



# National Insurance Services to Pensions Industry (NISPI)

## Local Authority Mail Shot – February 2005

### Completing Forms

Every year at NI Services to Pensions Industry (NISPI), we receive around 2 million forms from Scheme Administrators and Pension Providers. About 30% of these forms have been incorrectly completed. In the past, we have corrected these errors without informing our customers. In hindsight this may not have been good practice, as it has not helped to reduce the amount of errors that we receive.

We would like to enable our customers to get things right first time, especially to prepare for e-business in the future.

We have found from our analysis of Local Authority forms that there are some common errors, which can be avoided. The purpose of this mail shot is to highlight the errors for you. We have therefore produced the attached guidance, with the main errors listed at the top of the guide.

To help you to complete our forms we would like you to cascade the guide throughout your organisation. We are encouraging our customers to use this information as a checklist before completing forms and submitting them to us. If your forms are completed electronically, please also check the guidance against your software package.

You may also refer to the leaflet CA14 for further information. It is available on our website, [www.inlandrevenue.gov.uk](http://www.inlandrevenue.gov.uk) or contact our Contracted-out Pensions Helpline on 084591 50150.

Maureen Hancock,

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NI Services to Pensions Industry  
Customer Support Team  
Telephone: 084591 50250

### For further information:

Refer to leaflet:

#### CA14

If you have access to the Internet more information can be found on our website at:

[www.inlandrevenue.gov.uk](http://www.inlandrevenue.gov.uk)

or contact the Contracted-out Pensions Helpline on:

**084591 50150**

The area responsible for LA schemes is Contracted-out Early Leaver section 7 (COEL 7), as follows:

Denise Morrissey

**084591 50589**

Andy Pyle

**084591 50589**

Ken Murray

**084591 58714**

Heather Robb

**084591 58714**

Anne Lowden

**084591 50680**

Mark Buskin

**084591 50680**

Dan Simmonds

**084591 58733**

Gillian Weldon

**084591 58733**

# Helpful Hints on how to complete a Notice of Termination

## Completing a form

## What to do

Format of form

Please use original forms only. If you download from the Internet, print double sided. PLEASE DO NOT STAPLE FORMS TOGETHER.

Sometimes the wrong National Insurance Number (NINO), or a temporary number is quoted on forms

Firstly, Scheme Administrators should fully utilise the NINO and date of birth checking service. See CA21 booklet. When no NINO or an incorrect number is held, ask the direct employer for the correct NINO. If they don't have the number they should contact the employee for the information. If this fails the employer should send us a CA6855 to make a trace. Employers can also use the payroll cleanse service to check data against our records. See the CA88 and CA89 booklets. **All updated information must be forwarded to the Scheme Administrator:** All these services are free.

Breaks in service

When a member has a break in service of a full tax year and resumes membership of the same scheme, a form CA1609 should be completed to link the end of the last service to the start of the new service. The same ECON E3900002R will appear in Part 5, columns 2 & 3.

Women who pay the Married Woman's Reduced Rated National Insurance (NI) Contributions (MWRR)

There is no need to send in a Notice of Termination for these employees, as there is no GMP liability.

Employees who reach State Pension Age (SPA), 60/65

A Notice of Termination is not required in the tax year in which they reach SPA or later, as this is automatically updated by our system.

When an employee is not a member of the Contracted-out scheme

Some employees only have life cover. A Notice of Termination is not required.

Timescales for completing a notification for leavers from the scheme

Forms should be submitted 1 month before the expected date of leaving or up to 6 months after. In unusual circumstances there can be an 'extension of the limits', which must be agreed.

Employers Contracting-out Number (ECON)

Show your ECON e.g. **E3900002R**

Scheme Contracted-out Number (SCON)

Show your SCON e.g. **S4000568B**

It is very important that you quote the correct SCON as a person may have the same employer but belong to a different scheme. Using the wrong SCON can cause problems for you and the scheme member.

