

NHS Pensions Update – December 2020

Welcome to our last Employer Newsletter of 2020. We'd like to take this opportunity to thank you for everything you have done to support NHS Pensions members over the last year and for your continued efforts in delivering vital healthcare services at this critical time.

NHS Pensions coronavirus (COVID-19) response

If you have any queries about the 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.

Sharing our performance

Table 1- Total Transactions

| Item | Volume |
|--------------------------|--------|
| Total Transactions | 13,871 |
| First Retirements | 5,443 |
| Revised Retirements | 895 |
| Estimates | 2,286 |
| Re-Employment Cases | 1,410 |
| Transfers In | 338 |
| Transfers Out | 332 |
| 5 Year-Rejoiners | 62 |
| Pensions on Divorce | 54 |
| Life Assurance Lump Sums | 196 |
| Partner Pensions | 555 |
| Child Allowance | 75 |
| Refunds | 2,225 |

Table 2 - First Retirements and Pensioners

| Item | Volume |
|---------------------------|-----------------|
| Applications Processed | 5,443 |
| On Time | 99.80% |
| Amount paid in Lump Sums | £207,827,851.09 |
| Amount of Pension Paid | £806,931,110.43 |
| No. Pensioners in Payment | 1,003,211 |

Table 3 - Employer Helpline statistics

| Item | Volume |
|-----------------------------|--------|
| Total Volume Calls | 2,516 |
| Average Handling Time (s) | 431 |
| Average Speed of Answer (s) | 70 |

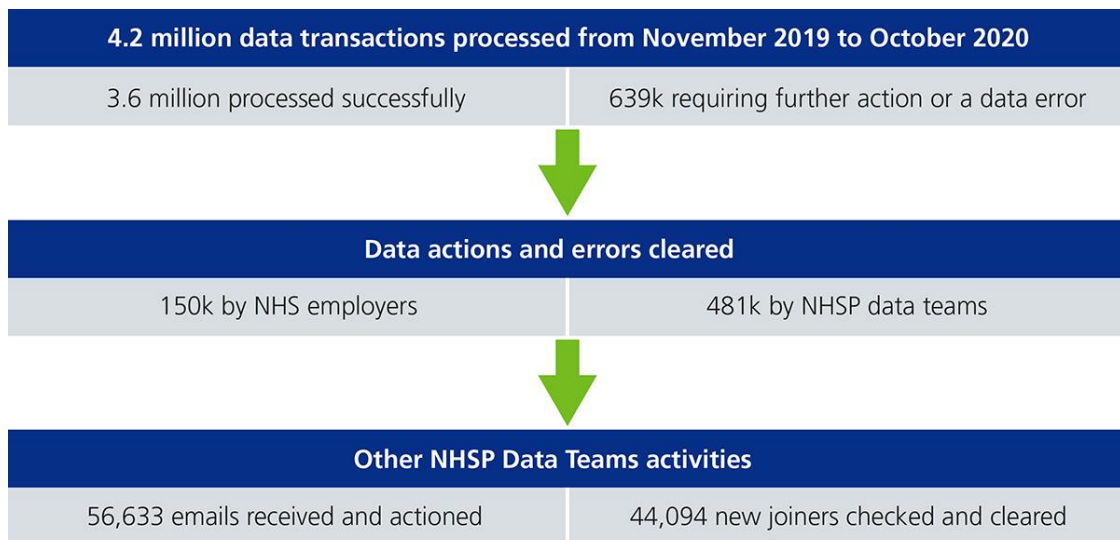
Table 4 - Member Helpline statistics

| Item | Volume |
|-----------------------------|--------|
| Total Volume Calls | 28,071 |
| Average Handling Time (s) | 513 |
| Average Speed of Answer (s) | 59 |

NHS Pension Scheme member data

As we're all aware, this has been a challenging year for everyone. However, we would like to share some information that demonstrates how NHS employers and the NHS Pension Scheme have continued to manage data critical to the updating and maintaining of member records.

The transactions include the processing of all joiner, leaver, cyclic update and change data received for NHS Pension Scheme members.



These figures are comparative with previous years and reflect the efforts of both employers and NHS Pensions in maintaining member records to support the delivery of services to our members.

Greenbury 2021 Exercise

We can now confirm that the Greenbury 2021 window will open on 4 January 2021 from 9am.

Pensions online (POL) will be unavailable between 7am – 9am on the morning of the 4 January to allow for the Greenbury refresh from the previous year to take place. Please do not try to access POL between 7am – 9am whilst this important update takes place.

The administration team have carried out a review of the 2020 exercise and have shared the following couple of points to note for this year in the aim of being transparent and providing a better user experience:

- Please avoid using the comments box on POL unless necessary as this prevents cases running through the system automatically. If a member was part of the exercise last year then previous year's figures will be provided, so employers do not need to request this information via the comment box. Reducing comments will mean more submissions will run through automatically and therefore speed up the process.
- We appreciate that in the majority of cases the pay figures provided will be estimated and during last year's exercise we were asked to recalculate a number of cases after an individual's pay up to 31 March 2020 had been finalised.
- Due to the limited timescale we have to complete the exercise, which must correspond with the group financial reporting timetable for 2020/21, we will not be able to provide revised calculations once final pay figures are known.

