

National Insurance Services to Pensions Industry

Customer Support Mailshot - November 2003 Completing Forms Correctly

The Customer Support Team work with Pension Providers, Customers both externally and internally within our organisation. Our aim is to reduce errors and enable ourselves and our Customers to get things "right first time". We thought we would give you some brief news on some of the work we have been doing over the last few months.

Most of the information we receive is on paper at the moment, but as we move towards electronic means of exchanging information during the next few years, we want to ensure a smooth transition for our customers. Around 64% of the information we receive on paper at the moment is correctly interpreted and transferred to our computer system. But that leaves around 36% of the information, which generates errors on our system. We have looked at the mistakes that appear, mostly due to forms being completed incorrectly or where information is missing or not required. So what's been going wrong? The table below highlights some issues:

WHAT'S BEEN GOING WRONG?	WHAT'S THE SOLUTION?
--------------------------	----------------------

<p>We are receiving Notices of Termination (Form CA1886) when we don't need them, see below:</p> <ul style="list-style-type: none"> • for customers leaving schemes who have reached state pension age. (Currently age 60 for women and 65 for men.) • when customers have elected to keep the Married Women's Reduced Rate of contributions. • in Final Relevant Year (FRY) which is the last complete tax year before reaching state pension age. 	<p>We do not need a Notice of Termination under the following circumstances:</p> <ul style="list-style-type: none"> • When someone reaches state pension age, as this information is automatically updated on our system. • When a married woman has elected to retain her rights to pay reduced rate contributions. • The Department for Work and Pensions automatically obtain details of earnings and ECON/SCON information.
--	--

WHAT'S BEEN GOING WRONG?	WHAT'S THE SOLUTION?
<p>We are receiving forms showing the wrong Scheme Contracted-out Number (SCON). Sometimes a SCON is used which is not relevant to the type of employee. For example, a teacher or police officer will have different SCONs to the local government employee, but are employed by the same local authority. Start and/or end dates are often incorrect on the Notice of Termination/Transfer Notices.</p> <p>When an employee is not a member of a contracted-out pension scheme, we are receiving Notice of Termination forms.</p> <p>Notices of Termination are being completed with a SCON from a ceased scheme, when a live scheme applies. This can sometimes happen when an employer has closed one scheme in favour of another.</p> <p>The wrong National Insurance Number (NINO), or a temporary NINO is used.</p>	<p>When completing forms it is very important to make sure that the correct Scheme Contracted-out Number (SCON) is used with the Employers Contracting-out Number (ECON). An employee may have the same employer, but they could belong to a different pension scheme. Make sure you include any transferred in service. eg from a Personal Pension or another type of Contracted-out occupational scheme. Check that you use the date contracted-out employment started, including any transferred in periods.</p> <p>You should check that the member is in a contracted-out pension scheme, and not just life cover or in a contracted in scheme.</p> <p>You need to make sure that the SCON you are using is correct. If the SCON you are using is from a ceased scheme and the member's date of leaving the scheme is <u>after</u> the scheme cessation date, you need to use the SCON of the "live" scheme.</p> <p>It is important to check that you use the correct National Insurance Number</p>



<p>A customer may change their surname, usually when they marry, and we have not been notified. This means that any information submitted with their new surname will be rejected by our computer.</p>	<p>(NINO) on the form. If you are not sure that it is correct, there is a NINO and date of birth checking service available. The service is free of charge, details of how to use it are covered in the CA21 leaflet. Print the letters and figures clearly so that they are easy to read. If a temporary NINO is held, ask the employer or individual to give you the correct number.</p> <p>We need to know of any changes to a customer's details to update our records straightaway. We also need to know when a change of address occurs. This is especially important for people close to pension age to ensure they receive their pension.</p>
--	---

We often put things right for our customers without letting them know, which isn't good practice on our part. We want to change the way we have been working and keep you more informed to prepare for e-business. We provide useful guidance on contracted-out pensions, which can be found on our Internet site

www.inlandrevenue.gov.uk

The CA14 booklet is also available on the Internet, which is a very useful guide. If you do not have access to the Internet, we will be happy to e-mail the guidance to you or send it in the post. We can sometimes visit you if we think it would be beneficial to give presentations and hold discussions. We also receive visitors to our office in Newcastle upon Tyne, which gives a good insight into how our systems work and the opportunity to talk face to face with staff.

Customer Support Managers can be contacted on 084591 50250:

Norma Kerr

Maureen Hancock

Gill Valentine

Useful telephone numbers:

Contracted-out National Insurance Pensions Helpline
National Insurance Number Tracing

084591 50150
084591 57220



I'M NOT REALLY SURE ABOUT FILLING
IN THESE FORMS, BUT I THINK I'LL
JUST SEND THEM OFF ANYWAY! THEY
NEVER SEEM TO COME BACK.