

NHS Pensions Update – September 2020

NHS Pensions coronavirus (COVID-19) response

For the latest information on guidance and easements we have introduced to help support employers at this time, please visit our Coronavirus (COVID-19) contingency planning page on the Employer Hub where we have included lots of useful information and links to other relevant areas of the website.

We thank you for understanding and for your continued efforts in delivering vital healthcare services at this critical time.

Sharing our performance

Table 1- Total Transactions

| Item | Volume |
|--------------------------|--------|
| Total Transactions | 12,297 |
| First Retirements | 3,853 |
| Revised Retirements | 2,318 |
| Estimates | 1,596 |
| Re-Employment Cases | 563 |
| Transfers In | 341 |
| Transfers Out | 451 |
| 5 Year-Rejoiners | 47 |
| Pensions on Divorce | 43 |
| Life Assurance Lump Sums | 210 |
| Partner Pensions | 533 |
| Child Allowance | 84 |
| Refunds | 2,258 |

Table 2 - First Retirements and Pensioners

| Item | Volume |
|---------------------------|-----------------|
| Applications Processed | 3,853 |
| On Time | 99.12% |
| Amount paid in Lump Sums | £177,576,335.31 |
| Amount of Pension Paid | £798,793,990.94 |
| No. Pensioners in Payment | 992,987 |

Table 3 - Employer Helpline statistics

| Item | Volume |
|-----------------------------|---------------|
| Total Volume Calls | 2,099 |
| Average Handling Time (s) | 433 |
| Average Speed of Answer (s) | 80 |

Table 4 - Member Helpline statistics

| Item | Volume |
|-----------------------------|---------------|
| Total Volume Calls | 26,328 |
| Average Handling Time (s) | 549 |
| Average Speed of Answer (s) | 70 |

The NHS and Social Care Coronavirus Life Assurance Scheme 2020

Information on the government's life assurance scheme for eligible frontline health and social care workers during the coronavirus (COVID-19) pandemic can be found on the NHSBSA website via www.nhsbsa.nhs.uk/coronavirus-life-assurance-2020

Take a look today and make sure you understand your responsibilities as an employer in helping to communicate the scheme to staff, support bereaved families to make a claim and oversee their claims process.

NHSBSA Pensions Operational Finance Team

Due to the current COVID-19 situation, we are experiencing some delays in responding to your emails.

Please be assured that Pensions Operational Finance are working extremely hard to make sure that we respond to all queries as quickly as possible.

We apologise for any inconvenience caused and we thank you for your patience.

What we do and how to contact us

If you are contacting us regarding:

- Processing the collection of monthly scheme contributions from employers
- Contribution enquiries – non-payment, payment queries
- Adjustments or errors in the submission of monthly scheme contributions via the Make Contribution Payment (MCP) and Pensions Online (POL) Payment portals
- Changes to bank details
- Refund requests for incorrectly submitted contributions
- Account or employer closure
- Invoicing of employer costs

Employers can contact us by email: nhsbsa.pensionsfinance@nhs.net

You may also be contacted regarding contribution non-payment queries by: nhsbsa.pensionsfinance@nhs.net

Contribution Remittances (EA and GP Practices)

You can contact us regarding remittance paperwork for contribution payments paid by bank transfer by email: nhsbsa.eafinance@nhs.net

Helpful links

For any other NHS Pension or Injury Benefit enquiries

Visit our '[Ask Us](#)' [knowledge base](#) or contact the Employer Helpline:

- Telephone: 0300 3301 353
- Email: nhsbsa.pensionemployers@nhs.net

To register for the Make Contribution Payment portal

To register to use the new Make Contribution Payment (MCP) payment portal for electronic submission of your monthly scheme contributions, contact nhsbsa.mcponboarding@nhs.net or visit the [Pensions Finance](#) webpages for details on how to use the MCP payment submission portal.

