

Freedom of Information Request

Request:

what has gone wrong with the calculations or formula used for my pension - correspondence recently received informing me of a decrease in my pension.

Status: Complete**Response Date:** May 2009

For an explanation of how the issue occurred, some background on the inter-linkage between State Pension and the NHS pension may be help.

State and NHS Pension Schemes

Where an individual joins the NHS Pension Scheme, they are contracted out of the State Second Pension Scheme (formally the State Earnings Related Pensions Scheme (SERPS)). By joining a contracted out pension scheme an individual will also to be eligible to automatically pay National Insurance Contributions at a reduced rate.

For scheme membership before 6 April 1997, a contracted out scheme, such as the NHS Pension Scheme, is obliged to provide a minimum benefit known as Guaranteed Minimum Pensions (GMP) which replaces an individual's SERPS entitlement. SERPS is part of a top-up to the basic state pension.

When state pension is claimed, the occupational pension, like the NHS pension, might need to be adjusted as pension increases on the Guaranteed Minimum Pension element are met by the state. This can be the case where NHS Pension benefits are claimed in ones own right, as the recipient of a dependants benefits or both.

Unfortunately in a case like yours, this adjustment hasn't happened correctly in your cases and you have received pension increases on the Guaranteed Minimum Pension amount twice for a period of time.

More information

Should you require a breakdown of your calculation, you can contact the helpline number on 0845 610 1115 or write to the pensioner payroll at NHS Pensions (GMP) Sutherland House, Russell Way, Crawley, West Sussex , RH10 1UH.

In addition to this there is also information available on our website:
www.nhsbsa.nhs.uk/pensions.