



**Nottinghamshire  
Pension Funds**

# **YEAR END EMPLOYERS' GUIDE**

## **1. Year End Pension Contribution Return**

At the end of each financial year each employer must supply the Pensions Office with the following information via a year end pension contribution return. This should be received by the Pensions Office no later than 31<sup>st</sup> May each year:-

- Details of each pension scheme member's contributions during the financial year to 31/03/YYYY.
- Details of each pension scheme member's pensionable pay earned during the financial year to 31/03/YYYY.
- Details of any additional pension contribution payments made by each member during the financial year to 31/03/YYYY (e.g. added years, part time buy back, pre 1972 contributions).
- Details of the NI Contracted out Earnings for each pension scheme member during the financial year to 31/03/YYYY – columns 1b plus 1c on the P11 document.
- The starting/leaving dates for any pension scheme members who have started/left during the financial year to 31/03/YYYY.

This year end pension contribution return should be in the format of a data file or an EXCEL spreadsheet and a paper copy should also be provided. The following points should be remembered when producing the year end pension contribution return:-

- Scheme members should be listed in alphabetical order and National Insurance numbers should be included.
- All columns containing monetary information should be totalled.
- For any scheme members with multiple employments, all the required information listed above (contributions, pensionable pay etc.) should be provided per pensionable employment, *not* per member.

## **2. Final Statement of Contributions**

Each employer must also complete a final statement of contributions (copy attached) and provide it with the year end pension contribution return.

This document allows the employer to balance the 12 pension contribution payments paid throughout the financial year with the figures shown on the year end pension contribution return in respect of employees and employers contributions. There is also a section to be completed to explain the reason for any discrepancies.

This form helps the Pensions Office to undertake a balancing exercise between the contribution payments received and the year end pension contribution return. It is also a document often looked at by auditors.

## **3. Average Hours**

Local Government Pension Scheme benefits are calculated according to each member's full time equivalent salary and the number of years pensionable service accrued. Service accrued is apportioned for people who work less than full time and it is therefore important that our records accurately reflect the number of hours each member has worked each year.

For any scheme members whose hours vary from week to week (eg. casual or relief posts) each employer must, at the end of each financial year, provide the Pensions Office with details of the average hours that each scheme member has worked (per employment) during the financial year ending 31/03/YYYY.

## **4. Data that should already have been provided to the Pensions Office**

Throughout the financial year, as part of the general maintenance of the Local Government Pension Scheme, each employer should have supplied us with notification of any of the following which have occurred during the year:-

- New starters to the scheme (SU1/SU1A form)

- Leavers from the scheme prior to retirement (SU31 & SU34 form)
- Retirements from the scheme and any deaths in service (SU41/SU50 & SU34 form)
- Changes in contractual hours (SU6 form)
- Approved breaks in service, eg. maternity leave, career breaks etc. (SU6 form)
- Any breaks in pensionable service due to industrial action
- Changes in the member's surname or personal circumstances (SU6 form)
- Details of members who have been issued with a certificate of protection
- Details of any employees who have been on half pay or no pay due to sickness absence

It is recommended that a check is carried out at the year end to ensure that all such notifications have been supplied to the Pensions Office in order that both the employer and the Pensions Office can be confident that all pension records are accurate to year end 31/03/YYYY.

## **5. What happens next**

1. Upon receipt of the above information from each employer the Pensions Office will be in a position to confirm that the monthly contribution payments match the year end pension contribution return and to then use the information supplied on the return to update our pension records with details of each member's pension contributions, per pensionable employment.
2. The Pensions Office will also update the records with details of the average hours for any members whose hours vary from week to week and with any other information supplied at year end.
3. From this information the Pensions Office will be able to identify any 'posting queries' (e.g. if contributions are shown on the return but no new starter notification has been received) and will approach the employer for any further information required.
4. From the contributions supplied and the hours information held on the pension records a pensionable pay figure will be produced which should reasonably reflect the pensionable pay earned by the scheme

member during the financial year. Again the employer may be approached to resolve any queries relating to this figure.

5. The Pensions Office will then be able to proceed with the production of annual benefit illustrations. These illustrations will be based on service calculated and the full time pensionable pay details from the information held on the pension records. Therefore, inaccurate or incomplete information supplied by employers throughout the year or at year end will result in inaccurate annual benefit illustrations being provided to scheme members.

## **6. Contact Details**

The following people can be contacted with any queries employers may have concerning the year end pension contribution return, the final statement of contributions or the responsibilities of employers in terms of information requirements:-

Sarah Marshall

Support Team Leader

Tel: - 0115 846 3346

E-mail [sarah.marshall@nottsc.gov.uk](mailto:sarah.marshall@nottsc.gov.uk)

Chris Bailey

Systems Team Leader

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**NOTTINGHAMSHIRE COUNTY COUNCIL PENSION FUND  
Final Statement of Contributions paid Year Ending 31/3/**

**Employing Body .....**

**(1) Summary of Annual Return**

<b>Type of Contributions</b>	<b>6% Contributors</b>	<b>5% Contributors</b>	<b>Total</b>
Employee's Basic			
Employee's Pre-72			
Employee's Added Years			
Employee's Part-Time Buy Back			
Employee's Widower's			
<b>Total Employee's</b>			<b>(A)</b>
<b>Total Employer's @ ..... % rate</b>			<b>(B)</b>

**(2) Summary of Contribution Payovers**

Employee's			<b>(C)</b>
Employer's			<b>(D)</b>

**(3) Reason for any Discrepancies**

(A) Should equal (C); (B) should equal (D), if not show reason for any discrepancies below.

**(4) Certification**

I certify that:-

1. The total contributions due to the Local Government Pension Fund for the year ending 31/03/2006 are as stated in the Final Statement of Contributions Paid above.
2. The total of the contributions on the annual return balance to the total paid over in respect of the same financial year, as detailed above.

Signed: ..... Print Name: .....

Designation: .....

Phone Number: ..... Dated: .....

## **HOW TO COMPLETE THE FORM**

Completion of this form sent with your Year End Pension Contribution Return is to allow you to balance, **the 12 months contributions paid, 1/4 to 31/3 to the Year End Pension Contribution Return. There is a section (3) which allows you to show any discrepancies between the 2 totals if necessary.**

### (1) Summary of Annual Return

Take the employee's amounts from your year end returns and input these into columns 6% contributors and 5% contributors. These should be split between,

Employee's Basic  
Employee's Pre 72  
Employee's Added Years  
Employee's Part-Time Buy Back  
Employee's Widowers

Show the totals in the end column, and total these across so the totals agree in (A)

Show your employer's rate.

Show the total employer's in (B) with the amounts totalling across.

### (2) Summary of Contribution Payovers

Input the total contributions actually paid over in the 12 months by either BACS or Cheque for the period 1/4 to 31/3. Split this between employee's and employer's contributions split between 6% and 5% contributors.

The total employee's is shown in (C).

The total employer's is shown in (D).

(3) (A) should equal (C); (B) should equal (D); any discrepancies should be shown in (3).

### (4) Certification

Please certify as requested.