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**Schools converting to an Academy**

**Guide and Checklist**



**If you require this information in an alternative language or another format such aslarge type, audio cassette or Braille, please contact the Pensions Help & Information Line on 01609 536335**

**Introduction**

The Local Government Pension Scheme (LGPS) is a funded, statutory, defined benefits pension scheme; it is one of the largest pension schemes in the UK.

When a school converts to an academy, non-teaching staff are entitled to membership of the LGPS. The appropriate LGPS fund for an academy is determined by its geographical location, some multi academy trusts (MAT) will have academies located across different geographical areas and will have LGPS arrangements with a number of different funds. The LGPS in North Yorkshire is administered by the North Yorkshire Pension Fund.

Academies/MATs automatically become a separate scheme employer in the LGPS, as ‘a scheduled body’ in the North Yorkshire Pension Fund.

**Which staff are eligible for the LGPS?**

Any non-teaching staff, who are members of the LGPS at the date of conversion or who choose to join after conversion are eligible to join the LGPS. Also, any new non-teaching staff employed after conversion. On conversion, existing staff who are not in the LGPS should be automatically enrolled into the pension scheme from the date of the academy conversion. You should notify the affected staff before the conversion as they retain the right to opt out of the LGPS again. For any staff that have a contract of less than 3 months the employee can opt to join the LGPS. If they are in the LGPS prior to conversion, the employee will need to opt back in to remain in the scheme. You should notify affected staff before the first payroll run.

An opt out form can only be signed and dated after the conversion date, the employee cannot sign and date the form before the date they have been enrolled into the LGPS, otherwise it will be treated as an invalid opt out.

**How will this affect the school’s future service rate (employer contribution rate)?**

The current contribution rate is set by the scheme actuary every 3 years and is based on the membership data for all of the Local Authority’s LGPS staff members (The North Yorkshire Council or The Council of the City of York). After conversion, the school/MAT will be a separate employer in the NYPF, and the future service rate will be calculated on the academy’s/MAT’s staff profile and will relate only to the academy/MAT (see the checklist for further details). The future service rate could be higher than the rate which applied to the school when maintained.

**How is the future service rate calculated?**

The actuarial assessment will be carried out by the NYPF actuary based on the LGPS staff list provided prior to conversion. The LGPS is a funded scheme and can be in surplus or deficit according to investment performance. Any deficit in respect of pensionable service prior to conversion transfers from the local authority to the academy. The actuary will calculate a future service rate and any past service deficit which has transferred from the local authority. **If the conversion is delayed, the starting assets and liabilities that the actuary calculates (based on the original conversion date) will be wrong. In advance of the next triennial valuation of the Fund, the actuary will recalculate the assets and liabilities at the correct date of conversion. There is a fee of £570 + VAT for this (this is in addition to the actuary’s fee of £800 + VAT for the original calculation).**

**How long will it take?**

If your school is considering converting, it is important that you contact the pensions section as soon as possible, ideally 8 weeks prior to conversion.

**Cleaning & Catering Services**

We will need to know whether you will be employing cleaning and catering staff directly, continuing to buy this in from NYC or putting this work out to tender.

If the academy or (MAT) chooses to outsource a service to another provider, and that involves transferring employment of individuals, the contractor must also offer access to the LGPS to those employees who are transferring, under Fair Deal.

To do this, the academy or MAT must ensure that the contractor has Admitted Body Status, governed by an admission agreement, with the NYPF.

The agreement will apply to all transferring staff, however, the contractor does not have to offer the LGPS to new staff and could choose a ‘closed’ agreement restricted to transferring staff only.

