The NHSBSA Online (POL) Guide

41. Age Estimates and Benefit Statements (AEBS)

This document is a combination of the previous AEBS guides 39a and 39b and has been updated to included changes released on 3 November 2012

Contents (press cntrl & left click to follow link)

1. Which categories of members can an Age Estimate and Benefit Statement (AEBS) be calculated for?

Age Estimates and Benefit Statements can be completed for the following Scheme members:

- NHS Pension Scheme (2008) Section

- NHS Pension Scheme (1995) Section

- Members with service in both the 1995 and 2008 sections of the NHS Pension Scheme

- Scheme members with Officer service only

- 2008 Section CHOICE enacted members* (members who have moved their 1995 Section scheme membership to the 2008 Section under the Choice Exercise)

  *Please ensure the active employment is updated to at least 31.03.2012 otherwise this could result in an incorrect calculation being produced

2. Who can an AEBS estimate not be calculated for?

Age Estimates and Benefit Statements cannot be completed for the following Scheme members:

- Any cases with Practitioner membership

- Any calculations and revaluations of Additional Pension purchases

- Some impacts of Draw Down (calculations)

- Members whose salary is below £5000 or above £200,000

- Part time members whose membership need restricting

3. What is included in an AEBS Statement?

- A new style service statement to the latest known information

- An age estimate, where projected employment's can be modelled based on service, pay and estimated retirement date

- An age estimate to the latest known information

- An age estimate to Normal Retirement Age (NRA) (this is age 55 or 60 if it's the 1995 Section, age 65 if it's the 2008 Section) and only produced if the member is under NRA at latest known information

- Where an active employment exists the system will produce an actuarially reduced retirement estimate should the member satisfy the conditions (i.e. is over minimum pension age at last update) **but please be aware that this will not include a Guaranteed Minimum Pension (GMP) Test.**

4. What is not included in an AEBS Statement?

- The modelling of projected employments where the member has concurrent open employments present.

- Annual Allowance

- Cash Equivalent Transfer Value (CETV) Calculations

- Split Benefit Calculations

- Pension commutation estimate for a member who has service in both sections of the scheme, where the 1995 section benefit has a Guaranteed Minimum Pension (GMP) liability.

- The Actuarilly Reduced Early Retirement (ARER) estimate will not undertake a GMP test

5. What pay figures are calculations based on?

1995 Section Pay Calculation Queries

The pensionable pay figure used will be that of the final 365 days of the employment. In response to your suggestions we have now changed this screen to allow you to amend the pre-populated pay figure.

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 The NHSBSA and these are now automated, wherever possible

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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 should 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. You may also wish to check whether you have any constructed values SD55E's awaiting action in Pensions Online E-Forms before performing any estimates.

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6. 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.

Note: 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".

Where you cannot resolve the query an email can be sent to The NHSBSA. Please bear in mind Data Protection guidelines when including personal information in an email.

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7. Where do I access the AEBS calculation?

To perform an AEBS calculation log in to Pensions Online in the normal way and on the employer menu select "Memberzone".

Then input either the SD or NINO in the relevant field and click "submit":

Before being able to continue you may receive on-screen messages advising you that a calculation cannot be performed and the reasons why.

Data Cleanse/Manual Case/Excluded Case 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 The NHSBSA to investigate and resolve the issue.

Once resolved, and the workflow has been completed by The NHSBSA, you will be notified via the Noticeboard. *Please see Pol Guide 33 for further information concerning Noticeboard.*

Example of a data cleanse message:

If a 'Data Cleanse' is in progress the following message will be received:

If a "Data Cleanse is needed on the record the following 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 The NHSBSA for a manual. The Benefit Statement will **not** be sent to the Noticeboard but will be printed and sent to you through the post.

An example of a 'Manual Calculation' message.

Where the following message is received there could be a data issue with the member's home address that is held on The NHSBSA records. Before contacting The NHSBSA the member's address should be checked using the E- Form SD55G and, if found to be incorrect, it should be amended using form SD55G.

1995 Section members

New Screen Wording displayed for section 1995 members for whom the system can calculate pay figures, is as follows:

IMPORTANT

Throughout the pension zone we aim to provide values of NHS Pension Scheme benefits. These benefits are based on pensionable pay in the 1995 section and reckonable pay in the 2008 section.

