

POLICE PENSION SCHEMES 2018/03

WHO SHOULD READ:

- All HR and Payroll Managers
- Pension Administration Staff
- Staff who submit data to SPPA

ACTION: To read and circulate as appropriate

SUBJECT: Annual Return data submission 2017-18

The purpose of this circular is to:

- request Annual Return data for 2017-18
- confirm submission deadline
- inform employers about the dedicated online Annual Returns area
- confirm that data should be submitted via email to the RMT mailbox
- indicate the schedule of relevant dates

Employing authorities are required to disclose information to enable the scheme manager to undertake its statutory duties. To allow the pension records of individual members of the scheme to be updated, SPPA requires information about all staff in active pensionable employment on 31 March each year.

The statutory deadline for data submission is 6 July 2018, however to allow for the completion of all required processing, including the production of annual benefit statements and annual allowance calculations all data should be sent to SPPA **no later than 31 May 2018**.

SPPA have a statutory obligation to provide Annual Benefit Statements to members by **31 August 2018** and there is a risk that any annual returns submitted after **31 May 2018** may not be loaded to member records in time for that deadline. This could result in scheme members not receiving their Annual Benefit Statements.

Failure to submit data – Pensions Regulator

If SPPA does not meet its statutory obligation to produce an annual benefit statement (ABS) for all active scheme members by 31 August 2018 we are obligated to report this to the Pensions Regulator. To provide clarity to the Regulator we may include the names of all employers who have failed to meet the 31 May 2018 deadline set by SPPA to allow for the timely production of ABS.

For more information on your responsibilities please read the guidance below:

<https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm167400>

Online Annual Returns Guidance

To support timely and accurate annual returns, this year we have created a [dedicated area](#) on our website that contains our [annual returns data submission form](#). Guidance on completing the annual return is contained in Annex A. Employers should use these resources in preparation for their annual returns **paying particular attention to the requirements for Actual Remuneration and Full Time Pay**.

Data Submission

All annual returns must be submitted to RMTSPPA@gov.scot. For data protection purposes please password protect your file prior to transmission.

If you need help preparing or submitting your annual return please contact the team on 01896 893000 (ask for RMT) or email us on the address above.

Schedule of Communications

Communication	Scheduled for:
We will contact employers to check the progress of submissions and will also make employers aware of the potential consequences if the deadline is not met	w/c 21 May 2018
Last submission date for annual returns	31 May 2018
Letter from our Director of Operations to your Director of Finance (or appropriate person) to advise that annual return not yet received, where appropriate	19 June 2018
Employers become liable for HMRC sanctions	6 July 2018
Report sent to Pensions Regulator, if required	1 September 2018

Eleanor Guthrie
Interim Director of Operations
March 2018

Contact information

Email: RMTSPPA@gov.scot

Telephone: 01896 893000 and ask for 'RMT'

Scottish Public Pensions Agency 7 Tweedside Park Tweedbank GALASHIELS TD1 3TE	www.sppa.gov.uk Telephone: 01896 893000
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ANNEX A - PSS ANNUAL RETURN FORM

How to complete form Annual Return

Form Column	Description	Guidance For Form Filling
Position 1	Employer	Please enter the employer number for the employer location the member is contracted to. Enter five digits with leading zeroes, e.g. 00895.
Position 2	NI Number	Enter the member's National Insurance Number. Nine alphanumeric characters, e.g. AB123456C
Position 3	Payroll Ref	Enter the members Payroll Reference. This must be the same reference that was reported when the member commenced pensionable employment.
Position 4	Surname	Enter the member's surname in uppercase.
Position 5	Forenames	Enter the member's Forename(s) in uppercase.
Position 6	Date of Birth	Enter the members date of birth in format DD/MM/YYYY.
Position 7	Sex	Optional Field Enter F or M
Position 8	Scheme	All members who joined for the first time on or after 06/04/2006 should be reported as POL, irrespective to whether they are now in the 2015 Care scheme. Members who joined the scheme pre 06/04/2006, should be reported as 080, unless they are now in the 2015 Care scheme.
Position 9	Act Rem Amount	Enter the total of pensionable remuneration earned between the 1st of April and 31st March or from date of joining if after 1st April. This should include: 1) Basic Salary (or assumed pay if applicable) 2) Additional Salary on Temporary Promotion 3) Competency Related Threshold Payments (CRTP) 4) Overtime payments for part time staff up to 40 hours per week –Not pensionable for full time staff. This should be recorded as the actual amount of earnings paid. The Act Rem Amount must not include: 1) Overtime Pay 2) Housing Allowance 3) Transitional Rent Allowance Enter amount without £ sign, e.g. 20743.50



