

Members' Library Service Request Form

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Document Title	STSS Circular 07/2013 & Annex - Annual Return Data 2013 and Tax Charges

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Date	22/03/13

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**SCOTTISH TEACHERS' SUPERANNUATION SCHEME
CIRCULAR 07/2013**

WHO SHOULD READ: Chief Executives
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 2013 and tax charges

The purpose of this circular is to:

- request annual return data for 2012/13
- remind employers of HMRCs charges for submission of late or incorrect data
- provide details on the Disclosure of Salary and Pension information

To allow the pension records of individual members of the scheme to be updated, employing authorities are required, under the scheme regulations, to supply information about all staff in active pensionable employment on 31 March each year.

The data should be sent to SPPA no later than 31 May 2013. This will allow us to calculate tax returns and other pension events as well as update annual statement details on:
[My Pension – Online Member Services.](#)

Please note that it is your responsibility to ensure the safe transmission of electronic sensitive personal data from you to SPPA. Guidance was issued in [Circular-2011/08](#) relating to secure email addresses which do not require encryption. If your email address is not included in this list you should encrypt the file before sending to us. The encryption tool we can accept is PKZIP which can be downloaded from www.pkware.com Alternatively, send password protected CSV/Excel/TXT files by email with a separate communication containing the password

It is essential that particular emphasis is placed on the accuracy of data before it is sent. Please ensure that the required data fields are complete and in the correct formats. Common issues such as missing details cause delays in the data being loaded to our system and may be returned to you for correction. If data is returned, you should correct it and resend to us within two weeks. A list of common errors is shown in [Annex A, Part 4](#). Information on how to submit and format can be found in [Annex A Parts 1 and 2](#).

For assistance in calculating pensionable service and remuneration due to the SNCT Pay

and Conditions Agreement 2011 effective from 1 September 2011, please refer to [Circular 2011/13](#).

We will only accept data in electronic format, on the templates provided on the website, or other pre arranged formats. Please see guidance on [Annex A, Part 1](#).

Starters and leavers, relating to the year ending 31 March 2013, should be submitted using the electronic templates which are available at [TSS1 and TSS2 Templates](#). This data is required prior to loading the annual returns and should be submitted by 30 April 2013.

Employers submitting data for members, who are buying Additional Pension by periodic contributions, should send this data on a separate spreadsheet available at: [Additional Pension Template](#) and submit with annual returns.

All data should be submitted to RMTSPPA@scotland.gsi.gov.uk and will be automatically acknowledged on receipt. Please include your employer code, name and form type in the email subject e.g. **039- George Heriot's School – Annual Return**

HMRC charges for submission of late or incorrect data

As notified in circular [08/2012](#) you may wish to note that employing authorities who fail to meet HMRCs deadline of **6 July 2013** can be charged a penalty of £300 per member and an additional £60 per member for each day that the submission is late.

The following link www.hmrc.gov.uk/manuals/rpsmmanual/RPSM06107530.htm to HMRC's technical page details:

- what should be provided
- by when
- what happens if the information is not provided on time or is incorrect.

Employing Authority Resource Accounts (Disclosure of Salary and Pension information at 31 March 2012)

To help employers meet their requirements in relation to salary and pension disclosure for senior staff in their accounts, SPPA will, on request, provide details of an individual's service in the scheme. That information will, however, normally be restricted to the service at 31 March 2012. This is the latest date to which our records are updated as the annual returns for the year 2012/13 have not yet been provided. When requesting such information, it is essential that employers provide written consent from each individual. Without this, we cannot release details to employers. The ready reckoner which is available to calculate and produce CETV information required from employers has now been updated and is available from our [website](#)



We have developed calculators for both pre and post 2007 arrangements. All enquiries relating to the resource account calculators should be submitted to:

NHSTransfers@Scotland.gsi.gov.uk

Pam Brown
Director of Operations
20 March 2013

Contact information:

Should you have any enquiries about this circular or require assistance in completing the data requirements, please contact SPPA's Records Maintenance Team at:

RMTSPPA@scotland.gsi.gov.uk or alternatively, the Data Manager can be contacted at James.Bolton@scotland.gsi.gov.uk

The dedicated Employer Helpline for all queries in regard to submission of data is:
01896 892471

Scottish Public Pensions Agency
7 Tweedside Park
Tweedbank
GALASHIELS
TD1 3TE

www.sppa.gov.uk
Telephone: 01896 893000
Fax: 01896 893000



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Annex A

Annual returns should be submitted by 31 May 2013 to allow SPPA to calculate Annual Allowances by 6 July under the new tax regulations, to notify the relevant members and calculate annual statements.

