

# Teachers' Pension Scheme

## 2024/04

- Who should read:**
- Chief Executives
  - Directors of HR and Finance
  - All HR and Payroll Managers
  - Staff who submit data to SPPA
  - **ACTION:** To read and circulate as appropriate
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- Subject:** Annual Return data requirements 2023-24
- Date:** 2 April 2024

### The purpose of this circular is to:

- Request annual return data for all active members
- Highlight Data Submission
- Highlight the impact of industrial action on Teachers pension scheme
- Highlight member and employer contribution guidance
- Highlight Teachers pay award
- Amendments to previously submitted data
- Inform the employer of their statutory obligation
- Provide information on the help and support available
- 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 scheme members to be updated, SPPA requires information about all staff in active pensionable employment as at 31 March each year.

The **deadline** for submitting Annual and Nil Returns is **31 May 2024**. This is to ensure the SPPA has adequate time to process and plan production of Annual Benefit Statements and Annual Allowance calculations.

All returns must be submitted using the STPS03 Annual Return form held on the EDM Portal. The data specification has not changed from previous years.

### Active Lists

All employers have been sent an Active member list via EDM along with the active list guidance. This list details all the active members and contracts that we hold on our pension administration system as of the 1 February 2024.

It's the employers statutory obligation to provide information for all members whom are contributing to the scheme. We urge employers to ensure they submit an annual return for all on the list unless they have opted out. In which case please ensure that you submit a leaver form. Leavers should be submitted for anybody that has left during the financial year and not include them on the annual return. If you have members who are not on the active list, please ensure that you have submitted a new starter form as well as an annual return. In the event that a member has not earned any monies, if they are still active in the scheme then we still require a nil annual return.

As this year is a leap year please remember that a member can only receive a maximum of 365 days service credit in our scheme.

### **Failure to submit data – Pensions Regulator**

If the SPPA does not meet its statutory obligation to produce an Annual Benefit Statement for all active scheme members by 31 August we are obligated to report this to the Pensions Regulator. To provide clarity to the Regulator we may include the names of any employers who have failed to meet the 31 May 2024 deadline.

If annual returns are not received by 31 May from the employer then they will be excluded from Annual Benefit Statement process. Any affected members will be directed to their employer for a suitable explanation as to why they have not received an Annual Benefit Statement.

For more information on your responsibilities please read the [HMRC Guidance](#)

### **Help and Support**

The Annual Return Bulletins, Annual Return Readiness Guide and Checklist can be found on the SPPA website's dedicated [annual return section](#). We recommend that employers familiarise themselves with the content before they submit data.

There is a clear duty in maintaining accurate records for members therefore we ask particular emphasis is placed on data accuracy before sending your submissions. The Data Team are available to support you with all the data related enquiries you have with this exercise and are on hand to answer your data queries by calling the Data Team direct line on **01896 893050**. In addition, for data or submission enquiries please email: [SPPAEDM-Enquiry@gov.scot](mailto:SPPAEDM-Enquiry@gov.scot). You can request a phone call back or "Microsoft Teams" call with our dedicated experts who are on hand to answer your data queries.

### **The impact of industrial action on your teachers' pension scheme contributions**

Periods of absence from your workplace due to industrial action are regarded as 'non-pensionable'. No scheme contributions are deducted for any period of time you spend on strike and, as a consequence, any earnings lost through industrial action are not included in your benefit calculations.

There is also no provision to pay back contributions directly relating to strike days, but, there are other options to [increase your members benefits](#) that you may want to consider following a prolonged period of industrial action.

## Pay Award

Remember the scheme regulations advise monies to be paid in the financial year they are earned and not when they are actually paid. If a member has arrears of pay as a result of a backdated pay rise, you must consider whether you need to provide additional data to SPPA.

If you are required to make payments after April 2023 related to the previous financial year we would expect you to complete an STPS06 amendment form or adjust your annual return prior to submission.

If the annual return has been submitted prior to the calculation and payment of the arrears payment, it is essential that an STPS06 amendment form is submitted. This is available on the EDM System. This form allows you to over-write the annual return with the new revised earnings and contributions for the year.

The STPS06 form should contain all information previously submitted on the annual return, if your previous annual return included Pay Arrears please remember these arrears should then be removed from next year's annual return to avoid double reporting.

## Useful Guidance Strike Days

If a member has participated in industrial action, this must be reflected in the annual return as follows: Full Time Members Service must be reduced by the number of days on strike. If they have had 3 days strike, the service should be reported as 362, or less if the member joined after April 2023.

The pay and contributions should reflect the 362 days service. Part Time Members Please calculate the number of hours the member has missed as a result of industrial action. This is based on the number of hours they were contracted to work on the strike day.

For example, if they should have worked 4 hours, then 4 hours should be deducted from the total hours worked. Pay and contributions should reflect the hours physically worked.

Teachers Circular 2020/04 Important Please ensure you confirm in the notes that the member was on strike and the days/hours they participated in industrial action. e.g. - 2 days strike on dd/mm and dd/mm - 12 hours strike on dd/mm to dd/mm

[Teachers Circular 2020\\_04.pdf \(pensions.gov.scot\)](#)

## Member and employer contributions

Information on contribution rates can be found on [Circular 2024/01](#)

Employer contribution rates change is applicable from 1 April 2024 from 23% to 26%, as advised in Circular 2023/08.

## Employer Performance Reports – Local Authorities only

We will be sharing employer performance reports for 2023-2024. We continue to track the timeliness and accuracy of data and intend to share a report for each authority on an annual basis.

**Planned Activities:**

SPPA will

- Issue final reminder to Payroll Departments - w/c 17 May 2024
- Evaluate whether all returns received - 1 June 2024
- Escalate non-compliance - from 1 June 2024
- Provide report to the Pensions Regulator - 1 Sept 2024
- Share performance reports (local authority only) – from October 2024
- Teachers Technical Working Group – May, Aug, Nov 2024

In previous years, our collaborative approach to this exercise resulted in annual increases in the total number of Annual Benefit Statements issued. In 2023, however, there was a significant decrease, resulting in fewer members receiving an ABS. For 2024, our intention is to meet the target set by The Pensions Regulator and have 100% of active members statements issued by 31 August 2024. This will require timely action on the part of all contributors and we ask for your determined support in this regard.

Thank you for your continued cooperation with this matter.

**Contact information**

For data submission enquiries please contact [SPPAEDM-Enquiry@gov.scot](mailto:SPPAEDM-Enquiry@gov.scot) or [Michael.Riddell@gov.scot](mailto:Michael.Riddell@gov.scot) [james.mchale@gov.scot](mailto:james.mchale@gov.scot) if you have any general enquiries about this circular.

**Christopher Nairns**  
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**2 April 2024**