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NHS Pensions Employer Newsletter 5 - May 2017

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1. Submitting a lump sum choice through Pensions Online

When entering a member's retirement lump sum (part 10 of the paper AW8) in to Pensions Online (POL), you are unable to specify whether the member wishes to receive the maximum lump sum which may incur a tax charge, or whether they wish to receive the maximum tax free amount.

Please submit the AW8 with the member's decision as either:

- No commutation, Specific amount
- **or**
- Maximum commutation

We will contact you if we require any further information in relation to the tax charge.

The AW8 POL guide will be updated as soon as possible.

2. Earnings cap

Scheme membership built up from 1 April 2008 is no longer subject to the pensionable earning cap.

However, those that were subject to the cap in respect of some or all of their membership before that date, who are buying added years or unreduced lump sum under an agreement starting before 1 April 2008, will have the additional contributions only (i.e. 'AVCs') assessed by reference to a notional earnings cap.

Where it is relevant the notional cap must be applied even when actual NHS income did not exceed the cap before 1 April 2008.

Members who are affected by the notional cap are, in general:

- those who joined the NHS Pension Scheme for the first time on or after the 1 June 1989, or
- those who joined before then but have had a break in Scheme membership of 12 months or more that ended on or after that date.

Agreements (i.e. contracts) that started on or after 1 April 2008 are not subject to a cap. Contributions in respect of the Additional Pension are not subject to any cap.

More information about the earnings cap, including an explanation of the different assessments for Officer members and Practitioner / non-GP Providers can be found in the [earnings cap factsheet](#) on our website.

3. Part time pensionable pay update

Further to an article in the January 2016 Employer Newsletter, we are continuing to consider the system changes required to ensure that the whole time equivalent pay is calculated correctly for part time staff who are in receipt of supplementary payments for unsocial hours.

When the effective date of change is confirmed we will publish more detailed information. In the interim please continue to use your current method of calculating notional whole time pay for part time members with whole time supplementary payments.

Members' records will not be revisited once the change is implemented as it would be difficult to identify all cases affected by the clarification of the calculation process, coupled with the tax and National Insurance issues that would arise.

4. The Pensions Board

The NHS Pension Board's role is to hold the NHS Pension Scheme's administrator to account for administration of the NHS Pension Schemes (both the 2015 Scheme and the 1995/2008 Scheme).

Visit the [Gov.UK website](#) to find out more about the role and responsibilities of the Pensions Board.

5. CCGs and the retention of Special Class and Mental Health Officer status

NHS Pensions has noted an increase in requests for Special Class and Mental Health Officer status for members who are working for CCGs.

Special Class and Mental Health Officer status is primarily for members of staff who are engaged in the hands on care and treatment of patients. In certain circumstances the status can be retained where a member of the Scheme moves into a management role within the relevant service or field of expertise.

- **For more information about Special Class** please read the factsheet '[Special Class status factsheet \(1995 Section only\)](#).' CCGs must take special notice of the sections 'Which grades make up the special classes?' and 'Retention of Special Class status'.
Please note, an individual's continued registration with the Nursing and Midwifery Council does **not** automatically qualify a member for Special Class status.
- **For more information about Mental Health Officer status** please read the factsheet '[Mental Health Officer \(MHO\) status \(1995 Section only\)](#).' CCGs must take special notice of the section 'Retention of Mental Health Officer status.'

NHS Pensions understands that CCGs are mainly involved in the commissioning of services from other providers and are not directly involved in the actual care and treatment of patients i.e. they do not directly administer wards, homes, clinics, etc. or employ staff who work in such places, which would mean that CCGs do not employ staff to care and treat patients. Therefore, as a general rule, NHS Pensions expects that the majority of CCG employees will have a capacity code 04 i.e. individuals employed in an administrative capacity and not 01 (nurse) or 03 (medical).

CCGs **must** check the Special Class or Mental Health Officer status of any current or former members of staff to ensure their pension record reflects their correct Special Class or Mental Health Officer status position.

Should there be any doubt that a member may be able to retain either Special Class or Mental Health Officer status then the CCG **must** refer the case to NHS Pensions and any applications for retention must include:

- the current job description, person specification and organisational chart, and
- a copy of the previous job description.

If any current or former member of staff **does not** retain their Special Class or Mental Health Officer status the CCG **must** inform NHS Pensions of the amendment and the individual, if a current address is available, of the decision immediately.

