

NHS Pensions Employer Newsletter 12 - December 2017/January 2018

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We would like you to spend a few minutes providing feedback for this newsletter, please complete this [short survey](#).

1. Message from Theresa Britton – Head of Service for NHS Pensions

Dear Colleagues,

I just wanted to take this seasonal opportunity to tell you about the progress we are making to improve NHS Pensions' services.

This past year we have taken a huge step forward by successfully implementing a new internal work management system which has transformed how we plan, resource and deliver our services to improve our performance for our customers. Over the next year its continued use will enable us to significantly reduce our turnaround times to provide a faster, more responsive service to members and employers. We will keep you up to date with our progress through our monthly performance updates and at the stakeholder engagement events.

We will continue working closely with employers and will increase the support programme we provide in 2018. This will include an expanded series of stakeholder events, working to respond to your queries more quickly and providing you with an expanded range of information materials to assist with scheme administration.

Next year we will start developing a programme of member engagement to increase individuals' understanding of the value of their pension benefits and answer any questions they might have. This will include attendance at various NHS conferences and we are exploring the possibility of staging members pension clinics at different NHS sites across the country. We will work with members of the Service Improvement and Development Board to develop what these may look like. We will also provide a new range of member communication materials such as pre-retirement presentations and improve our member newsletter.

We continue work to develop our online capabilities. In the long term we want to develop an end to end system which enables people to make applications, track progress and access information about the current and future value of their pension benefits easily and effectively. Over the next year I hope we are able to make good progress in this area and start to deliver the modern functionality we all want to see and use.

Finally I would like to take this opportunity to wish you and your family a Merry Christmas and a Happy New Year.

Theresa Britton
NHS Pensions – Head of Service

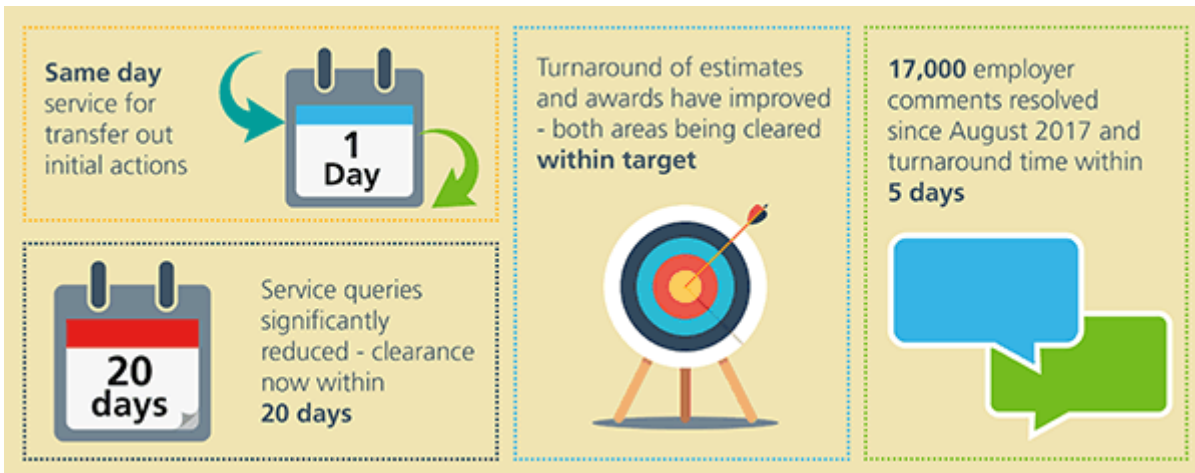
2. Sharing our performance – October/November

Our current performance

The table below shows our recent monthly performance for pension award processing:

Month	Number of awards due to be paid in month (our target)	Number of awards cleared within the month (our performance)	Completion rate
October 2017	4296	4093	95.27%
November 2017	5174	5056	97.71%

Our new Work Manager system has already helped us in a number of key areas:



Our current priority area is sub awards. We have had a resource pressure in this area due to resources being deployed on to first awards. Now this area is improving we are working through our clearance plan to bring sub awards up to date. We'll give regular progress updates in the coming months. Please help us to manage member's expectations by bearing with us during this period.

