

Superannuation (Health Service) Circular No 3/2005

**Practice Managers
Direction Bodies**

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Your ref:
Our ref: SHE/1/2

6 April 2005

Dear Sir/Madam

**NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (SCOTLAND)
ANNUAL RETURN FOR 2004/2005**

1. Background

In order that the superannuation records of individual members of the scheme can be updated, GP Practices and Direction Bodies are asked to provide information about all staff in pensionable employment at 31 March 2005.

2. GP Practice Staff

Some Practice Managers may be sent additional information regarding completion of Annual Returns, designed to assist with particular issues identified within particular Practices. Some will already have received this, others may receive this along with this Circular. Any such additional information should be read in conjunction with the details provided in this Circular.

3. Completion of Annual Returns Form (NSR03)

A unique identifier number has been allocated to each Direction Body, (prefixed KD). General Practitioners should use their Practice identifier number. This should be quoted at all times when contacting SPPA. When submitting NSR forms, this identifier should be inserted into the Employer's Pay Reference Number field. It is essential that the prefix digits eg JP are followed by 5 digits eg JP00012. The remaining boxes should be zeros or blank.

Please refer to **Annex B** for full instructions on completion

4. General Points relating to Annual Returns

- All Annual Returns **must** be returned **no later than 31 May 2005**.
- The limit on pensionable pay for new entrants to the Scheme (the 'Earnings Cap') for the year 2004/05 is £102,000.
- The responsibility for reporting details of the employment of Assistant Practitioners normally rests with Practitioner Services Division and not the General Practice in which the assistant is employed.

5. Reduced Rates of Remuneration

In order to ensure that the correct information is held on the members' records, and the correct remuneration is used in the calculation of benefits, Payrolls and GP Practice Managers are asked to review their current procedures when recording reduced rates of remuneration and members ceasing to pay contributions after a period of Reduced Rate of Pay as follows:

In most cases of maternity or sick leave, full pay is followed by a period of reduced pay, then possibly nil pay, before the member returns to work.

If the members Reduced Sick Rate of pay ends, and they continue to be employed on nil pay, then NSR 02 (leaver) should be sent to the Agency with Code 20 as reason for leaving and Item 23 showing the last day of superannuable employment.

An NSR 01 (starter) form should be completed and sent to the Agency for any period after the last day of employment for which the person receives superannuable remuneration (as should be recorded in the leaver form) – for example, if annual leave takes place after the last day of working but before the actual date of termination of the contract, this is treated for superannuation purposes as part of reckonable service and contributions should be collected.

Where an employee contributes on reduced remuneration during sick leave, the employer's contributions should be paid as if there was no reduction. (It is the unreduced remuneration on which the employers contributions are paid that requires to be taken into consideration when assessing the best remuneration during the past three years).

6. SPPA cannot provide information about National Insurance in relation to superannuation contributions. If you require information about National Insurance, contact the Helpline run jointly by the Inland Revenue and Contributions Agency on 08457 143143. You may need to quote the following NHS Scheme contracted-out numbers: ECON E3900008J; SCON S2730012K.

7. Practitioner Status

Membership of the NHS Superannuation Scheme (NHSSS) (Scotland) is open to NHS (Medical, Dental and Ophthalmic) practitioners who are registered with their relevant Local Health Board. 'Practitioner' for this purpose means the following groups of people -

Principal Practitioners – GMS Principal GPs, Section 17C (PMS) GPs, Principal Dental Practitioners, Ophthalmic NHS Practitioners.

Assistant Practitioners – GMS salaried GPs, Section 17C (PMS) salaried GPs, GP retainers, GPs on Flexible Career Scheme, Associate GPs, GP's who are Out of Hours Providers (OOHP) and NHS Dental Trainees.

GP Locums – Freelance GP Locums and existing GP scheme members who undertake GP locum work.

GP Registrars (Previously Trainee Assistant Practitioners) are afforded Officer status in the NHS Superannuation Scheme (Scotland).

Group Codes on related Agency NSR forms and Annual Returns information require to be recorded correctly to differentiate the various types of Practitioner.

The following group codes should be used –

| | | |
|--|------------|-----------|
| Medical Principal Practitioner | Group Code | 09 |
| Dental Principal Practitioner | Group Code | 10 |
| Medical Assistant Practitioner/GP Locums | Group Code | 16 |
| Dental Assistant Practitioner | Group Code | 17 |

As all Practitioners are considered as 'whole time', Service Type **03** should be used.

For any further enquiries about Practitioner Status please contact NHSPEN3@scotland.gsi.gov.uk

8. Ferguson Payroll Users

Ferguson Software, who provide a payroll service to many GP Practices, issue an end of year statement to facilitate the completion of Annual Returns. Because the format of form NSR03 has not been changed, the field numbers from item 15 on the statement are wrong and care should be taken to ensure that the correct information is transcribed.

9. Sending Forms by E-mail

Any forms being submitted by e-mail should be sent to sppa-nhs-gp@scotland.gov.uk

In addition to the enclosed guide for completing form NSR 03 (**Annex B**), full Instructions for completing the range of NSR forms and SB 34's can be accessed via the SPPA website at www.sppa.gov.uk at that part relating to NHS scheme, Forms.

If sending the forms by e-mail, please save each form before sending it to the Agency using the following format:

[Your GP ID] [member's SB number, or name] [05] for annual return
i.e. JP00069 IRVING 05

10. Summary of Annual Returns

Attached to this letter as **Annex A** is a 'Summary of Annual Returns' sheet. This has been designed for use by Practice Managers. Please complete this form for employees of the Practice in scheme membership at 31st March 2005 and also for those who left between 1 April 2004 and 31 March 2005. The totals in each of the contributions columns should reconcile with the total of contributions sent to the Agency during the year. If it does not, you should investigate the reason(s) and make adjustments as necessary before returning the summary and the annual returns to the Agency at the above address.

11. Enquiries

Any enquiries about the provision of Annual Return information should be made by telephoning 01896 893100 or alternatively by emailing the appropriate team as detailed in **Annex C** attached.

Yours faithfully

A handwritten signature in black ink that reads "G. Stenhouse." The signature is written in a cursive style with a period at the end.

George Stenhouse
Acting Director of Operations

