives from the pension team can attend to be on hand to help with LGPS pension questions.

Member presentations and employer training sessions can be tailored to your requirements. If you would be interested in arranging any of the above pension sessions please contact **Joanne Brazier** on **01628 796 754** or email communications@berkshirepensions.org.uk
Please note any support provided by the Berkshire Pension Fund for you and your staff is completely free of charge.

Useful links

Please find detailed below some further links to external websites containing information relating to the LGPS.

Berkshire Pension Fund website	https://www.berkshirepensions.org.uk
Employer's Section	https://www.berkshirepensions.org.uk/employers
National LGPS website	https://www.lgpsmember.org/
LGPS Regs website	https://www.lgpsregs.org/
HR Guide	https://lgpslibrary.org/assets/gas/ew/HRv4.5c.pdf
Payroll Guide	https://lgpslibrary.org/assets/gas/ew/Pv4.5c.pdf
The Pensions Regulator	https://www.thepensionsregulator.gov.uk/
State Pension Age calculator	https://www.gov.uk/state-pension-age
State Pension information	https://www.gov.uk/check-state-pension
'my pension ONLINE'	https://mypensiononline.berkshirepensions.org.uk/home/login/

Contact us

If you would like to discuss any items contained in this newsletter please do not hesitate to contact us:

Jo Thistlewood	Head of Fund	07523 688 812	jo.thistlewood@rbwm.gov.uk
Philip Boyton	Deputy Head of Fund	07792 324 459	philip.boyton@rbwm.gov.uk
Martin Griffiths	Pension Administration Manager	07767 248 819	martin.griffiths@rbwm.gov.uk
Barry Jones	Deputy Pension Administration Manager	01628 796 315	barry.jones@rbwm.gov.uk
Joanne Brazier	Communications Manager	01628 796 754	joanne.brazier@rbwm.gov.uk
Rachael Granger	Technical Manager	01628 796 765	rachael.granger@rbwm.gov.uk

Berkshire Pension Fund, Zone C, Town Hall, St Ives Road, Maidenhead, Berkshire, SL6 1RF

Pensions Helpdesk: 01628 796 668 Monday to Thursday 8.30am to 5pm and Friday 8.30am to 4.30pm

Email: info@berkshirepensions.org.uk **Website:** www.berkshirepensions.org.uk