More recently

During October we held the National Service Improvement and Development Board in Fleetwood. This Board was set up following the introduction of the administration levy. A number of business justifications for change to systems/processes had been received and were reviewed by the group of employer and NHS Pensions representatives during the day. Those that were accepted will be assessed and costed and feedback provided to the Board members at the next meeting in January 2018.

Have you seen our infographic that shows some of the good things we have been doing with and for employers over the last 12 months? This is set to continue during 2018 with more events planned across the country giving as many employers as possible the opportunity to attend.

Our upcoming events include:

January

GP Practice event	Carlisle
Non POL event	Leeds
Non POL event	London

March

ESR event	Birmingham
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3. Total Reward/Annual Benefit Statement mid year refresh

Following the mid year refresh, Total Reward and Annual Benefit Statements are now available for all organisations. Employees will only receive a statement if they were an NHS employee on or before 31 March 2017.

The statements can be accessed through ESR self-service or through the TRS portal at: www.totalrewardstatements.nhs.uk.

We have prepared some posters and draft newsletter articles for you to use to help inform your employees about Total Reward Statements. These are available from our website at: <https://www.nhsbsa.nhs.uk/employer-toolkit/promoting-statements>.

4. Disclosure of senior managers' remuneration (Greenbury) 2018

We anticipate that the Greenbury functionality within Pensions Online (POL) will be available from Monday 8 January 2018. This means that all requests for disclosure information must be received by NHS Pensions between 8 January 2018 and Friday 9 February 2018 to enable us to provide you with the necessary disclosure information by 1 April 2018. This will allow you time to prepare and submit your draft accounts by Tuesday 24 April 2018. Please note, we can't guarantee that requests or queries received after 9 February 2018 will be dealt with by 1 April 2018.

Who should employers request Greenbury figures for?

The definition of 'Senior Managers' given in the Department of Health Group Accounting Manual 2017-18 (para 3.35) is:

"...those persons in senior positions having authority or responsibility for directing or controlling the major activities within the group body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments."

It goes on to say that *"The Chief Executive or Accounting/Accountable Officer must be asked to confirm whether this covers more than the executive and non-executive directors (for CCGs – attendees at Governing Body meetings). It is usually considered that the regular attendees of the entity's board meetings are its senior managers."*

What will NHS Pensions provide?

NHS Pensions will provide disclosure information for executive directors and other senior managers, as confirmed by the Chief Executive. We will not carry out any calculations for non-executive directors because they do not meet the criteria in the MFA of a senior manager, due to their self-employed or fee based status.

What if an executive director is also a medical General Practitioner (GP)?

Disclosure information will only be provided where the GP is an employed senior manager or executive director. If the GP is employed (i.e. contract of service) by a Clinical Commissioning Group (CCG) as a senior manager or executive director and pays pension contributions then they will be classed as an Officer for pension purposes and Greenbury disclosure will apply.

If the GP is also engaged under a contract for services arrangement (i.e. self-employed) by a CCG then Greenbury disclosure will not apply to this element of their work. Under this arrangement the GP is afforded Practitioner status which is not included in the calculation of the accrued pension, lump sum and cash equivalent transfer value (CETV).

Where NHS Pensions is asked for disclosure information for a GP and their pension record holds Practitioner membership only then we will assume they are a non-executive director and no information will be provided. It is important for employers to check that the pension records of their senior managers are completely updated.

NHS Pensions will provide information based on calculations using NHS staff (Officer) membership **only**.

This exercise only relates to remuneration in Public Bodies which means GP Practices and most Direction bodies are not required to take part.