We will only accept data on the current electronic formats and templates which are on our website or have been previously agreed with employers. Data submitted which does not comply with these specifications will be returned and employers will be asked to resubmit on correct formats.

Part 1 – Submission of annual return data

Local Authorities

Local Authorities should provide us with the annual return data extracted from their individual payroll systems in the formats that have been previously agreed e.g. CSV, TXT or EXCEL. The completed template should be attached to an email and sent to RMTSPPA@scotland.gsi.gov.uk . Please include your employer code, name and form type in the email subject e.g. **410- Aberdeen City Council – annual return**

Independent Schools

If you have payroll systems similar to Local Authorities, you should provide the annual return data extracted in the formats that have been previously agreed e.g. CSV, TXT or EXCEL. Alternatively you can use one of the following options:

EXCEL template which can be downloaded from the SPPA website at [TSS4 Template](#). The completed template should be attached to an email and sent to RMTSPPA@scotland.gsi.gov.uk . Please include your employer code, name and form type in the email subject e.g. **039- George Heriot's School – Annual return**

[Small Employers Template](#) which can also be downloaded from our website. The completed template should be attached to an email and sent to RMTSPPA@scotland.gsi.gov.uk . Please include your employer code, name and form type in the email subject e.g. **039- George Heriot's School – Annual return**

Part 2 - Data formatting

The following table provides details of how each field should be formatted on the EXCEL template, the length of each field and formatting for the CSV or TXT formats. Please note leading zeros should be used. Do not use decimal points, £ signs, hyphens or slashes. All fields should contain only numeric or alphanumeric characters.

Position	Description	Length	Notes	Example
1	Card Type	1	For annual returns this is always 3	3
2	Employer's Code	3	This is your 3 digit employer code, leading zeros should be included	012
3	Return Financial Year	2	12 should be entered	12
4	Sheet Number	3	1 should be entered in each line of data	1
5	GTC Number	6	This is the members six digit GTC number, leading zeros should be included	001234
6	Date of Birth	6	This should be in six digit	080280
7	Annual Salary Rate	6	This is the members salary rate	028000
8	Pensionable Salary Received	8	This is the total amount the member has earned, the example shows £16102.90	01610290
9	Basis of Service	1		7
10	Full Time Days	3	The total days the member has worked should be here, ONLY where basis of service equals 1	
11	Part Time Hours	4	Where the basis of service equals anything other than 1, the total hours the member has worked should be entered here. Leading zeros should be included	0780
12	Contributions Paid on Higher Salary	1	No input is required here	
13	Employee Contributions	8	The basic contributions that the member has paid into the STSS example shows £123.41	00012341
14	Family Benefit Contributions	8	If the member has a Family Benefit election their contributions should be entered as above	00012341
15	Added Years Contributions	8	If the member has an added years election their contributions should be entered as above	00012341
16	Payroll Reference Number	15	The members pay reference number should be entered here, including leading zeros. Particular attention should be made to the 'Location Code' held within the Pay Reference	0120321023 20235
17	National Insurance Earnings	5	This should be in whole pounds only and include leading zeros. Example shows: £2035.00	02035
18	National Insurance Code	1		D
19	Full Time Hours	4	This is the full time hours equivalent based on the part-time basis of service for the employment	1365

Part 3 – Additional information

For the annual returns at 31 March 2013 the following types of employment apply:

Basis of service

Basis 1	-	Full time	-	365 days
Basis 7	-	Part-time teachers	-	1365 hours per annum
Basis 5	-	Part-time lecturer	-	1200 hours per annum
Basis 6	-	Part-time lecturer	-	1400 hours per annum
Basis 7	-	Part-time lecturer	-	hours other than Code 5 or 6

Where a lecturer is employed under Basis 7, the full time hours recorded in **position 19** of form TSS4 should not be less than if they had been employed under Basis 5 e.g. 1200 hours per annum.

Actual hours worked

Inclusion of hours worked in **position 11** of the annual return is essential for members employed in a part-time capacity e.g. other than on basis of service code 1. **Employers must provide actual number of hours paid for during the period covered on the annual return.** Refer to [Circular 2011/13](#) for assistance.

Part-time service (Codes 5, 6 & 7)

Members employed on a part-time basis are automatically included in the scheme and are subject to the deduction of contributions, unless they opt out. Service for part-time members must be recorded as **hours** worked. Days worked must **not** be entered in **position 11**. Employers must ensure that **position 19** is completed where the teachers/lecturers are employed under Code 7. **The annual salary rate shown must be the full time equivalent rate.**

A number of employers record part-time service worked during mid February to the end of March in the following year's return, as this is when the member is paid. This can lead to members not receiving their full service entitlement. Employers should record all service worked in the financial year.