NHSEI 2019 / 20 Pensions Annual Allowance Charge Compensation Policy – employer action required

NHS England and NHS Improvement (NHSEI) has published more information on the steps it has taken to address the impact of the annual allowance taper for the 2019/20 financial year, including the actions that eligible clinicians and employers now need to take.

In November 2019, NHSEI announced that clinical staff who go over their annual allowance for the 2019/20 tax year and who use Scheme Pays to pay the tax charge can be compensated in retirement for any reduction to their NHS Pension Scheme benefits.

Specifically:

- clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in the 2019/20 tax year face a tax charge in respect of the growth of their NHS Pension Scheme benefits above their pension savings annual allowance threshold will be able to have this charge paid by the NHS Pension Scheme
- all NHS employers will make a contractually binding commitment to pay a corresponding amount on retirement, ensuring that clinicians are fully compensated for the effect of the 2019/20 Scheme Pays deduction on their income from the NHS Pension Scheme in retirement

The announcement gave assurance to clinicians that they could undertake any combination of clinical roles for the NHS during the 2019/20 tax year, including additional work relating to the coronavirus response, without suffering any financial loss as a result of the annual allowance taper.

NHSEI is encouraging clinicians in England who have received a pension savings statement or believe they may be subject to an annual allowance charge to work out if they have a charge to pay, and follow the steps outlined on the [NHSEI website](#) to apply for the 2019/20 Pension Annual Allowance Charge Compensation Policy (PAACCS).

To use Scheme Pays, clinicians must make an application using the Scheme Pays Election (SPE2) form. This must be completed and returned to NHS Pensions by the 31 July 2021 or before retirement or age 75, whichever is earlier. Clinicians and their employing authority will also need to complete an application form available on the [NHSEI website](#) to confirm their clinical eligibility.

NHSEI has published a range of employer resources and FAQs on its website to help you support members to access the scheme.

Details of the Welsh application process are being finalised for NHS Wales. We'll share more information once this is available.

Joiner and eligibility guides for employers

Eligibility for active and deferred members joining (for the first time) or re-joining the NHS Pension Scheme

We have published a new guide for employers on our website which provides guidance for active and deferred members when joining (joining for the first time) or re-joining the NHS pension scheme.

This 'Joiners and Eligibility Guide for Employers' can be found on the [Joiners page](#) of our Employer Hub.

Eligibility for members who have claimed their pension and are returning to the NHS Pension Scheme following retirement

Employers should continue to refer to the 'Retire and Return Employer guide' for guidance where members have claimed their pension.

This guide can be found in the re-employment guidance section of the [Joiners page](#) on our Employer Hub.

Automated AW171s effective early 2021

As part of the Sub Award Project, we have looked at how we can simplify and improve the process for employers. We have recognised that we can easily identify when a change on a member record has occurred either through Pensions Online (POL) or via the Electronic Staff Record (ESR) Pensions Interface and as such if a pension is already in payment we can use this change to check if steps to revise the pension are appropriate.

Currently the trigger to consider a revised pension is an employer submitting a paper AW171 to NHS Pensions for processing. As we develop this change it will mean that employers will soon no longer need to complete a paper AW171. This will make the process far more efficient and ensure that in all instances a revised pension will be considered if the change makes a difference to the original pension in payment.

For 1995 Scheme members, we will use a system calculation to generate the pensionable pay to be used. To ensure accuracy there will be built in validation checks to compare the updated pay with previous pay used and ensure this is within acceptable tolerance levels. If the validation checks fail, then we will contact the employer to clarify the information prior to processing a revised pension payment, ensuring only correct information is used for the member.

In preparation for the change, can employers please ensure that all member records are updated via POL/ESR before sending the AW171 to NHS Pensions.

As part of the preparation for this change, we are arranging to share the process with a small subgroup of employers to assist with the rollout and enable us to listen to queries and amend our communications accordingly. We will provide a further update once this session has taken place and hopefully we will then be able to provide a go live date. We will let you know once you should no longer submit a paper form and advise on the rare circumstances where we may still need one.

Part 10 of the retirement application form AW8 – lump sum choice

We have noticed an increase in the number of requests from employers received on behalf of the members, to change the decision in relation to their lump sum choice when completing the retirement application form AW8.

We are therefore asking employers to:

- Check to ensure members fully understand the options available to them when completing part 10 of the form AW8. Particularly if they are in more than one section or scheme.
- Check the member has completed all relevant sections of the form AW8 in part 10.
- Check the chosen lump sum carefully to ensure it correctly reflects the member's decision in part 10 before submitting on POL. Any requests to revise the lump sum choice where the pension is already in payment may be rejected.

Note:

Any changes to the lump sum choice should be notified as soon as possible. Members must also write/email us at nhsbsa.pensionsmember@nhsbsa.nhs.uk to confirm their revised lump sum choice and agree to pay back any pension and lump sum which may have already been authorised.

