

New Fair Deal

First Generation

Employer Introduction Guide

January 2017

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Welcome

This guide is for organisations that apply to become Admitted Bodies within the Northern Ireland Civil Service Pension arrangements under the new Fair Deal legislation.

The guide aims to help you understand your role and obligations when you become an Admitted Body. This guide also sets out the obligations of the Scheme Administrator, Civil Service Pensions (CSP) within the Department of Finance, who will administer the Civil Service Pension arrangements for your eligible employees.

This guide should be read alongside the Application Guidance, which you will have received from Civil Service Pensions Branch (the Scheme Manager) and can also be found on the Northern Ireland Civil Service Pensions website at:

<https://www.finance-ni.gov.uk/articles/new-fair-deal>

The overall admissions process is split into two key parts:

1. Admission

Applying to Pensions Division in the Department of Finance for admission

Completing and signing the Admission Agreement

Complying with initial and ongoing obligations as an Admitted Body

2. Administration

Payroll and HR information transfer and set-up

Interfacing with Civil Service Pensions Branch administration systems

Working with Civil Service Pensions Branch on a day-to-day basis to manage members' benefits

This guide will focus on the Administration aspects of the admissions process (outlined above) and does not cover the Admission process and obligations. These are a matter for the Admitted Body, Contracting Authority and the Department of Finance and are covered in more detail within the Application Guidance and Admission Agreement.

Who is Civil Service Pensions Branch.....

...and what can I expect from them?

Civil Service Pensions is a Branch within the Department of Finance and is responsible for the Northern Ireland Civil Service pension arrangements in terms of the benefits members will get, what level of contributions members and employers have to make towards the benefits received and all other matters relating to Scheme policy. This involves the day-to-day administration of the Schemes, including calculating and arranging payment of members' pension benefits. Civil Service Pensions can only act within the Scheme Regulations. Further details about Civil Service Pensions and the services they provide can be found on the webpage:

<https://www.finance-ni.gov.uk/articles/nicsps-dofs-role-management-nics-pension-arrangements>

On-boarding activities

The initial action step is for the Contracting Authority to approach Civil Service Pensions Branch with details of the proposed admission to the Civil Service Pension arrangements. Civil Service Pensions Branch will then issue an Application Pack, which includes an Application Form, a template Admission Agreement and associated guidance.

The Application Form should be completed and returned to Civil Service Pensions Branch. This will be carried out by a representative of the Contracting Authority, but may require involvement from the prospective Admitted Body. On receipt of the Application Form, the on-boarding process will commence.

Each new admission is allocated a manager within Civil Service Pensions Branch who will assist with bringing you, as an Employer into the Schemes, and transferring data to the CSP(NI) administration systems via the development of the monthly payroll interface.

Your CSP(NI) manager will produce a template project plan and readiness checklist and issue this to the Contracting Authority and to you, the prospective Admitted Body. This plan details the actions required along with associated timescales for completion and can be used by all parties to monitor progress and ensure the on-boarding process runs smoothly.

A process map outlining the steps which will need to be taken by the Contracting Authority, Admitted Body and CSP(NI) is included in the project plan and readiness checklist but is also available on the website at:

<https://www.finance-ni.gov.uk/articles/new-fair-deal>

The project plan will include four **checkpoint** meetings (usually held by teleconference) each with a standard agenda. These meetings are as follows:

1. Introduction
2. Go-live check-up
3. Interface development and progress check-up
4. Project closure and handover to BAU

You will be given the contact details for Civil Service Pensions administration team, who will be responsible for managing the ongoing administration service for you once on-boarding is complete.

On-going service

CSP(NI) will provide you with a suite of generic notification forms for you to use, e.g. to notify CSP(NI) of certain member events or to authorise a member action such as retirement; to request information or additional services from CSP(NI).

All new post items, emails and phone calls from Employers and members will be allocated to the appropriate team for response.

Contact details are provided at the back of this guide.