Enquiries regarding invoices for scheme administration and interest charges for Late Payment or non-payment of pension contributions

Enquiries are dealt with by the NHS Business Services Authority team in Newcastle:

- Email: nhsbsa.accountsreceivable@nhs.net
- Telephone: 0191 244 695

Non-finance subjects:

NHSBSA Pensions Operational Finance are unable to respond to non-finance subjects, therefore you must redirect your enquiry to the relevant contact centres:

For Member pension queries, retirement calculations, benefit statements or NHS Pension Scheme information:

- Email: nhsbsa.pensionsmember@nhsbsa.nhs.uk
- Telephone the Member Helpline: 0300 3301 346
- Or visit the NHS Pensions [Member Hub](#)

For Employer questions regarding Member annual updates, contribution calculations, changes in employment, service queries:

- Email: nhsbsa.pensionemployers.@nhs.net
- Telephone Employer Helpline: 0300 3301 353
- Or visit the NHS Pensions [Employer Hub](#)

Notional Whole-time (NWT) Pensionable Pay and supplementary pays

We have received a number of enquiries from employers seeking clarification when calculating NWT pensionable pay with supplementary payments.

Information on how to calculate the Notional Whole Time Total Pensionable Pay is included in our Notional Whole Time Pensionable Pay factsheet in the [Pay and Contributions page](#) of the Employer Hub.

There is a possibility of a discrepancy in the whole-time equivalent calculation that occurs when setting the tiered rate for a member compared to the calculation at retirement.

The Department of Health & Social Care is aware of the possible imbalance between the approaches to obtain the tiered contribution rate and that for working out pension benefits.

Employers must not change their approach when working out the notional whole-time for those claiming pension benefits.

Working out the NWT Pensionable pay for benefits

When calculating the NWT pensionable pay for estimates or awards purposes, employers should include the supplementary payments in the 'Actual Pay in pensionable pay period.

The NWT must continue to be calculated using the method set out in the factsheets on NHS Pensions website.

$$\text{Actual Pay} \times \frac{\text{Annual Standard Hours}}{\text{Actual Hours Worked}}$$

Working out the Tiered contribution rate

When the employer is calculating the NWT pensionable pay to determine the tiered contribution rate, employers should use the member's pay without the supplementary payment in the 'Actual Pay' in pensionable pay period. This will ensure that both PT and WT members pay the same rate of contributions for the same type of employment.

NHS Pensions systems are unable to calculate the NWT pensionable pay in this way. However, we know that ESR calculates and splits out the payments correctly.

Payment in lieu of Annual Leave

This article was updated on 9 October 2020 following feedback from employers.

Annual leave at the end of employment – for all members

This guidance applies to Officer and Practice Staff NHS Pension Scheme members but not to General Medical and Dental Practitioners.

Pensionable annual leave

Paid (approved) annual leave is regarded as pensionable service. An NHS Pension Scheme member, and their employer, still pay contributions whilst the member is on paid annual leave and they continue to accrue membership and benefits.

Annual leave prior to leaving employment

As stated above approved annual leave is pensionable service. The example below assumes a whole-time and Monday to Friday working pattern.

Example:

An NHS Pension Scheme member gives notice to their employer that their last day in the workplace is to be 14/08/2020. They have 11 days of untaken annual leave. As the annual leave is pensionable membership it means (taking into account weekends) that the member's NHS Pension Scheme membership does not terminate until 31/08/2020. They retain all NHS Pension Scheme rights, including life assurance cover, during this period.

Payment in lieu of notice

If a member's employment ceases and they receive a payment in lieu of notice then this one-off payment is not pensionable.

This payment may include any outstanding annual leave that has been given up and has been converted into a one-off payment paid to the member. This would mean there is no annual leave left to extend the period. If this occurs, then the regulations confirm a one-off payment it is not pensionable.

This is an employment event that affects pensions processing. Pensions officers will need to confirm with their local HR if there are any circumstances where a payment in lieu is paid.

Extending the last day of service and overlapping employments

Where a person starts a new NHS employment whilst taking leave from their previous NHS employment it will cause an overlap of NHS Pension Scheme membership.

