Teachers' Pensions

How to ensure your contributions payment and MCR file are correctly added to a member's record

January 2023

There are common errors that can prevent you from submitting your monthly MCR files, so we've put together a factsheet to help you understand how to avoid these.

What do I need to do each month?

1. Submit your MCR file before 15th of the month, considering how long it takes for your preferred method of payment to clear and the potential for any STOP errors to be rectified
2. Once you've received notification that your file has been accepted by us, submit a payment that's the same value you provided on your MCR file
3. If you received any STOP errors explaining the file has been rejected, amend these, and resubmit your MCR file before sending us your contributions payment
4. If you receive warning errors or checklists, take any action needed within the next three months submissions.

We've created examples to help you understand:

- a correct submission
- a submission with warning errors
- a submission with STOP errors that are rectified
- an incorrect submission which causes suspense payments and a suspended account
- an incorrect submission which causes suspense/mismatched payments
- non-correction of warning errors, leading to employer being suspended.

A correct MCR submission

1. Chipster School submits their December MCR file on 10 January as they want to make sure their file is accepted in plenty of time. This allows for any resubmissions to be made by the 15th deadline. It also allows their BACS payment, which takes three working days to clear, to reach our accounts for the 15th. Their MCR file states that their total contributions payment due from December is £50,450
2. A couple of hours after they've submitted their file, they receive a notification via email that there's a message for them in the MCR Data Centre mailbox
3. They check the message which states that their submission has been accepted by us
4. They then make the payment of £50,450 via BACS transfer, which reaches us before the deadline of the 15th of the month.

Why is Chipster's submission well planned and executed? There's several reasons:

- They sent their first file to us on the 10th of the month, giving them plenty of time to resubmit should they need to correct STOP errors
- They waited until they received their confirmation from us that their submission had been accepted, before sending in the contributions payment
- They sent their contributions payment within enough time to reach us for the deadline, considering it takes three working days for BACS payments to clear
- Their contributions payment matches the total they provided on their MCR submission.

A submission with warning errors

1. Chipster School submits their December MCR file on 10 January. Their MCR file states that their total contributions payment due from December is £50,450
2. A couple of hours after they've submitted their file, they receive a notification via email that there's a message for them in the MCR Data Centre mailbox
3. They check the message which states that their submission has been accepted by us, but the file has some warning errors that need actioning in the next three months submissions
4. They then make the payment of £50,450 via BACS transfer, which reaches us before the deadline of 15th of the month
5. In February, they amend their payroll run to reflect the corrected contributions for January that were flagged up as warning errors, adding £48,200
6. In their February file, which is submitted in March, Chipster make the relevant amendments based on the warning errors they received from December's file to match the payment changes in their payroll run. This ensures the file matches the payment
7. Chipster's accounts now reconcile and no further action is required.

Even though Chipster had warning errors, they weren't suspended from sending their MCR files because they updated the incorrect lines of data within the three months deadline, and provided the correct amount of contributions going forward.

A submission with STOP errors that are rectified

1. Chipster School submits their December MCR file on 10 January. Their MCR file states that their total contributions payment due from December is £50,450
2. A couple of hours after they've submitted their file, they receive a notification via email that there's a message for them in the MCR Data Centre mailbox
3. They check the message which states there are some STOP errors on their file, meaning the whole file has been rejected. These errors are those where a mandatory value hasn't been provided, the value populated in the field is in the wrong format or doesn't meet the specific naming logic/value restriction. Once this has been fixed they can submit the file
4. Chipster resubmit it on 11 January with a new total of contributions payments of £45,670
5. They receive a notification saying that their MCR file has been accepted
6. They then make the payment of £45,670 via BACS transfer to us, which reaches us before the deadline of the 15th of the month.

Even though Chipster has STOP errors:

- when they submitted their first attempt of their December file on the 10th of the month, it meant they had time to rectify the STOP errors and resubmit, still meeting the 15th deadline
- they waited until we accepted their MCR file before making the matching contributions payment, which meant their payment matched the correct MCR file and we were able to reconcile
- their contributions payment was still received on time as they managed to resubmit their MCR file on 11 January, giving the payment four working days to clear.

An incorrect submission which causes suspense payments and a suspended account

1. Chipster School submits their December MCR file on 10 January. Their MCR file states that their total contributions payment due from December is £50,450
2. A couple of hours after they've submitted their file, they receive a notification via email that there's a message for them in the MCR Data Centre mailbox
3. They don't read the email and therefore don't check the message. This told them that there were STOP errors on their file, were it hasn't been accepted and they must resubmit a new file with the correct lines of data
4. Chipster don't resubmit a new MCR file and instead send their payment to us of £50,450

5. When we come to reconcile Chipster's file to their contributions payment, we're not able to allocate the correct level of contributions to their members as we don't have the corresponding file
6. The same thing happens in January's submission, which is sent in February, meaning we'll have £100,900 in suspense payments
7. Chipster does this again in February's submission, due in March, meaning we have £151,350 in suspense payments.

Even though Chipster were sending their contributions payments to us, they hadn't provided a corresponding MCR file to reconcile against, so we're unable to allocate the contributions to each member within that establishment.

Until we receive a correct MCR file from Chipster, those payments will remain unallocated.

As Chipster didn't check their MCR Data Centre mailbox or read their email from us, they didn't realise the MCR file was rejected, and they sent their payment to us anyway.

An incorrect submission which causes suspense/mismatched payments

1. Chipster School submits their December payment of £50,450 in line with their payroll run on 10 January
2. They then generate their MCR file and import it into the MCR Template to check it
3. They can see warning errors flagged on the Template and make changes to the MCR file, before submitting via the Employer Portal
4. When the file is processed, it's showing a payment of £63,280 is due after the corrections have been made in the template, but Chipster has already sent their payment of £50,450 to us.

Instead of amending the warning errors prior to submitting their MCR file, Chipster should've submitted the file with the warning errors, which would've then totalled £50,450. This would've matched their payment submitted and we would've been able to reconcile these payments against the members' records.

Chipster should be correcting the errors at the point they're corrected in payroll (even though you have three months to rectify errors, we would suggest this be the following month. This is to make sure the MCR file and payment match.

A non-correction of warning errors, leading to employer being suspended

1. Chipster School submits their December MCR file on 10 January. Their MCR file states that their total contributions payment due from December is £50,450
2. A couple of hours after they've submitted their file, they receive a notification via email that there's a message for them in the MCR Data Centre mailbox
3. They check the message, and it states that their submission has been accepted by us, but the file has some warning errors that need actioning in the next three months submissions
4. In January, they send their MCR file to us but don't include any 'update' lines for the errors they received in December's submission
5. The same happens in February
6. When they come to send in their March file if they don't include the corrective lines for December including the case numbers, then this file will be rejected
7. The payment will go into suspense as we don't have an accepted file to match the payment to and Chipster will be suspended from sending in any further MCR files.

To reinstate Chipster's MCR submissions we'll require a March file completing all the correction lines for December including the case numbers.

In Chipster's April file they'll need to ensure all the corrections for January are completed otherwise they'll be suspended from submitting their MCR files again as January's warnings are now outstanding.

MCR submission 2023

Further help

Further information on warning errors and STOP errors can be found in our MCR User guide and if you receive any notifications that you have errors and you're unsure what they mean, we've got an error table you can cross reference with.

We have a wealth of information on our website which can help with your submission. We also have various training webinars you can join to boost your knowledge or MCR surgeries where you can submit questions in advance and go through them with us on the day. Make the most of these and register today!