

Guidance for Academies joining the Hertfordshire Pension Fund (HPF)

The following provides information about the actuarial valuation and admission process for an Academy in the LGPS including:

- Information and guidance on the process.
- Links to our website which provides access to policy and guidance documents that we strongly recommend are reviewed so that the organisation is aware of its responsibilities and potential liabilities as an Employing Body of HPF.

1. ACADEMY ADMISSION PROCEDURE

1.1 Notification of a school's conversion to Academy status

Once a School has decided that they wish to convert to Academy status, we are notified by Hertfordshire County Council (HCC) and are provided the date of conversion.

The School will be required to complete the following forms:

- **TUPE Membership Data:** (excel spread sheet). The Academy must include all staff whose terms and conditions are protected under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). All eligible staff should be included whether they are current members of the pension scheme or not. This is so their right for admission to the LGPS is preserved should they wish to join at a future date.
- **Contact Form:** Regular newsletters and bulletins are also emailed to the Academies from both ourselves and LPPA, therefore, you should always ensure that LPPA hold up to date contact details for your organisation. Please complete the 'Employer Contacts' form and return it to engagement@localpensionspartnership.org.uk.

The 'TUPE Membership Data' excel spreadsheet must be returned to us at HPF by a secure method. Further information on the expectations for data sharing can be found within our [Memorandum of Understanding for Scheme Employers](#).

If you have any queries about the completion or secure sending of the documents, please do not hesitate to contact us at Hertsfundemployers@hertfordshire.gov.uk

1.2 Validation of Membership Data and Actuarial opening position calculation

The school will take on the Schools & Academies pooled **contribution rate of 21.65%**. This is subject to change at the Fund's triennial valuations.

For the opening funding calculation, the LPPA will check the membership data and liaise with the school to resolve any queries. Once the data has been validated, it will be sent to our actuary for the calculation of the Academy's opening funding position. This is required to enable a base to be established for future valuations and financial accounting reports.

The cost will be recharged to the Academy by invoice for the Academy report - share of deficit calculation and initial assets and liabilities. Details of the charges that apply are detailed within our Charging Policy, which is available upon request.

1.3 Requirements following conversion

Any non-teaching staff who paid additional pension contributions (other than their normal monthly LGPS pension contributions) at the point of conversion, in respect of either Additional Voluntary Contributions (AVCs), Additional Regular Contributions (ARCs), Additional Pension Contributions (APCs) or Added Years **must have these contracts ceased on the day before the Academy conversion. The converting school /Academy should bring this to the attention of the payroll provider /affected employees.**

Employees can if they want to, continue new contracts under the new Academy (though employees can no longer enter ARCs contracts). More information can be found on LPPA's [website](#).

1.4 Induction as a new Scheme Employer

The LPPA will contact the Academy to provide information and guidance on administration of the LGPS Scheme.

Please read our [Funding Strategy Statement](#) as this will help with understanding the pension fund.

If you have any queries, please contact Hertsfundemployers@hertfordshire.gov.uk

2. ACADEMY RESPONSIBILITIES

2.1 Outsourcing

If an Academy outsources services, such as catering or cleaning, then the pension rights must be considered for non-teaching staff that have eligibility to the LGPS Pension Scheme. We encourage you to note the following information and ensure it is considered during the tender stage for services which involve the TUPE transfer of non-teaching staff who are eligible for the LGPS.

The Academy must inform us when outsourcing services to a private sector contractor. There are financial implications for the Academy and the successful contractor that need to be included in any contract tendering documentation.

If an Academy is intending to outsource a service with members who have the right to be in the LGPS or are in the LGPS, before going out to tender, academies are required to seek permission from the Department for Education on whether they can offer a passthrough rate due to the DFE guarantee.

For Schools that are in the Schools and Academies Pool, arrangements for outsourcing are set out in the [Academies Pooling policy](#) in on page 12.

The key points are:

- Contractors are required to pay the pooled employer contribution rate which is currently 21.65% and will be reassessed at each Triennial Valuation (the next valuation is in 2025 and the new contribution rate will come into effect from 1st April 2026).
- The contractor will be required to enter into a 3-way Admission Agreement with the Fund and the academy that is doing the outsourcing, and the academy is required to act as guarantor for this Agreement. (if this has not been agreed by DFE then will they need to get a bond and contribution rate calculated?)

- The actuarial and legal fee associated with the contractor's admission into the HPF are detailed within our Charging Policy, which is available upon request. These fees will be recharged to either the Academy or contractor depending on the agreement in place between the two parties.

For Schools that are not in the Schools and Academies Pool, then an individual employer contribution rate and bond value will be calculated. The actuarial fees associated with this actuarial valuation are detailed within our Charging Policy, which is available upon request.

2.2 Accounting

For the production of Annual Report and Accounts, Academies may require an annual actuarial report (FRS102/ IAS19), which will provide details of LGPS liabilities. Your auditors will be able to advise whether this information is required.

In the event that an FRS102/IAS19 report is required, please advise of the year end date so that we can contact you with information about the process and the actuarial reports can be provided for your annual financial reporting deadlines.

FRS102/ IAS19 actuarial reports are chargeable to the Academy and are detailed within our Charging Policy, which is available upon request.

2.3 Auto-Enrolment

The LGPS is a qualifying pension scheme under the automatic enrolment provisions of the Pensions Act 2008

If you need further information please contact LPPA Helpdesk via the [Employer Contact Form](#) or by calling 0300 323 0260.

3. NEXT STEPS

To enable us to start the admission process we will need:

- Completed TUPE Staff Membership excel spreadsheet of the LGPS staff who will/ have access to transfer to the new academy sent via a secure method.
- Confirmation via email to hertsfundemployers@hertfordshire.gov.uk that the Academy agree to the costs to join the HPF.

We hope that you find this information helpful and if you have any general queries, please do not hesitate to contact us by email: hertsfundemployers@hertfordshire.gov.uk.