Sending forms to NHS Pensions

At the start of the COVID 19 outbreak we took a number of steps to support employers who were encountering issues due to the lockdown restrictions. This included agreeing to accept certain applications forms in PDF/Word format via email, instead of by post.

Once received the NHS Pensions scanning team save the application to the member's file and arrange for the correct service team workflow to be launched. This has proved to be a successful and efficient way of handling paperwork and we thank those employers who have quickly adapted to the changes.

In order to ensure the continued efficiency of this process, this article and the table below clarifies the forms we can receive in this manner.

Important:

- There are no changes to the submission of Pensions Online forms and employers should continue to use POL for this purpose.
- Where a wet signature is required the employer should include within the covering e-mail the reasons this was not possible.

Table 5: Forms NHS Pensions will accept from employers via email

| Form | Team |
|---|-------------------|
| COVID19 Life Assurance Forms | Covid 19 Scheme |
| AW8, AW8P, AW8/11A, AW8 SUPP, AW343, | Awards |
| D6, D6A, AW9, AW9P, AW11, AW158, AW111, AW11PC, AW135, D10, D12, D13, D15, DE##, G60, Death Certificates, Tell us once. | Bereavements |
| AW33E, AW240 | Ill Health |
| AW295 | Estimates |
| SMR, SM1, SM215, SM333, SM27A, SM27B, SM27C, SM27D, SM Retro1, SM Retro2, SMPTA1, PPSM1 | Service |
| Transfer in forms A and B, Transfer out UK TV out guide, TV 18, CETV requests | Transfers |
| AP1, AB54, ERRBO1, ERRBO2 | AVC |
| Pensions on divorce, PD1, PD2, PPSM1 | POD |
| DB1, DB2, DB2PC, PN1, PN2, NOM1 | Nominations |
| RF12 | Refunds |
| SD55, 65, SS10 | Data Team |
| SPE2 | Annual Allowance |
| SMR9, SMR9EA | Protection of Pay |
| RE08, RE09, AW70, Re-employment Form | Pensioner Admin |
| DRP1 | Disputes |

Pensions scanning services email: nhsbsa.pensionscanquery@nhs.net

Employer general enquiries email: nhsbsa.pensionsemployers@nhs.net (employers only)

Or contact the Employer helpline:

- Telephone: 0300 3301 353
- Monday to Friday, 8am to 6pm

Pensions Online Helpdesk (POL) email: nhsbsa.polhd@nhs.net

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.

Contacting the NHSBSA Pensions Operational Finance Team

The Pensions Operational Finance team has shared more information on what they do and how best to contact them about specific enquiries.

The team continue to work extremely hard to make sure that they respond to all queries as quickly as possible at this time.

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](#)

Extending the leaving date on ESR due to annual leave

When an employee is leaving or if they die in service with outstanding annual leave to be paid, this is classed as pensionable service. The pension leaving date should reflect the date that the annual leave is paid up to.

In ESR this should be recorded by using the Override Pen End Date field in the Pension NHS Element. This will ensure that the date will be submitted via the IAT process and will enable the system to add the correct date to the Override Pen Start Date field on the employee's record in the new organisation, preventing overlapping service errors.

Purchase of Additional Pension

You must notify NHS Pensions when a lump sum payment has been received for the purchase of Additional Pension and confirm the date the payment was received.

Earning certificates for re-employed pensioners

In April/ May this year, we made the decision, due to the huge uncertainty within the NHS at that time, that we would only request annual earning certificates for those pensioners who had their pension abated. We are now in a position to collect the rest of the earning certificates for all re-employed pensioners for the year 19/20.

As last year this exercise will be completed electronically via email. If you have re-employed pensioners working in your organisation, we will endeavour to email you a spreadsheet requesting their 2019/2020 earnings.

Please note that we require earnings from 1 April 2019 to 24 March 2020, which was the point that the relaxation of the Re-employment Regulations took effect. If we are unable to send you a spreadsheet, we will continue to issue paper earnings certificates to you via the post. You can return this to us either via email to nhsbsa.pensionearningscertificate@nhs.net or to the usual postal address.

Following feedback, we received from last year's exercise we will include the employing authority (EA) code on the spreadsheet this year.

We have also made improvements to the way we process returned spreadsheets. It is important that you complete the details requested in the spreadsheet and return the spreadsheet to us as an email attachment. We will be unable to process information, which is not returned on the spreadsheet, including the notification that a pensioner is no longer employed. Therefore, it is important that you return each spreadsheet that we send to you.

Earnings certificates will be issued over the coming weeks and full instructions on how to complete and return the spreadsheet will be issued in the covering email. Please could you complete and return these at your earliest convenience.

Submitting FIN9 finance forms

The NHS Pensions Finance team is now processing Initial Widow Pension (IWP) claims paperless and therefore require the FIN9 claim form in a PDF format for audit purposes and with a view to eliminating fraud.

Please send the FIN9 claim form via email as a PDF attachment direct to the finance team at nhsbsa.eafinance@nhs.net

Please do not email the FIN9 form with any Bereavement forms – keep them separate. The benefit to employers is that this will reduce time for the NHS Pensions Finance team to receive and process the claim and improve our service to both employers and members.