

Pensions Industry Newsletter

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HM Revenue & Customs
National Insurance
Services to Pensions Industry
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Please make this newsletter available to all interested parties

We intend to stop producing paper copies of the Pensions Newsletter by June 2006. In the future we will send Newsletters by **e-mail only**. There will also be a copy of the Newsletter on the **Internet**.

If you would like to continue getting the Newsletter, please tell me your e-mail address. If there are any changes to your e-mail address please let me know.

Contact: carole.henderson@hmrc.gsi.gov.uk

This Newsletter is also on our website: www.hmrc.gov.uk

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Instructions on HMRC Internet to access National Insurance Pensions Industry pages www.hmrc.gov.uk

To access information on National Insurance Services to Pensions Industry, Newsletters and Mailshots:

1. Click onto [businesses & corporations](#) (top right hand of screen)
2. In the box below 'businesses & corporations' click onto [Pension Schemes](#)
3. Under 'Tell me about' click [National Insurance Services to Pension Industry](#)
4. For information about NISPI, Newsletters and Mailshots, under 'We recommend' click onto [National Insurance Services to Pensions Industry \(NISPI\)](#) and click onto [Mailshots or Newsletters](#) (as appropriate).

To get to our Forms and Leaflets/Booklets page:

- Follow steps 1-3 as above
- Under 'You may also want' click onto [NI Services to Pensions Industry Online Order Form](#)
- Scroll down the page to find the form required
- Click onto the form number to print a blank copy
- Click onto [View/Download an example of this item](#) for a specimen copy of how to complete the form.

For the booklet explaining how to apply for a Contracted-out Certificate, take the following steps:

- Follow steps 1-3
- In 'Tell me about' under 'You may also want' click onto [NI Services to Pensions Industry Online Order Form](#). This takes you to the forms, leaflets/booklet page
- Scroll down the page to [CA1696](#) and click onto [Pension Schemes](#)
- Scroll down the page and click onto [CA14C](#) guidance booklet.

We want to improve the NISPI Internet pages

Can you tell me if you access the Internet to look for NISPI information and if you do, what do you find most helpful/useful?

What would you like to see on the Internet?

Can we put any information on the Internet pages to help you?

Please let me know:
Contact: Carole Henderson
carole.henderson@hmrc.gsi.gov.uk
☎ 084591 50243
or write to the address shown on
the front cover.

Changes to the way we issue Contracted-out National Insurance Tables

Every year NI Services to Pensions Industry (NISPI) issues a pack to employers.

From 2006, employers will still receive a pack via the usual distribution channels, but it will not contain paper copies of the NI tables. They will only receive the following:

- an Employer's CD-ROM
- form E3, a stationery order form
- the latest copy of the Employer's Bulletin

This does not mean that the tables will be any less accessible. They will be available on the CD-ROM and can be ordered, viewed or downloaded by logging on to our website at www.hmrc.gov.uk/employers/emp-form.htm

For those who still require paper copies of the tables they can be obtained from the Employer's Orderline on 08457 646 646.

Contact: Gill Valentine
Customer Support Manager
BP4102

☎ 084591 50250

E-mail: Gill.Valentine@hmrc.gsi.gov.uk

Changes to Contracted Out Pensions Helpline (COPH)

Telephone numbers for the Helpline Managers have changed as follows:

COPH 1 Manager

Lynne Bainbridge - Telephone: 0191 206 6803

COPH 2 Manager

Alan Reay - Telephone: 0191 206 6856

We no longer have a third team or a specific Technical Manager role.

Alan Reay
COPH 2
BP7002

☎ 0191 206 6856

Protected Rights

We told you in our last Newsletter, that there is no longer a requirement to pay increases on protected rights which come into payment on or after 6 April 2005.

Because of this change to the indexation rules some schemes are no longer recording the split of pre and post 1997 protected rights on their systems they are not providing details of the split when transferring the protected rights to another scheme. We have been asked if schemes are required to track pre and post 1997 protected rights.

