Oracle Fusion Cloud Human Resources

Administering Teachers' Pension Scheme for the United Kingdom

24C

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1 Getting Started

Introduction to Teacher's Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory occupational pension scheme for all employees in a predominantly teaching role in England and Wales.

Teachers' pension data is reported using the MCR (Monthly Contributions Reconciliation) process. For Annual Allowance purposes, HMRC requires that service for April be split with one line covering 01 April to 05 April, and the next covering 06 April to 30 April.

The Teachers' Pension Scheme comprises these qualifying schemes and the additional optional contribution types to which employees can contribute:

- Main Career Average Revalued Earnings (CARE) scheme
- Final Salary Scheme
- Additional Pension Contributions
- AAB Buy Out
- Teachers Additional Voluntary Contributions (TAVC)
- Faster Accrual
- Past Added Years (PAY)
- Current Added Years*
- Family Benefit Contributions
- Former Higher Salary Contributions (TR22 Election)
- Preston Part-Time Buy-Back Contributions
- Elected Further Employment (EFE)*

* EFE and Current Added Years don't need to be separately identified for reporting purposes as they do not appear to be included in the Monthly Contributions Reconciliation (MCR); the user can therefore create them using the global template.

Use the pre-statutory deductions element template to create the pension scheme, additional contribution types, and related objects to:

- Enrol employees into the main CARE scheme.
- Maintain a balance for previous Final Salary scheme membership (for example, where it is the contribution basis for specific additional contribution types) and for calculating final salaries for employees approaching retirement.
- Select the additional contributions employees contribute towards and the amount they pay.
- Calculate your TPS contributions in accordance with the rules for each scheme or contribution type.
- Automatically recalculate contributions for employees on Assumed pay absences.

Terminology Notes

Assumed Pensionable Pay is the term used in Oracle HCM for Notional Pensionable Pay.

References in this document to "supply teachers" mean teachers who are on an irregular, part-time contract (mapped to contract type PTIC). This criteria includes supply teachers but is not limited to them.

Sample Formulas

If you're creating your TPS qualifying pension scheme element in release 23C, you don't need to make the pension calculator and pension distributor formula changes described in this document. They are delivered automatically in the element template. If you created your TPS qualifying pension scheme element before release 23C, you must edit your pension calculator and pension distributor formulas to reflect these changes.

Sample 23C pension calculator and pension distributor formulas are attached to this document as text files. You can use them to compare and validate your updated formulas. Replace the sample element name used in our formulas (TPS_DUMMY_SCHEME) with your own pension scheme element name to simplify the comparison.

Some of the formula changes described in this document were previously published in standalone documents. Those same formula changes are now included in this 23C version of the white paper:

- *Reduce Eligible Compensation to Exclude Non-Pensionable Sickness Payment Amount* – This information was in Doc ID 2912977.1 (Teachers' Pension Scheme- Sickness and Family-related Absences Setup: Support for Multiple Assignments and Pension Calculation for Non-pensionable Sickness Pay)
- *Multiple Assignments and Absences* – This information was in Doc ID 2912977.1 (Teachers' Pension Scheme- Sickness and Family-related Absences Setup: Support for Multiple Assignments and Pension Calculation for Non-pensionable Sickness Pay)
- Additional sample formula text files are attached and the required changes are described in this document:
    - SUPPLY_TEACHER_UNIT_BY_RATE_EARN.txt
    - TPS_BACK_DT_PAY_AWARD_EARN_RETRO_PROCESS_FORMULA.txt
    - TPS Multiple Assignment Non-Pensionable Abs Pay Formula Changes.txt

Further Information

You must use this product paper in conjunction with the other Oracle Fusion HRMS UK product papers:

- Oracle Fusion HRMS (UK): HR Implementation and Functional Considerations (*Doc ID 1531728.1*)
- Oracle Fusion HRMS (UK): Payroll Implementation and Functional Considerations (*Doc ID 1921464.1*)
- Oracle Fusion HRMS (UK): Pensions Automatic Enrolment and Functional Considerations (*Doc ID 2006584.1*)
    - Usage of the pension automatic enrolment card is a prerequisite to MCR reporting.
- Oracle Fusion HRMS (UK): Setting Up and Migrating UK Statutory Absences (*Doc ID 2235239.1*)
- Human Capital Management Cloud HCM Data Loader: User Guide (Document 1664133.1)

To use Autocomplete Rules to validate or default information, see Configuring and Extending HCM Using Autocomplete Rules guide in the Oracle Help Center.

2 Additional Data Capture

Organization Model

Overview of Organization Model

There is some flexibility in how legal entity work structures can be created, which is not specific to education authorities.

The structures below show how we expect the typical TPS customer to create their legal entity work structures, based on their specific needs.

A legal entity can represent both a Payroll Statutory Unit (PSU) and a legal employer, or a PSU can represent multiple legal employers. Similarly, a legal reporting unit can represent both a Tax Reporting Unit (TRU) and a reporting establishment, or a TRU can represent multiple reporting establishments, although there must be at least one TRU.

Ensure that the appropriate PSUs, legal employers and reporting establishments are created.

- PSU (could also be legal employer): to represent an academy, local authority, MAT, or payroll provider. Create multiple PSUs, if required.
- Legal employer: to represent an academy, local authority or MAT serviced by a payroll provider.

Or,

- Legal employer: to represent an academy or local authority within a MAT.
- Reporting establishment: to represent individual establishments such as an academy or a school.

Here's the recommended setup for organisations.

Payroll Provider

If you are a payroll provider with a 750 payroll provider registration number with Teachers' Pension and you submit the MCR for multiple employers in a single file, you can configure your organization model to include all those employers in one MCR file using a single MCR submission.

Create a PSU to represent the payroll provider; this main legal entity also needs to be a legal employer. A main legal reporting unit is automatically created and can be identified as a TRU or Reporting Establishment (or both) representing the legal entity.

Record the payroll provider registration number in the format 750/nnnn on the PSU information page. Record the LA Number 750 at the PSU level.

Note: the 750 LA Number you record here is not included in the MCR output, but is required for the processing of the file.

You can create additional legal reporting units, if required, as either TRUs or reporting establishments, or both.

Create legal employers to represent the local authorities, academies, or MATs covered under the 750 registration. (The legal employer is the organization with whom employee contracts are held.)

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Record local authority numbers at the highest level applicable in the organization hierarchy (for example, at legal employer level) and enter additional local authority numbers at reporting establishment level only if they differ from the local authority number recorded at a higher level in the hierarchy.

Create the schools, academies and other establishments included in the 750 submission as reporting establishments with associated establishment numbers.

Multi-Academy Trusts (MATs)

If you are a MAT or a third-party provider responsible for MAT submissions, and you have a 751 registration number for that MAT with Teachers' Pension, you can configure your organization model to make a single MCR submission and create a single file for the central executive staff and academies covered under that MAT registration number.

Create a PSU or legal employer as the legal entity that represents the MAT. If your PSU is the MAT legal entity, this also needs to be a legal employer.

A main legal reporting unit is automatically created and can be identified as a TRU or Reporting Establishment (or both) representing the legal entity. Identify the legal reporting unit as a reporting establishment and enter the establishment number against which central MAT staff (for example, executive headteachers) are reported in the MCR.

Record both the MAT registration number in the format 751/nnnn and LA Number 751 on either the PSU or legal employer information page. The MAT central staff are reported against this LA number.

You can create additional legal reporting units, if required, as either TRUs or reporting establishments, or both.

Create legal employers for the trusts or academies covered under the registration and to reflect your organization model. (The legal employer is the organization with whom employee contracts are held.)

Record local authority numbers at the highest level applicable in the organization hierarchy (for example, at legal employer level) and enter additional local authority numbers at reporting establishment level only if they differ from the local authority number recorded at a higher level in the hierarchy.

Create the academies included in the 751 submission as reporting establishments with associated establishment numbers.

Local Authority

You must set up a local authority as a legal entity which is both a PSU registered to report payroll info for all organisations within the structure, and a legal employer, for employees whose contract is held by the local authority. Record the local authority number at PSU level.

A main legal reporting unit is automatically created and can be identified as a TRU or Reporting Establishment (or both) representing the legal entity. Identify the legal reporting establishment as a reporting establishment and enter the establishment number 0000 for the local authority. (There may not be employees associated with this establishment.)

You can create additional legal reporting units, if required, as either TRUs or reporting establishments, or both.

Any academies or MATs within the local authority must be created as legal employers, where an employee's contract is held. As they can have their own local authority number, independent of the local authority, the local authority number must be entered on the legal employer information.

Create the schools and academies as reporting establishments with associated establishment numbers.

Academies

You can represent a single academy as a legal entity which is both a PSU registered to report payroll info for all organisations within the structure, and a legal employer, for employees whose contract is held by the academy. Record the local authority number at PSU level.

A main legal reporting unit is automatically created and can be identified as a TRU or Reporting Establishment (or both) representing this legal entity. Create the academy as a reporting establishment with its associated establishment number. Create additional academies if required.

Examples of Organization Model

Depending on your organisation model, there is flexibility in the organisation structures you can create.

This table shows the minimum structures you need and optional organisation structures for your requirements:

Education Sector Model	PSU	Legal Employer	TRU	Reporting Establishment
Payroll provider (a 750/xxxx submission)	1 for each payroll provider	1 for each payroll provider (1:1 with PSU). Additional legal employers as required, for example, to represent local authorities, academies or MATs on whose behalf the payroll provider is reporting.	1 for each payroll provider Optionally, additional TRUs, for example, to represent academies, trusts or local authorities on whose behalf the payroll provider is reporting.	1 for each payroll provider even if no centrally hired staff (1:1 with legal employer). Additional reporting establishments for the academies and schools on whose behalf the payroll provider is reporting.
MAT (a 751/xxxx submission) See Payroll provider information for 750/xxxx submissions done on behalf of a trust.	1 for each trust	1 for each trust (1:1 with PSU) Additional legal employers as required for individual academies within the trust	1 for each trust for centrally hired staff. Optionally, additional TRUs for individual academies within the trust	1 for each trust for centrally hired staff (1:1 with legal employer). 1 for each academy (can be 1:1 with a TRU or a reporting establishment only)
Local Authority Only Model See Payroll provider information for 750/xxxx submissions.	1 for each local authority	1 for centrally hired staff (1:1 with PSU) Additional legal employers may be required for individual schools.	1 for each local authority PSU Additional TRUs may be required	1 for the local authority for centrally hired staff. 1 for each school. May or may not be 1:1 with TRU.
Academy Only Model See Payroll provider information for 750/xxxx submissions.	1 for each academy	1 for each academy (1:1 with PSU)	1 for each academy	1 for each academy (1:1 with TRU)

Configuration Examples of Organization Models

The following are suggested configuration examples.

Payroll Provider

Record the Payroll Provider Number at PSU level and a Local Authority number at PSU level (for example, you could just enter 750). You'll select both the Payroll Provider Number and the Local Authority Number in the submission flow parameters, but the Local Authority Number won't be reported in the MCR output (assuming you have no employees attached to the main reporting establishment.)

Multi-Academy Trust (MAT)

Record the MAT registration number at PSU level and Local Authority Number 751 at PSU level. The central staff and executive head teachers are reported against the Local Authority Number 751 and the Establishment Number recorded on the main reporting establishment for the MAT. Academy-based staff are reported against the academy's LA Number level.

Local Authority Model

In the example shown below, the Local Authority Number is recorded at PSU-level only; it is reported for all central staff and those working in schools or academies within the local authority.

Academies

In this (non-MAT) academies model, each academy is a separate PSU and legal employer.

Additional Organization Data Capture

Additional data capture enables you to record the identifiers you required.

To produce the MCR report, additional information is added at organisation, employee and assignment levels.

If you are loading data using the HCM Data Loader, ensure your text editor is using UTF-8 encoding, as required by HCM Data Loader. If you use any encoding that supports special characters, some of your data (such as the forward slash on role identifiers), may be corrupted during the MCR file transformation process.

You can record these identifiers at different levels, depending on your organisation model:

- Payroll provider number is only available at PSU level.
  - Multiple payroll provider registrations will require multiple PSUs.
- MAT number is available at PSU and Legal Employer.
  - A MAT within a payroll provider will need to be created as a Legal Employer only under the payroll provider PSU. Therefore, a TRU representing this Legal Employer for a separate PAYE reference needs to be created under the PSU.
- Local Authority Number is available at PSU, Legal Employer and Reporting Establishment levels.
- Establishment number is only available at Reporting Establishment level.

Even though attributes are available at multiple levels, a hierarchy applies:

- The member of a pension scheme has the local authority number reported at the lowest level.
- Members have the MAT number of a MAT within a payroll provider reported

Note: It is recommended you do notrecord the same LA Number at multiple levels in your organization hierarchy unless the organization cannot inherit its LA Number from higher up the hierarchy. If you record the same LA Number on multiple organization structures, it may result in additional MCR submissions.

Examples of when you would need to record LA Numbers at lower levels:

- You are a payroll provider generating the MCR for another local authority. (The legal employer legal entity representing that LA will include its Local Authority Number.)

- You are a MAT and some of your academies were academy conversions from

Reporting Establishment Information

In the Manage Legal Reporting Unit HCM Information task, on the Payroll Statutory Unit, select Reporting Establishment Details and enter details as shown:

Field	Description
Establishment Number	4-digit number as provided by Teachers' Pensions.
Local Authority Number	3-digit number, only required to override the Local Authority Number recorded at a higher level in the organization hierarchy.

Note: The LA Central Establishment check box is used for England School Workforce Census reporting purposes. This is not used when processing the MCR.

Payroll Statutory Unit and Legal Employer Information

You must specify additional information at PSU, and optionally, legal employer level, to set Local Authority Number MCR Reporting.

If your organization is both a PSU and a legal employer, enter the information on the PSU only. To provide HCM information for MCR reporting:

Additional PSU Information (Context: Teachers' Pension Information)

Field	Description
Local Authority Number	As provided by Teachers' Pensions. Local Authority is a 3-digit number.
Payroll Provider or MAT Number	As provided by Teachers' Pensions.
Local Authority Number	As provided by Teachers' Pensions
MAT Number	As provided by Teachers' Pensions

Third-Party Pension Provider Payee Information

The third-party organization to whom TPS pension contributions are paid and their associated payment method determine the payment type that's reported in Data Item 57 (Payment Type) of Section B of the MCR.

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Prior to completing these tasks, it's a prerequisite that:

- The main qualifying pension scheme element exists.

- The organization payment method for the payment source exists before you create the third-party payment method.

1. Use the Third Parties task to create your third-party organization.
   - The party usage code for the organization must be "Pension Provider".
   - The organization must have an address and a third-party payment method of BACS or Cheque.

2. Use the Legal Entity Calculation Cards task to create a Pensions Automatic Enrolment Additional Scheme Information calculation card.
   - Add a Pensions Automatic Enrolment Additional Scheme Information calculation component and associate it with the qualifying pension scheme.
   - Select the third-party payee organization created previously in the Payee for Pension Contributions field.

For more information, see Third Parties Overview and Third-Party Payment Methods Overview in the Help Center and Oracle Cloud Human Capital Management (United Kingdom): Pensions Automatic Enrolment and Functional Considerations (Doc ID 2006584.1) in My Oracle Support.

Person and Assignment Information

Overview of Person and Assignment Information

Additional attributes are available at person and assignment level to support Teachers' Pension and MCR reporting.

- Person – Teacher Reference Number (TRN) and TPS Temporary NI Number

- Assignment - Role Identifier

An employee must have both a Role ID and Teacher Reference Number to be eligible for reporting in the MCR. Do not include both these identifiers for a person who should not be considered for reporting. See *Assignment-Level Attributes*.

Person-Level Attributes

Person level attributes allude to Teacher Reference Number (TRN) and TPS Temporary NI Number to support Teachers' Pension and MCR reporting.

Teacher Reference Number

The Teacher Reference Number is a unique 7-digit reference number for the member's pension record, allocated by the Department for Education. This number remains with the employee throughout their teaching career, applies to all their assignments, and doesn't change if they move legal authorities. Its usage is not specific to pensions. If you don't have a unique Teacher Reference Number for an employee when their first MCR submission is due to be made, you must record or load a default Teacher Reference Number of 0000000.

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TPS Temporary NI Number

The TPS Temporary NI Number field enables you to record the temporary (administrative) NI Number assigned by Teachers' Pension to an employee who does not yet have, or does not know, their permanent NI Number. The usage of this field is specific to Teachers' Pension and should not be used for other purposes. If both a temporary and permanent NI Number exist, the permanent number is reported in the MCR and the temporary number is ignored.

You can validate the format of the number you enter in the TPS Temporary NI Number field using a delivered Autocomplete rule, GB Validate Teachers Pension Temporary NI Number Format. This rule validates if the user has entered a TPS Temporary NI Number that is 9 characters and the first 2 characters are QQ, the next 6 are numeric, followed by M, F, or U. It raises a message if the format entered does not match the format defined in the rule. We recommend that if you use this rule, you don't change the rule logic about the format to ensure it complies with Teachers' Pension requirements.

See the section *Validate Default Information Using Autocomplete Rules* for more information on obtaining access to Autocomplete and using this delivered rule.

Navigate to Personal Details and go to Demographic Info to enter a Teacher Reference Number or TPS Temporary NI Number.

Note: Date-effective updates to person-related information, for example, a new address, do not trigger an update record, but if an update is triggered for another reason, the person-related information that's effective as of the submission date is reported.

Assignment-Level Attributes

Person level attributes allude to role identifier and Reporting Establishment to support Teachers' Pension and MCR reporting.

There are two important MCR identifiers at assignment level:

- Role Identifier
- Reporting Establishment

Note: Where multiple assignments exist and each assignment is eligible for the Teachers' Pension scheme, both the Role Identifier and Reporting Establishment is required on each assignment to be included in the MCR.

Role Identifier (Role ID)

The Role Identifier is required to identify to Teachers' Pension each eligible job role a member holds. Its format is determined by the contractual arrangement the member has with their employer.It's analphanumeric field that is between 3 and 21 characters including a forward slash separator that separates the two parts of the RI, for example 1/1.

The Role ID recorded on each of the member's assignments must be unique within the reporting establishment. (For example, if a member works in 2 schools and has 1 assignment in each, the Role ID on each assignment could be 1/1, but not if both assignments were within the same school.)

Once you've submitted a record with a Role Identifier to Teachers' Pension, you can't change that Role ID. Also, when an assignment ends, you cannot reuse the same Role Identifier for that member on a new assignment if it's in the same establishment.

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Refer to the current guidance on the Role Identifier provided by Teachers' Pension in their Monthly Contributions Reconciliation (MCR) User Guide.

> **Note:** Role Identifier usage is specific to the Teachers' Pension scheme. If an assignment is not eligible for the Teachers' Pension scheme, do not enter a Role Identifier for it. If you have incorrectly entered a Role Identifier for an assignment that is not eligible for the Teachers' Pension scheme, you must remove it in the correction mode.

In the Employment Information section of the assignment, enter Role Identifier and Reporting Establishment.

Reporting Establishment

An assignment must be associated with a reporting establishment that has an Establishment Number to be reported correctly in the MCR. If either of the following applies, an eligible assignment is considered for the MCR, but it will raise a missing establishment number error in the Errors and Warnings report that's generated by the MCR flow:

- The assignment is not associated with a reporting establishment.

- The assignment is associated with a reporting establishment that has no Establishment Number.

> **Note:** The LA Central Establishment indicator at reporting establishment level is used in the School Workforce Census only.

Pension Joining Method and Assignment Category Mapping

The MCR accepts only certain values only for the Enrolment Type and the Full-Time/Part-time Indicator fields.