How to submit disclosure information requests for the 2018 exercise

- Employers must request Greenbury senior manager remuneration disclosures for the 2017/18 financial year via Pensions Online (POL).
- These screens will also be used by NHS Pensions to return the requested pension, lump sum (where applicable) and CETV to each employer.
- Employers will only be able to view their own disclosure requests.

The Pensions Online Guidance for Greenbury is available on our website at:

www.nhsbsa.nhs.uk/employer-hub/pensions-online.

Employers will need to nominate a user and allocate Greenbury access to that user before disclosures can be requested. Employers will be able to use the previous year's user and password details. If you have any queries about registering a user on POL, please contact the POL Helpline on 0870 011 7108. Any other Greenbury queries should be directed to: nhsbsa.greenbury@nhs.net.

The Greenbury screens will also support:

- communication between employers and NHS Pensions concerning Greenbury queries
- requests for re-calculation of Greenbury disclosures
- comparison of this year's disclosure figures with last year's figures (Show Compare).

Full guidance on how to register and use the POL system to make your requests is now available on our website at: www.nhsbsa.nhs.uk/employer-hub/pensions-online.

5. Calculating whole time equivalent pensionable pay for a part time Officer (or Practice staff) member who receives additional or supplementary payments

The following information updates previous guidance provided in our January 2016 newsletter.

The article in the January 2016 Employer Newsletter informed you continue to use your current method of calculating notional whole time pay for part time members with whole time supplementary payments.

The article explained the reasons why the notional whole time rate of pay for a part time Officer (or Practice Staff) member must be proportionate to a whole time member in the same role. This ensures that both types of members pay the same tiered rate of employee contributions and their 1995 and 2008 Section pension benefits at retirement are based on the same (notional or actual) whole time rate of pensionable pay.

Where an Officer/Practice Staff member works part time, any supplementary payments for unsocial hours should be added after the basic notional whole time rate of pensionable pay has been calculated, not before. By calculating this way, the notional whole time rate of pay is proportionate and not inflated.

The Electronic Staff Record (ESR) system was updated in April 2016 to take account of the above and assesses the tiered contribution rate on 1 April each year. However, it does not assess a contribution rate change during the financial year, which means you must continue to assess that the correct contribution rate is being paid where the member has a change in the pay including an increment or pay rise.

Part time 1995 or 2008 Section members who work supplementary hours should now be paying the correct level of contributions, although their Annual Benefit Statement or estimate of benefits will still be over inflated in the majority of cases. From the NHSBSA systems perspective, the big issue is that we do not currently receive the pay from employers broken down into the constituent parts to enable the calculation change to be made. We would need to effectively hold two pay figures, the 'base pay' and the 'unsocial hours' elements separately so that we could uprate the base pay and then add on the

unsocial hours element already paid at full time rate. It is the complexity of this that creates the problems for the system as it would require:

- All of the interfaces (Pension Online, ESR, paper forms and 'Batch') to be changed to capture the two pay figures
- All of the validations around pay changing to validate the inputs separately
- Database changes to store the split pay figures
- All of the internal functions which allow users to amend or calculate pay details would need to be developed to handle to two fields.

It is unlikely that there will be any NHSBSA system changes to this magnitude in the near future. Therefore it is recommended that:

- you not to amend your systems or practices
- you continue with the status quo
- where you identify that contributions are paid in excess of the whole time equivalent, these are refunded to the member where requested and pay is capped at whole time equivalent for pension purposes
- member complaints are dealt with on an individual basis by NHS Pensions

6. Data update for non Pensions Online organisations

Invitations for non Pensions Online (POL) users year end update training events have now been sent. If you haven't received your invitation via email and would like to attend, please email nhsbsa.stakeholderengagement@nhs.net as soon as possible.

The newly developed spreadsheets for the year end data will be sent to eligible organisations at the beginning of January. If by 15 January 2018 you have not received your spreadsheet by email, please contact the Stakeholder Engagement Team. The spreadsheet will not automatically be resent unless requested.