For 1995 section members, unless you wish to change the provided figure, a benefit statement will be calculated using the pay figure we hold of £*nnn.nn.* It is based on pensionable earnings up to *dd/mm/yyyy* as supplied by yourselves.

You can check the total membership we have used for calculation purposes by visiting the Membership History zone.

Current Part time rate of salary	£nnnn.nn a year
Full time rate of salary	£nnnn.nn a year

Example as follows:

If these figures are correct please click "submit", otherwise please amend the figures. The figure you enter must be £5,000 or above and not more than £200,000. Examples of error messages for this screen can be found on page 11.

New Screen Wording displayed for section 1995 members for whom the system cannot calculate pay figures:

IMPORTANT

Throughout the pension zone we aim to provide values of NHS Pension Scheme benefits. These benefits are based on pensionable pay in the 1995 section and reckonable pay in the 2008 section.
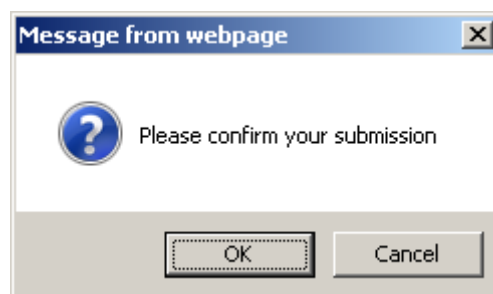
You can check the total membership we have used for calculation purposes by visiting the Membership History zone.

However, we do not hold a pay figure. In order for you to continue through the zone, making use of all the facilities it has to offer, please enter the current annual rate of salary in the box provided.

Current Part time rate of salary	£nnnn.nn a year
Full time rate of salary	£nnnn.nn a year

Example as follows:

nsions Agency Memberzone

Back   Exit Member Record   Employer Menu   E-Forms

IMPORTANT

Throughout the pension zone we aim to provide values of NHS Pension Scheme benefits. These benefits are based on pensionable pay in the 1995 section and reckonable pay in the 2008 section.

You can check the total membership we have used for calculation purposes by visiting the Membership History zone.

However, we do not hold a pay figure. In order for you to continue through the zone, making use of all the facilities it has to offer, please enter the current annual rate of salary in the box provided.

Current Part time rate of salary	£ 12000.00	a year
Full time rate of salary	£ 15000.00	a year

Submit

Message from webpage   ✕

? Please confirm your submission

OK   Cancel

If the salary details are correct select "ok" otherwise select "cancel" to go back and amend the figures.

The figure you enter must be £5,000 or above and not more than £200,000.

If you enter a full time rate of pay below £5,000 or above £200,000 you will receive the following on-screen message:
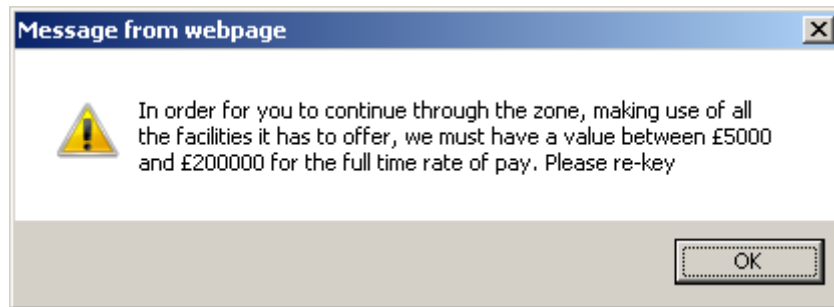
You will not be able to continue with the calculation until figures within these amounts is entered. If the salary is genuinely below £5,000 or above £200,000 you should send a paper form AW295 to The NHSBSA.

