

**POLICE PENSION SCHEMES  
2017/02**

**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 2016 / 2017 and tax charges

**The purpose of this circular is to:**

- request Annual Return data for 2016-17
- confirm submission deadlines and HMRC penalties
- inform employers about the new 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.

To allow the completion of all required processing, that data should be sent to SPPA **no later than 31 May 2017**. SPPA have a statutory obligation to provide Annual Benefit Statements to members by **31 August 2017** and there is a risk that any annual returns submitted after **31 May 2017** may not be loaded to member records in time for that deadline. This could result in scheme members not receiving their Annual Benefit Statements.

Please note that the format for the 2016-17 annual returns has not changed from previous years.

**HMRC Penalties for Submission of Late or Incorrect Data**

Employing authorities who fail to meet HMRC's deadline of 6 July 2017 can be charged a penalty of £300 per member and an additional £60 per member for each day that the submission is late. Therefore, if you have 100 members and submit data only 5 days late, HMRC could still impose a fine of £60,000.

Please see the following link to HMRC's technical page:

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

the link above provides details regarding:

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



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## 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](#) and [guidance](#). 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](mailto: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:
Last date for annual returns	31 May 2017
We will contact employers to check the progress of submissions and will also make employers aware of their liability to a fine if the deadline is not met (estimate of the weekly cost of late submission)	w/c 22 May 2017
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 2017
Employers become liable for HMRC sanctions	6 July 2017
HMRC employer report sent by SPPA	7 July 2017

**Eleanor Guthrie**  
**Director of Operations**  
**21 March 2017**

### Contact information

**Email:** [RMTSPPA@gov.scot](mailto:RMTSPPA@gov.scot)

**Telephone:** 01896 893000 and ask for 'RMT'

<b>Scottish Public Pensions Agency</b> 7 Tweedside Park Tweedbank GALASHIELS TD1 3TE	<a href="http://www.sppa.gov.uk">www.sppa.gov.uk</a> Telephone: 01896 893000
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## Annex A - Annual Return Guidance

The Annual Return form should be used to submit financial information for the previous reporting year.

Detailed instructions about how to complete each field are included in this document. It is important to complete each field accurately to allow us to upload the forms to the member's record.

### 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.
Position 5	Forenames	Enter the member's Forename(s).
Position 6	Date of Birth	Enter the members date of birth in format DD/MM/YYYY.
Position 7	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.  Every member who is in the 2015 Care scheme, irrespective to the date they joined the scheme should be reported as POL.
Position 8	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 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 9	Full Time Pay	<p>Please enter the calculated full time pay for the post that the member is working based on the Act Rem Amount.</p> <p>When calculating pay for part time members do not uprate any CRTP. Please add that figure to the uprated basic salary, additional salary and overtime payments.</p> <ul style="list-style-type: none"> <li>• if the Act Rem Amount = £41,487.00 and the member worked full time (100%) then the figure to enter is 41487.00 (No £ sign or comma)</li> <li>• if the Act Rem Amount = £20,743.50, but the member has worked part time on a 50% contract then the figure to enter is 41487.00</li> <li>• if the Act Rem Amount = £21,354.00 but the member has worked part time on a 50% contract and has been paid CRTP of £630.00 then the figure to enter is 43338.00 (£21,354.00 uprated to full time then add £630.00)</li> </ul> <p>Please note that the Full Time Pay amount should always be based on actual pay, i.e. what the member would have received had they worked full time within the reporting period. Please do not enter the salary rate for the post as this field is used to calculate Annual Benefits Statements and Annual Allowance so must be an accurate reflection of potential or achieved earnings in the period.</p>														
Position 10	Pension Conts	<p>Enter the amount of contributions paid by the member during the reporting period. Please include the pound and pence - No £ sign</p>														
Position 11	Cont Rate	<p>Enter the current basic contribution rate paid by the member.</p> <p>This is the rate at the END of the financial year for which this return is being submitted, based on the rates in the table below. Do not include Percentage symbol (%):</p> <p>Member Contribution Rates due from 1 April 2015</p> <table border="1" data-bbox="534 1469 1439 1641"> <thead> <tr> <th>Whole-time pensionable pay</th> <th>1987 Scheme</th> <th>2006 Scheme</th> <th>2015 Scheme</th> </tr> </thead> <tbody> <tr> <td>Tier 1 £27,000 and under</td> <td>12.50%</td> <td>11.00%</td> <td rowspan="3">13.46%</td> </tr> <tr> <td>Tier 2 £27,001 - £60,000</td> <td>14.25%</td> <td>12.05%</td> </tr> <tr> <td>Tier 3 Over £60,000</td> <td>15.05%</td> <td>12.75%</td> </tr> </tbody> </table>	Whole-time pensionable pay	1987 Scheme	2006 Scheme	2015 Scheme	Tier 1 £27,000 and under	12.50%	11.00%	13.46%	Tier 2 £27,001 - £60,000	14.25%	12.05%	Tier 3 Over £60,000	15.05%	12.75%
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Position 12	NI Earnings	<p>This optional field is only applicable for returns prior to 6 April 2016. It is the amount earned on which National Insurance was paid between 1 April (or the date the employee started in the scheme if later) and 31 March.</p> <p>Express as whole £s only (no £ sign)</p> <p>For example, £32500.75 should be entered as 32500.00. This figure is the total of columns 1(b) and 1(c) on form P11 tax and National Insurance form.</p>														

NSR 03 spec	Description	Guidance For Form Filling
Position 13	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, or Additional Pension.  Report in Pounds and Pence, with no £ sign - 345.25
Position 14	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 added years, or Additional Pension.  Report in Pounds and Pence, with no £ sign - 345.25

## 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.