

# **39a Appendix - Age Estimates & Benefit Statements (AEBS)**

## Additional Information

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## Age Estimates & Benefit Statements - Additional Information

NHS Pensions have received a number of enquires from Scheme employers following the recent release of the Age Estimates and Benefit Statements functionality through Pensions Online (POL). Principally these related to the following areas:

- An increase in the amount of cases referred to NHS Pensions due to the additional data cleanse checks;
- 1995 Section Pay Calculations;
- 2008 Section Pay Calculations;
- Design / Layout of the statements;
- General issues.

This document is intended to provide further information to answer these questions raised. We would also like to thank all Scheme employers for the comments and feedback they have provided.

**Note:** Some issues raised are still currently under investigation and any changes made will be notified to Employers as soon as possible.

### New Data Cleanse Checks

The Age Estimate and Benefit Statement functionality includes some new (additional) data cleanse checks that are currently used for the payment of pension benefits (Age Awards).

The additional checks include the following: -

- Split benefit cases (i.e. where there is a break in membership of 12-months or more),
- Mental Health Officer (MHO) qualifying service,
- Attaching Disallowed Days, Transfers in, Added Years and missing deferred (preserved) pay periods to specific pensionable employments.
- Employment periods that have not yet been updated,
- Overlapping periods of whole-time employment,
- Potential 'dummy hours' present on the member's record,
- Missing cyclic updates (where the member's record has not been updated to 31 March 2009 or later).

- Cases where the member has membership in both sections of the NHS Pension Scheme and membership is restricted requiring manual calculation by NHS Pensions.

**Note:** All the above checks are in addition to those already in place and have been created in order to resolve any data issues before a member receives their statement of benefits. This means that in the future a greater proportion of estimates can be produced when needed through Pensions Online. The aim is that these 'Award Quality' statements will have resolved any data issues so that future retirement applications can be quickly processed when the member is ready to retire.

### 1995 Section Pay Calculation Queries

The Benefit Statements produced are intended to be of 'Award Quality' standard, which means that the pay amounts used will actually be the best of the last 3 years and will therefore take account of any previous NHS employments if they are within the '3-year' period. The Benefit Statements will now also complete calculations using 'split benefits' where applicable (for example where a member has had a 12-month or more break in membership and that treating the periods separately produces a better pension result for the member).

### 2008 Section Pay Calculation Queries

2008 Section benefits are calculated using the member's reckonable pay, which is the **average of the best three consecutive years pensionable pay in the last ten, revalued by the consumer prices index.**

The Benefit Statements will take account of any previous NHS (2008 Section) employments if they are within the '10-year' period (starting from April 2008)

A simplified example of the calculation of reckonable pay is contained in the [Pensionable and Reckonable Pay Factsheet](#) .

The Reckonable Pay calculations will become more complex as membership in the 2008 Section increases. Therefore, the pay figures used for the Benefit Statement cannot be amended.

All 2008 Section Age Estimates were previously completed manually by NHS Pensions and these are now automated, wherever possible.

**Note:** If the pay amount quoted on the Benefit Statement screen seems high, there could be arrears of pay not allocated to the correct year. This can be corrected by using the Pensions Online (POL) E-Form SD55E to apportion the arrears to the correct year.

**Note:** Pay amounts quoted might also appear high for part time members where 'dummy' hours have been entered onto our records in order to process a 'cyclic update'. This can also be corrected by using the Pensions Online (POL) E-Form SD55E to input the correct hours worked.

## Design / Layout of the Statements

The Benefit Statement is the main part of the member's statement and is followed by the Benefit Statement Keynotes. Any additional estimates appear next and then the Membership Statement and Keynotes. Therefore, the relevant Keynotes follow each component of the statement.

The SQ1 form is no longer available when printing the member's Membership History. The Keynotes from the Benefit Statement say that 'If you have any queries about the content of this statement please contact your employers directly'. If the employer cannot resolve the query an email can be sent to NHS Pensions.

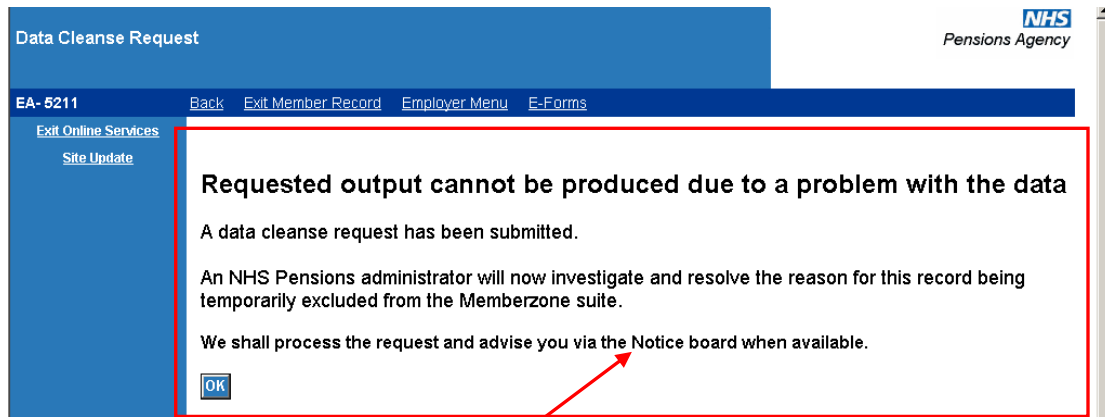
## General Issues

### Early retirement figures

The Benefit Statements that are produced for members that are over the minimum pension age but under their Normal Pension Age (**at the last cyclic update**) will include an early retirement estimate up to the last update. This early retirement 'estimate' is based upon 'known information' and is intended to give the member an idea of the early retirement amounts for information purposes.