If you enter part time rate of pay that is less than £1 or greater than £200000 then the following message is produced
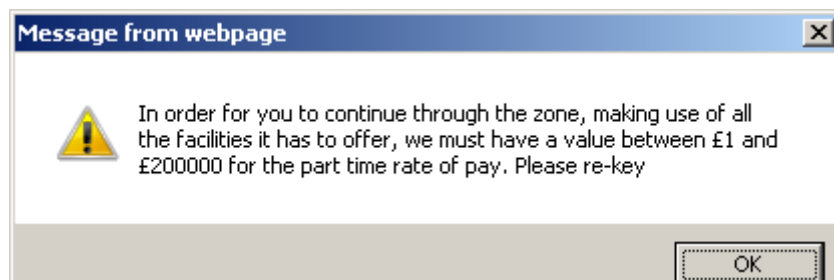
If the member is whole time then the w/t rate of pay should be entered in both fields.

Once valid pay details are entered you are taken to the next stage where you can select the link to perform a calculation.

See section 9 of this guide for further details about AEBS calcs.
2008 Section members

The pay details are not amendable if calculated by the system. Where the record has not yet been updated and the system cannot calculate the pay you will be required to enter the data in the relevant fields.

New screen wording

IMPORTANT

Throughout the pension zone we aim to provide values of NHS Pension Scheme benefits. These benefits are based on pensionable pay in the 1995 section and reckonable pay in the 2008 section.

For 2008 section members, a benefit statement will be calculated using the pay figure we hold of £*nnnn.nn.* It is based on pensionable earnings up to *dd/mm/yyyy* as supplied by yourselves and is not amendable on this screen. You can however amend the pay when modelling but you must ensure that reckonable pay is used.

You can check the total membership we have used for calculation purposes by visiting the Membership History zone.

      Current Part time rate of salary   £nnnn.nn a year
      Full time rate of salary   £nnnn.nn a year
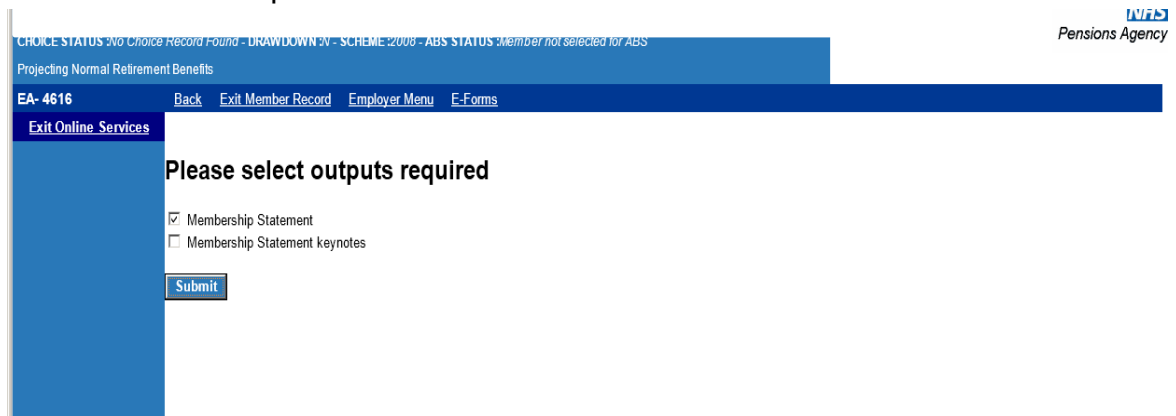
Example as follows:

The following new message will be produced if the full time rate of pay is less than £5,000 or greater than £200,000:
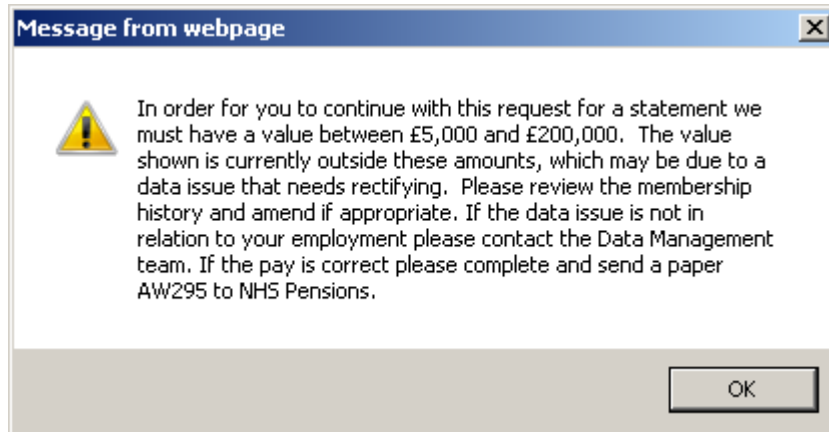
To view the membership history, select "OK" and then select "Membership History" on the left hand side menu:
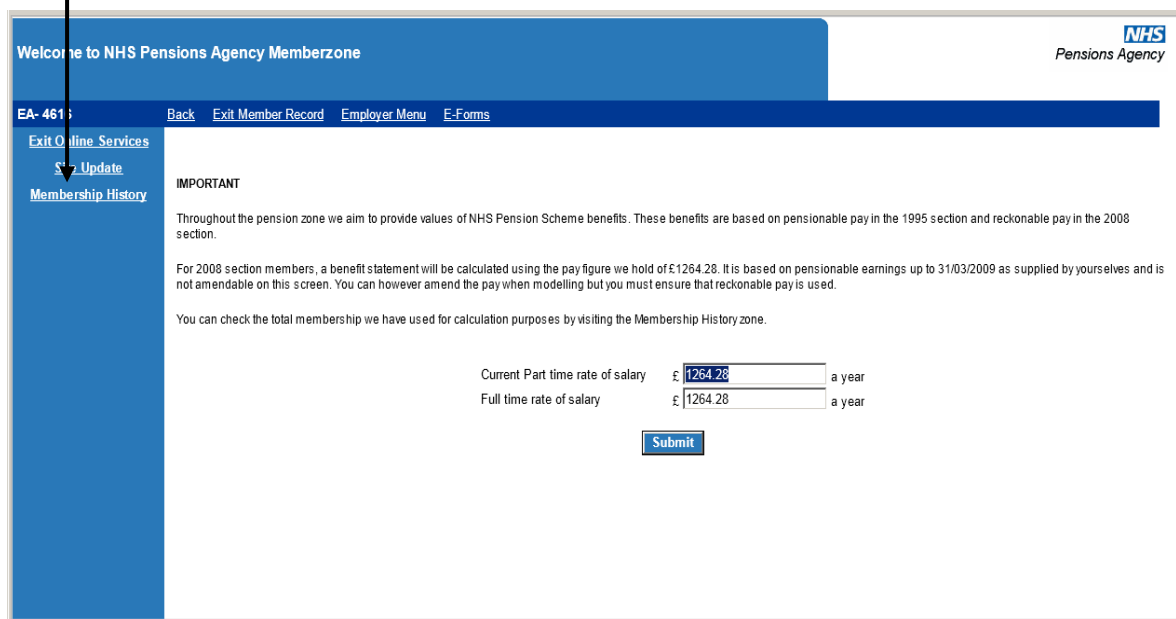
Select "Membership Statement"

You can then see the dates of membership that the pay is based on and whether the employments are whole time or part time. If you think any of this information is incorrect arrange for amendments to be made in the normal way.

To go back to the AEBS calculation process select the "Projected Benefits and Retirement Details" link again.

If you are happy with the system generated pay details or have entered and confirmed these figures yourself; you will then see the link to calculate an AEBS estimate on the left hand side menu called "Projecting Retirement and Benefit Statement Detail":

8. Producing an AEBS Calculation

Once you have selected the link, as shown above, you are shown the pay details the calculation will be based on:

You also have the option to "model" up to 3 additional estimates based on different work patterns and/or pay.

If you only want a calculation based on information as held by The NHSBSA then select "0" for the number of additional calculations, otherwise select the number of additional calculations from the drop down menu:

After selecting "submit" you will be asked to confirm the details for the 1st calculation:

If you are happy with the information displayed select "submit" and the calculation will de displayed. Otherwise you are free to enter revised information. For instance, if the member wants to know the effect of reducing or increasing their hours/sessions you can enter these details in the "modelling" section of the form.

To go onto the next calculation select "submit" and enter any revised details and then select "submit" again to continue to any further calc requests or to produce the calculation. You are then asked what calculations and outputs you wish to produce:

After clicking in the relevant boxes select "Submit" and the calculation will be produced:

A printer friendly version can be produced and if this is selected a copy of the calculation will be uploaded to the members' electronic record held by The NHSBSA.

9. Additional Information

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.