Use the Manage Extended Lookups task to map to valid codes:

- The Extended Code is reported in the MCR so must be entered as shown.

- The Extended Name is user defined and not reported in the MCR. The names given below are examples only.

You don't need to map lookup code values that aren't used for Teachers' Pension reporting. For example, you don't need to create an extended code "NA" for an assignment category that's not eligible to be reported in the MCR.

Override Joining Scheme

Before enrolling an employee into a pension scheme, it's possible to override the default joining pension scheme. The default pension scheme should be TPS, and the override joining scheme would only be used if the required pension scheme isn't TPS.

For example, if the employee is a teaching assistant and should be in LGPS, add this as an override joining scheme.

> **Note:** If, at a later date, the employee's role changes and they should now be in TPS, remove the override joining scheme value before running any pensions automatic enrolment transfer process.

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Assignment Category

The full-time or part-time indicator maps to the assignment category.

Map the full-time or part-time indicator using the Assignment Category lookup type:

Lookup Code	Extended Code	Extended Name (USER-DEFINED)
Full-time regular	FT	TPS value FT
Full-time temporary	FT	TPS value FT
Full-time casual	FT	TPS value FT
Part-time casual	PTIC	TPS value PTIC
Part-time regular	PTR	TPS value PTR
Part-time temporary	PTR	TPS value PTR

Note: Value PTIN is not in use by MCR.

3 Main Pension Scheme

Overview of Main Pension Scheme

The Teacher's Pension Scheme is a defined benefit CARE pension scheme, to which all employees in a predominantly teaching role belong.

Since 1st April 2015, all new members are enrolled into the CARE defined benefit scheme.

Since 1st April 2022, anyone who was on the previous Teachers' Pension final salary scheme has been moved onto the CARE defined benefit scheme.

Element Setup

As all new members join the main CARE scheme and existing members transferred to it after 01 April 2015, only a main scheme element is required.

To support those members who are in the CARE defined benefit scheme, and those who remain on the Final Salary Scheme, two main scheme pension elements will be required.

> **Note:** The necessary balances are created to support any calculations that are dependent on final salary for members who had previous enrolment in the final salary scheme.

Perform the following steps to create an element for the main pension scheme:

1. Using the Elements task, click **Create** to create a new element.
2. In the Create Element window, complete the fields as shown here:

PRIMARY CLASSIFICATION	SECONDARY CLASSIFICATION	CATEGORY
Pre-Statutory Deductions	Pension Plan Pre-Statutory	Benefit

3. Select 'Percentage deduction' for employee and employer contribution rules and enter any rate.

   > **Note:** The entered rates will be ignored as the values in the calculation value definitions are applied when calculating deductions.

4. No pension caps are predefined. You must define these, if applicable.
5. Ignore the question on Additional Contribution Rules.
6. Select 'Yes' to the question, **Is this a Qualifying Pension Scheme?**
7. When you select 'Yes' to the qualifying pension scheme question, an additional question is displayed about the employer type, where you select Education Authority.
8. Select the Pension category 'CARE' or 'Final Salary'.
9. You can then select the normal retirement age for the scheme, in this case, 'State Pension Age.'

After the questionnaire is submitted, various objects are generated.

Main Scheme: Summary of Objects Created

Object Type	Name
Element	<Base Name>
	<Base Name> Calculator
	<Base Name> Distributor
	<Base Name> Employee Contributions
	<Base Name> Employer Contributions
Rate Table Override	TPS Employee Pension Rates
	TPS Employer Pension Rate
Additional Input Values	Permanent Pensionable Pay (Employee and Employer Contributions elements)
	Employee Contributions (Employee Contributions element)
	Pensionable Pay (Employee Contributions element)
	Final Pensionable Pay (Employee Contributions element)
	Assumed Pensionable Pay (Employer Contributions elements)
	Tier (Employee Contributions element)
Additional Balances	Final Pensionable Pay
	Permanent Pensionable Pay
	Assumed Pensionable Pay
	Pensionable Earning
	Pensionable Overtime
Additional Value Definitions	<Base Name> Normal Retirement Age
	<Base Name> Employer Type for Pension
	<Base Name> Qualifying Pension Scheme Name
	<Base Name> Pension Scheme Category
	<Base Name> Final Pensionable Pay
	<Base Name> Permanent Pensionable Pay
	TPS Pensionable Annual Salary Minimum and Maximum
Formulas	<Base Name> Pension Calculator
	<Base Name> Pension Distributor

Once the element is created, a formula is generated with the rules specific to the scheme being created, including the calculation of employee and employer calculation rates based on predefined rate definitions and switching employer contributions to use assumed pensionable pay when assumed pay absences apply.

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Other global objects may be created, including balances that are created for all pre-statutory deductions, such as eligible compensation, and also additional calculation value definitions that are not specific to Teachers Pension. Those are not listed here.

Create Element Eligibility

You must define eligibility for the main pension scheme element. This allows the Pensions Automatic Enrolment process to create the Qualifying Scheme Component and associated element entries when the employee is eligible to join the scheme. You cannot manually add a pension scheme to an employee's Benefits and Pensions card without eligibility.

> **Note:** It is not necessary to define eligibility for the Employee and Employer Contribution elements, as these are indirect elements.

Employer and Employee Contribution Rates

Employee contributions to the main scheme are calculated using salary bands that are based on annual pensionable pay for a full scheme year.

The employee pays contributions at the appropriate band rate on all pensionable pay received in respect of that job. For information on calculating contributions on reduced pay due to absence, see the section on Assumed Pensionable Pay.

The employer contribution rate applies to all employees in your organisation. It is a percentage of an employee's pensionable earnings for the period even when on reduced pay.

Two empty calculation value definitions, TPS Employee Pension Rates and TPS Employer Pension Rates, are predefined to store salary bands and corresponding contribution rates. Use these to maintain the rates in accordance with the current legislation.

One empty calculation value definition, TPS Employee Pension Rates Tier, is predefined to store the range items that determine the rates tier. The From and To values from TPS Employee Pension Rates Tier should match the TPS Employee Pension Rates value definition on the effective dates.

One empty calculation value definition, TPS Pensionable Annual Salary Minimum and Maximum, is predefined to store the minimum and maximum pensionable annual salary. Annual salary value must be within the permitted range.This is required in Error and Warning section of MCR report.

Calculation Value Definitions for Employee and Employer Rates:

Calculation Value Definition Name	Value Definition Group
TPS Employee Pension Rates	Public Sector Pension rates
TPS Employer Pension Rates	Public Sector Pension rates
TPS Employee Pension Rates Tier	Public Sector Pension rates
TPS Pensionable Annual Salary Minimum and Maximum	Public Sector Pension rates

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Update these tables as needed to ensure the salary bands and percentages comply with legislative changes.

When entering the new pension year rows, end date the old rows to 31 March YYYY. The new rows should be effective from 01 April YYYY.

Update Calculation Value Definition

To update the public sector pension rate calculation value definitions to reflect current values:

Use the Calculation Value Definitions task, and search for each value definition prefixed with TPS.

Select the Value Definition and enter the calculation values. Enter the percentage rates for each of the predefined value definitions. For example, enter the employee rates for the 2020 tax year as shown here:

TPS Employee Pension Rates (2020):

START DATE	LOW	HIGH	Rate	CALCULATION TYPE
01-Apr-2020	0	28,168.99	7,4%	Flat Amount
01-Apr-2020	28,169	37,918.99	8,6%	Flat Amount
01-Apr-2020	37,919	44,960.99	9,6%	Flat Amount
01-Apr-2020	44,961	59,587.99	10.2%	Flat Amount
01-Apr-2020	59,588	81,254.99	11.3%	Flat Amount
01-Apr-2020	81,255	9999,999,99	11.7%	Flat Amount

TPS Employee Pension Rate Tier

START DATE	From	To	Number	CALCULATION TYPE
01-Apr-2020	0	28,168.99	1	Number
01-Apr-2020	28,169	37,918.99	2	Number
01-Apr-2020	37,919	44,960.99	3	Number
01-Apr-2020	44,961	59,587.99	4	Number
01-Apr-2020	59,588	81,254,99	5	Number
01-Apr-2020	81,255	9999,999,99	6	Number

Note: The number represents the tier.

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Additional Balance Feeds

A number of balances are generated automatically by the element template.

Some of those balances are fed by classifications or secondary classifications:

Balance	Usage	Suggested Feed
<Base Name> Final Pensionable Pay	Information (only if Scheme category is Teachers' Pension Scheme - Final Salary).	All pensionable earnings elements that are applicable under the rules of the scheme.
<Base Name> Permanent Pensionable Pay	Basis for calculating contributions under current scheme rules. Used in reports and to determine the tier for regular employees.	Pensionable earnings elements that are applicable under the rules of the scheme and that will be used to determine the employee's contribution tier. Excludes: • Retroactive earnings. • Overtime and additional hours elements • Absence payment and deductions • Earnings elements that are used to pay supply teachers
<Base Name> Assumed Pensionable Pay	Basis for calculating contributions for employees on reduced pay sickness or maternity absences (but still in pensionable service).	All pensionable earnings elements that apply during a period of assumed pay. Excludes any that do not apply during assumed pay absence.

See: *Overview of Retroactive Processing* for configuring retroactive earnings elements for use with permanent pensionable pay and assumed pensionable pay.

These balances are predefined:

Balance	Usage	Suggested Feed
Additional Pension Payments TPS	Used to report additional pensionable earnings (Out of School Learning Activities (OSLA) and contractual bonuses) in the Additional Pensionable Earnings data item (29)	OSLA and contractual bonus earnings elements.
Additional Pension Payments TPS Retroactive	Used to report additional pensionable earnings (Out of School Learning Activities (OSLA) and contractual bonuses) paid in arrears	Retroactive OSLA and contractual bonus earnings elements.
KIT and SPLIT Days Pensionable Earnings TPS	Used to calculate pension contribution for a KIT or SPLIT day worked during a period of unpaid maternity leave	KIT and SPLIT Day earnings elements.

Balance	Usage	Suggested Feed
Non-Pensionable Absence Payment TPS	Used to reduce an employee's eligible compensation to exclude any non-pensionable sickness pay received during the period	Input value from Information element (into which l_Unpaid_Value is returned). See Note 1 below.
Non-Pensionable Overtime TPS	Used for any non-pensionable Overtime that needs to be reported in the field 28	Non-pensionable overtime elements.
Non-Pensionable Overtime TPS Retroactive	Used when paying any Non-Pensionable Overtime claims in arrears	Retroactive non-pensionable overtime elements.
Part-Time Irregular Earnings TPS	Used only to report the part-time earnings for a supply teacher who has opted out of the scheme.	Pensionable earnings elements used to pay supply teachers and that would contribute to their part-time earnings (and therefore Eligible Compensation) if they were still enrolled in the scheme.
Part-Time Irregular Earnings TPS Retroactive	Used only to report part-time earnings for a supply teacher who has opted out of the scheme and whose part-time earnings were paid in arrears.	Retroactive pensionable earnings elements used to pay supply teachers and that would contribute to their part-time earnings (and therefore Eligible Compensation) if they were still enrolled in the scheme.
Pensionable Additional Hours TPS	Contributes to actual pensionable pay and part-time earnings for part-time teachers on a regular contract.	Pensionable earnings elements for additional hours worked by part-time teachers in addition to their contracted hours. Do not feed with overtime elements that are reported in the Overtime data items.
Pensionable Additional Hours TPS Retroactive	Contributes to actual pensionable pay and part-time earnings for part-time teachers on a regular contract whose additional hours were paid in arrears.	Retroactive pensionable earnings elements for additional hours worked by part-time teachers in addition to their contracted hours. Do not feed with retroactive overtime elements that are reported in the Overtime data items.
Pensionable Overtime TPS	Used when overtime elements need to be excluded in the calculation of a member contribution tier. Contributes to the Overtime data item (28) and (34)	Pensionable overtime elements.
Pensionable Overtime TPS Retroactive	Used when paying overtime claims in arrears. Overtime needs to be excluded in the calculation of a member contribution tier	Retroactive pensionable overtime elements.
TPS Earnings Retroactive	Used when paying pensionable pay in arrears. The arrears will be excluded when calculating the member contribution tier if the pay increase is due to a backdated pay award.	Retroactive earnings elements for the elements that contribute to permanent pensionable pay. Retroactive pensionable earnings elements used to pay supply teachers. See Note 2, below.

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Note:

- The formula changes required to return the l_unpaid_value for non-pensionable periods of absence are described in the *Multiple Assignments and Absences* for more nformation.

- Feed the TPS Earnings Retroactive balance with any retroactive earnings elements used to pay supply teachers, but don't feed the <Element Name> Permanent Pensionable Pay balance with their equivalent main elements; that balance is not used for supply teachers. The retroactive earnings element related to the supply teacher's pay will be used to calculate the appropriate pay.

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4 Pensionable Pay

Pensionable Pay

Pensionable pay is defined by the rules of the pension scheme. Typically, pensionable pay is the basic salary, not including elements of your earnings such as bonuses and overtime.

Final Pensionable Pay

The Final Pensionable Pay balance is used to calculate pay for the previous final salary pension scheme. There may be some pensionable earnings that you will want to exclude from the feed if they are not applicable under the rules of the final salary scheme.

The balance is also used to calculate the FTE amount for employees who had membership of the final salary scheme and who are approaching retirement.

Permanent Pensionable Pay

The user-fed Permanent Pensionable Pay balance is used to calculate the basis for the employee contribution tier for regular employees enrolled in the main CARE pension scheme. It is fed by salary and other pensionable regular earnings elements that should be considered when determining the contribution tier. There may be some pensionable earnings that you will want to exclude from the feed if they are not applicable under the rules of the current scheme, for example, certain allowances.

Employee contributions are calculated using bands that are based on the employee's annual pensionable pay. The Permanent Pensionable Pay balance period-to-date figure is annualized in the payroll process, based on periodicity, to reach that annual figure. The range values in the employee rate calculation value definition are checked against that annual figure and the relevant employee contribution tier (percentage) is applied. Permanent pensionable earnings can vary by month, and so the annual pensionable pay and employee contribution rate will vary accordingly.

Permanent pensionable pay is not used to determine the contribution tier for employees on irregular part-time contracts (PTIC). The balance should therefore not include earnings elements used to pay supply teachers.

Permanent Pensionable Pay is used in the calculation of the basis for the employee contribution tier for absences that are paid at a factor of 1 (100%). You must not feed this balance with the payment or deduction for an absence.

The Final Pensionable Pay and Permanent Pensionable Pay balance feeds may or may not differ. Both balances are required because pensionable pay is reported separately for both the final salary and CARE pension schemes.

Assumed Pensionable Pay

Assumed pensionable pay (notional pay) is the amount of pensionable pay that a member on a certain type of absence would have received if they were not on reduced pay. The user-fed Assumed Pensionable Pay balance is used to determine the employee contribution percentage (tier) based on the member's earnings prior to any reduction. This protects the member's scheme pension benefits and ensure that they are not disadvantaged by a reduction in pay during the absence.

See Absences and Assumed Pensionable Pay for details on configuring absences to use the assumed pensionable pay basis.

The earnings feeds to this balance may or may not be the same as the feeds to the Permanent Pensionable Pay and Final Pensionable Pay balances. For example, you would omit from the Assumed Pensionable Pay balance feed an allowance that is part of the member's permanent pensionable pay but is not paid to an employee when on sickness or maternity leave. You can feed the balance accordingly to meet your business requirements.

| **Note:** You must not feed this balance with the payment or deduction for an absence.

Balance Feeds and Non-pensionable Earnings Elements

If an allowance or other earnings element is non-pensionable, for example, a subsistence allowance, you must remove its balance feed from the <Base Name> Eligible Compensation balance created for the pension scheme in which it is non-pensionable.

Related Topics
- Absence Rate for Reducing Pensionable Pay to Exclude Non-Pensionable Allowances

Overview of Actual Pensionable Pay

Actual pensionable pay relates to the amount paid to the member for the period of service, excluding overtime.

Actual pensionable pay (data item 33), paid to the member for the period of service the row of data relates to, includes the actual gross pensionable salary and any additional pensionable payments paid in the pay period, but excludes overtime. Where multiple rows are required for the same period, the actual pensionable pay is split across each row.

The actual pensionable pay amount reported also depends on the calculation method applied to the row of data.

The pensionable earnings balance (represented in the <Main Pension> Eligible Compensation balance) and run results are used to report the actual pensionable pay amount (excluding overtime).

- If there is no split in the period, then the full pensionable earnings are reported using the <Main Pension> Eligible Compensation balance.
- If there is a split in the period (for example, mid-month contract or salary changes or enrolments), run results are used.

Set Up Additional Element

Actual pensionable pay includes recurring earnings elements (the setup for which is described in the previous sections) but also non-recurring elements.

Here's one example of a non-recurring element that can be included in actual pensionable pay:

Earnings Element	Type	Frequency	Example/Notes
Contractual Bonus Payments	Assumed flat amount	Non-recurring	This allowance is reported separately on MCR as an additional

Earnings Element	Type	Frequency	Example/Notes
			pensionable payment, and additional pensionable payments should be added to actual pensionable pay.

Configure Balances for Actual Pensionable Pay Reporting

Use the Balance Definitions task to feed these balances as shown:

Balance Name	Balance Feed
<Main Pension> Eligible Compensation	Main and retroactive recurring and non-recurring elements that contribute to actual pensionable pay (including claim-based elements). Net Pay input value of absence Entitlement Results elements.
TPS Earnings Retroactive	Corresponding retroactive elements for the recurring and non-recurring elements that contribute to actual pensionable pay.

You must also add the dimension Assignment Period to Date (_CORE_ASG_PTD) to the balance <Main Pension> Eligible Compensation if it does not already exist.

Set Up Actual Pensionable Pay for Supply Teachers

You can configure actual pensionable pay for supply teachers (or anyone else on an irregular part-time contract).

You can use one of the following approaches:

- Earnings elements and element entries
- OTL Time cards or third-party time management system
- HCM Data Loader

If you are using OTL time cards, the Date Worked is included on the time card.

If you use one of the other methods, an input value with the base name derived from Date Worked is required to ensure that retrospective payments are reported in the correct MCR period.

If no Date Worked input value is available, any payments will be reported in the current MCR period.

Absence payments will be treated as pensionable earnings if the standard absence setup has been done, and the eligible compensation balance of the main earnings element is fed by the Net Pay input value of the absence entitlement result element.

Using other elements to offset absence payments is not recommended. However, if an offset element is used, ensure that your setup does not result in double accounting of the same payment. If you do use another earnings element

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to offset absence payments then any offset value should reduce the net pay value on the absence element. You can modify the Entitlement Result formula and change the NET_PAY value so that it will contain the offset daily figure.

For Example:

NET_PAY = NET_PAY + (Negative Daily Offset Value)

> **Note:** When creatingabsence elements, the question "How do you want to reduce earnings for employees not requiring a time card?"won't affect the absence calculation if the employee has been marked as requiring a timecard.

Create an Element for Supply Teachers Claims for Use with Element Entries

If you are using element entries for supply teacher claims, set up your regular earnings element as described here.

1. Use the Elements task to create your salary basis element and the element eligibility. Click Create.
2. Enter the details as shown:

FIELD or question	VALUE
Primary Classification	Regular Earnings
Category	Standard
Should every person eligible for the element automatically receive it?	No
Does this element recur each payroll period, or does it require explicit entry?	Nonrecurring
What is the calculation rule?	Days by Rate
Is this element subject to proration?	Yes, then select the salary proration group
Is this element subject to retroactive changes?	Yes, then select the salary retro group

Modify and Create Input Values for the Earnings Element

To use your user-defined earnings element for different units of measure and to be able to register a date worked and report the element within the relevant month and rate, you must modify the Unit Type input value and create a new Date Worked input value.