Once the Admitted Body is on-boarded, the nominated contact(s) will be provided with an employer code to quote when speaking with CSP(NI). This code identifies you as a genuine Employer and enables the CSP(NI) agent to speak freely with you regarding your members' details. The code should not be disclosed to any unauthorised person without prior agreement from CSP(NI). Members do not require the security code as they will be taken through a data protection process to ensure they are correctly identified.

Please note: Following admission the CSP(NI) administration system may not be fully reflective of the current position until the final interface has been received from the Contracting Authority and your first monthly interface has been developed, tested and loaded (see ***Providing employee data to CSP(NI)*** on page 9 of this guide). Any delays in providing this interface may result in CSP(NI) not being able to provide pension information to your members in a timely manner.

What is expected...

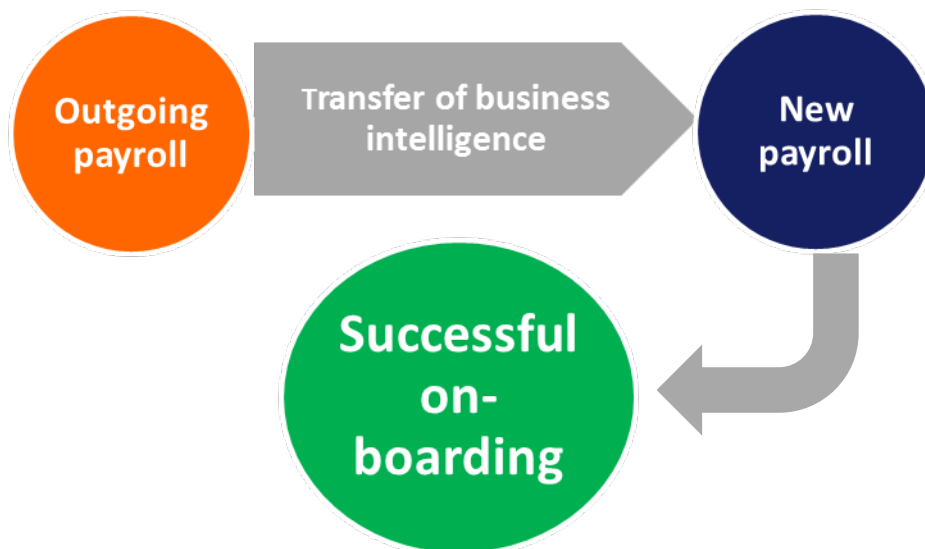
...of me as an Admitted Body?

Once you have been admitted to the Schemes and have become an Employer within the Northern Ireland Civil Service pension arrangements, you will have an important role to play in helping CSP(NI) to ensure the efficient and accurate administration of the Pensions for your employees. By fulfilling your obligations under the Admission Agreement you will contribute towards achieving this objective.

There are a number of key activities involved in interacting with CSP(NI), which are included in the readiness checklist and on the process map.

Payroll implementation and knowledge transfer

You will need to work with the Contracting Authority to understand the specific contractual terms and conditions of the transferring employees and set-up your HR and payroll systems in order to correctly pay your employees.



Payroll data

As part of this process, it is critical that you ensure you capture, not just salary information, but everything you need in order to make the appropriate pension deductions at the right time.

This will include (but is not limited to):

- details of all pensionable payments and allowances,
- Schemes membership information,
- contribution rates and salary bands,
- additional voluntary contributions, EPA and added pension/added years deductions,
- National Insurance contribution details.

Historic member information

When employees move between employers their employment history should move with them, as responsibility for this information lies with the member's current Employer. You may be asked to validate and confirm pension records held on CSP(NI)'s systems about your employees and you should therefore ensure full personal data and employment details are obtained for each employee as part of your handover process.

alpha—a new Civil Service Pension Scheme

The Civil Service Pension arrangements changed in April 2015.

The majority of members moved to a new scheme, alpha, but some members remained in their existing scheme (i.e. classic, classic plus, premium, or nuvos), or will move into alpha at a later date.



As a prospective Admitted Body you will need to ensure you are aware of:

- which Scheme each member is a member of or eligible for membership of,
- at what date they are due to transfer into alpha, if applicable,
- impending retirements, and
- any special cases, e.g.
 - long term sickness absentees
 - ill-health applications in progress
 - other sensitive matters

Please note: This information should be obtained from the current employer or Contracting Authority.

