

### PART-TIME TO FULL-TIME SERVICE CHANGE

From 1 April 2015, when a member changes from part-time to full-time working the next day, employers now submit an STPS04 service change form.

The STPS03 annual return form for that year will be for everything (part-time and full-time). As this example is from part-time to full-time, the total annual return service should be in **days**. The employer will have to calculate the part-time service (which was in hours) into days and add this to the full-time service.

So, if a Mr Gow was part-time until 14 August 2020, then started full-time on 15 August 2020, we would need the following:

- **STPS04 service change form.** This would include the part-time contract details up to 14 August 2020

Only 2 columns relate to the new full-time contract, namely Column 12 (Type of Service) and Column 25 (Effective Date of Change)

The Type of Service is now full-time, so this will be a 1

The Effective Date of Change is the full-time start date, so this will be 15 August 2020

- **STPS03 annual return.** This will be for the full financial year (1 April 2020 to 31 March 2021) with all service in **days**, as the member is now full-time

Our system will firstly load the service change and, when the 2021 annual return is loaded, will deduct the full year figures from the service change.

**It is therefore imperative that the employer sends in full year figures on the 2021 annual return**

## FULL-TIME TO PART-TIME SERVICE CHANGE

From 1 April 2015, when a member changes from full-time to part-time working the next day, employers now submit an STPS04 service change form.

The STPS03 annual return form for that year will be for everything (full-time and part-time). As this example is from full-time to part-time, the total annual return service should be in **hours**. The employer will have to calculate the full-time service (which was in days) into hours and add this to the part-time service.

So, if a Miss Morrison was full-time until 30 September 2020, then started part-time on 1 October 2020, we would need the following:

- **STPS04 service change form.** This would include the full-time contract details up to 30 September 2020  
  
Only 2 columns relate to the new part-time contract, namely Column 12 (Type of Service) and Column 25 (Effective Date of Change)  
  
The Type of Service is now part-time, so this will either be a 5, 6 or 7  
  
The Effective Date of Change is the part-time start date, so this will be 1 October 2020
- **STPS03 annual return.** This will be for the full financial year (1 April 2020 to 31 March 2021) with all service in **hours**, as the member is now part-time

Our system will firstly load the service change and, when the 2021 annual return is loaded, will deduct the full year figures from the service change.

It is therefore imperative that the employer sends in full year figures on the 2021 annual return.

## GAP IN SERVICE

If a member has a gap in service from changing contracts, this will not be classed a service change. We would need leaver and new starter details. The annual return would only be for the part-year.

So, if a Mrs Riddell was part-time until 4 November 2020, then started full-time on 28 November 2020, we see there is a gap. The following would be needed:

- STPS02 leaver form for the part-time period 1 April 2020 to 4 November 2020
- STPS01 starter form as at 28 November 2020
- STPS03 annual return form for the full-time period 28 November 2020 to 31 March 2021

## PART-TIME TO FULL-TIME (CONCURRENT)

If a member leaves a part-time contract and starts a full-time contract the next day, we need an STPS04 Service Change Form.

The STPS03 Annual Return Form should be for the **whole year**. As the member is full-time as at 31 March 2021, the total service should be in **days**. This would mean the hours worked on the part-time contract must be converted into days and added to the full-time contract service.

### EXAMPLE

Mr Smith had a part-time contract until 14 August 2020. His earnings from 1 April 2020 to 14 August 2020 were £5,000.

He started a full-time contract the next day (15 August 2020). His earnings from 15 August 2020 to 31 March 2021 were £18,821.92.

We would therefore need the following:

- STPS04 Service Change Form with earnings of £5,000 and service, pension contributions, etc, based on that figure
- STPS03 Annual Return Form for the **whole year**. His earnings would be £23,821.92 (£5,000 plus £18,821.92). Service, pension contributions, etc, would be for the **whole year** based on that figure

Our system then subtracts the **whole year** annual return details from the service change details.

If, however, the employer incorrectly sent the part-year figures on the annual return (15 August 2020 to 31 March 2021), the system would only subtract £5,000 from the wrong figure of £18,821.92, giving £13,821.92.

Service, pension contributions, etc, would therefore be less.

**It is imperative in these cases that the employer sends the annual return as a whole year**

## FULL-TIME TO PART-TIME (CONCURRENT)

If a member leaves a full-time contract and starts a part-time contract the next day, we need an STPS04 Service Change Form.

The STPS03 Annual Return Form should be for the **whole year**. As the member is part-time as at 31 March 2021, the total service should be in **hours**. This would mean the days worked on the full-time contract must be converted into hours and added to the part-time contract service.

### EXAMPLE

Mrs Jones had a full-time contract until 3 January 2021. Her earnings from 1 April 2020 to 3 January 2021 were £30,465.75.

She started a part-time contract the next day (4 January 2021). Her earnings from 4 January 2021 to 31 March 2021 were £3,287.67.