Using the Elements task, search for the nonrecurring earnings element.

- Select Input Values.
- Select the input value Unit Type. Enter the details as shown:

FIELD	VALUE
Name	Unit Type

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FIELD	VALUE
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes
Default Value	Blank
Lookup Type	ORA_TMPLT_TL_CALC_RULE

To change the input value Day to Units, enter the details as shown:

FIELD	VALUE
Name	Units
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes

Create a new input value, Date Worked. Enter the details as shown:

FIELD	VALUE
Name	Date Worked
Display Sequence	50
Unit of Measure	Date
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes

Create a Calculation Factor for the Nonrecurring Element

Add a rate amount calculation factor to the nonrecurring earnings element created previously.

1. Using the Elements task, search for the nonrecurring earnings element.
2. Select Calculation Factors.
3. Add a new calculation step and select the calculation value definition that is associated with the Annual Full-Time Equivalent Salary rate definition.

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Edit the Earnings Formula for the Nonrecurring Element

Using the Fast Formulas task, edit the formula as shown. See attached file
SUPPLY_TEACHER_UNIT_BY_RATE_EARN.txt.

```
DEFAULT for pay_value is 0
 DEFAULT for days is 0
 DEFAULT for rate is 0
 DEFAULT for unit_type is ' '
 DEFAULT FOR date_worked is '0001/01/01 00:00:00' (date)

/* Always hold no of units in Unit Filed in UI but in backend it is mapped with days Input values */
 INPUTS ARE days,
 rate,
 pay_value (number),
 unit_type,
 date_worked
 l_log = PAY_INTERNAL_LOG_WRITE('Inside the Unit X Rate Formula-111 New')
 /* Declarations */
 l_value = 0
 l_units = 0
 l_rate = 0

 /*l_Annual_amount = rate */

 l_log = PAY_INTERNAL_LOG_WRITE('INITIALLY DATE_WORKED = '|| to_char(DATE_WORKED))
 l_log = PAY_INTERNAL_LOG_WRITE('INITIALLY rate = '|| to_char(rate))
 l_log = PAY_INTERNAL_LOG_WRITE('INITIALLY days = '|| to_char(days))

 IF (rate WAS NOT DEFAULTED ) THEN
 (
 l_rate = rate
 l_value = l_rate*days
 l_log = PAY_INTERNAL_LOG_WRITE('Based on EE Values l_rate = '|| to_char(l_rate))
 l_log = PAY_INTERNAL_LOG_WRITE('Based on EE Values rate l_value is = '|| to_char(l_value))

 RETURN l_value ,
 days ,
 l_rate

 )
 ELSE
 (
 change_contexts(PART_NAME = 'ORA_RATE_AMOUNT' , DATE_EARNED =date_worked)
 ( SET_INPUT('BASE',0)
 EXECUTE('CALL_CALC_VALUE')
 l_Annual_amount = GET_OUTPUT('DED_AMOUNT',0)
 )
 l_log = PAY_INTERNAL_LOG_WRITE('INITIALLY l_Annual_amount = '|| to_char(l_Annual_amount))

 if l_Annual_amount > 0 then
 (
 if ( unit_type = 'ND' ) then
 ( l_rate = (l_Annual_amount/195) )
 else if ( unit_type = 'H_DECIMAL3' ) then
 ( l_rate = (l_Annual_amount/975) )
 else if ( unit_type = 'N' ) then
 (l_rate = ((l_Annual_amount/195)/2))
 )
 l_value = l_rate*days

 l_log = PAY_INTERNAL_LOG_WRITE('Based on calulated l_rate = '|| to_char(l_rate))
 l_log = PAY_INTERNAL_LOG_WRITE('Based on calulated l_rate l_value is = '|| to_char(l_value))

 RETURN l_value ,
```

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```
days ,
l_rate

)
```

Edit Earnings Element Status Processing Rule

1. Using the Elements task, search for the nonrecurring earnings element.
2. Select Status Processing Rules.
3. Review the list of formula result rules. Retain the l_value and mesg rules and remove all other rules.
4. Add "L_RATE" result rule as shown:

FIELD	VALUE
Result Returned	L_RATE
Result Rule	Direct Result
Target Input Value	Rate
Unit of Measure	Number

Create an Element Entry for a Supply Teacher

You must create the employee's element entries on a daily basis (date worked) for reporting purposes. The employee must have the assignment category Part-Time Casual (mapped to extended code PTIC), a salary basis and an annual salary amount for the employee.

1. Use the Element Entries task to select the nonrecurring element.
2. In the Unit Type input value select Days, Hours or Other Units (if your unit of measure is a session).
3. Enter a rate if required. If rate is entered in the element entry, this rate will be used to calculate the pay value. If the rate is left blank, a predefined rate is used as shown:
4. Daily rate = 1/195 of annual salary
5. Hourly rate = 1/975 of annual salary
6. Session rate i.e. 2 sessions per day = 1/195 of annual Salary /2
7. Enter a date worked in the Date Worked input value.

Create an Element for Supply Teacher Claims – OTL or HCM Data Loader

If you are using OTL or HCM Data Loader, create a nonrecurring element with the category of Time Card and enter the details as shown:

Time Card Element for Supply Teachers:

FIELD or question	VALUE
Primary Classification	Regular Earnings
Category	Time card

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FIELD or question	VALUE
What are the calculation units for reporting?	Other Units or Days
Work Units Conversion Rules	Standard Rate Annualized
Does this element have a default rate definition?	Yes
Rate Name	The rate previously created

Note: The expectation is that all elements used to pay workers on an irregular, part-time contract (mapped to contract type PTIC), will be nonrecurring. If recurring elements are used this may cause multiple rows in the MCR.

5 Enrolment

Enrolment Type

The enrolment type maps to the Pension Joining Method field on the pension automatic enrolment calculation card.

When the Qualifying Scheme Start Date on the pension automatic enrolment card matches the start date of the MCR submission, an enrolment type is included in the report. Use of the pension automatic enrolment card is therefore a prerequisite for reporting of this field in the MCR.

Map an enrolment type using the lookup type Pension Joining Method lookup:

Lookup Code	Extended Code	Extended Name (USER–DEFINED)
Automatic enrolment	Auto	TPS Automatic enrolment
Automatic re-enrolment	Auto	TPS Automatic re-enrolment
Contractual enrolment	Cont	TPS Contractual enrolment
Manually enrolled	Cont	TPS Manually enrolled

> **Note:** Backdated transfer, Transfer, Opt-in and Contractual Opt-in shouldn't be reported.

Automatic Enrolment Processes

Use Pensions Automatic Enrolment for the setup of pension scheme elements and eligibility rules and the configuration of organisation and employee pension automatic enrolment cards.

You can then process eligible employees and create their Benefits and Pensions card automatically.

You must attach an enrolment type value in pensions automatic enrolment card as well as qualifying pension scheme.

See *Enrolment Type* for further information on usage of the Pension Joining Method and Qualifying Scheme Start Date fields.

You must create an association detail for the employee's assignment on the Pensions Automatic Enrolment card.

Without the points mentioned above, the TPS process will error out.

The Pensions Automatic Enrolment process also handles:

- Contractual and manual enrolment into a qualifying scheme such as TPS

- Opting out of or leaving a scheme

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The Pensions Automatic Enrolment Additional Scheme Information card includes a Payee for Pension Contributions field; the payment method associated with that payee determines the payment method reported in the MCR submission. Refer to *Third-Party Pension Provider Payee Information* for information on setting up that organization.

For more information, see the product paper: Oracle Fusion HRMS (UK): Pensions Automatic Enrolment and Functional Considerations (*Doc ID 2006584.1*)

Manual Enrolment Processes

If the Pensions Automatic Enrolment process has not created the main pension scheme enrolment for an employee, you can enrol them manually.

> **Note:** In case of manual enrolment, you will need to fill in the QPS details and joining method in the pensions automatic enrolment card and create association for the card, so that archive runs successfully.

1. Use the Calculation Cards task to create a new or update an existing Benefits and Pensions card for the employee.
2. Click Add, to create and then select the pension contribution type for the main pension scheme.
3. Enter the relevant information, including Pension Payroll ID, and details if applicable. See the section on Multiple Assignments for more information on usage of the Pension Payroll ID.

   Contribution Type Information: Main Scheme

Pension Payroll ID	Enter the employee's eight-digit identifier that is a unique reference to each instance of their main pension scheme contribution type.
Partial Deduction Allowed	Specify whether partial deduction is allowed or not for this employee.
Payee	List of third-party payees created as pension providers.
Flat Amount for Employee Contribution	Not used. Contribution rate is stored in calculation value definition.
Permanent Pensionable Pay	Override to the Permanent Pensionable Pay balance
Reference Number	Allows you to record a reference number that may be provided by the third-party pension provider. Note: This is different to the Pension Payroll ID.

4. Click **Add**, to associate the employee assignment to the main scheme.

> **Note:** Employer contributions and employee contributions are defined in the TPS Employer Pension Rates and TPS Employee Pension Rates value definitions. You can't override these on a member's Benefits and Pensions card. You can make adjustments with user-defined elements, but you must ensure that the calculated pension contributions and reported contributions are as expected, by checking the relevant balances.

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6 Additional Pension Contributions

Overview of Additional Pensions

Additional pension contributions allow members of pension schemes to pay extra contributions to build up additional benefits.

This can be by a percentage of salary contribution, a flat amount or a lump sum. The type of contribution is by an agreement between the employer and the employee, subject to their regulations. These are the additional voluntary contributions supported in the application with the associated rules:

- Additional Pension Contributions
- AAB buy Out
- Teachers Additional Voluntary Contributions (TAVC) – see below for further information.
- Faster Accrual
- Past Added Years (PAY)
- Current Added Years*
- Family Benefit Contributions
- Former Higher Salary Contributions (TR22 Election)
- Preston Part-Time Buy-Back Contributions
- Elected Further Employment (EFE)*

* These do not need to be separately identified for reporting purposes in the MCR. The user can therefore create them using the global element template.

Unlike contributions to the main scheme that are based on rates, these contributions are flat amounts or a percentage of pensionable pay.

Additional Contribution Types Calculation Rules

The additional contribution types are calculated as follows:

- If calculation unit is flat amount, the amount entered is deducted, taking into account the time basis selected.
- If calculation unit is percentage deduction, the amount deducted is the percentage entered of the pension scheme member's eligible compensation (their pensionable earnings) for the period. This is calculated in the same way as for the main pension scheme, subject to the maximum pensionable earnings limit entered on element setup, but no tier band rates apply.

The pensionable earnings for the period comprise:

- All salary and allowances paid for the performance of the member's contractual duties.
- The amount of any payment in respect of Overtime. (Overtime is not pensionable for protected or tapered members who remain in the final salary arrangements.)
- Any salary or statutory pay paid while the member is on sick leave, maternity leave, paternity leave, additional paternity leave, parental leave or adoption leave.

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All additional pension contributions set up for TPS will be limited to the maximum contribution limit entered on element setup.

The rules for payment of contributions during absence are the same that apply to the main pension scheme.

See Absences and Assumed Pensionable Pay for more information on additional pension contributions during periods of absence.

Element Setup of Additional Pension Contributions

Create your additional contribution types for TPS using the secondary Additional Pension Contributions Pre-Statutory element classification to conform to the rules and regulations applicable to each of them.

It is recommended that you create elements for these scenarios (assuming the contribution type is used in your organisation):

- Past Added Years
- Additional Pension Contributions
- Teachers' Additional Voluntary Contributions
- AAB buyout
- Faster Accrual
- Family Benefits Contributions
- Former Higher Salary Contributions (TR22 election)
- Preston Part-time Buy-Back Contributions
- Not Applicable (use this for Current Added Years and Elected Further Employment).

> **Note:** As shown above, the additional pension contributions are a flat amount or a percentage of pensionable pay, so do not use rates as the main pension scheme does.

There may be cases where you need to create multiple elements for one contribution type, for example:

- If an additional contribution deduction can be payable as a flat amount or a percentage, then create one element for each deduction rule.
- If the employer can share the costs of an additional contribution type (but does not always), then create one element that includes employer contributions and another that does not.

  > **Note:** If the employee pays by a lump sum that is outside the payroll process, it is an agreement between the employee and pension scheme administrator and there are no reporting requirements.

Perform the following steps to create the element:

1. Using the Elements task, click **Create** to create a new element.
2. In the Create Element window, complete the required details.
3. If the contribution deduction can be a one-off lump sum or regular flat amount (or both), specify that it is a fixed amount deduction:
4. Pension elements are recurring; in the case of a one-off lump sum payment, you must end date the element entry at the end of the period in which the payment was taken.
5. Additional questions are available on the questionnaire to identify the type of additional pension contribution you are creating:

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6. Select Teachers' Pension Scheme CARE, Final Salary, or CARE and Final Salary, from the list of parent pension schemes.

7. Select the type of additional contribution.

8. Enter the pension provider.

Additional Pension Contribution Types: Summary of Objects Created

Object Type	Name
Element	<Base Name>
	<Base Name> Calculator
	<Base Name> Distributor
	<Base Name> Employee Contributions
	<Base Name> Employer Contributions
Additional Input Values	Parent Pension Scheme (Employee Contributions element)
	TPS Additional Pension Type (Employee Contributions element)
	Contribution Amount (Employee Contributions element)
	Contribution Percentage
	Beneficiaries
	Payee
	Reference Number
Rate Table Override	TPS Employee Pension Rates
Predefined Balances	AAB Buyout Contributions TPS (data item 41)
	Additional Pension Contributions TPS (date item 39)
	Additional Voluntary Contributions TPS (not used in MCR)
	Family Benefit Contributions TPS (data item 42)
	Faster Accrual Contributions TPS (data item 40)
	Former Higher Salary Contributions - TR22 Election TPS (data item 42)
	Past Added Years Contributions TPS (data item 42)
	Preston Part-Time Buy-Back Contributions TPS (data item 43)
Additional Balances	Additional balances are created for each additional pension type. See Note below.

> **Note:**
> - The Contribution Amount input value of the Employee Contributions element feeds the corresponding predefined balance.
> - Additional Voluntary Contribution Types (TAVCs), administered separately to the Teachers' Pension additional pension types, are not included in MCR. The Additional Voluntary Contributions TPS balance is provided to enable you to manage their remittance to Prudential Financial services.

Create Element Eligibility

You must define eligibility for the additional contribution type element. You can then add it to an employee's Benefits and Pensions card.

> **Note:** It is not necessary to define eligibility for the Employee Contributions (and Employer Contributions, if applicable) elements, as these are indirect elements.

Record of Additional Pension Contributions

Use the Calculation Cards task to record an employee's additional pension contributions:

Open the employee's Benefits and Pensions card.

Create additional contribution types by adding components for any elements created previously.

> **Note:** There is no validation between the parent scheme and the additional contribution types selected on the card. It is a user responsibility to configure valid combinations of additional contribution elements and the main pension scheme with which they are associated.

Contribution Type Information: Additional Pension Contributions

FIELD	DESCRIPTION
Partial Deduction Allowed	Specify whether partial deduction is allowed or not for this employee.
Payee	List of third-party payees created as pension providers.
Additional Pension Employee Contribution	Enter a percent or flat amount as determined by the element template setup.
Additional Pension Employer Contribution	Enter a percent or flat amount as determined by the template setup.
Reference Number	Allows you to record a reference number that may be provided by the third-party pension provider. Note: This is different to the Pension Payroll ID

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7 Element and Rate Definition Setup

Setup for Reporting Annual Full-Time Salary and Part-Time Earnings

To report the Annual Full-Time Salary and Part-Time Earnings data items, you need to set up both elements and their corresponding rates for the basic salary and the allowances as shown in the table.

The setup is required for earnings elements so that the following data items are accurately reported on the MCR:

- Annual Full-Time Salary – data item 26
- Part-Time Earnings – data item 27
- Actual Pensionable Pay in the Pay Period – data item 33

It includes the list of elements supported as of November 2021. The objective is to support the reporting of allowances as per the *Department for Education School teachers' pay and conditions document 2021*. This document will be updated when support for additional earnings types is available.

Reporting Annual Full-Time Salary and Part-Time Earnings:

Rate definition setup is required to provide accurate reporting of annual full-time salary where the salary comprises multiple earnings and allowance types that may have different time definitions.

Currently these earnings element types are supported:

Earnings Element	Type	Frequency	Example/Notes
Basic Salary	Grade Salary	Recurring	N/A
London Weighting	Flat amount from a range based on criteria	Recurring	According to the DfE pay and conditions document London Weighting is included in the basic annual basic salary. However, it could be created as a separate allowance for Inner, Outer and Fringe LW
Recruitment and Retention Allowances (R and R)	Flat amount from a range based on criteria	Recurring	N/A
Teaching and Learning Responsibilities (TLR)	Flat amount from a range based on criteria	Recurring	TLR1: £8291-£14030 TLR2: £2873-£7017 TLR3: £571-£2833 See note below about TLR3s.
Special Educational Needs allowances (SEN)	Flat amount from a range based on criteria	Recurring	£2270-£4479
Residential Emoluments	Assumed flat amount	Recurring	N/A

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Earnings Element	Type	Frequency	Example/Notes
Acting Allowance	Flat amount	Recurring	N/A
Performance-Related Pay	Flat amount	Recurring	N/A

Note:

- Do not select the Allow multiple entries in same period check box when creating your elements. The HCM Rates functionality does not support the creation of rates associated to elements with multiple entries allowed.

- Even if one of the above element types is a non-recurring payment, you need to configure it as a recurring element and limit its usage to a one-time payment with the start and end dates on the element entry.

- You must create oneelement for each TLR type (1, 2, and 3) for correct reporting of each. This ensures that you can create a rate for each TLR element using value by criteria rate functionality and that one payment of each type can be paid per period. Creating a single element for all 3 TLR types using multiple entries is not supported.

- For earnings elements that are not prorated for part-time workers and contribute to an employee's annual full-time salary, for example TLR3s.

- Do not select Allow User Entry on the Full-Time Equivalent input value when you configure the element. Full-Time Equivalent should be configured at input value level and not vary by element entry to ensure accuracy and consistency in the reporting of annual full-time salary and part-time earnings.

- Existing users: If the Allow User Entry field is selected on the existing Full-Time Equivalent input value, you must ensure that the Full-Time Equivalent indicator entered at element entry level matches both the input value's default value (if specified) and is consistent with the Return Full-Time Rate indicator at rate contributor level. For more information on the configuration of the Full-Time Equivalent input value, see *Configure Rate Definitions to Report Annual Full-Time Equivalent Salary*.

Common Setup Tasks

Complete the one-time setup tasks in this section before setting up allowances.

- *Create or Edit Proration Event Group – Salary Element*
- *Create Proration Event Group – Allowance Element*

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- *Create or Edit a Retro Event Group*

Create or Edit Proration Event Group – Salary Element

To create or edit a proration event group to associate with an employee's salary:

1. Use the Event Groups task and search for the Entry Changes for Proration event group or click **Create** to create a new event group with a type of Proration.
2. Edit the events table as shown here:

Salary Element Proration Group

Entity	Update Type	Value
Element Entry	Update	EFFECTIVE_START_DATE
Element Entry	Update	EFFECTIVE_END _DATE
Element Entry	Update	DATE_EARNED
Element Entry Value	Update	SCREEN_ENTRY_VALUE

> **Note:** If you use the predefined Entry Changes for Proration event group, you need only add the Element Entry Value entity row.

Create Proration Event Group – Allowance Element

To create a new proration event group to associate with your allowance elements:

1. Use the Event Groups task and click **Create** to create a new proration group. The event group type is Proration.
2. Click **Continue**.
3. Enter the details of the proration group as shown:

Allowance Element Proration Event Group

Entity	Update Type	Value
Element Entry	Update	EFFECTIVE_START_DATE
Element Entry	Update	EFFECTIVE_END _DATE
Element Entry	Update	DATE_EARNED
Element Entry Value	Update	SCREEN_ENTRY_VALUE
Pay Rate Values	Update	VALUE

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Create or Edit a Retro Event Group

To create or edit a retroactive changes event group to associate with your salary and allowance elements:

1. Use the Event Groups task and search for the Entry Changes for Retro event group or click **Create** to create a new event group with a type of Retroactive.
2. Edit the events table as shown here:

Salary and Allowance Elements Retro Event Group

Entity	Update Type	Value
Element Entry	Update	EFFECTIVE_START_DATE
Element Entry	Update	EFFECTIVE_END _DATE
Element Entry	Update	DATE_EARNED
Element Entry	Insert	N/A
Element Entry	End Date	N/A
Element Entry	Remove Logical Row	N/A
Element Entry Value	Correction	SCREEN_ENTRY_VALUE
Element Entry Value	Update	SCREEN_ENTRY_VALUE
Pay Rate Values	Update	VALUE
Pay Rate Values	Correction	VALUE

> **Note:** if you use the predefined Entry Changes for Retro event group, you need only to add the two PAY_RATE_VALUES entity rows.

Configure a Salary Basis

Recording salaries using salary bases is a prerequisite for Teachers' Pension reporting and allowance setup.

A salary basis determines the period in which base pay is expressed, specifies whether salaries can be itemized with components, and identifies any associated grade rate for salary validation.

For further information on salary bases, see the chapter Base Pay in the Implementing Workforce Compensation guide on the Oracle Help Center.

Some element setup is needed to enable the correct processing of the earnings in payroll and some rate setup is needed to enable the accurate reporting of the salary in the MCR.

Create a Salary Basis Element

This requires the setup of a flat amount salary element (used to create salary element entries to send the salary information to payroll):

1. Use the Elements task to create your salary basis element. Click **Create**.
2. Enter the details as shown here:

Create Salary Basis Element

FIELD or question	VALUE
Primary Classification	Regular Earnings
Category	Standard
Should every person eligible for the element automatically receive it?	No
Does this element recur each payroll period, or does it require explicit entry?	Recurring
What is the calculation rule?	Flat Amount
Is this element subject to proration?	Yes, then select the salary proration group.
Is this element subject to retroactive changes?	Yes, then select the salary retro group.

Create a Salary Basis Rate Definition

Create a rate definition for the salary element:

1. Use the Rate Definition task to create a new rate definition. Click **Create**.
2. Enter the details as shown here:

Salary Basis Rate Definition

FIELD	VALUE
Category	Element
Storage Type	Amount
Element Name	The salary basis element you created previously
Reporting Required	Must be selected.
Calculate Live Rates	Selected by default.
Returned Rate Details	Do not change.

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FIELD	VALUE
Contributor Type	Automatically created as Input Value.

Before each payroll run, you must run the Generate HCM Rates Process in "Full" mode once, to create entries in the Rates Values table for regular earnings that use rate definitions. The process interprets events such as salary increase and will calculate accurately the rate values for each proration. The MCR uses some of the pro-ration calculations performed by the HCM Rate process.

For more information see Generating HCM Rates under Setting Up Pay Calculation Components in the Implementing Payroll for the United Kingdom on the Oracle Help Center.

Overview of Configure Allowances

Create your allowance elements and then create the associated rates.

This is required so that the HCM rates process can generate the correct allowance values per proration period for reporting in the MCR.

The following table shows recommended configuration options for allowances based on their payment rules.

Allowance Rate Definition Options

Payment Rule	Example	Setup Required	Teacher's Examples
Rate can vary at employee level – flat amount, prorated	An employee is eligible for a flat amount allowance, but another employee is eligible for the same allowance at a different flat amount. Can be prorated	Setup for Variable Flat Amount Allowances	Residential emoluments Acting allowance
Rate can vary at employee level – flat amount, not prorated	An employee is eligible for a flat amount allowance, but another employee is eligible for the same allowance at a different flat amount. Lump sum not to be prorated	Setup for Variable Flat Amount Allowances	Performance-related pay
Rate can vary by multiple criteria.	Allowance is payable to employees using criteria that includes their grade, their location, and whether they are eligible for the lower or higher rate of payment.	Setup for Value by Criteria Allowances	London weighting Recruitment and Retention Teaching and learning responsibilities (separate for TLR1, TLR2 and TLR3) SEN

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If you have other allowances, such as local allowances, you must determine the rate model best suited to your business requirements.

The following tasks describe how to create the various allowance element types and how to set up corresponding allowance rates.

Create a Flat Amount Allowance - With Proration

Follow the steps described here to create an allowance that is payable to eligible employees in the organization as a flat amount, where there is no dependency on salary, although proration is possible.

1. Create an allowance as a standard Regular Earnings element.
2. Select 'Flat Amount' as **Calculation rule** and 'Annually' as **Periodicity**.
3. In the Special Rules section, select the user-defined allowance proration event group and the default Entry Changes for Retro event group.
4. Create a new element rate definition that will be associated with the flat amount element:
5. Ensure that Reporting Required is selected and uncheck Calculate Live Rates, but there is no need to make changes to the Returned Rate Details and Calculation regions. The contributor type for the rate definition is created automatically as Input Value.
6. Create element entries and enter the pay value for the flat amount allowance in the Amount field.
7. Run the Generate HCM Rates process.

Create a Flat Amount Allowance - No Proration (TLR3s)

Follow the steps described above for a flat amount allowance - with proration, but don't set up a proration group, or associate any proration group to the element.

This will create an allowance that is payable to eligible employees in the organization as a flat amount lump sum. For example, do this to create your TLR3s, and other allowances that are not paid as a prorated amount based on the member's FTE and should not be prorated for the purposes of accurate reporting in the MCR for the following data items:

- Annual Full-Time Salary – data item 26

- Part-Time Earnings – data item 27

For example, a part-time employee has an FTE of 0.5. They are paid a TLR3 of £600. This £600 is the amount that should be used in their part-time earnings and that should contribute to their reported annual full-time salary; it should not be pro-rated to £300 based on their FTE.

When you configure your annual full time-salary later (see Add Contributor to Annual Full-Time Non-Prorated Allowances Rate Definition), the contributor's Return Full-time Rate indicator and the Full-Time Equivalent input value setting must match. We recommend that you don't check the Allow User Entry field on the element's input value to avoid mismatches at element entry level.

Use the Rate Definitions task to create an element type rate definition for each of your non-prorated elements.

Follow the steps described later to add these element type rate definitions as contributors to the Annual Full-Time Non-Prorated Allowances rate definition.

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Create a Value by Criteria Allowance

Follow the suggested steps described in this section to set up an allowance that is paid at differing rates according to the criteria the organization uses.

1. Create a new Regular Earnings element with Category as Standard.
   - Select 'Flat Amount' as **Calculation rule** and 'Annually' as **Periodicity**.
   - In the Special Rules section, select the user-defined allowance proration event group and the default Entry Changes for Retro event group.

   If additional criteria is required, consider how it can be recorded. For example, the additional criteria could be an employee's eligibility for the TLR1, TLR2 or TLR3. (The assumption is that the Grade and Location fields will also be referenced.) For example, the Assignment Descriptive Flexfield (PER_ASG_DF) could be configured to record the additional criteria.

   Before creating a new context create any new lookup type or value set required. For example, create a value set that contains a new lookup type for TLR1, TLR2 and TLR3.

   > **Note:** The flexfield attribute used as this will be needed when creating the value by criteria definition.

2. Create the criteria and values that your allowance will use:
   - Using the Values Defined by Criteria task, click **Create** to create a new value by criteria definition.
   - Create the criteria and calculation value definitions for each set of criteria, including a default for each level.
   - Create a new rate definition that will be associated with the value by criteria, select the Value by Criteria Name created previously.
   - Ensure that **Reporting Required** is selected and deselect **Calculate Live Rates**, but there is no need to make changes to the Returned Rate Details and Calculation regions. The contributor type for the rate definition is created automatically as Input Value.

     So that the HCM rate process calculates the rate only when there is an element entry for the given period, the criteria should be based on a DB item that retrieves whether there is an element entry for the element corresponding to the rate being setup. This DBI should ideally return a Y/N value so that the setup of the criteria is based only on these two values.

     In addition, ensure you have a default criteria associated to the main criteria with a default value = 0.
3. Create a calculation value definition for the element rate definition:
   - Using the Calculation Values Definition task, click **Create** to create a new calculation value definition, name as the Value by Criteria Name created previously.
   - The **Calculation type** is 'Rate Definition'.
   - Select Date Earned in the **Retrieval Date** field.
   - Create a range of values in the From Value and To Value columns and link the calculation value definition to the Derived Rate definition created previously.
4. Create a calculation factor for the flat amount allowance element and link it to the calculation value definition created previously:
   - Using the Elements task, search for the flat amount allowance element.
   - Select Calculation Factors and click **Create** to create a new calculation factor.
   - Enter 'Calculation Step' as **Rate Amount**.
   - Enter Calculation Value Definition as the user-defined calculation value definition created previously.

5. Edit the formula attached to the flat amount allowance element.

Using the Fast Formulas task, edit the earnings formula for the flat amount allowance element:

Replace the line 'l_amount = amount' with the following lines in order to obtain the rate definition values:

```
change_contexts(PART_NAME = 'ORA_RATE_AMOUNT')
 (
 SET_INPUT('BASE',0)
 EXECUTE('CALL_CALC_VALUE')
 l_amount = GET_OUTPUT('DED_AMOUNT',0)
 )
```

Note: You must make the same changes to the flat amount earnings element formulas created for value by criteria allowances.

Configure Unit by Rate Allowances

Rather than the element template creating information balances to hold the results for overtime, out of school learning activity or contractual bonus information balances are delivered.

Users need to ensure that the correct elements feed these balances:

- Non-Pensionable Overtime TPS, for any non-pensionable overtime that need to be reported in the MCR report.

- Pensionable Overtime TPS, for overtime elements

- Additional Pension Payments TPS, for out of school learning activity or contractual bonus.

- Pensionable Additional Hours TPS for additional hours worked under the same contract on the same job role for part-time teachers in regular contracts.

Overtime hours can be entered on a timecard and so the hours, and amounts to be paid, could be derived based on dates entered on the calculation card.

Updates to the MCR can include late time sheets for hours only claims (supply teachers) or overtime.

The following are time card guidelines supplied on Customer Connect.

Most time card applications and providers apply validation rules when employees submit their time cards. Typically, you import time entries to payroll by submitting the Load Time Card Batches process. The process validates that the persons in the batch are eligible for the time card elements, and rejects records for terminated employees. Aspects of working with time card entries include:

- Validating time card entries

- Importing time for terminated employees

- Resolving transfer errors

- Viewing time card entries

- Viewing costing overrides

- Correcting time card entries

Submitting the Load Time Card Batches process creates or updates a time calculation card for each person included in the batch. Use the Calculation Cards task in the Payroll Calculation work area to view time card entries. There's only one

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time calculation card for each payroll relationship. The card includes time entries for multiple assignments for the same payroll relationship. It displays the employee's time entries for the effective-as-of-date specified on the search.

Any updates and corrections must occur in the application used to report time. You can continue to import new and updated time entries to payroll until you calculate the payroll for the period that includes the time entries.

If you import a late time card after the payroll is run for that payroll period, you can still process that time entry.

Use one of the methods shown in this table.

Method	Action
Pay the time card entries in the next payroll period as retroactive pay	Submit the Recalculate Payroll for Retroactive Changes process in the Payroll Calculation work area. The process creates retroactive element entries for each element that has a retroactive change. If the imported time card entry includes a rate change, the element's formula recalculates the amount.
Process QuickPay	Roll back the records processed for the employees from the payroll run. Submit the Calculate QuickPay process from the Payroll Calculation work area.
Process employees in a separate payroll run	Roll back the records processed for the employees from the payroll run. Create a payroll relationship group that includes these employees and process a payroll run for the time card entries.

Overtime Element

If you are not using OTL or HCM Data Loader, you can set up an element as follows:

Create a Unit by Rate Element for Use with Element Entries

If you are using element entries to record overtime, create a Regular Earnings element as described here.

1. Use the Elements task to create your element and element eligibility. Click Create.
2. Enter the details as shown:

   Unit by Rate Earnings Element

FIELD or question	VALUE
Primary Classification	Regular Earnings
Category	Standard
Should every person eligible for the element automatically receive it?	No
Does this element recur each payroll period, or does it require explicit entry?	Nonrecurring
What is the calculation rule?	Hours * Rate

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FIELD or question	VALUE
Is this element subject to retroactive changes?	Yes, then select the salary retro group

Create Input Values for the Earnings Element

Create input values for the nonrecurring element. To be able to register a date worked and report the element within the relevant month and rate, create a new input value, Date Worked.

Enter the details as shown:

Date Worked Input Value

FIELD	VALUE
Name	Date Worked
Display Sequence	50
Unit of Measure	Date
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes

Note: We recommend that you always create a Date Worked input value for all your unit by rate earnings elements to ensure calculating and reporting in the correct service period. You must create the input value with the name Date Worked. You must not rename an existing input value as its base name will not be identifiable in the application (and you can't change the base name once the input value is created).

Create a Unit by Rate Element – OTL or HCM Data Loader

If you are using OTL or HCM Data Loader, create a nonrecurring element with the category of Time Card and enter the details as shown:

Unit by Rate Element

FIELD or Question	VALUE
Primary Classification	Regular Earnings
Category	Time card
What are the calculation units for reporting?	Hours, Days, or Other Units
Work Units Conversion Rules	Standard Rate Annualized

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FIELD or Question	VALUE
Does this element have a default rate definition?	Yes
Rate Name	The rate previously created.

Out of School Learning Activities (OSLA) Element

If you are using element entries to record OSLA, create a Regular Earnings element as described here.

Create a Unit by Rate Element for Use with Element Entries

If you are using element entries to record OSLA, create a Regular Earnings element as described here.

1. Use the Elements task to create your element and element eligibility. Click Create.
2. Enter the details as shown:

Unit by Rate Earnings Element

Field or Question	Value
Primary Classification	Regular Earnings
Category	Standard
Should every person eligible for the element automatically receive it?	No
Does this element recur each payroll period, or does it require explicit entry?	Nonrecurring
What is the calculation rule?	Either Hours * Rate or Days * Rate You will select the unit for this element (hours, sessions) in a reconfigured Units input value and the calculation will be based on the unit selected.
Is this element subject to retroactive changes?	Yes, then select the salary retro group

Modify and Create Input Values for the Earnings Element

Modify and create input values for the non-recurring element. If you want to use different units, such as days, hours or session, do the following:

1. Using the Elements task, search for the nonrecurring earnings element.
2. Select Input Values.
3. Select the input value Unit Type.

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4. Enter the details as shown:

FIELD OR QUESTION	VALUE
Name	Unit Type
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes
Default Value	Blank
Lookup Type	ORA_TMPLT_TL_CALC_RULE

5. To change the input value Days to Units, enter the details as shown:

FIELD	VALUE
Name	Units (renamed from Days)
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes

6. To be able to register a date worked and report the element within the relevant month and rate, create a new input value, Date Worked. Enter the details as shown:

FIELD	VALUE
Name	Date Worked
Display Sequence	50
Unit of Measure	Date
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes

Note: You must create the Date Worked input value with the name Date Worked. You must not rename an existing input value as its base name will not be identifiable in the application (and you can't change the base name once the input value is created).

Create a Calculation Factor for the Earnings Element

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Add a rate amount calculation factor to the nonrecurring earnings element created previously.

1. Using the Elements task, search for the nonrecurring earnings element.
2. Select Calculation Factors.
3. In the Calculation Step field, search for ORA_RATE_AMOUNT to select the Rate Amount.
4. Select the calculation value definition created previously with the information element.

Edit the Earnings Formula for the Earnings Element

Using the Fast Formulas task, edit the earnings formula as shown in the attached file
SUPPLY_TEACHER_UNIT_BY_RATE_EARN.txt.

Edit Earnings Element Status Processing Rule

1. Using the Elements task, search for the nonrecurring earnings element.
2. Select Status Processing Rules.
3. Review the list of formula result rules. Retain the l_value and mesg rules and remove all other rules.
4. Add "L_RATE" result rule as shown:

FIELD	VALUE
Result Returned	L_RATE
Result Rule	Direct Result
Target Input Value	Rate
Unit of Measure	Number

Create a Unit by Rate Element – OTL or HCM Data Loader

If you are using OTL or HCM Data Loader, create a nonrecurring element with the category of Time Card and enter the
details as shown:

Unit by Rate Element

FIELD OR QUESTION	VALUE
Primary Classification	Regular Earnings
Category	Time card
What are the calculation units for reporting?	Hours
Work Units Conversion Rules	Standard Rate Annualized
Does this element have a default rate definition?	Yes
Rate Name	The rate previously created.

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KIT and SPLIT Day Elements

Using Absence Management, you can record KIT days against a maternity or adoption absence by adding KIT Days Certification. The dates are recorded in Comments. Working a KIT or SPLIT Day does not stop any statutory payments due to the employee; statutory payments stop only if the number of KIT days exceeds the legislative maximum of KIT days. Use the Exceeded Number of KIT Days certification. The payment of KIT days is not managed using Absence Management.

For payroll processing and MCR reporting purposes, you can configure KIT or SPLIT Days using any of the following:

- Earnings elements and element entries
- OTL Time cards or third-party time management system
- HCM Data Loader

If you record KIT and SPLIT days on a time card, the days and amounts to be paid are determined by the dates entered on the time card.

If you are not using OTL or HCM Data Loader, configure the element following the instructions for creating a Unit by Rate element, noting the following:

- You must identify the earnings element as a KIT or SPLIT Day using the SPLIT or KIT Days Type field in the element-level TPS Information EFF context.

You must create one element entry for each KIT or SPLIT day worked (using the Date Worked input value). This applies even if the employee works multiple consecutive KIT or SPLIT days and is to ensure correct reporting.

> **Note:** You must create the Date Worked input value with the name Date Worked. You must not rename an existing input value as its base name will not be identifiable in the application (and you can't change the base name once the input value is created).

- The KIT or SPLIT day earnings, representing pensionable pay, must be included in the employee's Actual Pensionable Pay to be used correctly in the calculation basis and for reporting. Actual pensionable pay is based on the Eligible Compensation balance and run results in case of split periods.

The KIT or SPLIT day earnings elements must feed the following balances:

- <Pension Scheme> Eligible Compensation
- TPS Earnings Retroactive (corresponding retroactive element for the main earnings element)
- KIT and SPLIT Days Pensionable Earnings TPS (main element only)

It is a prerequisite that the dimension Assignment Period to Date (_CORE_ASG_PTD) is added to the balance <Main Pension> Eligible Compensation if it does not already exist.

Create an Element Entry for a KIT or SPLIT Day

You must create the employee's element entries on a daily basis (date worked) for reporting purposes.

1. Use the Element Entries task to select the KIT or SPLIT day earnings element.
2. Enter a rate if required. If rate is entered in the element entry, this rate will be used to calculate the pay value. If the rate is blank, the predefined daily rate = 1/195 of annual salary.
3. Enter a date worked in the Date Worked input value.

Retrospective Processing and Reporting of Overtime and Additional Payments

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To accurately report pensionable and non-pensionable overtime, OSLA and contractual bonuses, ensure that the appropriate earnings elements feed the delivered Pensionable Overtime TPS, Non-Pensionable Overtime TPS, and Additional Pension Payments TPS balances respectively. Retroactive overtime, OSLA or bonus elements must feed the corresponding Pensionable Overtime TPS Retroactive, Non-Pensionable Overtime TPS Retroactive, and Additional Pension Payments TPS Retroactive balances.

Configure Rate Definitions to Report Annual Full-Time Equivalent Salary

Annual full-time salary is the combined total of two predefined rate definitions:

Rate Definition	Description
Annual Full-Time Equivalent Salary	The contributors to this are the rate definitions for pensionable earnings that contribute to an employee's annual full-time salary and that are prorated for part-time workers, for example, basic salary (that is stated as a full-time amount). These rate definition types can be: Element, for example, salary basis element rate definition
	Grade rate
	Value by Criteria
	Derived rate definition with contributor of existing salary element rate definition and rounding rule that matches the Annualized Full-Time Salary rounding rule of salary basis. Return Full-Time Rate should be checked for this new rate definition and its contributor
Annual Full-Time Non-Prorated Allowances	The contributors to this are the rate definitions for elements that contribute to an employee's annual full-time salary and are not prorated for part-time workers, for example, TLR3s.

Existing users: Review your existing Annual Full-Time Equivalent Salary Rate Definition. Remove any contributors for non-prorated allowances and add them to the Annual Full-Time Non-Prorated Allowances rate definition instead.

Add Contributors to Annual Full-Time Equivalent Salary Rate Definition

Use the Rate Definitions task to add rate contributors to the predefined Annual Full-Time Equivalent Salary rate definition. Only add the contributors for earnings elements that are prorated for part-time workers (for example, basic salary). Do not add contributors for non-prorated elements, such as TLR3s.

1. Search for the Annual Full-Time Equivalent Salary rate definition.
2. Add the rate definition contributor for each earnings element that contributes to members' annual full-time salary and that is prorated for part-time workers. Note that all contributor types to Annual Full-Time Equivalent Salary must be rate definition only; other contributor types are not supported.

Ensure that the Return Full-Time Rate indicator is checked on the Create Rate Contributor page for each rate definition contributor.

You can verify this later, if needed, by selecting the Rate Definition link for each contributor that you added to the Annual Full-Time Equivalent Salary rate definition. This displays the Rate Contributor page for the selected contributor. Correct usage of the Return Full-Time Rate indicator is essential for the calculation of the Annual Full-Time Salary MCR data item.

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Create Annual Full-Time Equivalent Salary Calculation Value Definition

Use the Calculation Value Definitions tasks to create a calculation value definition if there is not an existing one associated with rate definition "Annual Full-Time Equivalent Salary".

Create a new calculation value definition as follows:

- Calculation type: rate definition
- Retrieval date: date earned
- Calculation values: Predefined rate definition "Annual Full-Time Equivalent Salary"

Add Calculation Factor to Salary Basis Element

1. Using the Elements task, search for the salary basis element.
2. Select Calculation Factors and click **Create** to create a new calculation factor.

- **Calculation step**: null
- **Calculation value definition**: select the value definition created above.

Add Contributors to Annual Full-Time Non-Prorated Allowances Rate Definition

Use the Rate Definitions task to add rate contributors to the predefined Annual Full-Time Non-Prorated Allowances rate definition. Only add the contributors for earnings elements that aren't prorated for part-time workers, such as TLR3s.

1. Search for the Annual Full-Time Non-Prorated Allowances rate definition.
2. Add the rate definition contributors for each non-prorated allowance element.

    Note: All contributor types to Annual Full-Time Equivalent Salary must be rate definition only; other contributor types are not supported.

3. Select the contributor type.

    Note: The Return Full-time Rate indicator on the contributor must match the Full-Time Equivalent setting at input value level. Therefore, we recommend that you configure your Full-Time Equivalent input value and Annual Full-Time Non-Prorated Allowances rate definition contributor as follows:

    - The Full-Time Equivalent input value has a default value of No AND the Return Full-Time Rate indicator on the Rate Contributor page is not selected, or
    - The Full-Time Equivalent input value has a default value of Yes AND the Return Full-Time Rate indicator on the Rate Contributor page is selected.

Create a Calculation Value Definition

Use the Calculation Value Definitions task to create a calculation value definition if there is not an existing one associated with the Annual Full-Time Non-Prorated Allowances rate definition.

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Create a new calculation value definition as follows:

FIELD or question	VALUE
New Value Definition Group	Enter a name
Calculation Type	Rate Definition
Retrieval Date	Date Earned
Calculation Values: Rate Definition Name	Annual Full-Time Non-Prorated Allowances

Create a Calculation Factor

Add a rate definition calculation factor to each non-prorated allowance element.

1. Using the Elements task, search for the non-prorated allowance element.
2. Select Calculation Factors and click **Create** to create a new calculation factor.
3. Enter the details as shown:

FIELD	VALUE
Calculation Value Definition	Calculation Value Definition (that is associated with the Annual Full-Time Non-Prorated Allowances rate definition)

Part-Time Earnings

Once you have set up annual full-time salary as described, the part-time earnings for a worker with a regular part-time work pattern (assignment category mapped to PTR) are reported in Data Item 27.

This is then calculated using the combined total of the following:

- Their FTE and prorated earnings whose element rate definition contributors feed the Annual Full-Time Equivalent Salary rate definition.

- Their non-prorated earnings whose element rate definition contributors feed the Annual Full-Time Non-Prorated Allowances rate definition.

The part-time earnings for supply teachers (where their FTE is 0 and their assignment category is mapped to PTIC) is the same as their actual pensionable pay for the service period. See *Set Up Actual Pensionable Pay for Supply Teachers*.

If a supply teacher has opted out of the scheme but remains eligible to be in it (and therefore continues to be reported in the MCR), their part-time earnings are based on the Part-Time Irregular Earnings TPS and Part-Time Irregular Earnings TPS Retroactive balances).

Additional Hours Worked

Part-time earnings include payments for additional hours worked by part-time teachers on a regular contract when the hours are worked under the same contract and job role. To create additional hours elements, follow the steps for

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creating hours * rate overtime elements (see: Overtime Element) and feed the Pensionable Additional Hours TPS and Pensionable Additional Hours TPS Retroactive balances with them.

Absence Rate for Reducing Pensionable Pay to Exclude Non-Pensionable Allowances

An absence rate that includes non-pensionable allowances (for example, subsistence) requires a second absence rate definition.

This is to ensure that the pensionable earnings are reduced correctly, in cases where an employee is receiving reduced absence pay. This additional rate ensures that their pensionable pay is reduced using the pensionable elements of their absence payment only.

Follow the steps described here to create an additional absence rate that excludes non-pensionable allowance rate definitions as contributors.

Prerequisites

- Element and rate definition for (pensionable) salary element
- Element and rate definition for pensionable elements
- Element and rate definition for non-pensionable elements
- Element and rate definition for absence payment/deduction
    - Absence element processing priority must be later than that of the salary and allowance elements
- Rate definition category: Derived rate
    - Contributors: Rate definitions for salary, non-pensionable and pensionable elements

Reduced Pensionable Pay Rate Setup

Create a rate definition for the reduced pensionable pay rate:

- Category: derived rate
- Periodicity: Annual
- Live rates: checked by default
- Contributors: salary and pensionable allowance rate definitions

Create calculation value definition:

- Calculation type: rate definition
- Retrieval date: date earned
- Calculation values: rate definition created in Step 1

Add a calculation factor to the Entitlement Result absence element.

- Calculation type: rate amount

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- Calculation value definition: select the definition created in Step 2.

Edit the Entitlement Result element formula to fetch the pensionable pay value, convert it to a daily value and return the daily reducing pensionable pay. See the reduced_pensionable_pay_entitlement_result_ff.txt file that is associated with this document.