You will then need to work with the Contracting Authority and CSP(NI) to ensure the appropriate notifications are completed and submitted in order to minimise ongoing processing delays.

Calculation and Payment of contributions

You are responsible for calculating and paying over Employer and member (Employee) contributions. Most employers pay their staff via the HRConnect payroll system in which case employer/employee contributions are paid as part of the payroll processing. If your employees are not paid via the HRConnect payroll you should arrange to make payment to the DoF Pensions Account. CSP(NI) will send you the account details for payment by BACS if required.

Please note: CSP(NI) does not manage scheme contributions.

The contributions are based on each member's pensionable pay in accordance with the rates applicable to the band into which the member's salary falls. You should therefore check with the transferring payroll provider and ensure that you fully understand which elements of employees' pay are pensionable.

The current Employer contribution rates (known as the Accruing Superannuation Liability Charge, or ASLC) are in Schedule 3 of the Admission Agreement and contained within **Employee Pension Notice (EPN) 04/2016** on the Northern Ireland Civil Service Pensions website at:

<https://www.finance-ni.gov.uk/publications/ePN-042016-b-revised-salary-bands-and-accruing-superannuation-liability-charges-aslcs-1>

The member contribution rates can also be found on the website at:

<https://www.finance-ni.gov.uk/articles/employee-pension-contribution-rates-1-april-2016>

Further information regarding calculation and payment of contributions is contained within the Application Guidance document issued by CSP(NI).

Providing employee data to CSP(NI)

You are responsible for giving CSP(NI) timely and accurate information about your employees, such as their salary and address details and regularly updating this to ensure the information CSP(NI) holds is correct. You will need to provide this (i.e. via a monthly interface file).

This will involve your payroll team or IT / payroll provider(s) programming a Standard Interface in accordance with CSP(NI)'s required specification. However, for very small groups of members it may be more appropriate to use a manual spreadsheet template rather than develop an automated interface.

Please note: The monthly interface is the mechanism by which all member data is transferred to CSP(NI)'s administration system. Any delays in providing this interface may result in CSP(NI) not being able to provide pension information to your members in a timely manner.

On the Civil Service Pensions website (<https://www.finance-ni.gov.uk/articles/new-fair-deal>) you will find a number of documents to help you understand the interface development and sign-off process.

You should review and discuss these with your payroll manager or IT / payroll provider. These documents include:

- Developer's Guides for the Standard Interface and Manual Spreadsheet Interface and guidance on the testing process.
- 'Hints and Tips' which provides you with assistance in understanding the requirements of the Standard Interface or in compiling the Manual Spreadsheet Interface.

Once you have reviewed these documents, you should contact the CSP(NI) on **02871 319000** or by email to pensionspolicycsp@finance-ni.gov.uk if you wish to raise any questions that you might have and to book a testing slot for the initial interface file.

Secure data transfer

You will need to transfer sensitive personal data to CSP(NI) (e.g. on the monthly interfaces) in a secure way. This can be achieved via a secure online file transfer system called [Secure Transfer Utility \(STU\)](#).

STU is a highly secure, multi-user, drop box application, approved by CSP(NI) for the secure transfer of files between CSP(NI) and other organisations. This application enables CSP(NI) to protect the privacy and confidentiality interests of Employers by segregating information logically and all sessions to STU is protected using HTTPS.

CSP(NI) will be able to provide more information on securely transferring data between yourselves and CSP(NI).

Communications about the Scheme

You have an important role to play in disseminating information about the Civil Service Pension arrangements to your employees.

It is important that members understand their benefits and the options available to help them actively manage their retirement planning, so you will be asked from time to time, to alert your employees to new communication materials that have been published on the Northern Ireland Civil Service Pensions website.

CSP(NI) will confirm when this is required via publication of Employer Pension Notices (EPNs). Please ensure that you always direct employees to the official Scheme communications, rather than create your own, as it is important to ensure that members are receiving accurate and consistent information.