Job sharing

When members job share, they **must not** be treated as if they are in full time employment but be regarded as part-time e.g. basis of service code 5, 6 or 7.

Annual salary rate

Please enter the full time rate applicable at 31 March 2013 even if the member is part-time or job sharing. On no account should the salary rate effective from 1 April 2013 be shown.

Employee's contracted out earnings and NI category

Employers are reminded of the need to include this information in **position 17** of the annual return. This detail is essential in cases where a member leaves the STSS and subsequently transfers service or, where appropriate, obtains a refund of contributions.

Pensionable salary received

Position 8 of annual return form TSS4 should only contain the total superannuable earnings from which contributions at the relevant rate have been deducted. Refer to [Circular 2011/13](#) and [Circular 2012/03](#) for assistance.

In house Additional Voluntary Contributions facility

Members may choose to pay additional voluntary contributions (AVC) to Prudential Assurance Company, in order to purchase extra benefits. Contributions are deducted by the employer for payment direct to Prudential and must be remitted within 7 days of deduction from salary. **Under no circumstances should these be included with payments made to the STSS or shown in annual returns.** In addition, employers should note, that interest on teachers' AVCs is added on a daily basis by the Prudential from the date of receipt. It is important therefore, that these contributions are paid to Prudential on time.

Mixed service

If a member has changed their working pattern or moved to a new basis of service (to or from part-time basis 5, 6 or 7 and full time basis 1) during the period 1 April 2011 to 31 March 2012, leaver information for the first period of employment should have been submitted. A starter for the remaining part of the year (the new contract) should be submitted and the annual return should cover only the period from the new start date to 31 March 2012. In such cases all remuneration etc. must be separately identified.

Do not combine different basis of part-time service for each member into one return covering 1 April 2012 to 31 March 2013 e.g. for Basis 7 and 5 employments, the basis 5 employment would require to be up rated to 1365 hours.

Do not separate into a 2 line entry (covering the 1 April 2012 to the change and from the change to the 31 March 2013) on the TSS4/annual return for these cases as this will be rejected.

Unauthorised leave

Strike days should not be included in the whole days reported on the annual return. These are non superannuable e.g. full time employee who has had two strike days in the period 1 April 2012 to 31 March 2013, should be reported as 363 whole time days on the annual return.

Part 4 – Common errors

The most common issues which cause annual returns to fail are:

Nil returns - these are required for members who have no earnings or service for an employer during the period 1 April 2012 to 31 March 2013 but only where the member remains active on an employers list and has not opted out of the STSS.

Annual returns - these are required for all members in service on 31 March 2013. This applies even if the member started in service just prior to this date e.g. 28 March 2013.

Date of birth mismatches - employers should check that any date of birth is logical. Date of birth such as “511611” continue to be received. These errors may originate when extracted data is copied to the MS Excel “TSS4” template using “dd/mm/yy” notation and cell formats are changed to the “000000” notation which is required in Excel. If employers are not sure about formatting dates in the template, they should contact us for further advice.

Superannuation (GTC) numbers - the first two digits (i.e. the year of first registration with the GTC or start of superannuated employment) must be at least 16 years after the last two digits of the date of birth field (i.e. the year of birth). Where the superannuation number is between 00 and the current two digit year, the change of century must be taken into account. Only very rarely will the superannuation number be greater than the current year (i.e. “12” numbers will not normally be used until the year 2012 starts).

Salary rates and pensionable earnings - these should be in line e.g. if the quoted salary rate is 33,339 (reported in the annual return as 033339) the stated pensionable earnings would be approximately 33,339 (reported as 03333900) for a full time employee. If the quoted salary rate is 333,339 (reported as 33333900), then it is likely to be incorrect. Exceptions to this are half pay sick and paid maternity leave where earnings and service may appear to be misaligned. Career breaks and nil pay sick leave are not superannuable in the scheme and a leaver must be raised instead of an annual return.

Multiple part-time contracts - as stated above, these must be aggregated by each employer. In addition, employers must ensure that pensionable earnings and service are worked out on the same basis e.g. if the full time equivalent service is 1365 hours per year, the full

time equivalent salary rate must be based on 1365 hours per year. If an employers are not sure of the full time equivalents, they should contact us for further advice.

Winding Down - employers should continue to report members in the Winding Down Scheme as part-time employees. Their service will be recalculated automatically when a pension event occurs.

Contact Information

E-mail: RMTSPPA@scotland.gsi.gov.uk
E-mail: James.Bolton@scotland.gsi.gov.uk
Tel: 01896 893 000 and ask for Records Maintenance Team