It is your responsibility to check your own IT security limitations and ensure you are able to receive an email and attachment. The emails will not be sent in bulk, but instead will be emailed individually to the main pensions contact held on our system.

Once you have received your spreadsheet you will have until 31 May to complete and return this to the Stakeholder Engagement Team. Spreadsheets received before this date will be processed before the Annual Benefit Statement cut off.

7. Important changes to application forms

The following forms have recently been updated to include an additional option within the applicant's declaration and consent section.

- [Consideration of entitlement to ill health retirement claim form \(AW33E\)](#)

- [Consideration of entitlement for early payment of preserved benefits due to ill health claim form \(AW240\)](#)
- [Application for permanent injury benefit claim form \(AW13\)](#)

Applicants now have the option of seeing any medical report produced by the Scheme's Medical Advisers prior to NHS Pensions receiving a copy. The new version of the forms must be used from 13 December 2017.

Any incomplete or outdated version of the form received after 12 February 2018 will not be processed and a letter will be sent to both the member and employer.

The new versions of the documents are:

- **AW33E** V14
- **AW240** V11
- **AW13** V7

These are available to download from our website. The new version of the AW33E will be available to order in hard copy soon.

8. Submission of paper retirement benefit claim forms (AW8)

We are currently receiving a number of paper retirement benefit claim forms (AW8) for employers that do not have access to Pensions Online. However we are unable to process a large proportion of these due to the members' records still being active and no termination details being held.

Where a paper form is submitted to us for processing, we require the relevant termination details to be submitted to avoid any possible delays and the form being returned for completion.

9. Submitting the retirement benefit claim form (AW8) on Pensions Online – incorrect payable date

When you are completing the retirement benefit claim form (AW8) on Pensions Online (POL), make sure you have entered the correct payable date. There are a number of common errors when submitting form AW8 via POL:

- Input as Age retirement but not eligible for age benefits at the last day of membership
- Payable date input as last day of membership
- Last day of membership more than 12 months ago
- Incorrect payable date input as 01/01/2017 should be 01/01/2018.

Check the payable date carefully before submitting the form. This will avoid any delay in the processing and payment of a member's benefits.

10. Payments for Clinical Director duties

We have recently received a number of queries in relation to clinical director duty payments.

The regulations state that a member's pensionable earnings are:

- salary
- wages
- fees, and
- other regular payments

made to the member in respect of their employment.

However, this does not include:

- bonuses
- expenses
- overtime, or
- pay awards/increases

which are expressed by the secretary of state to be non-consolidated.

[The regulations are available online.](#)

Therefore if the director is receiving a regular increase of wages for extra responsibilities, this would form part of the member's pensionable pay and must be included in all pensionable pay calculations.

11. Most viewed Ask Us articles

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

Most viewed article	Hits
How can I calculate the notional whole time salary for a part time staff member?	136
When would it be necessary for me to post an AW8 application form to NHS Pensions?	103
What should I do if I have paid the incorrect amount of contributions to NHS Pensions?	72
What is an AW171 and how should it be submitted?	60
What are the joiner and leaver forms?	59

What are final pay controls?	57
How does an employer pay their pension contributions to NHS Pensions?	54
Do I need to submit the SD55 and SD55T when a member is retiring?	47
How can I apply for Mental Health Officer (MHO) status?	44
How should I submit an AW8 application form if I do not have access to Pensions Online (POL)?	37

12. Christmas opening hours

Member and employer helplines will be open 8am-6pm Monday to Friday as usual but will be closed on the following days:

- Monday 25 December
- Tuesday 26 December
- Monday 1 January

Pensions Online (POL) helpdesk will be available 9.30am-12.00pm, 27-29 December.

13. Pensions Online downtime

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 next issue (February) of the Employer Newsletter will be published at the end of January 2018.