EPNs also notify you about any changes to policy or procedures that will affect the Employer or member. CSP(NI) Employer Pension Notices (EPNs) are also issued occasionally, to provide you with guidance and / or clarification on specific aspects of Scheme administration.

EPNs previously issued are available on the Northern Ireland Civil Service Pensions website and many of these are still relevant to the ongoing administration of the Scheme. You should therefore take time to review these at:

<https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>

CSP(NI) will ensure that your details are added to the appropriate mailing list but you should make a note to check the Northern Ireland Civil Service Pensions website periodically for updates. If the person who receives EPNs in your organisation changes, please send revised contact details to PLCqueries@finance-ni.gov.uk.

NB: It is your responsibility to ensure the contact details on our records are kept up to date.

Managing members through Scheme events

You should complete and submit a Notification Form whenever one of your employees goes through a 'Scheme event'. A Scheme event could be an employee leaving the Scheme, or retiring and wanting to claim their pension.

Annual Benefit Statements (ABS)

Annual Benefit Statements (ABS) are issued to active members of the Northern Ireland Civil Service Pension arrangements each year. The ABS provides members with information about the current value of their pension as at the end of each Scheme year.

Please note: ABS are usually issued direct to members' home addresses. If you wish to discuss other distribution methods you should contact CSP(NI).

What else do I need to know?

Website

The Northern Ireland Civil Service Pensions website (<https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>) is the first place to go for information about the Civil Service Pension arrangements and how they operate.

Please note: It has dedicated sections for members and Employers and includes information about:

- Applying to join the Northern Ireland Civil Service Pension arrangements
- Employer Pension Notices (EPN)
- Scheme benefits and contribution rates
- Member and Employer “what-if” calculators
- “What to expect...” guides
- Member and Employer forms



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Scheme Rules

The detailed Scheme rules can also be found on the Civil Service Pensions website:

<https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni>

Scheme Reference Numbers

As an employer running payroll, you should report your employees’ pay and deductions to HM Revenue & Customs in a Full Payment Submission (FPS) on or before their payday (unless an exception applies). In this submission you will be required to include the Employer Contracted- Out Number (ECON) and the Scheme Contracted-Out Number (SCON), which for the Northern Ireland Civil Service Pension arrangements are:

ECON: **E3900002R**

SCON: **S2731005W**

Fees and charges

In addition to the Employer contributions there are certain other costs associated with becoming an Admitted Body.

Annual administration charge

This charge is determined by the Department of Finance and further information is contained in the Application Guidance. Details of the charge will be communicated to Employers via a Centralisation letter issued by Pensions Division. The letter provides an update of work undertaken and future work for Pensions Division and also advises of the total estimated ongoing centralisation fee for that financial year, due in respect of staff in your employment who are members of the Northern Ireland Civil Service Pension Schemes.

Getting started checklist

Key actions

The following checklist sets out the initial steps to get you up and running:

Activity	Done
Employer obligations You should familiarise yourself with the contents of the Admission Agreement and the Employer Pension Notices (EPNs) on the Northern Ireland Civil Service Pensions website, both of which contain important information on your role and responsibilities as an Employer in administering the Civil Service Pension arrangements.	<input type="checkbox"/>
Payroll handover/data integrity You should ensure that, as part of your HR / payroll data transfer activity, you receive full details of the pension schemes which employees are members of, or eligible for, confirmation of which elements of employees' pay are pensionable and details of their employment history.	<input type="checkbox"/>
Interface Development You should review the documentation relating to interface development and pass this to your IT/Payroll development team(s) as soon as possible.	<input type="checkbox"/>
Secure data transfer You should consider how you will transfer data securely. If you would like more information about using STU including the set up cost and ongoing running charges associated with using this service please speak to CSP(NI).	<input type="checkbox"/>
Contacts You will receive contact details for CSP(NI). You should tell CSP(NI) who in your organisation should be the primary contact, who will be responsible for HR / payroll matters and who should receive invoices from CSP(NI) and / or the Department of Finance. It is important that this information is kept up to date if roles / responsibilities change.	<input type="checkbox"/>
Ongoing administration You will receive a suite of forms to use for notifying CSP(NI) of certain events or to request information and services. These will need to be completed and submitted to the Civil Service Pensions Branch, as appropriate, in order for CSP(NI) to action the request. The Department of Finance should also be notified when someone leaves the Scheme in accordance with Schedule 4 of the Admission Agreement.	<input type="checkbox"/>