Edit the Entitlement Result element and create a new input value to return a direct result of daily reduction of pensionable pay:

Alternatively, create a separate element for returning the daily reduced pensionable pay as an indirect result.

Add a new formula result rule on the Entitlement Result element for returning the reduced pensionable pay value:

- Result returned: L_REDUCE_PP

- Result rule: direct result (using the Entitlement Result element)

- Target input value: new input value (e.g. Reduced Pensionable Pay)

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8 Set Up Salary Reporting for Supply Teachers

Create a Salary Information Element for Supply Teacher

Perform these steps to create the salary Information element.

1. Create the salary Information element.
2. Use the Elements task to create your salary basis element and the element eligibility. Click **Create**.
3. Enter the details as shown here:

FIELD OR QUESTION	VALUE
Primary Classification	Information
Category	Standard
Should every person eligible for the element automatically receive it?	No
Does this element recur each payroll period, or does it require explicit entry?	Recurring

4. Select **Input Values**.
5. Create an Amount input value. Enter the details as shown here:

FIELD OR QUESTION	VALUE
Input Value Name	Amount
Special Purpose	Primary Input Value
Displayed	Yes
Allow User Entry	Yes
Create Database Item	Yes
Unit of Measure	Money

Ensure you have created element eligibility too.

Create a Salary Basis

Recording salaries using salary basis is a prerequisite for Teachers' Pension reporting and allowance setup.

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A salary basis determines the period in which base pay is expressed, specifies whether salaries can be itemized with components, and identifies any associated grade rate for salary validation. For further information on salary bases, see the chapter Base Pay in the Implementing Workforce Compensation guide on the Oracle Help Center.

Create a salary element basis and link it to the information element created previously:

1. Use the Salary basis task to create a new salary basis. Click **Create**.
2. Enter the details as shown:

FIELD OR QUESTION	VALUE
Frequency	Annually
Annualization Factor	1
Decimal Place to Display	2
Payroll Element	The salary information element you created previously

Create a Salary Rate Definition

To enable the HCM rate process to calculate salaries for supply teachers, create a rate definition as follows:

1. Use the Rate definition task to create a rate definition. Click **Create**.
2. Enter the details as shown:

FIELD OR QUESTION	VALUE
Category	Element
Storage Type	Amount
Element Name	The salary information element you created previously
Base Rate	Must be selected
Reporting required	Must be selected
Calculate Live Rates	Must be selected (selected by default)
Returned Live Details	Do not change
Contributor Type	Automatically created as Input Value

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Add Contributors to Annual Full-Time Equivalent Salary Rate Definition

Use the Rate Definitions task to add rate contributors to the predefined Annual Full-Time Equivalent Salary rate definition.

1. Search for the Annual Full-Time Equivalent Salary rate definition.
2. Add the rate definition contributor for the salary rate definition created previously.

   Note: All contributor types to Annual Full-Time Equivalent Salary must be rate definition only; other contributor types are not supported.

3. Ensure that the Return Full-Time Rate indicator is selected on the Create Rate Contributor page for each rate definition contributor.

   Note: Correct usage of this indicator is required for the calculation of the Annual Full-Time Salary MCR data item.

Create a Calculation Value Definition

Create a calculation value definition if there is not an existing one associated with rate definition 'Annual Full-Time Equivalent Salary'.

Create a Calculation Value Definition for the information element:

1. Use the Calculation Value Definition task to create a calculation value definition. Click **Create**.
2. Enter the details as shown here:

FIELD OR QUESTION	VALUE
New Value Definition Group	Enter a Name
Calculation Type	Rate Definition
Calculation Values: Rate Definition Name	The salary basis rate definition you created previously

Create a Calculation Factor

Add a rate definition calculation factor to the previously created salary information element.

1. Using the Elements task, search for the salary information element.
2. Select Calculation Factors and click **Create** to create a new calculation factor.

3. Enter the details as shown here:

FIELD	VALUE
Calculation Step	Rate Amount
Calculation Value Definition	Calculation Value Definition (that is associated with the Annual Full-Time Equivalent Salary rate definition)

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9 Proration

Proration

When you create or update a recurring element, you can make it subject to proration.

Perform the following steps to enable proration:

1. In the Payroll Calculation work area, select the Manage Elements task, and click **Create**.
2. On the Create Element: Additional Details page, select 'Yes' for the following question: I**s this element subject to proration?**
3. Select the predefined event group (Entry Changes for Proration) or a new group that you created.
4. Select **Proration Units** and **Proration Rate Conversion Rule**.
5. Select a **Proration Conversion Rule formula**.

If an earnings element is subject to proration, then the user must select proration units and the proration rate conversion rule.

The proration rate conversion rule can be one of the predefined rate conversion rules. or a user defined proration rule, this means that it is not helpful when determining a consistent proration strategy for calculating mid-month changes to actual pensionable pay.

Teachers are paid 12 months, 365 days per year if they are on a permanent contract, or 39 weeks per year, 195 days per year if they are on a temporary contract.

EMP_CAT Mapped to	Definition	Proration
FT	Member with a Full- time contract	Based on Number of Days in Calendar Month, Annual amount/12 or Monthly amount Divide by number of days in calendar month = daily rate Daily rate * total number of days in proration period
PTR	Member with a Part- time contract that specifies a regular pattern of work	Based on Number of Days in Calendar Month, Annual amount/12 or Monthly amount Divide by number of days in calendar month Multiply by total number of days in proration period
PTIC	Member with a Part- time contract that is for an irregular pattern of work (Supply Teacher), where they are deemed as being in employment when they are not working	The daily rate for Supply Teachers is based on the full- time salary divided by 195 days in the year Annual amount/195 = daily rate

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EMP_CAT Mapped to	Definition	Proration
		Daily rate * total number of working days in proration period
PTIN	Member with a Part-time contract that is for an irregular pattern of work (supply teacher), where they are deemed as not being in employment when they are not working This value is not yet available on MCR so should not be used.	N/A

The archive prorates the appropriate balances based on the above information.

> **Note:**
> - Some allowances will not be prorated as part of the pensionable earnings for MCR; bonus and overtime.
> - Overtime, although it can be pensionable, is not included in pensionable earnings, and is reported separately.
> - Bonus is included in pensionable earnings but is always reported in the pensionable earnings of the last row.
> - Rate definitions are therefore not required for proration purposes, although they may be needed for calculation purposes.

10 Member Contribution Tier

Member Contribution Tier

There may be multiple reasons why users need to verify the tier used to calculate and report the pension contributions of a member:

- Query by member of pension scheme as they could dispute tier used

- End of Year Certificate process is completed on an annual basis by all employers and provides an assurance to the Secretary of State that all contributions due have been correctly paid over to the Teachers' Pension Scheme

- Management of reporting the correct tier, potentially when creating a delete record when there is a need to submit the service details again and it is important that the details provided are EXACTLY as they were on the original submission

- Review of MCR error file when the Contribution/Service information is incorrect and requires an adjustment to be made to the contribution totals (for example, the wrong contribution tier was applied, or Service details were received after a member's date of death).

The tier used is viewable as a run result on the SOE.

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11 Absence Reporting in the MCR

Overview of Absence Reporting in the MCR

An employee on a fully paid absence continues to have their employee and employer pension scheme deductions calculated in the usual way, using their permanent pensionable pay and actual earnings for the period.

If an employee is on a sickness or family-related absence, scheme pension benefits are protected, depending on the payment factor in effect at the time, or, in the case of family-related absences, whether they are receiving statutory pay. This is to ensure that they aren't disadvantaged by a reduction in pay during the absence. In such cases, their assumed pensionable pay is used (reported as notional pay in the MCR). No contributions are taken for unpaid sickness and family-related absences, but the period in which the unpaid absence occurs is reported to MCR.

Unpaid absences that are not assumed pay scenarios, for example, strike days, are reported and reflect the reduced actual pensionable pay for the period.

Follow the absence setup steps described here for accurate calculation and reporting of both paid and unpaid absences and to determine when assumed pensionable pay rules are applied.

Refer to the section on *Retroactive Absence Reporting* for the formula changes required.

For detailed information on configuring your UK statutory absence types and plans, see the product paper: Oracle Fusion HRMS (UK): Setting Up and Migrating UK Statutory Absences (*Doc ID 2235239.1*).

Overview of Assumed Pay Absences

Assumed Pensionable Pay is the amount of pensionable pay the member would have received if they were not on reduced pay.

The contribution percentage (that is, tier) the member needs to pay must be calculated based on what their earnings would be if they were not on reduced pay. Employer deductions continue to be calculated during paid and reduced pay absences for every day that the absence is in pensionable service.

Assumed pay absences are identified in the application by the legislative grouping code associated with the absence type and the absence payment factor that applies at the time:

- Absence is paid at a factor of 1 (that is, they are fully paid) - their contributions tier continues to be based on their permanent pensionable pay.
- When the absence payment factor drops below 1 (on eligible absences) - the factor is assessed every time it changes to determine if the absence remains pensionable and the basis used for employee contributions.

Where some days of the period are non-pensionable (for example, the employee dropped from half pay to zero pay mid-month), proration is performed. Contributions are calculated for the pensionable days only.

Additional pension contributions continue to be calculated when an employee is absent unless the member elects to end the contract. Use arrears functionality and the regulation for a specific additional contribution type to determine how a contribution is handled when either a reduced or zero absence payment prevents a full contribution from being made. (Or arrangements are made directly with the employer to address the handling of any arrears).

> **Note:** As if an absence is pensionable – so it's a full pay or assumed pay scenario – there is no requirement to split the MCR period to reflect changes in pay.

Unpaid Absences

When the employee is on an unpaid absence for the complete pay period (that is, gross pay is nil), no main scheme contribution is deducted for either the employee or the employer as the person is in non-pensionable employment.

This is irrespective of the type of unpaid absence. However, information is still reported in the MCR.

There is no requirement for a split MCR record to reflect one or more unpaid days in the service period. However, the non-pensionable days are shown as excluded days for full-time workers and their actual pensionable pay reflects the reduction in pay.

> **Note:** Excluded days are reported for part-time workers only if the entire service period is non-pensionable.

Unpaid absence types are identifiable by their legislative grouping code. See *Set Up Absences* for more details.

Set Up Absences

You need to set up absence plans and types to generate proper calculations.

Absence Type Setup

You must associate absence types that have an assumed pay implication with one of the following predefined legislative grouping codes to trigger the assumed pay calculation:

- UK Sickness
- UK Maternity
- UK Adoption
- UK Paternity Adoption
- UK Paternity Birth
- UK Shared Parental Leave Adoption
- UK Shared Parental Leave Birth

Configure your unpaid absences using the following legislative grouping codes:

- UK Break in Service – use this for career breaks and sabbaticals
- UK Special Unpaid Leave
- UK Unauthorised Unpaid Absence
- UK Unpaid Industrial Action – use this for strike days
- UK Unpaid Leave

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Absence Plan Setup

Only one occupational sickness or family-related absence plan can be effective for an assignment at any given point in time. If multiple occupational plans apply, for example, as a means of offsetting maternity absence payments, it's not possible to determine which plan to use in the MCR calculation; the calculation and MCR report may therefore be incorrect. This restriction applies whether the employee has one or multiple assignments. When multiple assignments exist, each assignment can have its own occupational plan, or multiple assignments can share the same occupational plan.

Absence Element Setup

You must configure your absences using standard absence, not earnings, elements.

When you create your absence elements, you must select "Select rate to determine absence deduction amount" in answer to the "How do you want to reduce earnings for employees not requiring a time card" question, then select the appropriate rate definition.

Multiple Assignments and Absences

In a multiple assignment scenario, each assignment may or may not have the same absence payment factor associated with it.

For example, if the member has 2 assignments, and assignment 1 is paid at a rate of 50% but assignment 2 has dropped to zero pay, each assignment will be assessed according to its own factor.

To ensure that the payment factor specific to each assignment is used to determine the contribution base and tier for that assignment, you must edit the following formulas:

- Absence Entitlement Result formulas (<Absence Element Name> Entitlement Result) for:
    - Statutory and occupational sickness-related absences
    - Statutory and occupational family-related leave absences

- TPS Pension Calculator formula (<TPS Scheme Name> Calculator) - for pension schemes created on or before release 22D

- TPS Pension Distributor formula (<TPS Scheme Name> Distributor) - for pension schemes created on or before release 22D

The pension scheme formula changes described in this section also include the changes needed to *Reduce Eligible Compensation to Exclude Non-Pensionable Sickness Payment Amount*.

Prerequisites

Configure your absence elements as described in the help topic: *Define Payroll Elements to Process Absences* in the Implementing Payroll for the United Kingdom guide. Statutory absence setup must conform to the configuration described in Setting Up and Migrating UK Statutory Absences (Doc ID 2235239.1).

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> **Note:** Only one occupational sickness or family-related absence plan can be effective for an assignment at any given point in time (in conjunction with the statutory plan). If multiple occupational plans apply, for example, as a means of offsetting maternity absence payments, the TPS calculations will be incorrect. When multiple assignments exist, each assignment can have its own occupational plan (see above), or multiple assignments can share the same occupational plan.

Reduce Eligible Compensation to Exclude Non-Pensionable Sickness Payment Amount

Additional setup is required for the scenario where a member is on a sickness absence, and mid-period, their pay reduces from 50% or more (pensionable pay) to less than 50% (non-pensionable pay).

In this situation, the non-pensionable pay amount must reduce the eligible compensation amount that determines the member's pensionable earnings for the period.

Follow the steps described here to reduce that amount using an Information element and new balance.

You must also make formula changes to the following formulas:

- Absence Entitlement Result formulas (<Absence Element Name> Entitlement Result) for occupational sickness-related absences

- TPS Pension Calculator formula (<TPS Scheme Name> Calculator) - for pension schemes created on or before release 22D

- TPS Pension Distributor formula (<TPS Scheme Name> Distributor) - for pension schemes created on or before release 22D

These formula changes are described in combination with the multiple assignment formula changes included in the *Multiple Assignments and Absences* section.

> **Note:** If the absence payment is never pensionable, irrespective of its payment factor, for example, a subsistence allowance, refer to the section *Absence Rate for Reducing Pensionable Pay to Exclude Non-Pensionable Allowances*, to exclude those allowances from a member's eligible compensation.

Information Element for Non-Pensionable Absence Payment Amount

Using the Elements task, create a nonrecurring Information element that will hold the value of the non-pensionable amount of pay (l_Unpaid_Value) returned by the occupational sickness Entitlement Result formula.

Attribute	Description
Primary Classification	Information
Recurring Entry	Nonrecurring
Input Value	Monetary, for example, Amount
Allow Multiple Entries in Same Period	Yes

Attribute	Description
Processing Priority	Higher than the processing priority of the occupational sickness entitlement result absence element

Status Processing Rule for Occupational Entitlement Result Element

Using the Elements task, open the occupational sickness plan absence element and create a new status processing rule for the l_Unpaid_Value formula result to return it as an indirect result:

Result Returned	Result Rule	Target Element Name	Target Input Value
L_UNPAID_VALUE	Indirect Result	Information Element created previously	Monetary input value created previously

> **Note:** If your previously created Information element isn't listed, check its processing priority.

Non-Pensionable Absence Payment TPS Balance Feed

The Non-Pensionable Absence Payment TPS balance holds the non-pensionable payment value; that is, the amount of non-pensionable earnings that will reduce the eligible compensation balance during pension calculation so that the pension is calculated using pensionable earnings only. Using the Balance Definitions task, feed the balance Non-Pensionable Absence Payment TPS (balance category: Information) with the input value from your previously created Information element (into which the l_Unpaid_Value will be returned).

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12 Retroactive Processing

Overview of Retroactive Processing

You can generate the file for the Teachers' Monthly Contributions Reconciliation (MCR) pension interface that enables reconciliation of the contribution deduction amounts provided for each member.

This is to ensure that contributions are correctly calculated and cover each period of service provided.

Where a member has more than one contract of employment, the calculations are performed separately for each of those employments. This means that each row of data has a pensionable pay amount associated to it and indicators to denote the specific method used to calculate the members contribution deduction.

For members in a regular pattern of work (full-time or part-time regular), Permanent Pensionable Pay is used in the calculation of the tier (except in the case of assumed pay absences). To ensure that the correct pensionable earnings are taken into account when calculating the tier, verify the earnings feeding balance Permanent Pensionable Pay and Assumed Pensionable Pay. Do not feed the Permanent Pensionable Pay balance with supply teacher earnings.

Retroactive earnings elements must feed balance TPS Earnings Retroactive. Do not feed either the Permanent Pensionable Pay or Assumed Pensionable Pay balances with retroactive elements.

Backdated Pay Awards

You must configure backdated pay awards to calculate Monthly Contributions Reconciliation (MCR) contributions using the "when paid" (BK) method.

The steps to do this include the configuration of:

- Salary action or actions for a pay award and the predefined Pay Award action reason.
- New formula to identify the pay award salary change.
- Pension scheme balance and calculator formula changes.

The setup steps for the above and advice on how to process your backdated pay awards to meet TP requirements are described below.

Associate Salary Action with Pay Award Action Reason

Using the Configure Actions tasks, identify a salary action as pay award-related by associating it with the predefined Pay Award action reason:

1. Search for and select a salary-related action, for example, 'Change Salary'.
2. Associate the salary action with the predefined action reason code 'Pay Award'.

Create Pay Award Formula

Using the Fast Formulas task, create and compile a new formula to identify the salary change due to a pay award. The formula type must be Oracle Payroll.

See attached file PS_BACK_DT_PAY_AWARD_EARN_RETRO_PROCESS_FORMULA.txt.

FORMULA NAME: TPS_BACK_DT_PAY_AWARD_EARN_RETRO_PROCESS

