

Appointing a payroll provider

Find out about responsibilities you can delegate and what you need to tell us when appointing a payroll provider.



Scheme employers can outsource and delegate scheme administration tasks to a third-party payroll provider. You must let us know the details of the payroll provider you use to administer the LGPS on behalf of your organisation.

If you change payroll provider, to ensure continuity of your employee pension records, you must let us know 30 days in advance of their appointment.

Note: For data protection compliance we can only respond to employer-related pension queries received from appointed authorised payroll contacts.

Choosing the right payroll provider

Selecting the right payroll provider is crucial because, as an LGPS employer, you remain responsible for fulfilling your legal duties.

Key points to consider when appointing a payroll provider



Services offered

- List all the services you need and check if the provider covers them.
- Clarify which LGPS responsibilities they will manage and which you will carry out.

Moving to a new payroll provider

- Scheme employers are responsible for providing data to the East Sussex Pension Fund.
- Ensure you have processes in place to retain access to historical payroll information (last six financial years) when changing providers.
- In addition, you will need access to salary data in order to calculate 365 Final pay figures.
- Ensure they can provide monthly returns compatible with i-Connect.

Ask potential providers:

- Will they supply or transfer the information they hold when the contract ends?
- In what format will they provide the data?
- Will they charge for this service?

Tasks that can be delegated to a payroll provider

You **may** delegate the following administrative tasks to a payroll provider:

- i-Connect monthly returns.
- Leaver form notifications.
- Estimate requests.
- i-Connect reporting.
- Year-end queries.
- Member data queries.
- Contributions Reconciliation.
- Member Eligibility and Contribution rates.
- Payment of contributions to Fund.

You **may not** delegate the following administrative tasks to a payroll provider:

- Appointment of an Independent Registered Medical Practitioner (IRMP).
- Discretionary policies.



Tell us about your appointed payroll provider

Once you have selected a new payroll provider, you can notify us and update your payroll provider details using the process below.

Download the '[Authorised signatory and contact details form](#)'.

Please tell us the lead contact for payroll and i-Connect queries.

The i-Connect system allows the employer payroll team to transfer their monthly data to Altair (our administration system). There are several roles available as an i-Connect user and it is the responsibility of the primary i-Connect contact to maintain the list of users (and roles they are given) through internal controls and procedures. We've listed the available i-Connect roles below.

	Document uploader	Uploader	Reporter	Final Pay Uploader CSV only	Manager
i-Connect Portal					
Leaver Form & Document upload - Allows users to securely upload documents, for active members and leavers, electronically from i-Connect to the member's Document List in Altair	✓	x	x	x	x
Add/Amend/Remove users	x	x	x	x	✓
i-Connect Online Returns					
Monthly data submission - Allows the submission of data via an Online Return	x	✓	x	x	x
Submission Errors report - This report provides a breakdown of each i-Connect event error by Scheme, Employer, Payroll and Payroll Period. Details are provided for the following items: • Event Name • Event Error • Additional Error Information	✓	x	✓	x	x
i-Connect CSV Returns					
Monthly CSV upload - Allows the submission of data via a payroll extract file upload (.CSV).	x	✓	x	x	x
Submission transaction report.	✓	x	✓	x	x
Contribution's reconciliation report.	✓	x	✓	x	x
Submission Errors report	✓	x	✓	x	x
Final Pay Submission - Displays a task for the user to complete when members That require their Final Pay submitting are identified	x	x	x	✓	x



Failure to tell us about a change of payroll provider can result in charges for late, inaccurate, or incomplete employee information.

Payroll Guide for employers

If you need more detail about the requirements for payrolls in respect of the Local Government Pension Scheme, please view the guide linked below.

[Explore Payroll Guide](#)

i-Connect

The Fund supports payroll providers with implementation and usage of i-Connect and have a dedicated website page (including guides).

[Explore more about i-Connect](#)

Contact us

Write: East Sussex Pension Fund, County Hall, St Anne's Crescent, Lewes, East Sussex, BN7 1UE

Email: employer.engagement@eastsussex.gov.uk