Revaluation Rate (if applicable)

Enter the relevant indicator (your schemes revaluation rate).

National Insurance Number (NINO)

Complete in all cases. If the NINO is not known ask the direct employer for help. Do not show Temporary NINO's (TN).

Surname

Enter current name. If name has changed within last 12 months, show previous name on the line below. Ask employers and scheme members to keep you informed of any changes of surname.

Initials

Show members first two initials.

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## Completing a form

## What to do

Date Contracted-out employment commenced

Show the date the member initially joined the pension scheme, even when there has been a break in service from the same scheme of one full tax year. If pension rights have been transferred in from another scheme, the start date of the earlier Contracted-out employment must be shown.

Date Contracted-out employment terminates

The date the member left the pension scheme.

Employees earnings

Complete in all CA1611 cases (COSR Schemes only). On all other termination notices complete if the termination date falls in the 97/98 tax year or earlier.

New Scheme Contracted-out Number (SCON) or Appropriate Scheme Contracted-out Number (ASCN) (Change of Responsible Paying Authority or Buy-out)

Complete in all cases. Show the new SCON or ASCN.

Employers Contracting-out Number (ECON) (Transfer case)

Complete in all cases. Show the new ECON.

Scheme Contracted-out Number (SCON)/Appropriate Scheme Contracted-out Number (ASCN) (transfer cases)

Complete in all cases. Show either the new Scheme Contracting out Number or, if transfer is to an Appropriate Personal Pension, show the Appropriate Scheme Contracted-out Number.

Date new Contracted-out employment Commenced (transfer cases only)

Show the date that the members new contracted out employment starts. Leave blank if transfer is to an Appropriate Personal Pension.

Employees Reference Number

Show any applicable reference number.

CEP amount (COSR Schemes only)

Complete if CEP payment is sent with the CA1611 form.

Change of Responsible Paying Authority

If you have already sent us the termination notice, send form CA1888. If you have **not** sent us the termination notice, send form CA1889.

**Please keep this "helpful hints" to hand when completing a notice of termination. Further information can be found in the relevant guidance: CA14 (COSR schemes) that can be found on our website: [www.inlandrevenue.gov.uk](http://www.inlandrevenue.gov.uk)**

**Once there, on the right hand side of the page is a series of options to select.**

1. Click on Individuals & Employees.
2. Go to Tell me about and click on the drop down box.
3. Select National Insurance and click onto the Go button.
4. This will take you to the National Insurance Contributions Office home page.
5. Under the heading 'We recommend' click onto National Insurance Contributions.
6. Scroll down the page and click onto Forms, this will bring up a list of National Insurance Contributions Office (NICO) forms currently on the Internet.
7. Scroll down to CA1586 and click onto it. The instructions on how to place an order for a particular form or manual will appear. Scroll down the page further to find the list all of the Services to Pensions Industry forms currently on the Internet.
8. Scroll down the page to find the form required. Click onto the form number to view a blank copy. Click onto View/Download for an example of this item, for advice on how to complete the form selected, and a specimen copy of a correctly completed version.

**Alternatively, if you wish to view or place an order for any leaflet or booklet:**

- Follow steps 1 - 7
- Once in the National Insurance Contributions office home page, click onto Leaflets and Booklets.
- Scroll down to the Leaflet/Booklet required and click onto the number for the booklet to view it.
- To order copies of leaflets or booklets refer back to step 7 above.

**For the leaflets explaining how to apply for a contracted-out certificate, take the following steps:**

- Follow steps 1 - 7
- Scroll down to CA1696 and click onto Pension Schemes.
- Scroll down to CA14C.

**To view the latest and archived Newsletters and Mailshots:**

- Follow steps 1 - 5
- Click onto National Insurance Contributions Office (NICO).
- Click onto National Insurance Service to Pensions (NISPI) and scroll down to view Newsletters and Mailshots.

**When printing forms from the Internet site please print double sided.**