```
/* Database Item Defaults */
DEFAULT FOR HRX_GB_TPS_ACT_REASON_CD_PAY_AWARD_DBI is 0
DEFAULT FOR GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_RUN is 0
DEFAULT FOR GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_PTD is 0

/* Inputs */
INPUTS ARE amount (number),
 pay_value(number)

l_log = PAY_INTERNAL_LOG_WRITE('(GLBEARN)Initializing the Pay Award Formula ')

l_amount = amount
l_value = 0
l_value_info_element = 0
l_value = pay_value
l_asg_nocb_run = GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_RUN
l_asg_nocb_ptd = GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_PTD

/* Key Variable values retrival*/
l_element_entry_id = GET_CONTEXT(ELEMENT_ENTRY_ID, 0)

l_log = PAY_INTERNAL_LOG_WRITE(' Retro Formula step 0 l_value : '||to_char(l_value ))
l_log = PAY_INTERNAL_LOG_WRITE(' Retro Formula step 0 l_asg_nocb_run : '||to_char(l_asg_nocb_run ))
l_log = PAY_INTERNAL_LOG_WRITE(' Retro Formula step 0 l_asg_nocb_ptd : '||to_char(l_asg_nocb_ptd ))
l_log = PAY_INTERNAL_LOG_WRITE(' Retro Formula step 0 element_entry_id : '||to_char(l_element_entry_id))

IF (l_asg_nocb_run <> l_asg_nocb_ptd) THEN

(
 l_value_info_element = 0
 l_log = PAY_INTERNAL_LOG_WRITE('Retro Formula step 1 l_value_info_element : '||
to_char(l_value_info_element ))
)
ELSE IF HRX_GB_TPS_ACT_REASON_CD_PAY_AWARD_DBI WAS NOT DEFAULTED THEN
(
 l_value_info_element = l_value

 l_log = PAY_INTERNAL_LOG_WRITE('Retro Formula step 2 l_value_info_element : '||
to_char(l_value_info_element ))
 )

 l_log = PAY_INTERNAL_LOG_WRITE('(GLBEARN) Derived value : '||TO_CHAR(l_value))

RETURN l_value ,
 l_value_info_element

/* End Formula Text */
```

Status Processing Rule

- Create Status Processing Rule of Earning Retro Element with new formula created previously and configure earning retro element as below:
    - Result Returned = L_VALUE_INFO_ELEMENT
    - Result Rule = Indirect Result
    - Target Element Name = Backdated Pay Award Information TPS (predefined element)
    - Target Input Value = Pay Value
    - Unit of Measure = Money

Pension Scheme Balance and Formula Changes

The following balance dimensions must exist in the qualifying pension scheme element balance as they are required by the pension scheme's calculator formula.

1. If your pension scheme element was created prior to 22B, add the balance dimension Assignment NoCB Period to Date to the balances shown:
    - TPS Earnings Retroactive
    - \<Element name> Permanent Pensionable Pa
    - \<Element name> Eligible Compensation
    - \<Element name> Employees Contribution
    - \<Element name> Employers Contribution
    - \<Element name> Assumed Pensionable Pay

    If you created your qualifying pension scheme element in 22B, you only need to create the balance dimension for the \<Element name> Assumed Pensionable Pay balance.
2. If your pension scheme element was created prior to 22B, add the balance dimension Assignment NoCB Run to the balances shown:
    - \<Element name> Employees Contribution
    - \<Element name> Employers Contribution

    If you created this element in 22B, the element template adds these dimensions.
3. Next, you will need to update your qualifying pension scheme element calculator formula. Ensure you keep a backup of your existing TPS pension scheme calculator formula. Then, update that formula as described here.

    Our formula example is based on a pension scheme element name "TPS Pension Element CARE". Rename the relevant variable text to reflect your own pension scheme element name as shown in your existing pension scheme calculator formula. Note that formulas convert element names to upper case and any spaces are converted to underscores (for example, TPS_PENSION_ELEMENT_CARE).
4. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text as shown after the formula line shown. If you create this element in 22B, you need only add the last line (relating to assumed pensionable pay) in the position shown; the other lines are added by the element template.

    ```
    DEFAULT FOR ORA_HRX_GB_PS_CSP_EPA_PENS_SUSP_START IS '0001/01/01 00:00:00' (date)
    DEFAULT FOR GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_RUN is 0
    DEFAULT FOR GB_TPS_EARN_RETRO_ASG_NOCB_PTD is 0 /*Pay Award*/
    DEFAULT FOR TPS_PENSION_ELEMENT_CARE_PERMANENT_PENSIONABLE_PAY_ASG_NOCB_PTD is 0 /*Pay Award*/
    DEFAULT FOR TPS_PENSION_ELEMENT_CARE_EMPLOYEES_CONTRIBUTION_ASG_NOCB_PTD is 0 /*Pay Award*/
    DEFAULT FOR TPS_PENSION_ELEMENT_CARE_EMPLOYERS_CONTRIBUTION_ASG_NOCB_PTD is 0 /*Pay Award*/
    DEFAULT FOR TPS_PENSION_ELEMENT_CARE_ELIGIBLE_COMPENSATION_ASG_NOCB_PTD is 0 /*Pay Award*/
    ```

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```
DEFAULT FOR TPS_PENSION_ELEMENT_CARE_ASSUMED_PENSIONABLE_PAY_ASG_NOCB_PTD is 0
```

5. **5.** Define pay award related variables. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text as shown after the formula line shown. If you create this element in 22B, these lines are added by the element template.

```
l_gb_ee_cont_tier = 0
l_tps_add_retro_earnings_ptd = 0 /*Pay Award*/
l_gb_ee_cont_asg_nocb_ptd = 0 /*Pay Award*/
l_gb_er_cont_asg_nocb_ptd = 0 /*Pay Award*/
l_gb_elg_com_asg_nocb_run = 0 /*Pay Award*/
l_gb_elg_com_asg_nocb_ptd = 0 /*Pay Award*/
l_gb_elg_com_asg_nocb_ptd_pen_earn = 0 /*Pay Award*/
```

6. **6.** Modify the code shown below. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text as shown after the formula line shown. If you create it in 22B, these lines are added by the element template.

```
/* eligible_compensation = eligible_compensation +
 TPS_PENSION_ELEMENT_CARE_ELIGIBLE_COMPENSATION_ASG_NOCB_RUN */
 l_final_pensionable_pay = l_final_pensionable_pay +
TPS_PENSION_ELEMENT_CARE_FINAL_PENSIONABLE_PAY_ASG_NOCB_RUN
 /* Pay Award-Start*/
 IF l_gb_pen_emp_type = 'TPSCHAC' THEN
 (
 eligible_compensation = eligible_compensation +
 TPS_PENSION_ELEMENT_CARE_ELIGIBLE_COMPENSATION_ASG_NOCB_PTD
 l_gb_elg_com_asg_nocb_ptd = eligible_compensation
 l_gb_ee_cont_asg_nocb_ptd = TPS_PENSION_ELEMENT_CARE_EMPLOYEES_CONTRIBUTION_ASG_NOCB_PTD
 l_gb_er_cont_asg_nocb_ptd = TPS_PENSION_ELEMENT_CARE_EMPLOYERS_CONTRIBUTION_ASG_NOCB_PTD
 l_gb_elg_com_asg_nocb_run = TPS_PENSION_ELEMENT_CARE_ELIGIBLE_COMPENSATION_ASG_NOCB_RUN
 dummy = PAY_INTERNAL_LOG_WRITE('GB 0 eligible_compensation = ' || to_char(eligible_compensation))
 dummy = PAY_INTERNAL_LOG_WRITE('GB 0 l_gb_elg_com_asg_nocb_run = ' ||
 dummy = PAY_INTERNAL_LOG_WRITE('GB 0 l_gb_elg_com_asg_nocb_ptd = ' ||
 to_char(l_gb_elg_com_asg_nocb_ptd))
 dummy = PAY_INTERNAL_LOG_WRITE('GB 0 l_gb_ee_cont_asg_nocb_ptd = ' ||
 to_char(l_gb_ee_cont_asg_nocb_ptd))
 dummy = PAY_INTERNAL_LOG_WRITE('GB 0 l_gb_er_cont_asg_nocb_ptd = ' ||
 to_char(l_gb_er_cont_asg_nocb_ptd))
 )/* Pay Award-End*/
 ELSE
 (eligible_compensation = eligible_compensation +
 TPS_PENSION_ELEMENT_CARE_ELIGIBLE_COMPENSATION_ASG_NOCB_RUN
 )
 dummy = PAY_INTERNAL_LOG_WRITE('ASG Final Pensionable Pay set to ' ||
 to_char(l_final_pensionable_pay))
```

7. **7.** Modify the code shown below. If your qualifying pension scheme element was created prior to 22B, insert the formula lines as shown:

```
IF l_gb_pen_category <> 'NA' THEN
 (
 IF l_gb_pen_emp_type = 'TPSCHAC' THEN
 (
 /* Get Assignment Category Extended code */
 l_hr_asg_id = ASG_HR_ASG_ID
 SET_INPUT ('hr_id', l_hr_asg_id)
 SET_INPUT ('eff_date', PAY_EARN_PERIOD_END)
 SET_INPUT ('mode', 'ORA_HRX_GB_ASG_EMP_CAT_EXTENDED')
 EXECUTE('ORA_HRX_GB_PAY_ACCESS_HR')
 l_tps_emp_cat_ext_code = GET_OUTPUT('X_OUTPUT_TEXT', 'FT' )
 temp = PAY_INTERNAL_LOG_WRITE('$$$%%%% l_tps_emp_cat_ext_code : ' +l_tps_emp_cat_ext_code)
 l_tps_add_retro_earnings = GB_TPS_EARN_RETRO_ASG_NOCB_RUN
 l_tps_add_retro_earnings_ptd = GB_TPS_EARN_RETRO_ASG_NOCB_PTD
 dummy = PAY_INTERNAL_LOG_WRITE('[TPS] - l_tps_add_retro_earnings = ' ||
 to_char(l_tps_add_retro_earnings))
```

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```
    dummy = PAY_INTERNAL_LOG_WRITE('[TPS] - l_tps_add_retro_earnings_ptd = ' ||
    to_char(l_tps_add_retro_earnings_ptd ))
    l_log = PAY_INTERNAL_LOG_WRITE('[TPS] - GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_RUN : '||
    to_char(GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_RUN))

    If l_tps_add_retro_earnings >0 then
    (
    if GB_TPS_BACK_DT_PAY_AWARD_ASG_NOCB_RUN >0 then
    (
    l_tps_add_retro_earnings = l_tps_add_retro_earnings_ptd - l_tps_add_retro_earnings
    l_log = PAY_INTERNAL_LOG_WRITE('[TPS] - l_tps_add_retro_earnings : '||
    to_char(l_tps_add_retro_earnings ))
    )
    )
    IF l_tps_app_flag = 'Y' THEN
    (
    l_gb_permanent_earnings = l_gb_permanent_earnings +
    TPS_PENSION_ELEMENT_CARE_ASSUMED_PENSIONABLE_PAY_ASG_NOCB_PTD + l_tps_add_retro_earnings
    dummy = PAY_INTERNAL_LOG_WRITE('[TPS APP] - l_gb_permanent_earnings = ' ||
    to_char(l_gb_permanent_earnings))
    IF l_tps_prorate_days > 0 and l_tps_days_in_period > 0 THEN
    (l_gb_permanent_earnings = l_gb_permanent_earnings * (l_tps_prorate_days/l_tps_days_in_period)
    dummy = PAY_INTERNAL_LOG_WRITE('[TPS APP] - Prorated l_gb_permanent_earnings = ' ||
    to_char(l_gb_permanent_earnings))
    )
    )
    ELSE
    /*(l_gb_permanent_earnings = l_gb_permanent_earnings +
    TPS_PENSION_ELEMENT_CARE_PERMANENT_PENSIONABLE_PAY_ASG_NOCB_RUN + l_tps_add_retro_earnings */
    (l_gb_permanent_earnings = l_gb_permanent_earnings +
    TPS_PENSION_ELEMENT_CARE_PERMANENT_PENSIONABLE_PAY_ASG_NOCB_PTD + l_tps_add_retro_earnings /*Pay
    Award*/
    dummy = PAY_INTERNAL_LOG_WRITE('[TPS] - l_gb_permanent_earnings = ' ||
    to_char(l_gb_permanent_earnings))

If you create your qualifying pension scheme element in 22B, of the changes shown above, you need to add
    only these 2 lines:

    l_gb_permanent_earnings = l_gb_permanent_earnings +
    TPS_PENSION_ELEMENT_CARE_ASSUMED_PENSIONABLE_PAY_ASG_NOCB_PTD + l_tps_add_retro_earnings
```

The other lines are created by the element template.

8. Modify the code shown below. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text before and after the formula lines shown. If you create this element in 22B, these lines are added by the element template.

