

SCOTTISH TEACHERS' SUPERANNUATION SCHEME
03/2013

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: Automatic Enrolment

The purpose of this circular is to advise employers about:

- the new opt out form and
- changes to data submission following the implementation of Auto Enrolment

As you are all aware, Automatic Enrolment (AE) is the core employer duty of work based pensions reform. It means that employers must automatically place all eligible employees into a pension scheme and advise them that they have done so. The qualifying scheme for employees in the teaching profession is the Scottish Teachers' Superannuation Scheme (STSS).

All employees, eligible to join the STSS must be automatically included in the STSS from the first day of employment. Eligible teachers will no longer be allowed to opt out of the STSS before they take up their employment. They must be enrolled in the first instance.

Following enrolment, if an employee wishes to opt out of the scheme, they can do so by completing the new opt out form which is available on our website at www.sppa.gov.uk

There are two types of opting out of the scheme -

1. opting out (within the opt out period)
2. ceasing active membership (members opting out after the opt out period, leaving the scheme or leaving teaching)

The opt out form can be used for either situation and should be completed and signed by the employee. This should be forwarded to their HR/Payroll department who will take the necessary action to record the opt out and to stop the deduction of superannuation contributions.

To help with this, we have created a [process map](#) which details the different steps to take when dealing with opting out under the new AE procedures.

The implementation of AE has also meant that information required by SPPA as the scheme administrator has changed:

- employers are asked to collate and send copies of the opt out forms to us on a monthly basis
- a starter (TSS1) will be required for all employees automatically enrolled
- a leaver (TSS2) will be required for all employees who cease active membership of the scheme, in its entirety.

For employees who have more than one employer, they should complete an opt out form for each employment they wish to opt out of. However, if an employee has multiple contracts with the same employer and chooses to opt out of one (or more) of these, a TSS2 leaver form will not be required as the superannuation record will remain active for the remaining contract/s. Also, if a member opts out, within the opt out period, no TSS2 will be required as they are treated as having never been a member of the scheme.

The new opt out form has comprehensive guidance attached and we have updated relevant guides, factsheets and web based information to take account of the changes under AE.

Changes necessary to the STSS regulations to reflect AE are currently being drafted and will be issued shortly for consultation. A copy will be available on our website.

Detailed information regarding employer's responsibilities under AE can be found on [the Pension Regulator](#) or [DWP](#) websites

Pam Brown
Director of Operations
14 February 2013

Contact information:

Should you have any enquiries about this circular, or require further information, please contact: Sppastakeholderliaison@scotland.gsi.gov.uk

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