NSR 03 spec	Description	Guidance For Form Filling																																
Position 10	Full Time Pay	<p><u>Full Time Members</u></p> <p>For Full Time members active from 1 April 2017 to 31 March 2018 please input the same pay figure as entered in Act Rem Amount.</p> <p>For Full Time members who joined the pension scheme after 1 April 2017 please calculate the Full Time Pay by using the following calculation - <i>Act Rem / Days in Period x 365</i>.</p> <p><i>Example: an officer joins the scheme on 10 August 2017 and earns £25,783.59</i></p> <p>$25783.59/234*365 = 40217.99$ Full Time Pay = 40217.99</p> <p><u>Part Time Members</u></p> <p>For part time members where the part time ratio does not change throughout the year, Full Time Pay can be calculated by uprating the total actual earnings at 31 March using the following calculation - <i>Act Rem / PT ratio x 100</i>.</p> <p><i>Example: an officer who works on a 60% ratio with a salary of £34,779.00 receives a pay rise to £36,882.00 on 1 September 2017 and achieves Act Rem of £21,600.28</i></p> <p>$21600.28/60*100 = 36000.47$ Full Time Pay = 36000.47</p> <p>For part time members whose part time ratio changed within the reporting year please add together the calculated full time equivalent pay for each individual period to achieve the total Full Time Pay.</p> <p><i>Example: a part time officer with a salary of £34,779.00 receives a pay rise to £36,882.00 on 1 September 2017. From 1 November 2017 they reduce from 60% to 50%:</i></p> <table border="1" data-bbox="624 1451 1549 1615"> <thead> <tr> <th>From</th> <th>To</th> <th>Days</th> <th>PT %</th> <th>Act Earnings</th> <th>Upated</th> </tr> </thead> <tbody> <tr> <td>01/04/2017</td> <td>31/08/2017</td> <td>153</td> <td>60%</td> <td>8747.16</td> <td>14578.60</td> </tr> <tr> <td>01/09/2017</td> <td>31/10/2017</td> <td>61</td> <td>60%</td> <td>3698.30</td> <td>6163.83</td> </tr> <tr> <td>01/11/2017</td> <td>31/03/2018</td> <td>151</td> <td>50%</td> <td>7629.02</td> <td>15258.04</td> </tr> </tbody> </table> <table border="1" data-bbox="624 1653 1549 1794"> <tr> <td>Days in Period</td> <td><input type="text" value="365"/></td> <td>Total</td> <td>36000.47</td> </tr> <tr> <td colspan="2"></td> <td>Full Time Pay</td> <td>36000.47</td> </tr> </table> <p>In order to assist you to calculate the Full Time Pay for part time officers we have created a Full Time Pay calculator that you should access by clicking the link below:</p> <p>Full Time Pay Calculator</p> <p>Enter amount without £ sign, e.g. 36000.47</p>	From	To	Days	PT %	Act Earnings	Upated	01/04/2017	31/08/2017	153	60%	8747.16	14578.60	01/09/2017	31/10/2017	61	60%	3698.30	6163.83	01/11/2017	31/03/2018	151	50%	7629.02	15258.04	Days in Period	<input type="text" value="365"/>	Total	36000.47			Full Time Pay	36000.47
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Position 11	Pension Conts	Enter the amount of contributions paid by the member during the reporting period.
Position 12	Cont Rate	Enter the current basic contribution rate paid by the member. This is the rate at the END of the financial year for which this return is being submitted. Current rates can be found by accessing Police Pension Scheme Circular 02/2015 . Do not include Percentage symbol (%):
Position 13	NI Earnings	For the 2017-18 annual return this field should be left blank.
Position 14	Added Years	This field is applicable when a member has a contract to buy Added Years. Enter the additional contributions the member has paid within the reporting period to buy Added Years. Report in Pounds and Pence, with no £ sign
Position 15	Additional Pension	This field is applicable when a member has a contract to buy Additional Pension. Enter the additional contributions the member has paid within the reporting period to buy Additional Pension. Report in Pounds and Pence, with no £ sign

Supplementary Information

Pensionable pay on a period of “assumed pay” (To be reported in Act Rem Amount field)

In some cases a scheme member may have received less than full pay however depending on the circumstances they may be entitled to pension accrual at a non-reduced rate. In the CARE scheme this is referred to as “assumed pay”. Assumed pay should be calculated as the amount of pensionable earnings the member would have received had the following circumstances not applied:

- the member received reduced pay while on sick leave, paid adoption leave, paid maternity leave, paid parental leave, paid maternity support leave or paid adoption support leave
- the member has received statutory pay
- the member has taken unpaid maternity leave during the first 26 weeks of maternity leave
- the member is absent from duty because of being called out, or recalled, for permanent service in Her Majesty’s armed forces in pursuance of a call-out notice served, or a call-out or recall order made, under the Reserve Forces Act 1996
- the member voluntarily surrenders pensionable earnings in whole or in part

Upon returning to duty, the member has the option to pay member contribution for periods of:

- Unpaid adoption leave
- Unpaid maternity leave
- Unpaid parental leave
- Unpaid maternity support leave
- Unpaid adoption support leave
- Unpaid sick leave (for each period of up to 6 months unpaid sick leave, maximum 12 months sick leave in total)

In these cases please report the assumed pay rather than the actual pay in the Act Rem field. This figure should be uprated as normal for the Full Time Pay field.