FUTURE SERVICE DELIVERY CONTRACT

SCHEDULE 2.1

ANNEX A (PAYROLL, CONTROL AND ACCOUNTING)

APPENDIX 3 - UPDATE FREQUENCY FOR RATES OF PAY & ALLOWANCES

No.	Rates subject to change	Frequency of rate change	Source of rate change	Additional Information
1	Rates of Pay and Allowances.	Normally once per annum	HM Treasury	• Pay Review Bodies for SSRB and Medical/Dental Officers may report in August but rates of pay and allowances will be back dated to 1 Apr. AFPRB (for remainder of Armed Forces including Volunteer Reserves) normally available prior to 1 Apr annually and effective from that date. • Directed Letters will be issued by People(Rem) as the authority to amend rates within JPA. • GYH(O) and OSA/SMA rates are calculated twice a year not once like other allowances.
2	Fees and Charges.	Once per annum	HM Treasury	• Covers anything that can be a deduction for a service from an individual such as, but not exclusively, all rates for accommodation, council tax, food charges, fuel & light.
3	Rates of Local and Seagoing Overseas Allowances	Once per annum	JSP 752	• Rates of LOA are typically reviewed once per annum by location, there will be the potential for monthly change to reflect Foreign Exchange Rate changes. The Authority (DBS MilPers MilOps Current Ops) will provide new rates as required; the Contractor being required to upload into internal tables.
4	Rates of Distinction awards.	Once per annum	JSP 754	
5	Rates of service risks insurance premiums	Once per annum	JSP 752 and JSP 754	• Service Risks Insurance Premiums attract a liability for both tax and NICs however these are settled

	grossing up factor.			automatically by DBS MilPers via a PAYE Settlement Agreement (PSA).
6	Rates of PAX and RPAX.	Once per annum	JSP 754	• Rates are set by the supplier (currently AON UK trading as PAX) and although normally reviewed annually by the supplier, in times of instability/uncertainty, it may be necessary to update PAX rates more than once in any Financial Year. Whilst this is unlikely, it is possible.
7	Rates of N Trust benefits and contributions.	Once per annum	JSP 754	
8	Rates of Forces Safeguard.	Once per annum	JSP 752 and JSP 754	
9	Rates of LSAP and FHTB Insurance Premium.	Once per annum	JSP 752 and JSP 754	• The waiver premium payable by every LSAP and FHTB recipient is calculated by dividing the total cost of waivers granted in the previous Financial Year by the total number of LSAP recipients at the time of the review. • Premium rate is provided by the Authority (DBS MilPers MilOps PPG&A).
10	Rates of LSAP and FHTB Letting Interest	Once per annum	HM Treasury	
11	Interest Rate on Crown Debts associated with LSAP and FHTB	Once per annum	HM Revenue and Customs	

12	Rates of Officers' Uniform Tax Relief (OUTR) and Ratings'/ ORs' Laundry Tax Relief (LTR)	Periodically, but not more once per annum	JSP 752	• To be used with nett Pay Scheme calculation. • Both OUTR and LTR are Fixed Rate Entitlement Allowances agreed by HMRC based on data provided by the Services. HMRC reviews will occur on an as required basis, invariably greater than annually.
13	SCAPE Rates	Once per annum	HM Treasury and GAD	• SCAPE = Superannuation Contributions Applied Pay Elements. • It is an Authority (People Rem Pensions through DBS MilPers MilOps PPG&A) responsibility to confirm the SCAPE rates annually - but this does not mean that the rates will change every year.
14	Expenses	Once per annum	JSP 752	• All fixed rates e.g. MMA associated with expenses.
15	Gibraltar Social Insurance Fund	Once per annum on 1 July	HM Government of Gibraltar	• Only applies to members of the Gibraltar Regt. • This is the equivalent of UK National Insurance. Paying into the Gibraltar Social Insurance Fund means members of the Gibraltar Regiment are exempt from UK National Insurance.
16	Fixed Forces Rates (FFR).	Once per month	JSP 754	
17	General Accounting Rate (GAR).	Once per annum	JSP 754	• In times of significant financial market instability it may be necessary to update GAR more than once in any Financial Year. Whilst this is unlikely, it is possible.