

EPN 82

Pensions impact on payroll contracts.

ISSUE Future Civil Service pension scheme developments may have an impact on payroll processes. To help manage the impact of future developments, we in Civil Service Pensions Division are considering introducing a consultation process, which will include employers and their payroll providers.

ACTION

This Notice will be of particular interest to:

◆ **Payroll managers**
(who may wish to consult with their HR Directors)

- You are asked to consider approaches to consultation and to feedback your views using the attached form to us.

TIMING

Forms to be sent to us **by 16 January 2004**

Background

1. As employer, you are responsible for ensuring that pension contributions are deducted from members' salaries and for paying ASLCs. You are also responsible for the accuracy of the transfers of data between your payroll and PenServer, the PCSPS pensions administration software. There are many different payroll providers under contract to PCSPS employers and any changes to the Civil Service pension arrangements can have an impact on the operation and cost of employers' payroll contracts. While payroll providers will have to consider the impact of proposed changes, employers are responsible for directing the work needed to consider and implement the changes.

Proposal for consultation

2. To ensure that any future significant changes to the Civil Service pension arrangements are effectively considered and managed, we propose to establish a consultation process to include the views of payroll providers.

Payroll providers work under contract to PCS/PS employees, we do not have a direct relationship with the providers, although policy changes will affect them. The payroll providers are in the best position to identify any technical difficulties that could arise as the result of a proposed change.

We are seeking your views on the best approach to consult payroll providers on policy changes so that any technical challenges can be raised and resolved before implementation, whilst keeping you, as the contract owners, informed and involved as well. There are too many of both employers and payroll providers for us to have a discussion forum involving all parties. Any consultation group would have to be representative only, with papers copied to all other interested parties.

Alternative approaches:

Consultation via employers

We would raise any proposals with you, and ask you to consult with your payroll providers and feed back any views to CSPD. We would communicate with you in writing or via the discussion forum of representative employers as appropriate

Consultation with payroll providers

We would consult directly with payroll providers either by letter or discussion forum as appropriate. We would copy correspondence and papers from meetings to employers. Ideally for this approach, CSPD would have email contact details for employers' payroll managers/contacts. It is most important to remember that we cannot under any circumstances play any part in the management of your contract with your payroll provider.

We want to hear your views. Please complete the attached response form and return to it us **by 16 January 2004**.

Contacts: Enquiries about content:
Employer Helpdesk
employerhelpdesk@cabinet-office.x.gsi.gov.uk
01256 846414

Enquiries about distribution of EPNs:
Judith Hornby
judith.hornby@cabinet-office.x.gsi.gov.uk
01256 846271

***Reference**

All EPNs and forms may be found on the website:
www.civilservice-pensions.gov.uk
in the Employer and APACs section

Username: employers

Password: mc2fxqfy

15 December 2003

PENSIONS IMPACT ON PAYROLL CONTRACTS – CONSULTATION	
Name	Title/job description
Department	Payroll provider
Address	TEL: Email:
I would prefer:	Please tick preferred option(s). <i>If you wish to add any comments please attach additional page</i>
▪ Consultation via employer	
In writing:	
- by Employer Pension Notice (EPN)	
- to nominated contacts eg payroll managers	
- other – please specify	
Discussion forum	
Either as appropriate	
Other – please specify	
▪ Consultation with payroll providers	
In writing	
Discussion forum	
Either as appropriate	
All papers copied to employers (please indicate above whether by EPN/to nominated contacts or Other)	
Outcomes only sent to employers	
Employers to be involved in discussion forum	
Other	

When completed, please return this form to:

*Employer Helpdesk
Cabinet Office
Civil Service Pensions
8th Floor Grosvenor House
Basing view
Basingstoke, Hampshire, RG21 4HG
By 16 January 2004*