## Data cleanse messages

If there is a 'Data Cleanse' issue preventing the estimate from being calculated using Pensions Online (POL), the following message will appear and a Data Cleanse workflow will be created for NHS Pensions to fix the issue. Once this has been fixed and the workflow has been completed by NHS Pensions, **the employer will be notified via the Noticeboard.**



The screenshot shows a web interface for the Pensions Agency. At the top right is the NHS Pensions Agency logo. Below it is a navigation bar with links: Back, Exit Member Record, Employer Menu, and E-Forms. The main content area is titled 'Data Cleanse Request' and contains the following text:

**Requested output cannot be produced due to a problem with the data**

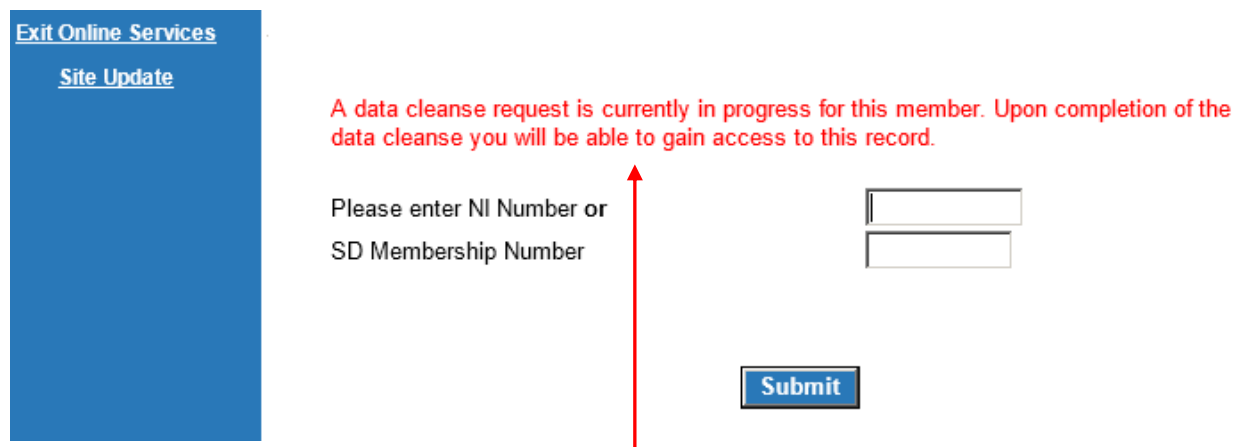
A data cleanse request has been submitted.

An NHS Pensions administrator will now investigate and resolve the reason for this record being temporarily excluded from the Memberzone suite.

We shall process the request and advise you via the Notice board when available.

There is an 'OK' button at the bottom left of the message box. A red arrow points from the 'Notice board' text in the message to the 'Noticeboard' text in the paragraph above.

Example of a 'Data Cleanse' message.



The screenshot shows a web interface for the Pensions Agency. On the left is a blue sidebar with links: Exit Online Services and Site Update. The main content area contains the following text:

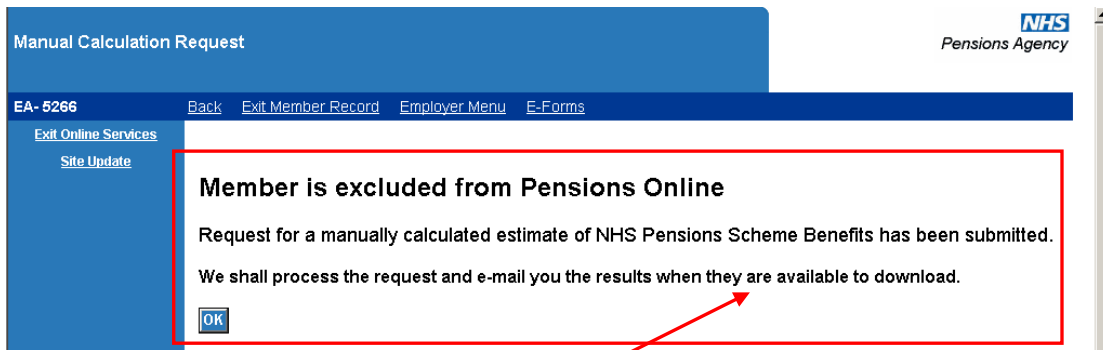
**A data cleanse request is currently in progress for this member. Upon completion of the data cleanse you will be able to gain access to this record.**

Please enter NI Number or SD Membership Number

There are two input fields for the NI Number or SD Membership Number. Below them is a 'Submit' button. A red arrow points from the 'Noticeboard' text in the paragraph above to the 'Submit' button.

If a 'Data Cleanse' is in progress the above message will be received.

If the Benefit Statement cannot be calculated using Pensions Online (POL) and is therefore excluded, the following message will appear and the case will be referred to NHS Pensions for a manual. The Benefit Statement will **not** be sent to the Noticeboard but will be printed and sent to the employer through the post.



An example of a 'Manual Calculation' message.

If the following error message is received when trying to produce a Benefit Statement, there could be a data issue with the member's home address that is held on our records. Before contacting NHS Pensions the member's address should be checked using the E- Form SD55G and, if found to be incorrect, it can then be amended using form SD55G.