```
    i = ALL_ASGS_LINK_TO_DEDUCTION_COMPONENT.next(i, -1)
    )
    dummy = PAY_INTERNAL_LOG_WRITE('[PEN_CALC: 502] - eligible_compensation = ' ||
    to_char(eligible_compensation))
    /*Added to adjust eligible comp.Pay Award-Start*/
    IF l_gb_pen_emp_type = 'TPSCHAC' THEN
    (
    l_gb_elg_com_asg_nocb_ptd_pen_earn = eligible_compensation
    eligible_compensation = eligible_compensation - (l_gb_elg_com_asg_nocb_ptd -
    l_gb_elg_com_asg_nocb_run )
    dummy = PAY_INTERNAL_LOG_WRITE('[PEN_CALC: TPS eligible_compensation Adjusted = ' ||
    to_char(eligible_compensation))
    )
    /*Added to adjust eligible comp.Pay Award-End*/
    )
    IF (TPS_PENSION_ELEMENT_CARE_SECONDARY_CLASSIFICATION <>
    'GB_PRE_STATUTORY_DEDUCTIONS_ADDITIONAL_PENSION_CONTRIBUTIONS_PRE_STATUTORY') THEN
    (
    IF (PAY_DIR_COMP_CONTEXT_VALUE1 WAS NOT DEFAULTED) THEN (
```

```
    l_gb_reference_code = PAY_DIR_COMP_CONTEXT_VALUE1
 )
 )
 )
 if l_final_pensionable_pay = 0 then
 (l_final_pensionable_pay = TPS_PENSION_ELEMENT_CARE_FINAL_PENSIONABLE_PAY_REL_NOCB_RUN
  dummy = PAY_INTERNAL_LOG_WRITE('REL Final Pensionable Pay set to ' || to_char(l_final_pensionable_pay))
 )
 /* if eligible_compensation = 0 then */ /*Pay Award*/
 if ((eligible_compensation = 0) and l_gb_pen_emp_type <>'TPSCHAC') then /*Pay Award*/
 (eligible_compensation = TPS_PENSION_ELEMENT_CARE_ELIGIBLE_COMPENSATION_REL_NOCB_RUN
```

9. Modify the code shown below. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text before and after the formula lines shown. If you create this element in 22B, these lines are added by the element template.

```
IF (l_gb_pen_emp_type = 'TPSCHAC') THEN
 (dummy = PAY_INTERNAL_LOG_WRITE('In Emp Type = TPSCHAC l_gb_pen_category = ' ||l_gb_pen_category )
 l_gb_reference_code = PAY_DIR_COMP_CONTEXT_VALUE1
 dummy = PAY_INTERNAL_LOG_WRITE('[TPS]: DEDUCTION_CARD_BY_EE = ' || to_char(DEDUCTION_CARD_BY_EE) +'
 l_gb_reference_code = ' || l_gb_reference_code)
 /* Code change due to Pay Award-Start*/
 /* l_gb_pen_earnings = eligible_compensation*/
 l_gb_pen_earnings = l_gb_elg_com_asg_nocb_ptd_pen_earn
 /* Code change due to Pay Award-End*/
```

10. Modify the code shown below. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text before and after the formula lines shown. If you create this element in 22B, these lines are added by the element template.

```
 call_formula('RATE_CONVERTER',
 l_gb_permanent_earnings > 'SOURCE_AMOUNT',
 l_gb_payperiod > 'SOURCE_PERIODICITY',
 'Year' > 'TARGET_PERIODICITY',
 l_gb_annual_pen_earnings < 'TARGET_AMOUNT' default 0
 )
 dummy = PAY_INTERNAL_LOG_WRITE('[TPS 01]: Permanent Pensionable earnings = ' ||
 to_char(l_gb_permanent_earnings))
 dummy = PAY_INTERNAL_LOG_WRITE('[TPS 01]: Annual Permanent Pensionable earnings = ' ||
 to_char(l_gb_annual_pen_earnings))
 CHANGE_CONTEXTS(PART_NAME = 'GB_PS_TPS_EE_PENSION_RATES')
 (
 call_formula('CALL_CALC_VALUE',
 FLOOR(l_gb_annual_pen_earnings) > 'base',
 l_gb_ee_pen_rate < 'ded_amount' default 0
 )
 l_log = PAY_INTERNAL_LOG_WRITE('[TPS 10]: l_gb_ee_cont_asg_nocb_ptd : '||
to_char(l_gb_ee_cont_asg_nocb_ptd))
 l_gb_pen_ee_cont_derived = (l_gb_pen_earnings * (l_gb_ee_pen_rate)/100) - l_gb_ee_cont_asg_nocb_ptd /
*Pay Award -l_gb_ee_cont_asg_nocb_ptd*/
 temp = PAY_INTERNAL_LOG_WRITE('[TPS ] Permanent Pensionable earnings = '
 +to_char(l_gb_permanent_earnings))
 temp = PAY_INTERNAL_LOG_WRITE('[TPS 11] l_gb_pen_ee_cont_derived : '
 +to_char(l_gb_pen_ee_cont_derived)+' l_gb_ee_pen_rate : ' +to_char(l_gb_ee_pen_rate))
 )
 CHANGE_CONTEXTS(PART_NAME = 'GB_PS_TPS_ER_PENSION_RATES')
 ( call_formula('CALL_CALC_VALUE',
 FLOOR(l_gb_annual_pen_earnings) > 'base',
 l_gb_er_tps_pen_rate < 'ded_amount' default 0
 )

 l_log = PAY_INTERNAL_LOG_WRITE('[TPS 10]: l_gb_er_cont_asg_nocb_ptd : '||
to_char(l_gb_er_cont_asg_nocb_ptd))
 l_gb_pen_er_tps_cont_derived = (l_gb_pen_earnings * l_gb_er_tps_pen_rate/100) -
 l_gb_er_cont_asg_nocb_ptd /*Pay Award -l_gb_er_cont_asg_nocb_ptd*/
```

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```
     temp = PAY_INTERNAL_LOG_WRITE('[TPS ] Permanent Pensionable earnings = '
     +to_char(l_gb_permanent_earnings))
     temp = PAY_INTERNAL_LOG_WRITE('[TPS 11] l_gb_er_tps_pen_rate : ' +to_char(l_gb_er_tps_pen_rate)+'
     l_gb_pen_er_tps_cont_derived : ' +to_char(l_gb_pen_er_tps_cont_derived))
```

11. Modify the code shown below. If your qualifying pension scheme element was created prior to 22B, insert the highlighted text before and after the formula lines shown. If you create this element in 22B, these lines are added by the element template.

```
CHANGE_CONTEXTS(PART_NAME = 'GB_PS_TPS_EE_PENSION_RATE_TIER')
 ( call_formula('CALL_CALC_VALUE',
 FLOOR(l_gb_annual_pen_earnings) > 'base',
 l_gb_ee_cont_tier < 'ded_amount' default 0
 )
 temp = PAY_INTERNAL_LOG_WRITE('[TPS ] Employee Contribution Tier = ' +to_char(l_gb_ee_cont_tier))
 )
 WSA_SET('GB_PEN_TPS_EE_TIER'||'_'||to_char(DEDUCTION_COMPONENT_BY_EE),l_gb_ee_cont_tier)
 /* Added for TPS to reset parmanent earning if run elg comp. is zero -- Start */
 IF l_gb_elg_com_asg_nocb_run = 0 THEN
 (
 l_gb_permanent_earnings = 0
 )
 /* Added for TPS to reset parmanent earning if run elg comp. is zero -- End */
 WSA_SET('GB_PEN_TPS_PPP'||'_'||to_char(DEDUCTION_COMPONENT_BY_EE),l_gb_permanent_earnings)
 WSA_SET('GB_PEN_TPS_FPP'||'_'||to_char(DEDUCTION_COMPONENT_BY_EE),l_final_pensionable_pay)
```

Processing and Reporting Backdated Pay Awards

When a retroactive calculation is performed and the action reason for a salary increase is Pay Award, any arrears calculated are excluded when the process is calculating the contribution tier.

The Pay Value input value of the predefined nonrecurring information element, Backdated Pay Award Information TPS feeds the predefined information balance Backdated Pay Award Information TPS to manage the tier calculation. If the value of the balance is not zero, then the calculation of the tier excludes this amount.

Teachers' Pension requires you to report U lines for corrections and then U lines for the backdated pay awards (in that sequence). You must perform your payroll and other processes in a specific sequence to achieve this – first do your MCR corrections as one process and payroll run, then your backdated pay awards as a separate process and payroll run.

The suggested sequence is therefore:

- Regular monthly payroll activities including corrections, completed.
- HCM Rates run.
- Retroactive processing for corrections run.
- Payroll run for corrections.
- Backdated pay awards applied.
- HCM rates run.
- Retroactive processing for pay awards run.
- Payroll run for pay awards.
- Other processes.

Some considerations:

- Don't do further corrections in the same period after the BK changes and payroll run.
- If you update a salary record with a backdated pay award and then run the MCR before the payroll run, the MCR will not reflect the payroll results.

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- You must process the Generate HCM Rates process prior to the payroll run, ideally combined in a process flow. Do not submit the MCR flow if you've run Generate HCM Rates without a corresponding payroll run.

- A backdated pay award when there are no other pensionable earnings must be reported on a 'When Earned' basis.

When Earned (WE) Contribution Tier Calculation Method

In accordance with Teachers' Pension rules, the 'When Earned' method must be used for the following types of calculations:

In accordance with Teachers' Pension rules, the 'When Earned' method must be used for the following types of calculations:

- Contribution deduction from a payment to a member in the pay month after the one in which the member left employment.

- Refund of contributions due to overpaid salary or a retrospective opt-out.

There are other scenarios where the 'When Earned' method is recommended.

TPS When Earned Details Element

In some scenarios, usage of the predefined TPS When Earned Details element is required. The reported values in the MCR are taken directly from a user-defined "When Earned" element entry. Define element eligibility for this element before you use it.

> **Note:** If a TPS When Earned Details element is attached for a period, that whole period will be treated as "WE" and any retro deltas for that period will not be added to pensionable earnings. If a 'WE element' is NOT attached, that whole period will be treated as when paid, and any retro deltas will be added to pensionable earnings.

In accordance with TPS rules, the retrospective reporting of a mid-period change (that would ordinarily require split rows), requires that you report all split rows in the period, not just those that are impacted by the change. For example:

- A backdated reduction in full-time (FT) to part-time working hours (PTR) that takes effect on 15 June 2023 requires 2 update lines, 1 – 14 June and 15 – 30 June. You will need to create one element entry for each of the split periods.

- If the same reduction in hours and change from FT to PTR occurred on 15 April, 3 element entries are required: 1 – 5 April, 6 – 14 April, and 15 – 30 April.

TPS When Earned Details – Element Entry

Payments After Termination

The UK payroll process checks for a payment after an employee has left employment to ensure that the correct PAYE and National Insurance is calculated. The check is based on whether or not a P45 has been issued, automatically or manually. Using the same logic any pensionable payments made after a P45 has been issued will automatically be treated as "when earned" and the tier to be used to calculate pension deductions is based on the last day of pensionable employment.

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The calculation method for the contribution tier will be reported as "WE", with the appropriate contribution calculation date, and the previously paid and adjustment figures will be completed automatically.

Usage of a TPS When Earned Details element entry is not required for this scenario.

Exceptions to this are shown here:

Scenario	Description	comment
Pay claim after termination - no earnings in previous period	A late pay claim is submitted by a worker on a PTIC contract after the termination date and there are no earnings in the period prior to the termination date, so there is no eligible compensation balance from which to determine the contribution tier as of termination date.	Create the TPS When Earned Details element entry for each updated line of service.
Backdated termination	Termination was recorded in the system with an effective date preceding the employee's last MCR submission. For example, the June MCR submission was made 2023, and in July 2023, you learn that a late termination was recorded in the system effective 15 June 2023.	Create the TPS When Earned Details element entry for each updated line of service for the period(s) prior to termination.
Payment after termination - other changes in previous period	In addition to the late payment, there are other changes to the previously reported service period, for example, the adjustment of excluded days	Create the TPS When Earned Details element entry for each updated line of service. If there were no other changes, the actual payment details are calculated and reported automatically, as "WE".
Backdated pay award – no other earnings	If a payment after termination is due to backdated pay award arrears and the backdated pay award isn't paid with any other earnings, the "WE" calculation method for the contribution tier is applied for teachers on regular contracts.	Create the TPS When Earned Details element entry for each updated line of service. If there were other pensionable earnings, the actual payment details are calculated and reported automatically, as "WE".

Contractual Opt-Out

Follow the guidelines for contractual opt-out as shown in Pensions Automatic Enrolment and Functional Considerations (Doc ID 2006584.1).

If the member has opted out within the first 3 months of employment, the opt-out refund due indicator is 'Yes' and the qualifying scheme leaving date is the same as the joining date, then there is no subsequent processing and any refunds of pension deductions must be handled manually.

However, the calculation method for the contribution tier will be reported as "WE", with the appropriate contribution calculation date, and the previously paid and adjustment figures will be completed automatically, based on the figures previously reported.

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Usage of a TPS When Earned Details element entry is not required for this scenario.

Enrolment in Incorrect Scheme

If it's identified within the first 3 months of employment that a member has been enrolled into TPS incorrectly follow the guidelines for Backdated Transfer from Qualifying Scheme to Another Scheme as shown in Pensions Automatic Enrolment and Functional Considerations (Doc ID 2006584.1).

If the member has transferred within the first 3 months of employment, and the opt-out refund due indicator is 'Yes', then there is no subsequent processing and any refunds of pension deductions must be handled manually.

However, the record action will be 'D' to delete the incorrect pension details, and the calculation method for the contribution tier will be reported as "WE", with the previously paid and adjustment figures completed automatically, based on the figures previously reported.

You must create a TPS When Earned Details element entry for this scenario.

Refund of Contributions Due to Overpaid Salary

If a member has been overpaid pensionable earnings, for example paid as full-time when they were part-time, any refunds of pension deductions must be handled manually. You must create a TPS When Earned Details element entry for this scenario.

For example, an overpayment is discovered for the period May 1 to June 30, and the refund is processed manually in July. There would be two element entries in July for 'TPS When Earned Details', both with effective dates July 1 to 31. The start and end date entry values for each should match the update lines to be reported, May 1 to 31, and 1st June 1 to 30. For more details, see *Worked Example: Overpayment due to a Change in Hours (Full-Time to Part-Time)*.

Enter the details as required. The entry values from Actual Pensionable Pay to Additional Contributions Amount are to be entered as the values used to calculate the refund, what should have been calculated if the change had been made at the correct time. Enter the previously paid entry values for the element start and end dates.

The MCR process will report updated values as entered in the element, for the start and end dates stated, and will calculate the adjustment figures. For example, the adjustment figure for employer contributions will be reported as the difference between 'Employer Contributions' and 'Employer Contributions Previously Paid' entry values.

The element 'TPS When Earned Details' can also be used to ensure that the correct details are reported for a late notification of termination, and a refund of overpayment has been received. The withdrawal confirmation would need to be reported as 'W'.

Pension Scheme Formula Changes

Changes to the global pension calculator and global pension distributor formulas are required to support the processing of when paid and when earned scenarios and retroactive absences if your pension scheme elements were created prior to Release 23C.

Ensure you create a backup of your existing TPS pension scheme calculator formula. Then, update that formula as described here, inserting removing the strikethrough text and inserting the highlighted text as shown.

It is a prerequisite that the balance dimension 'Assignment Balance Date Period to Date' (ASG_NOCB_BDP_PTD) is added to the 'Eligible Compensation' balance.

Ensure you create a backup of your existing TPS pension scheme calculator formula. Then, update that formula as described here, inserting removing the strikethrough text and inserting the highlighted text as shown.

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Our formula example is based on a pension scheme element name 'VS TPS APRIL13'. Rename the relevant variable text to reflect your own pension scheme element name as shown in your existing pension scheme calculator formula.

> **Note:** Formulas convert element names to upper case and any spaces are converted to underscores (for example, VS_TPS_APRIL13).

Worked Example: Overpayment due to a Change in Hours (Full-Time to Part-Time)

An example of When Earned (WE) calculation method.

A change in hours from full-time to part-time from May 23, at 0.5 FTE, is entered after the May payroll was run. A retroactive process picks this change up in June. The reduction in hours has been treated as an amendment to the member's existing contract and no new role Id is issued.

The late processing has caused an overpayment which will need to be manually calculated, balances updated, and "When Earned" elements created to update MCR.

When there is a mid-month change from full-time to part-time and it doesn't constitute a new contract of employment, the service period is to be split on the day the change occurs.

Manual Calculation

A full-time employee receives a total monthly payment of £3,1800.00 and originally May pay is calculated as:

Balance	Amount (PTD)
Eligible Compensation	3180.00
Pensionable Earnings	3180.00
Permanent Pensionable Pay	3180.00
Assumed Pensionable Pay	3180.00
Final Pensionable Pay	3180.00
Employees Contribution	305.28 (9.6%)
Employers Contribution	753.02 (23.68%)

> **Note:** This is not an exhaustive list of balances, other balances may also be impacted.

When manually recalculating May pay, to reduce it due to the change in hours , the payroll figures should have been:

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Balance	Amount (PTD)
Eligible Compensation	2718.39
Pensionable Earnings	2718.39
Permanent Pensionable Pay	2718.39
Assumed Pensionable Pay	2718.39
Final Pensionable Pay	2718.39
Employees Contribution	233.78 (8.6%)
Employers Contribution	643.71 (23.68%)

Refund of Pension

Whichever method is used to refund the employee and employer contributions, of £71.50 employee, and £109.31 employer, care is to be taken that it doesn't affect what is reported in the MCR.

For example, if a user created pre-statutory deduction element is used to refund the employee and employer contributions check to ensure that the calculation balances to be reported in the MCR are correct for a particular period.

Balance Adjustment

As a refund of pension contributions is due for May, which should not impact the June calculation, checks should be made to see what balance adjustments are needed. How you've setup the feeds to the following balances will determine which balances may need to be adjusted so that the payroll calculation is correct:

Balance	April PTD Calculated Amount	May PTD Corrected Amount	June PTD Calculated Amount	Total YTD Should be
Eligible Compensation	3180.00	2718.39	1590.00	7488.39
Pensionable Earnings	3180.00	2718.39	1590.00	7488.39
Permanent Pensionable Pay	3180.00	2718.39	1590.00	7488.39
Assumed Pensionable Pay	3180.00	2718.39	1590.00	7488.39
Final Pensionable Pay	3180.00	2718.39	1590.00	7488.39
Employee Contribution	305.28	233.78	117.66	656.72
Employer Contribution	753.02	643.71	376.51	1773.24

Note: Enter the negative balance adjustments to ensure YTD balance amounts are correct. Employee and Employer contributions may already have been adjusted, for example if using a refund element.

MCR Reporting Including When Earned Element

As the May details have already been reported in the MCR the TPS When Earned Details element will need to be used to update those figures.

Original May MCR Details:

Name	Record Action	Role Identifier	Start Date	End Date	FT/PT Indicator	Annual FT Salary	PT Earnings	Calc Method	Actual Pensional Pay	Employer Conts	Employee Conts	Tier %
Ella	A	1/1	010522	310522	FT	38160	N/A	N/A	3180.00	753.02	305.28	9.6

TPS When Earned Details Element:

Enter the details as required. The entry values from Actual Pensionable Pay to Additional Contributions Amount are to be entered as the values used to calculate the refund, what should have been calculated if the change had been made at the correct time. Enter the previously paid entry values for the element start and end dates.

The MCR process will report updated values as entered in the element entry, for the start and end dates stated, and will calculate the adjustment figures. For example, the adjustment figure for employer contributions will be reported as the difference between 'Employer Contributions' and 'Employer Contributions Previously Paid' entry values.

Two when earned element entries will be required to report May correctly

For the period May 1 to May 22

- Part-time Earnings:
- Actual Pensionable Pay: 2256.77
- Employer Contributions:
- Member Contributions:
- Member Contributions Tier:
- Employer Contributions Previously Paid:
- Member Contributions Previously Paid:

For the period May 23 to May 31

- Part-time Earnings: 461.61
- Actual Pensionable Pay: 461.61
- Employer Contributions: 643.71
- Member Contributions: 233.78
- Member Contributions Tier: 8.6
- Employer Contributions Previously Paid: 753.02
- Member Contributions Previously Paid: 305.28

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June MCR Details:

Name	Record Action	Role Identifier	Start Date	End Date	FT/PT Indicator	Annual FT Salary	PT Earnings	Calc Method	Actual Pensional Pay	Employer Conts	Employee Conts	Tier %
Ella	U*	1/1	010522	220522	FT	38160		WE	2256.78	N/A	N/A	N/A
Ella	U*	1/1	230522	310522	PT	38160	461.61	WE	461.61	643.71	233.78	8.6
Ella	A	1/1	010622	300622	PT	38160	1590.00	N/A	1590.00	376.51	117.66	7.4

*Plus any other details from the When Earned element, including the calculated adjustment figures.