The legislation is not explicit in what it expects schemes to track. But what it does cover, and what schemes must be guided by, is what might happen to the protected rights if they were transferred to another scheme - specifically if protected rights are transferred to a Contracted-out Salary Related (COSR) scheme. The new scheme will have to identify pre 1997 rights so that they can calculate the GMP liability and post 1997 protected rights, so they can become 9(2B) rights. If these rights cannot be identified, the COSR scheme may refuse to accept the transfer.

It is therefore up to schemes to decide on their approach. However, our view would be that if a scheme decided not to track pre and post 1997 protected rights they are taking a risk. That is, an individual who wishes to transfer to a COSR scheme and cannot do so, as a consequence of their scheme not tracking the pre and post 1997 rights, may have a case to take to the Pensions Ombudsman. It could also cause problems for transfers between other Contracted-out Money Purchase (COMP), Appropriate Personal Pension (APP) or Stakeholder schemes, as it might be difficult for a scheme tracking pre and post 1997 rights to accept a transfer from a scheme that is not.

Sue Thompson
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NI Technical Services - Pensions
Room BP4102
☎ 0191 2250267
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Taking out a new Appropriate Personal Pension (APP)

When a person takes out an Appropriate Personal Pension (APP) it is important to establish whether or not they already hold an APP, or whether they have recently cancelled an APP. This is to avoid delays in the processing of the application of Contracted-out periods. The APP form (CA1542) could be rejected and returned if:

- a) an open APP is already held, or
- b) an APP has been cancelled and the form has not yet been issued to NISPI.

[Manual CA16 - See Paragraphs 2.1 - 2.8 for further information](#)

Cancelling an Appropriate Personal Pension (APP)

When cancelling an APP form CA1543 must be completed and sent to us at NISPI as soon as the cancellation is known, ideally within 6 weeks. A cancellation cannot be backdated more than 12 months. It is very important that the cancellation is sent in without delay, to update our computer records. This is because the policy holder may take out a new pension which may be rejected on our system if a policy is already shown.

[Manual CA16 - See Paragraphs 3.1 - 3.8 for further information](#)

Exporting Pension Benefits to another scheme

It is important for any scheme that is transferring an individual's pension rights to another scheme, to make sure that all Contracting-out historical information for the member is passed to the importing scheme. This will ensure that the pension rights and records are kept well up to date. This applies to all types of schemes. Please note that for Appropriate Personal Pension schemes, transfer notice CA1544, 45, 48 should be sent to NISPI within 5 weeks of the date of transfer.

Reminder for Occupational Pension Providers and Administrators

Are you an Administrator operating an occupational pension scheme for an employer? Does the employer keep you up to date on changes in earnings, addresses and details of members of the scheme? If not, they should. If you are not told of changes it could result in a mismatch of our records and yours.

For example, changes in earnings may result in a difference in pension calculation, changes in name may cause CA forms to reject. Changes not notified can cause delays when a member reaches pension age. Changes affect pensions, even such things as a change of address or name will need to be kept up to date on our computer system for retirement calculations to be issued on pension age.

Contact: Gill Valentine
Customer Support Manager
BP4102
☎ 084591 50250
E-mail: Gill.Valentine@hmrc.gsi.gov

COD Calculation Requests

We have noticed an increase in the number of duplicate calculation requests being received, even though the original requests were only sent to us in the last four weeks.

As a number of forms reject, it can take up to 6 weeks to clear them. Please do not send reminders until after 6 weeks.

All calculation requests should be sent to Pensions Account Maintenance (PAM), BP4002, except for the terminally ill and Pensions Review cases, which should be sent to the relevant areas within Contracted-out Early Leaver's (COEL).

Contact: Aileen Banks
Pensions Account Maintenance
Room: BP4002
☎ 084591 53220

Help us to help you

If you have a query regarding Contracting-out employment can you please include the following information to help your enquiry to be directed to the right area:

- The full name, NINO and date of birth (DOB) of the member
- The ECON and SCON of the scheme or ASCN of the provider
- Quote the reference and date shown on any previous correspondence we have sent to you.

Outstanding debt relating to the repayment of Age Related Rebates - Demand for outstanding debt

On receipt of a demand for Age Related Rebates, schemes should take immediate action to repay the full debt.