If you already have a contract in place for your cleaning, catering or both we will need to include the staff that were TUPE transferred in the member data that is provided to the scheme actuary. Please ensure you complete the information requested on the checklist

**Checklist**

Please complete one checklist for each school (see following pages). Missing information will cause delays in the actuarial calculations needed for the conversion. The checklist, staff list and authorised signatory list should be emailed to the following contacts at least **eight weeks prior to the planned conversion date.**

**NYPF Contact Details**

Jo Foster-Wade - Pension Employer Relationship Manager

Email: [Jo.Foster-Wade@northyorks.gov.uk](mailto:Jo.Foster-Wade@northyorks.gov.uk)

Amanda Jones - Pension Employer Relationship Officer

Email: [Amanda.jones@northyorks.gov.uk](mailto:Amanda.jones@northyorks.gov.uk)

Ashley Scutt - Pension Employer Relationship Officer

[Ashley.scutt@northyorks.gov.uk](mailto:Ashley.scutt@northyorks.gov.uk)

Team phone number: 01609 533440

**Academy Conversion Checklist**

**Remember to complete one checklist for each school**

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| **Name and address of Multi Academy Trust** |  |
| **Name of school** |  |
| **Proposed date of conversion** |  |
| **Checklist completed by** | Name:  Job Title:  Email address:  Date completed: |

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| **Basis of actuarial calculations**  The actuary will calculate a future service rate and deficit amount. Please choose your option carefully as changing options at a later date will incur further actuarial charges. Please also note that you can only change your option at a triennial valuation of the Fund, this is every three years and the next one is at 31.3.2025, effective from 1.4.2026. **If you have existing schools within your Multi Academy Trust please choose the option that has been adopted for all other academies within the Trust.**  **If the conversion is delayed, the starting assets and liabilities that the actuary calculates (based on the original conversion date) will be wrong. In advance of the next triennial valuation of the Fund, the actuary will recalculate the assets and liabilities at the correct date of conversion. There is a fee of £570 + VAT for this (this is in addition to actuary’s fee shown below).** | **Please tick one option below** |
| **A separate future service rate (FSR) and a separate deficit amount**  Each academy is treated separately. The actuary will calculate the individual FSR and deficit amount (if applicable) at the commencement date for each school, the cost is £800 + VAT per school. The FSR and deficit will be recalculated for each separate academy at 31.3.2025 (the next valuation) and will be effective from 1.4.2026.  A separate year end accounting schedule will be required for each academy. Each academy’s first schedule will be £1,020 + VAT, followed by an annual fee of £315 + VAT per academy (subject to inflationary increases). You will be contacted separately by the Fund’s finance team nearer the time. |  |

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| **A pooled future service rate (FSR) plus one deficit amount i.e. a total (pooled) deficit**  If you are a new MAT, the actuary will calculate a pooled FSR based only on the school(s) that initially join the MAT. An individual cash deficit (if applicable)will also be calculated for each school and then rolled into an overall pooled cash deficit figure.  The pooled FSR will be adopted for any subsequent schools that join the MAT between now and the next valuation. An individual cash deficit will also be calculated for each new school; this will be added to the pooled cash deficit to give a revised **total** pooled cash deficit amount.  The FSR and deficit will be recalculated at the whole of MAT level as at 31.3.2025 (the next valuation) and will be effective from 1.4.2026. The actuary charges £800 + VAT **per school** to calculate the assets and liabilities of each school at commencement. A further £800 + VAT will be charged each time that a new school joins the MAT between now and the next triennial valuation.  For schools converting on a pooled future service rate plus one deficit amount, one year end accounting schedule will be produced for the MAT each year. The first schedule will cost £1,020 + VAT and each subsequent schedule will be £315 + VAT (subject to inflationary increases). Each time an academy joins the MAT an additional one-off fee of £745 + VAT (subject to inflationary increases) will be charged to include the academy within the MAT year end schedule. You will be contacted separately by the Fund’s finance team nearer the time. |  |

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| **Invoices**  Please provide details of where to send invoices (**this must be a named person** | |
| Do you prefer postal invoices or email invoices? | **Email**  If email, please provide a **generic email address** below. Please note that this will be used for **all** future invoices that North Yorkshire Council issues.    **Post**  If post, please provide the postal address below. |
| **Generic** email address to send invoices to |  |
| Postal address to send invoices to |  |
| Contact name and telephone number in case of queries | Name:  Tel no.: |
| Do you use purchase order numbers? | Yes No |