Retroactive Absence Reporting

Retrospective changes to absences are processed and reported in the MCR as U lines.

Retrospective changes with U lines (with split rows for pensionable and non-pensionable service) are reported for the following scenarios:

- Late notification of an absence that started in a previous period
- Change to start date for an absence that started in previous period
- Change to (or addition of) an end date for absence that started in previous period
- Deletion of an absence from previous period

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13 Data Validation

Validate Default Information Using Autocomplete Rules

You can use Autocomplete Rules in the HCM Experience Design Studio to assign default values and validate information entered in fields in the supported mobile-responsive flows according to your requirements.

To enable Autocomplete Rules, you must log a Service Request (SR). Review and follow the instructions provided in the My Oracle Support document, Enabling Oracle HCM Cloud Autocomplete Rules (Document ID 2767655.1) to get access.

Once Autocomplete is enabled for you, you can access all delivered Autocomplete rules and you can create new rules with approval from the Oracle central ACR team. Delivered Autocomplete rules are provided disabled. To use a delivered rule, first create a copy of the delivered rule and then select the Active check box in the rule editor.

The following Autocomplete rule is delivered for the UK:

Rule Name	Rule Description	Business Object	Rule Type	Description and Usage
GB Validate Teachers Pension Temporary NI Number Format	Oracle-delivered rule to validate if the format of the TPS Temporary NI Number conforms with Teachers' Pension requirements. **Instructions:** 1. Duplicate the rule. We recommend that you use the rule as is without changing the validation logic in the delivered rule. 2. Activate the rule 3. Save and close	Person Legislative Information	Field Validation	Validates that the format of the entered TPS Temporary NI Number conforms to Teachers' Pension requirements. Raises a message if the format entered does not match the format defined in the rule.

GB Validate Teachers Pension Temporary NI Number Format Rule Definition

See *Person-Level Attributes* for more information on using this rule with the TPS Temporary NI Number.

For more information on enabling delivered rules, refer to the Configuring and Extending HCM Using Autocomplete Rules guide in the Oracle Help Center.

Overview of Data Validation Using TPS Diagnostics

Diagnostic tests are used in the troubleshooting process to identify and resolve issues.

Diagnostic tests are available from the Diagnostic dashboard, which you access by selecting **Settings and Actions > Troubleshooting > Run Diagnostic Tests.**

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Run these diagnostics tests to validate both your initial one-time TPS setup and also your monthly MCR submissions and assignment-level setup:

- HCM UK TPS Generic Setup Diagnostics

- HCM UK TPS MCR Submission and Assignment-Level Diagnostics

For more information on troubleshooting, see Diagnostics Tests in Oracle Applications Cloud Using Common Features on the Oracle Help Center.

Validate Initial Setup

Use the HCM UK TPS Generic Setup Diagnostics Report to analyse your setup at PSU level.

You run this report by PSU and effective date (required parameters). The following checks are performed:

Validation Type	Validation Description
Organization model	Lists organization structures that have the following TPS-specific identifiers recorded: • Local Authority Number (PSU, legal employers, and reporting establishments). • MAT or Payroll Provider Number (PSU and legal employers). • Establishment Number (reporting establishments). Checks the format of each identifier: • Local Authority Number – 3 numbers • MAT or Payroll Provider Number – 750 or 751, followed by a forward slash and 4 numbers, for example, 750/1234 • Establishment Number – 4 numbers
Pension Scheme Elements	Warns you if no main qualifying pension scheme elements or additional contribution type elements exist. Or lists the elements that do exist.
Element Eligibility	Lists the main qualifying pension scheme elements or additional contribution type elements that have no element eligibility specified.
Calculation Value Definitions	Indicates if user-defined values exist for the following predefined calculation value definitions: • TPS Employee Pension Rate Tier • TPS Employee Pension Rates • TPS Employer Pension Rates • TPS Pensionable Annual Salary Minimum and Maximum
Annual Full-Time Salary	Shows the rate definition contributors to these predefined rate definitions: • Annual Full-Time Equivalent Salary • Annual Full-Time Non-Prorated Allowances
Balance Feeds	• Warns you if no user-defined balance feeds exist for the following balances: • <Element Name> Permanent Pensionable Pay • <Element Name> Assumed Pensionable Pay

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Validation Type	Validation Description
	• <Element Name> Eligible Compensation • <Element Name> Final Pensionable Pay • Non-Pensionable Overtime TPS • Non-Pensionable Overtime TPS Retroactive • Additional Pension Payments TPS • Additional Pension Payments TPS Retroactive • Pensionable Additional Hours TPS • Pensionable Additional Hours TPS Retroactive • Non-Pensionable Absence Payment TPS Or lists the balance feeds that do exist.
Absence Types	Warns you if no absence types exist for the following legislative grouping codes: • UK Adoption • UK Break in Service • UK Maternity • UK Paternity Adoption • UK Paternity Birth • UK Shared Parental Leave Adoption • UK Shared Parental Leave Birth • UK Sickness • UK Special Unpaid Leave • UK Unauthorised Unpaid Absence • UK Unpaid Industrial Action • UK Unpaid Leave Or lists the absence types that do exist.
Extended Lookups	Warns you if no extended lookup mappings exist for the following lookup types: • Assignment Category • Pension Joining Method lookup Or lists the mappings that do exist.
Pay Award Action Reason Mapping	Lists the action types that are mapped to the predefined Pay Award action reason.

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Validate MCR Submissions, Assignments, and Missing Records

Use the HCM UK TPS MCR Submission and Assignment-Level Diagnostics Report to validate your monthly MCR submission, the assignments included in it, and records that have been excluded but potentially should be reported.

The following parameters are provided for this report:

- Payroll Statutory Unit (required)
- Effective Date (required)
- Local Authority Number
- MAT or Payroll Provider Number
- Establishment Number
- Assignment Number

Payroll Statutory Unit and Effective Date are required parameters. The other parameters you select determine the report output. You must additionally do one of the following:

- To check for missing records prior to your MCR submission, or to check for gaps in submissions or duplicate submissions for the same period, select the Local Authority Number. (You can optionally use the MAT or Payroll Provider Number and Establishment Number parameters too). It's recommended that you run this before the MCR flow submission.
- To check for missing person and assignment information at individual assignment level, select the Assignment Number. If an assignment number includes a prefix letter, for example for automatically generated assignment numbers, such as E45678, include that prefix letter too in the parameter.
  - You can optionally use the Local Authority Number, MAT or Payroll Provider Number and Establishment Number parameters too.) It's recommended that you run this after the MCR flow submission.
  - If no missing attributes are reported, the person exists in the PSU and has a Teacher Reference Number. Their assignment has a Role Identifier and is associated with a reporting establishment that has an Establishment Number.

These checks are performed:

Validation Type	Validation Description
MCR Submission Validation	Incomplete series of monthly submissions made based on the effective date - there is a gap in submission period. For example, January 2023 was run, then March 2023; no submission for February 2023. Checks if the Monthly Contributions Reconciliation report was submitted more than once for the same period (in which case, a rollback is required).
Person and Assignment Validation	Checks if the selected assignment number exists in the PSU. Checks if the following exists for the selected assignment: • Teacher Reference Number (recorded at person level). • Role Identifier. • Association with a reporting establishment that has an Establishment Number.

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Validation Type	Validation Description
Missing Records	Identifies people who don't have both a Role ID and Teacher Reference Number and are therefore not reported in the MCR, but possibly should be based on the attributes that are present. See below for more details.

Missing Records

When you run this report for a selected local authority, the report checks for assignments and Benefits and Pension cards that are active at any point in the service period for which you are running the report (based on the Effective Date parameter) and that have any of the following incomplete combinations of information:

- Role Identifier but no Teacher Reference Number

- Teacher Reference Number but no Role Identifier

- Enrollment in a Teachers' Pension scheme and neither a Role Identifier or Teacher Reference Number, or just one of those two attributes.

If the person has one of the above combinations of attributes, they will not be included in the MCR flow, but the partial information that's recorded for them implies that potentially they should in the MCR. This information enables you to review the employee's details and to determine if the information is incomplete or incorrect. The reported information is in a table format, similar to this, so you can see easily which attributes are missing for the person.

Employees with Missing MCR Attributes

LA Number	Organizat	Establishr	Establishr Number	TRU Name	Person Number	Surname	Forename	NI Number	Teacher Reference Number	Assignme Number	Role ID	Pension Scheme Enrolment
123	LA ABC	School 1	2468	LA ABC	12345678	Smith	Sarah	QQ123456	<Null>	12345678	<Null>	TPS CARE
123	LA ABC	School 1	2468	LA ABC	12345680	Brown	David	QQ123457	1294211	12345680	<Null>	TPS CARE
123	LA ABC	School 1	2468	LA ABC	12345680	Brown	David	QQ123457	1294211	12345680	<Null>	<Null>
123	LA ABC	School 2	2469	LA ABC	12345690	Banks	Lisa	QQ123459		12345690	1/1	TPS CARE

A termination is reported if the final close date occurs in a later period. For example, if you run the report with an effective date that is anything from 1 to 28 February, it will include terminations with a final close date of 1 March or later. This is because it's possible that post-termination pensionable earnings exist (which, if the assignment was liable for MCR reporting, should be reported in the MCR).

If the final close date precedes the period for which the report is run, the person will not be included in the table.

Validate Submission and Check for Missing Records

It's recommended that you run the HCM UK TPS MCR Submission and Assignment-Level Diagnostics report at local authority (and additionally, payroll provider or MAT level) in preparation for the MCR submission.

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You can check that there aren't assignments missing that potentially should be reported and the status of flow submissions for the period. You can't submit multiple flows for a given service period; you must do a rollback if other submissions exist. Multiple submissions in the same period will result in inaccuracies in the reported data.

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14 Manage MCR

Generate HCM Rates Process

The Generate HCM Rates Process must be run before each payroll run.

Before each payroll run, you must run the Generate HCM Rates Process (ideally, combined with a process flow) in "Full" mode once to create entries in the Rates Values table for regular earnings that use rate definitions. The process interprets events such as salary increase and will calculate accurately the rate values for each proration. The MCR uses some of the proration calculatins performed by the HCM Rate process.

> **Note:** Don't run the HCM Rates prior to generating the MCR without also running the payroll. It's very likely your MCR calculations and reporting will be incorrect as they will not reflect your payroll results.

For more information see Generating HCM Rates under Setting Up Pay Calculation Components in Implementing Payroll for the United Kingdom on the Oracle Help Center.

Generate the MCR

The Monthly Contributions Reconciliation or MCR report will consider:

- Work relationships that start on, or before, the effective date, and
- Assignments and calculation cards that partially or wholly overlap the period being reported. That is, they are active at some point between the first and last day of period in which the effective date occurs.

An assignment will be considered for inclusion only if both of the following exist:

- A Role Identifier (assignment)
- A Teacher Reference Number (person)

Generate TPS Monthly Contributions Reconciliation File

The Generate TPS Monthly Contributions Reconciliation file process generates the archive TPS information, validates the information and generates a txt file.

Perform these steps to generate the MCR Contribution report:

1. Use the Submit a Process or Report task. Select your **Legislative Data Group** and Generate TPS Monthly Contributions Reconciliation file.
2. Enter the details as shown here:

Field	Description
Payroll Statutory Unit	Mandatory List of PSUs in the legislative data group.

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Field	Description
Effective Date	Mandatory Defaults to last day of the previous calendar month based on system date.
MAT or Payroll Provider Number	List of MAT registrations defined at PSU or Legal Employer level, or Payroll Provider registrations defined at PSU Level.
Local Authority Number	Mandatory List of local authority numbers defined at PSU, legal employer, and reporting establishment level.
Establishment Number	List of Establishment Numbers.
Process Configuration Group	List of process configuration groups. The parameters from the default group are used if left blank.

The organization names against which identifier is recorded is shown in the parameter:

Mandatory Parameter	Mandatory Parameter	Optional Parameter	Employees Selected	ID on MCR HEADER	ID for member
Payroll Statutory Unit	Local Authority Number		Members (including members who aren't in the scheme but are eligible to be in it) in the PSU with the selected Local Authority Number, whether Local Authority is entered at PSU, legal employer, or reporting establishment level.	Local authority number from parameter value and Establishment Number from main legal reporting unit (reporting establishment), of PSU	Local authority number and establishment number of the reporting establishment they have been assigned, if the local authority number has been entered at this level, or local authority number of the legal employer where the contract is held, and the establishment number of the reporting establishment they have been assigned

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Mandatory Parameter	Mandatory Parameter	Optional Parameter	Employees Selected	ID on MCR HEADER	ID for member
Payroll Statutory Unit	Local Authority Number	MAT or Payroll Provider Number (taken from PSU)	Members (including members who aren't in the scheme but are eligible to be in it) in the PSU with the selected Local Authority Number, whether Local Authority Number is entered at PSU, legal employer, or reporting establishment level.	MAT or Payroll Provider Number from parameter value and Establishment Number from main legal reporting unit (reporting establishment), of PSU	Local authority number and establishment number of the reporting establishment they have been assigned, if the local authority number has been entered at this level, or local authority number of the legal employer where the contract is held, and the establishment number of the reporting establishment they have been assigned
Payroll Statutory Unit	Local Authority Number	MAT Number (taken from Legal Employer)	Members (including members who aren't in the scheme but are eligible to be in it) in the PSU and the legal employer with the selected MAT Number, whether Local Authority Number is entered at PSU, legal employer, or reporting establishment level.	MAT Number from parameter value and Establishment Number from main legal reporting unit (reporting establishment), of PSU Legal Employer	Local authority number and establishment number of the reporting establishment they have been assigned, if the local authority number has been entered at this level, orlocal authority number of the legal employer where the contract is held, and the establishment number of the reporting establishment they have been assigned
Payroll Statutory Unit	Local Authority Number	Either of the above combinations (MAT or Payroll Provider Number) plus Establishment Number	By adding the Establishment Number parameter, only members in that Establishment Number are reported	MAT or Payroll Provider Number of main legal entity (PSU or Legal Employer) or from the parameter value if entered, and Establishment	Local authority number and establishment number of the reporting establishment they have been assigned, if the local authority number has been

Mandatory Parameter	Mandatory Parameter	Optional Parameter	Employees Selected	ID on MCR HEADER	ID for member
				Number from parameter value	entered at this level, or local authority number of the legal employer where the contract is held, and the establishment number of the reporting establishment they have been assigned

Once the Archive TPS Information and Generate TPS Errors and Warnings tasks are complete and free of errors, you will need to mark Review and Confirm TPS Audit Errors and Warnings as Completed. The Generate TPS Monthly Contributions Reconciliation File task status is then also completed and report file is generated.

Note: Do not mark the manual task as complete until the archive is complete and error-free.

In case of any warning, the flow can continue. In case of errors, the task will stop. Check the errors and warnings detected by the process, correct the errors and retry the archive task.

The MCR flow generates a file that whose name ends csv.txt. To create a file format that's ready for submission to Teachers' Pension (or to import into the MCR manual spreadsheet), rename your file to .csv by removing the .txt file extension.

To load the excel file :

1. Go to Excel, and from Data tab select 'New Query' from the Get and Transform section, or import the .csv file into the MCR template.
2. Select **From File** and then **From CSV**.
3. Select renamed file from folder and click **Import**.
4. Then click **Load**.

Note: Check if a third-party organisation payment method is already set up. This value appears in payment method in header section of MCR.

Regenerate TPS Monthly Contributions Reconciliation File after a File Rejection

Errors such as naming convention, contribution summary (part-time salary greater than full-time salary...), member data errors and personal data mismatches are normally tracked in our validation process.

But the whole file may be rejected for errors that were not tracked in the validation report when the user attempts to load the file in the TPS portal.

The errors need to be corrected in Fusion, and then you would need to either mark for retry each line in error and then retry the tasks, or roll back the full extract flow and submit the flow again afresh. The choice would depend on the

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number of errors reported and the number of people needing to be retried versus the relative reprocessing time needed and consideration that a whole new flow would re-extract data redundantly for members having no errors reported. If you opt for the retry approach then mark individual records for retry by drilling down from the "Generate TPS Monthly Contributions Reconciliation File" archive retrieval task to the list of people who were in error, and from there mark the appropriate people for retry. Then drill down from the archive task to the list of people processed and mark the same people for retry.

Manage Warnings from the Portal

This is the case where a file is sent back to you with warnings.

These are changes that were not identifiable either by Fusion validation check or by the initial checks made by the teachers' pension portal. You will need to download the file from the portal, check the warnings, and correct the data in Fusion.

Then, once you have initiated the Generate TPS Monthly Contributions Reconciliation File process for the following month and that Archive TPS Information task status is Complete, insert each case (error) number returned by TPS directly into that new archive, against the particular record that fixes the issue.

Generate Update (U) Records and Parameter Usage

If an update or correction to a previous record is required, you must reuse the same combination of parameters as those used to generate the previous record.

For example, if you ran the MCR for an entire local authority before (and left the Establishment Number parameter blank), then you can't run it for an individual establishment number the following month.

Reconcile TPS Payments at TRU Level

Tax Reporting Unit information is available in the UK Teachers' Pensions TPS Monthly Contributions Reconciliation extract. Its data element name is TRU Name.

The TRU is archived against each MCR detail record. If you submit the MCR on behalf of other employers, you can use this to create your own reports to assist with the reconciliation of your payments to Teachers' Pension and the payment summary breakdown provided by Teachers' Pension.

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15 Scheme Withdrawal

Withdrawing from the Teachers' Pension Scheme

Teachers' Pension requires the Withdrawal Confirmation indicator (data item 23) for the scenarios shown here.

You must follow the steps described to trigger the withdrawal indicator and for accurate calculation of the member's contributions:

Scenario	User action	Comment
Change of Establishment Number, for example, member moves from: • One LA maintained school to another (same LA) • One academy to another (same MAT)	End existing assignment and create new assignment with new Establishment Number to generate an A line with the Withdrawal Confirmation for the selected assignment. If this was not notified until after the MCR was run, retrospectively end existing assignment and create new assignment with new Establishment Number to generate a U line with the Withdrawal Confirmation for the selected assignment.	Do not make date effective change to the existing Establishment Number; this will not trigger a Withdrawal Confirmation.
Change of job role within same or different contract (change of Role ID, either Type 1 or Type 2)	End existing assignment, create new assignment with new Role ID to generate an A line with the Withdrawal Confirmation for the selected assignment. If this was not notified until after the MCR was run, retrospectively end existing assignment, create new assignment with new Role ID to generate a U line with the Withdrawal Confirmation for the selected assignment. If they have moved from one establishment to another, you can re-use existing Role ID on new assignment depending on contractual arrangement.	Do not make date effective change to the existing Role ID; this will not trigger a Withdrawal Confirmation.
One of several jobs (assignments) is ending; others still exist.	End the assignment to generate an A line with the Withdrawal Confirmation for the selected assignment. If this was not notified until after the MCR was run, retrospectively end assignment to generate a U line with the Withdrawal Confirmation for the selected assignment.	N/A
Member is leaving the employer (termination of all assignments).	Terminate the work relationship to generate an A line with the Withdrawal Confirmation for all assignments in the work relationship. If this was not notified until after the MCR was run, retrospectively terminate the work relationship to generate a U line with the Withdrawal Confirmation for all assignments.	N/A