If there is a delay or full payment cannot be made, the scheme should contact the appropriate Contracted-out Early Leaver's section (COEL) to advise the reason.

When making payment, the original bill should be returned:

- The cheque should be made payable to 'HMRC'
- The Scheme Contracted-out Number (SCON) and any reference number should be quoted on the covering letter.

Contracted-out Money Purchase schemes (COMP schemes) frequently return money but do not make it clear the reasons why.

This may happen because:

- the member can not be traced in the scheme
 - the member has transferred (but the transfer is not recorded)
- If reasons are not given, further enquiries may need to be made.

An Age Related Rebate will be paid to a COMP scheme as a result of the employer paying F rate NI contributions and quoting the Scheme Contracted-out Number (SCON) on the End of Year Return.

If you do not agree with a payment it is important that you:

- immediately contact COEL either by telephone or in writing
- do not return the money unless we ask you to do so. If the money is due to be recovered from your scheme, we will do this as soon as possible after making the appropriate investigations.

In cases where the member has transferred to another scheme you should:

- complete the appropriate transfer notice. (If the transfer forms were recorded on our system, the payment would have been made to the new scheme)
- offer the money to the new scheme
- **only** return the money to COEL when the new scheme refuses to accept payment (a copy of their letter should be enclosed).

If you have any queries about ARR, please contact the teams as below - by telephoning 084591 and the numbers quoted.

Manager	COSR enquiries	COMP enquiries	Telephone
Alan Scott	02 - 92 (except ECON ending 02R)	00 - 08 Barclays H&V	50705 50174 50175 50711 50192 50701
Joan Guy	01 - 91 Tesco Scheme	84 - 91	58729 58725 50676 58723 50588
Claire Rutherford	09 - 99, 55 - 95, Plumbers and Merchant Navy	09 - 17	56665 58765 58745 50685
Richard Stephenson	08 - 98	34 - 42	58743 58739 56587 58732 58746 58737
Julie Robinson	04 - 94	18 - 21, 92 - 99	58810 58809 58763 58844 50688
Eileen Whitenstall	05 - 45, 06 - 96	26 - 33, & Xerox Incentives & I.O.M	50180 50702 50173 50179 50229

Manager	COSR enquiries	COMP enquiries	Telephone
Margaret O'Neill	ECON ending 02R	60 - 67	58714 50589 50680 58733 58731
Joanne Walker	00 - 90, 03 - 93	68 - 75, Siemens	50196 50187 50689 58748
Linda Morgan	APP Keying	48 - 59	50700 56531 58721 58759 58705
Julie Waddle	OOM, 01P, 07 - 97	22 - 25, 76 - 83 & Go-Ahead 43 - 47	58754 56556 50188 50008 50185

Contact: Sharron Ewart
COEL
BP4202
☎ 084591 50029
E-mail: sharron.ewart@hmrc.gsi.gov.uk

Shared Workspace

In our June 2005 Newsletter, we gave you information about the Shared Workspace initiative for Scheme Cessation activity. This facility would provide secure access to one of our servers where Scheme Administrators could view their Scheme Enquiry output, including GMP calculations, and complete their re-input schedules. Since then, the initiative has gained momentum. Following the success of a pilot of the facility in Cardiff, approval has been given for an extended pilot covering other business areas of the Department, including Scheme Cessation.

Presentations and a demonstration of the facility were made at the Newcastle and London Pension Providers roadshows in November. There was huge interest shown by everyone who attended in operating with such a facility.

Our next step will be to develop our requirements and to ensure that these meet with the approval of the Pension Providers who wish to use the facility. Once we have some firm proposals on its use, we will contact all those Providers with whom we have Customer Account Management (CAM) arrangements, about whether they would wish to be involved in its design. We would expect this to be sometime early in the New Year.

If you do not have CAM arrangements in place with us, but are interested in using Shared Workspace, please let us know.

Contact: Mick Hepple
Service Development IT Requirements Team
Room BP5102
☎ 0191 2253177

or

Contact: Michael Crass/Alan Russell/Daniel Wilson
Scheme Cessation Business Managers
Room BP4001
☎ 084591 59954

