



Employer Pensions Notice

EPN201

Accruing Superannuation Liability Charges (ASLCs)

Audience This Notice will be of particular interest to:

- Finance Directors of all employers
- Employers and their payroll providers

Action To note reduction in the ASLC rates effective April 2009

Timing As soon as possible

Background

1. ASLCs are the contributions paid by employers to Cabinet Office: Civil Superannuation every month to provide pension cover for their staff who are members of the Principal Civil Service Pension Scheme (PCSPS). There are four salary-banded ASLC rates and a special rate for some Prison Officers. The ASLC rates are normally reviewed every four years. The under-lying salary bands are revalorised each year.

Scheme Valuation

2. The PCSPS actuary, Hewitt Bacon and Woodrow, has conducted a full valuation of the scheme liabilities as at 31 March 2007. As a result of this valuation the ASLC rates from 1 April 2009 will reduce. The average ASLC rate payable by employers is currently 19.4% of pensionable pay. The average rate payable from 2009-10 will be 18.9%.

Full details of the actuarial review are available on our website; see below.



New ASLC rates for classic, classic plus, premium and nuvos members

Band	Full-time annual salary*	Rate from 1 April 2008	Rate from 1 April 2009
Band 1	£19,500 and under	17.1%	16.7%
Band 2	£19,501 to £40,500	19.5%	18.8%
Band 3	£40,501 to £69,000	23.2%	21.8%
Band 4	£69,001 and above	25.5%	24.3%
Prison Officers with reserved rights (pre-Fresh Start)		26.5%	25.8%

* We will issue another EPN in September 2008 to notify employers of the salary bands for 2009-10.

The mini-ASLC for the provision of risk benefits to those opting for partnership pension arrangements remains at 0.8%.

Next Review

3. The next ASLC review will take place as at 31 March 2010. This will be a year earlier to bring us more into line with other public sector schemes. The ASLC rates from April 2009 will remain the same until March 2012, subject to the annual revalorisation of the salary bands.

Reference This document relates EPN 183

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You can find electronic copies of the EPG, all current EPNs and forms on our website www.civilservice-pensions.gov.uk in the Guidance for employers section.