FIREFIGHTERS PENSION SCHEMES
04/2017

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

Online Annual Returns Guidance

To support timely and accurate annual returns, this year we have created a <u>dedicated area</u> on our website that contains our annual returns <u>data submission form</u> and <u>guidance</u>. 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 <u>RMTSPPA@gov.scot</u>. 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 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: <u>RMTSPPA@gov.scot</u>
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 - 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.

SFRS 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 FIRE 2006 Members who joined the scheme pre 06/04/2006, should be reported as FIRE 1992 Every member who is in the 2015 Care scheme, should be reported as FIRE 2015 FIRE modified should also be notified. We should not see any members who have opted out of the scheme.
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. Enter amount without £ sign, e.g. 20743.50
Position 9	Full Time Pay	Please enter the calculated full time pay for the post that the member is working based on the Act Rem Amount. if the Act Rem Amount = £42,550.00 and the member worked full time (100%) then the figure to enter is 42550.00 (No £ sign or comma) if the Act Rem Amount = £21,275.00, but the member has worked part time on a 50% contract then the figure to enter is 42550.00 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

NSR 03 spec	Description	Guidance For Form Filling
		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.
Position 10	Pension Conts	Enter the amount of contributions paid by the member during the reporting period. Please include the pound and pence - No £ sign
Position 11	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, based on the table below. Do not include Percentage symbol (%):

Member Contribution Rates Due from 1 April 2017

Pensionable Pay Band	Firefighters' Pension Scheme 1992 and special members	Firefighters' Pension Scheme 2006
Up to and including £15,454	11.0%	8.5%
More than £15,454 and up to and including £21,636	12.2%	9.4%
More than £21,636 and up to and including £30,909	14.2%	10.4%
More than £30,909 and up to and including £41,212	14.7%	10.9%
More than £41,212 and up to and including £51,515	15.2%	11.2%
More than £51,515 and up to and including £61,818	15.5%	11.3%
More than £61,818 and up to and including £103,030	16.0%	11.7%
More than £103,030 and up to and including £123,636	16.5%	12.1%
More than £123,636	17.0%	12.5%

Pensionable Pay Band	Firefighters' Pension Scheme 2015
Up £27,543	10.5%
£27,544 to £51,005	12.7%
£51,006 to £142,500	13.5%
£142,501 or more	14.5%

NSR 03 spec	Description	Guidance For Form Filling
Position 12	NI Earnings	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. Express as whole £s only (no £ sign) 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.

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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, e.g. 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, e.g. 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.

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