Glossary of terms

There are a number of specific terms used throughout this document and in other communications regarding the Northern Ireland Civil Service Pension arrangements. Some of these are defined in more detail below:

Admitted Body (or prospective Admitted Body)

This is the organisation to which services, and employees covered by new Fair Deal protections, have transferred. This will be an organisation which has been awarded a contract to deliver public services on behalf of a Government department (the Contracting Authority).

Admission Agreement

This is a document usually signed in tripartite between the Contracting Authority, Admitted Body and the Minister for the Department of Finance. The Admission Agreement sets out the requirements for admission to the Northern Ireland Civil Service Pension arrangements and the obligations placed on the parties involved.

Application Guidance

This document consists of an Application Form along with general guidance including subjects such as eligibility, the admissions process, interaction with the Department of Finance and CSP(NI), communicating with members and other ongoing responsibilities of the Admitted Body.

The Department of Finance

The Department of Finance is a department of the Northern Ireland Civil Service. It is composed of various Branches that support the Northern Ireland Executive.

Contracting Authority

This is normally the Government department from which services, and employees covered by new Fair Deal protections, have transferred. The Contracting Authority remains responsible for ensuring the Admitted Body fulfils the obligations of the Admission Agreement and must indemnify the Schemes should the Admitted Body default on any payments due to the Schemes.

CSP(NI)

CSP(NI) is a Branch within the Department of Finance and is responsible for the Northern Ireland Civil Service pension arrangements. Further details about Civil Service Pensions and the services they provide can be found on the webpage:

<https://www.finance-ni.gov.uk/articles/nicsps-dofs-role-management-nics-pension-arrangements>

Important documents

There are a number of important items of documentation relating to the operation of the Northern Ireland Civil Service Pension arrangements and your responsibilities as an Employer.

You should be aware of these documents and where to find them, and familiarise yourself with their purpose and content.

Most of the documentation is available on the Department of Finance website:

<https://www.finance-ni.gov.uk/articles/new-fair-deal>

and you are advised to review the website regularly for any updates and announcements.

The key documents include:

Document	Purpose	Location
Admission Agreement and guidance	To participate in the Northern Ireland Civil Service Pension arrangements, independent employers will need to sign an Admission Agreement with the Contracting Authority and the Department of Finance.	On the Department of Finance website https://www.finance-ni.gov.uk/articles/new-fair-deal
On-boarding process map and readiness checklist	To identify the activities and timescales involved in the on-boarding process.	Issued by CSP(NI) as part of the on-boarding project
Interface Development Guide / manual interface template	Details what employee information Employers are required to provide to CSP(NI) on a monthly basis and the format for providing this data.	Issued by CSP(NI) as part of the on-boarding project
Notification and Request for Services forms and Statements of Work	For use when advising CSP(NI) of member actions and requesting additional non-core services from CSP(NI).	Issued by CSP(NI) as part of the on-boarding project
Employer Pension Notices (EPNs)	News and information for Employers. Action is usually required from the Employer if an EPN is issued.	On the Department of Finance website

Contacts

Pensions Division - Department of Finance CSP(NI) – General enquiries

Email: cspensions@finance-ni.gov.uk

Civil Service Pensions – admission enquiries

Telephone: **0287 131 9000**

Email: pensionspolicy@finance-ni.gov.uk

Civil Service Pensions (NI) Systems Service desk

Telephone: **0287 131 9000**

Email: cspsystems@finance-ni.gov.uk

Civil Service Pensions (NI) Enquiry Centre – Employers, employees, members and third parties

Telephone: **0287 131 9000**

Overseas Tel: **+44 2871 319000**

Address: **CSP(NI)**, Waterside House, 75 Duke Street, L'Derry, BT47

Email: 6FP cspensions@finance-ni.gov.uk

Fax: (028) 7131 9234

