

Guide to administering AVC contributions

Introduction



We're committed to helping make the administration of your scheme as streamlined as possible while providing scheme members with a safe and secure way of saving for their retirement.

It's important that we receive all the correct information that we need to administer the scheme on time, in the right formats – so the investments can be made on time, every time.

This guide provides all you need to know in order to format payroll files correctly.



End to end payroll submission process



M&G issue monthly payroll listing with changes and new members



Payroll administration receive payroll listing



Payroll check listing for any changes and update payroll file



Payroll create new payroll file



Payroll submit file via email – the goal is to move to self upload via Pru Retire



Cash team / Pruretire.co.uk completes validation checks



M&G receive file and payment, auto match and upload into system for investment

Payroll make BACS payment using payment reference provided by Pruretire.co.uk



Payroll submission rules



Following these rules will deliver clean and efficient payroll submissions:

Payroll files to use M&G specified format

One payroll file and payment to be submitted per payroll per pay period

Teachers pension and Local Government pension contributions to be ring fenced from each other, submitted on different files and BACS payments. Local Government Standard and Salary Sacrifice Shared Cost AVC's must be submitted on the same file.

Payroll files to be submitted before payment is made. We must receive both by the 19th of the following month.

BACS payment must use reference numbers provided by M&G's online portal. This matches the file to the payment

Negative amounts are not permitted on a payroll file. This will cause the file to fail system validation

The total amount on the contribution file must equal the BACS payment submitted

Creating a payroll file



1. Open Excel
2. Create “Blank workbook”
3. Click “File” then “SaveAs”



4. Name the file using format
XXXX_ZZZZZZ_DDMMYYYY_MMYY_name

XXXX	ZZZZZ	DDMMYYYY	MMYY	Name
The scheme code e.g. L002	Your unique payroll number	Due date for the payment e.g. 19012022	Payroll period number. Must be sequential and can be calendar monthly or financial year monthly, e.g. 0122 (for Jan 2022) or week of the year e.g. 2622 for the 26th week of the year.	Text to describe the file – maximum of 10 letters, e.g. the employer name or the payroll name

5. Change the file type to .csv



6. Press Save





Formatting a payroll file

7. Using the file created, add the contribution information in the format shown:

A	B	C	D	E	F	G
Record Type	Member name	Member initials	NI number	Contribution amount	Contribution types	Premium code
Value will always be 1	Upper and lower case letters. Hyphens, apostrophes and spaces are allowed	Upper case letters and spaces allowed. No full stops.	Numbers with upper case letters	Member payment. Numbers with 2 decimal places. No £ sign.	Upper case letters. Standard AVC employee payment: EEAVC – regular EEAVCS – single Shared Cost Local Govt AVC payment: ERREG – regular ERSGL – single	Set to X at all times

8. When complete, press “save”.

	A	B	C	D	E	F	G
1		1 Scarletbuzz	CB	UJ377822A		50 EEAVC	X
2		1 Indigowarble	WV	UK531091C		100 EEAVC	X
3		1 Brownwhimper	HP	UK534917B		200 EEAVC	X

Formatting a payroll file



9. The final line of the file is the trailer record

10. The format for the trailer record is:

	9	Sum of contributions	Number of lines				
6	9	5395	5				

11. The completed file should look like this:

	A	B	C	D	E	F	G
1	1	Scarletbuzz	C B	UJ377822A	50	EEAVC	X
2	1	Indigowarble	W V	UK531091C	100	EEAVC	X
3	1	Brownwhimper	H P	UK534917B	200	EEAVC	X
4	1	Aquatwitter	H C	UK534918A	45	EEAVC	X
5	1	Aquatwitter	H C	UK534918A	5000	EEAVCS	X
6	9	5395	5				
7							

12. Once file is complete, press Save

Guidance on file formats and BACS is available here:


<https://www.mandg.com/pru/workplace-pensions/employers/guide-to-administering-your-payroll>

Shared Cost AVCs

For members paying Shared Cost AVCs, their contributions should be input across 2 lines on the same payroll file. One row details the employer contribution (ERREG) and the second the employee contribution (EEAVC). example:

	A	B	C	D	E	F
1	1	JOHN	SMITH	AB123456C	49	ERREG
2	1	JOHN	SMITH	AB123456C	1	EEAVC
3	1	EMMA	EXAMPLE	CD123456E	299	ERREG
4	1	EMMA	EXAMPLE	CD123456E	1	EEAVC

If you have a mixture of members paying Shared Cost AVCs and Standard AVCs, all the members should be on the same payroll file. Please do not send separate payroll files for Shared Cost and Standard AVC payers.



The trailer record for column C is the number of lines, not the number of members (for example, using the table above, the number in column C would be 4, as there are 4 lines. If you have 2 members paying Shared Cost AVCs and 1 member paying Standard AVCs, the number would be 5).

If you're submitting a Shared Cost single contribution, the same principle applies (see slide 6)



Where to send the BACS payment

£

Account Name	Prudential Assurance Company Ltd PRU BACS Receipts
Destination Sort Code	400250
Destination Account Number	31029142
Branch Address	HSBC, London, City of London Corporate Office PO Box 125, 8 Canada Square, London, E14 5XL





Employer Set Up Form - for easier administration



Prudential AVC employer set up & amendment form

Prudential AVC employer set up form

How to fill out this form

This form is an editable PDF and can be filled in digitally and emailed to: avc_admin@prudential.co.uk

Alternatively, it can be printed and posted to:

Prudential
Lansing
BN15 8GB

As this is not a secure email address, you should encrypt your email to us.

If you are making amendments to existing employer details go to amendments section on page 3

This form is for you to inform us of new employer/payroll details to be set up on our systems and also to amend employer/payroll details that we already have on the system

About the scheme

Teachers Local Government NHS

AVC Scheme/Administering Authority Name

AVC Scheme/Administering Authority Code
(Example: T665)

Do you process your own payroll?

Yes Third party

For Local Government only:

Is this employer being set up for Salary Sacrifice Shared Cost AVC purposes?

Yes No

For Teachers only:

Department for education (DfE) establishment code

New employers details

Employers full name

Full postal address

Postcode


Contact number

Email address

Employer key contact name and email address

Example: payroll@companyname.com

Important: We will send the AVC payroll listings to this address unless advised otherwise.
If you use a third party then the employer is responsible to send the listings on to the payroll.



This form is for [employers](#) to complete if they are not currently set up on the system, to send contributions for active paying AVC members. The form can also be used to amend existing employer / payroll details that have already been set up.

Submit this form before sending any member contributions and payroll files.

Also complete this in the event of any changes i.e. change to employer name / address or change of payroll provider or a school that is joining or leaving an academy trust.


https://www.mandg.com/dam/pru/shared/documents/en/avcf_10077.pdf



Next Steps

Our aim is for employers and payroll administrators to self





submit payroll files directly onto PruRetire. Using PruRetire is a faster, more efficient way of sending us payroll files and results in contributions being invested more quickly and allowing you to have a full audit trail.

Set out below are the steps that must be taken before an employer can switch to using PruRetire:

Ensure you send us payroll files using the submission rules. Use correct referencing on files & BACS payments (if you need clarification on your referencing, please contact us).

We will contact you to onboard you to PruRetire and provide training and guidance on how to upload your files.