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| **Staff List**  **The Employment Support Service (ESS) at NYC will provide** a spreadsheet showing the LGPS members(no teachers please) who will be part of the academy conversion (one spreadsheet per school).    Please complete this form and email it to [ESS](mailto:employmentsupportservice@northyorks.gov.uk) to request the staff list(s).  **The staff list(s) should be provided at least eight weeks prior to the conversion and should be in the exact format shown on the template spreadsheet below. Please ensure that you email the staff list securely, either in an encrypted email and/or password to protect the spreadsheet.**  If the staff list is not attached to your checklist, please provide an expected date for providing it.  The NYPF may identify queries on your staff list, these will be sent to you as soon as possible. It is important that responses are provided quickly to avoid delays in requesting the actuarial calculations. Please note that if the conversion is delayed by several months, you will be asked to confirm any significant changes to your staff list. This may result in the need for updated actuarial calculations which will incur a further charge. |

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| **Casual Staff**  If the school employs casual staff, the academy trust may not put them in the LGPS from the date of transfer. Please contact the trust to establish their process. If staff are not being automatically put into the LGPS they will need advising that they can opt in. | |
| Does the school employ casual staff?  If ‘Yes’, will they be admitted to the LGPS from the date of transfer? If ‘No’, you should make sure that your payroll provider sends leaver information to the NYPF up to the date of transfer.  Casual staff who were pensionable whilst employed by the school but not pensionable from the date of transfer to the trust will be contacted by the NYPF. Please provide contact details for the trust that we can use in our letter so that your casual staff know where to direct their queries. | **Yes No**  **Yes No**  **Named officer**  **Email address**  **Phone number** |

| **Payroll & HR Contacts**  Please provide details of day to day contacts who will complete the NYPF pension administration forms and who will deal with pensions queries and issues. Please provide this information before conversion so that the necessary procedures and schedules can be set up to ensure pension contributions are received on time. | | | | |
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| Name and job title |  | | | |
| Email address |  | | i-Connect user: Yes / No | |
| Telephone number |  | | | |
| Name and job title |  | | | |
| Email address |  | | | i-Connect user: Yes / No |
| Telephone number |  | | | |
| Name and job title |  | | | |
| Email address |  | | | i-Connect user: Yes / No |
| Telephone number |  | | | |
| **Payment of monthly contributions**  Please provide details of who will pay the monthly contributions across to the NYPF | | | | |
| Name and job title | |  | | |
| Email address | |  | | |
| Telephone number | |  | | |

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| **Cleaning & Catering Services** | |
| Will these services be provided in house? | **Yes No** if no, please answer the following**:-** |
| Name of contractor providing the service and effective date of transfer |  |
| Please provide a staff list of employees involved in the transfer |  |

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| **Authorised Signatory List**  It is an audit requirement that the NYPF holds specimen signatures for staff at the school and the Trust who are authorised to sign pension forms. This usually includes HR and payroll staff (whether in-house or outsourced) and staff at the Trust who are involved in decisions regarding pensions (e.g. school business managers, finance managers).  The authorised signatory list on the following page will need completing either before the conversion takes place or at the very latest the week following the conversion. |

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**Authorised signatories for:**

The staff shown below are authorised to sign any NYPF pension administration forms including the monthly contribution return. I have also shown which staff are/will be authorised to submit monthly data using i-Connect. Third party payroll officers have been added if they submit data or monthly returns on our behalf.

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| **Contact name** | **Job Title** | **Work Address** | **Telephone number** | **Email** | **Signature (must be an original or a scanned image of original signature)** | **i-Connect user Yes/No** |
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**A Senior Officer should sign the form below, this cannot be one of your authorised signatories**. The Senior Officer would not normally be involved in day-to-day pensions administration but by signing this form is confirming that the signatories shown above are authorised to submit any pensions information to the NYPF. Your form will be returned if it has not been signed by a Senior Officer.

**Signature of Senior Officer: Date:**

**Print Name: Job title**