6. Our new look website is live!

Have you visited our new look website yet?

It is really important that you submit feedback telling us what you think about your experience of using the new site. This could be observations about the design and layout, anything you expect to see that's not there or anything that's not working for you. We also want to hear about the things you like so we can keep doing it!

You can find the link to provide feedback at the bottom left of every page of the site and in the banner running across the top of the NHSBSA homepage. We will review your comments on a regular basis to identify emerging trends and make improvements and changes to the site accordingly. Changes will be tested with members and employers to make sure that what we develop provides the best possible website for you. We will keep you informed about any changes in this newsletter.

7. ESR email address exercise

In December, ESR provided NHS Pensions with a data cut that gave access to employees' work email addresses. The intention is to hold these email addresses on the member records so that we can contact members about their pension and associated matters directly, reducing the reliance we have on local Pensions Officers and departments.

As part of our agreement with ESR, we have to send an initial email to the provided email addresses setting out our intentions with using the email addresses, and giving members the option of opting out or changing the email address we hold.

We have carried out a successful pilot exercise with one Trust to assess the impact of sending a bulk email. The exercise created little noise with the majority happy for their work email address to be used with less than 100 (out of more than 7,000) requesting the email address is changed.

We are now planning to roll this exercise out across the country on a regional basis. We will provide you with more information on the roll out plan in the next Employer Newsletter. In the meantime, please speak to your local IT departments to check if there are any limitations that may affect how many emails we can send to your organisation. If there are any restrictions please let us know as soon as possible by emailing nhsbsa.pensionsemployernewsletter@nhs.net. You can also use this email address if you have any queries about the exercise.

Please note, this exercise only applies to ESR employers.

8. Equality monitoring questionnaire

It is no longer necessary for you or members to complete the equality monitoring questionnaire. The standalone form has been removed from the website but it will still be available within the 'consideration of entitlement to ill health retirement benefits' (AW33E) form and mentioned in the 'retirement benefits claim form' (AW8). You can continue to use any stock you have of these forms and they will be updated for the next print run.

The equality monitoring questionnaire may also be referenced in other forms but these references will be removed on their next review. Even if the form references the questionnaire, it does not have to be completed.

9. Most viewed Ask Us articles

Each month we provide you with the 10 most viewed articles in Ask Us. The results for March are below:

Most viewed articles (Member)	Hits
How can I get an estimate of my NHS pension benefits?	2,060
What are the reduction factors for Actuarially Reduced Early Retirement in the 1995 Section?	1,144
Can I return to NHS work after retiring from the 1995 Section of the Scheme?	828
Do I have an NHS pension?	492
How can I notify NHS Pensions of my change of address?	366
Can I take Actuarially Reduced Early Retirement?	323
Am I entitled to a refund of my NHS pension contributions?	320
How will my NHS pension be paid?	305
When can I retire?	260
How do I apply for Additional Pension?	247

Most viewed articles (Employer)	Hits
How can I calculate the notional whole time salary for a part time staff member?	332
When would it be necessary for me to post an AW8 application form to NHS Pensions?	206
Where can I find guidance on completing the SD55 Annual Update?	203
Do I need to submit the SD55 and SD55T when a member is retiring?	190
What should I do if I have paid the incorrect amount of contributions to NHS Pensions?	172
Where can I find guidance on completing the SD55 Terminating a Period of Employment?	168
How does an employer pay their pension contributions to NHS Pensions?	111
What is my EA code?	94
How can I establish which capacity code to use for my employees?	77
What is an AW171 and how should it be submitted?	68

Most viewed articles (TRS/ABS)	Hits
How do I register to view my statement using Government Gateway?	2,192
How can I access my Total Reward Statement?	807
What is a Total Reward Statement?	99
What is an Annual Benefit Statement (ABS)?	90
How often is my Total Reward Statement updated?	77
Why don't I have a pension estimate on my Total Reward Statement?	74
What if I have forgotten my Government Gateway login details?	62
Why is my pension statement only forecast to 2015?	55
If I already have a Government Gateway ID, can I use it for the Total Reward Statement site?	41

10. Pensions Online downtime

Pensions Online (POL) will be unavailable between the following times:

- 7pm on Friday 28 April and 7am on Monday 1 May

Please note: at times we may need to take POL offline at short notice. Updates will be provided on our website when possible.

We apologise for any inconvenience this may cause.

The June issue of the Employer Newsletter will be published at the end of May.