We would therefore need the following:

- STPS04 Service Change Form with earnings of £30,465.75 and service, pension contributions, etc, based on that figure
- STPS03 Annual Return Form for the **whole year**. Her earnings would be £33,753.42 (£30,465.75 plus £3,287.67). Service, pension contributions, etc, would be for the **whole year** based on that figure

Our system then subtracts the **whole year** annual return details from the service change details.

If, however, the employer incorrectly sent the part-year figures on the annual return (4 January 2021 to 31 March 2021), the system would try to subtract £30,465.75 from the wrong figure of £3,287.67 and error, as this would give a minus figure (-£27,178.08).

**It is imperative in these cases that the employer sends the annual return as a whole year**

## **CHANGE IN CONTRACT (WITH A GAP IN SERVICE)**

If a member leaves a part-time contract and starts a full-time contract after a gap in service, they have effectively left our scheme.

If a member leaves a full-time contract and starts a part-time contract after a gap in service, they have effectively left our scheme.

We would therefore need the following:

- STPS02 Leaver Form from 1 April 2020 to date of leaving
- STPS01 Starter Form from the beginning of the new contract
- STPS03 Annual Return Form for the **part-year only** (their new active period)

## **NO PART-TIME SERVICE (NSU)**

If a member leaves a full-time contract and starts a part-time contract the next day, we need an STPS04 Service Change Form.

If, however, they did not work when part-time, the STPS03 Annual Return Form should still be for the **whole year**. As the member is part-time as at 31 March 2021, the total service should be in **hours**.

In this case, with no part-time working, the rest of the annual return figures should be exactly the same as the service change.

## TWO SERVICE CHANGES IN A YEAR

Mr Smith had a part-time contract as at 1 April 2020 until 14 August 2020.

He then started a full-time contract from 15 August 2020 until 5 February 2021.

He went back to a part-time contract from 6 February 2021 to the present day.

This means we would need 2 STPS04 Service Change Forms.

The STPS03 Annual Return Form should be for the **whole year**.

### PART-TIME TO FULL-TIME SERVICE CHANGE

Mr Smith had a part-time contract until 14 August 2020. Details for first service change:

<b>Earnings</b>	<b>£4,121.72</b>
<b>Member Contributions</b>	<b>£296.77</b>
<b>Employer Contributions</b>	<b>£615.56</b>
<b>Service (Hours)</b>	<b>159/1365</b>

The Service Change Form will include these, as well as the new start date of 15 August 2020.

### FULL-TIME TO PART-TIME SERVICE CHANGE

Mr Smith had a full-time contract from 15 August 2020 to 5 February 2021. Details:

<b>Earnings</b>	<b>£16,726.64</b>
<b>Member Contributions</b>	<b>£1,455.22</b>
<b>Employer Contributions</b>	<b>£2,876.98</b>
<b>Service (Days)</b>	<b>175</b>

However, in order for this Service Change Form to load on to the member's record, the first part-time contract must be added to these figures. The hours should be converted into days. In other words, it should be all service from 1 April 2020 to 5 February 2021. Details for second service change:

<b>Earnings</b>	$£16,726.64 + £4,121.72$	<b>= £20,848.36</b>
<b>Member Contributions</b>	$£1,455.22 + £296.77$	<b>= £1,751.99</b>
<b>Employer Contributions</b>	$£2,876.98 + £615.56$	<b>= £3,492.54</b>
<b>Service (Days)</b>	$159/1365 \times 365 (43 \text{ days}) + 175 \text{ days}$	<b>= 218</b>

The Service Change Form will include these, as well as the new start date of 6 February 2021.

### PART-TIME ANNUAL RETURN

Mr Smith had a part-time contract from 6 February 2021 to the present day. However, the details for the period 6 February 2021 to 31 March 2021 are:

<b>Earnings</b>	<b>£2,862.52</b>
<b>Member Contributions</b>	<b>£249.04</b>
<b>Employer Contributions</b>	<b>£492.35</b>
<b>Service (Hours)</b>	<b>112/1365</b>

However, in order for this Annual Return Form to load on to the member's record, the second service change contract must be added to these figures. The days should be converted into hours. In other words, it should be all service from 1 April 2020 to 31 March 2021. The salary rate will now be included. Details for the annual return:

<b>Salary Rate</b>		<b>= £34,887</b>
<b>Earnings</b>	£20,848.36 + £2,862.52	<b>= £23,710.88</b>
<b>Member Contributions</b>	£1,751.99 + £249.04	<b>= £2,001.03</b>
<b>Employer Contributions</b>	£3,492.54 + £492.35	<b>= £3,984.89</b>
<b>Service (Hours)</b>	218/365 x 1365 (815 hours) + 112 hours	<b>= 927</b>

### CONCLUSION

- First service change (1 April 2020 to 14 August 2020)
- Second service change (1 April 2020 to 5 February 2021)
- Annual return (1 April 2020 to 31 March 2021)