If extending the annual leave causes an overlap of pensionable employment, if the member is whole-time in both posts the new employer must return any over deducted contributions as members can only be pensionable up to whole-time. This can be done as a local refund.

If both posts are part-time then if the aggregate hours exceed whole-time the new employer must return any over deducted contributions until the overlap ends. Where two part-time pensionable posts overlap but the aggregated hours do not exceed whole-time there is no problem.

If the member is whole-time in one post and part-time in the other post, then the whole-time post takes precedence and the employer with the part-time post will have to return any over deducted contributions.

NHS Pensions will contact you directly if there are any amendments that are to be made due to an overlapping employment.

Sick leave - annual leave

Where a member has had sick leave and accrued untaken annual leave days then depending on the arrangement between employer and employee, this will determine whether the untaken annual leave is pensionable.

If the annual leave is paid and taken, then the annual leave is pensionable. This includes if the annual leave days were for previous years, the payment is reflected in the year the leave was taken. This means that sick leave followed by annual leave at termination will also extend the last day of pensionable membership.

If the annual leave is converted into a one-off payment, then it will not be pensionable.

Death in Service – outstanding annual leave

In the August Employer Update an article was included in relation to the termination date to be used for death in service cases. Please see below an update following feedback from employers.

When a member dies in active employment any outstanding annual leave is pensionable and for pension purposes extends the last day of pensionable service in the NHS Pension Scheme.

Example:

Employee works Monday to Friday

Members date of death is 14/08/2020. They have 11 days annual leave. This means that their pensionable pay and last day of pensionable service will be extended to 31/08/2020.

Junior doctors and untaken annual leave – COVID-19 Response

Pensionable annual leave

For junior doctors only, the following information is taken from [NHS Employers website](#) in respect of the end of a rotation and the current coronavirus (COVID-19) situation.

For pension purposes the following applies.

Example:

The junior doctor rotation ended at Hospital 1 on 16/08/2020 and their new rotation started at Hospital 2 on 17/08/2020. The Junior doctor has 11 days annual leave.

Following the new arrangements set by NHS Employers for COVID-19, if Hospital 2 agreed to carry the leave over from Hospital 1 then the Hospital 1 employment end date and pensionable last day of service would remain at 16/08/2020. As the 11

days has been added to the junior doctors annual leave entitlement at Hospital 2 meaning that they need to add this into their contract of employment.

If Hospital 2 do not agree to carry the leave over from Hospital 1 then the payment will need to be made to the member and the last day of service is to be extended. The payment is pensionable. This will cause an overlap with the Hospital 2 employment with the pensionable start date of Hospital 2 being 01/09/2020, even though the employment start date with Hospital 2 is 17/08/2020.

Additional Pension applications

We receive many emails from employers and members querying the AP rejection letters they receive. It has been brought to our attention that in some circumstances AP may still be being paid despite a rejection letter being sent. Complaints are being received due to payments being taken. Once the complaint or correspondence is received we are sending out the correct acceptance letter.

We believe this error might be due to incorrect processes being followed, therefore please can you ensure you are following the correct procedure to ensure the process runs smoothly.

To avoid members paying Additional Pension contributions when they cannot do so, please follow the correct procedure.

Any request for AP/AVC need to come in via the nhsbsa.apavcreferrals@nhs.net email account only.

Please note nhsbsa.avcteam@nhs.net and nhsbsa.apconfirmpayment@nhs.net are no longer in use.

Change to contact details

It is the responsibility of employers as the local administrators of the NHS Pensions Scheme to inform NHS Pensions of any contact detail changes within your organisation. Where details change, the appropriate form needs to be completed and returned to NHS Pensions.

The change of contact details form can be found at <https://www.nhsbsa.nhs.uk/employer-hub/employer-forms>.

It is also imperative that organisations also update their Pensions Online and Make Contribution Payment admin users when any changes happen.