

## NHS Pensions Update – November 2021

Welcome to the November 2021 NHS Pensions Employer Update.

### Sharing our performance

*Table 1- Total Transactions (October 2021)*

Item	Volume
Total Transactions	101,395
First retirements	6,185
Estimates	3,725
Annual allowance	6,850
Ill health applications	557
AP/ERRBO/AVC	1,095
Bereavements	6,594
Transfers	3,435
Nominations	2,141
Pensions On Divorce	1,764
Protection of Pay	139
Refunds	2,213
Revised retirements	3,146
Service	3,411
Inbound processing	5,424
Data support	30,921
Pensioner admin	23,680

*Table 2 - First Retirements and Pensioners (October 2021)*

Item	Volume
Applications Processed	6,185
On Time	99.78%
Amount paid in Lump Sums	£184,080,717.71
Amount of Pension Paid	£839,613,679.29
No. Pensioners in Payment	1,037,463

*Table 3 - Employer Helpline statistics (October 2021)*

Item	Volume
Total Volume Calls	2,934
Average Handling Time (s)	468
Average Speed of Answer (s)	85

Table 4 - Member Helpline statistics (October 2021)

Item	Volume
Total Volume Calls	27,913
Average Handling Time (s)	603
Average Speed of Answer (s)	93

From May 2021 we have amended the way in which we report transactional values to include all events across the Scheme and all transactions completed for each function, up to and including the actual event itself. This change has been made to provide a more comprehensive overview of transactional volumes on a month-by-month basis.

## **Deadline for employers to apply for NHS Pension Scheme final pay controls to be reassessed approaching**

The 31 December 2021 deadline for employers to apply for the reassessment of final pay control charges incurred between 1 April 2018 and the 1 July 2021 is approaching.

Earlier this year, the Department of Health and Social Care (DHSC) published the outcome of its consultation on proposed amendments to the NHS Pension Scheme Regulations, including changes to final pay controls which were implemented on the 1 July 2021.

These changes will be applied retrospectively to 1 April 2018.

This means if you've paid or received an invoice for a final pay control charge on or after 1 April 2018 you can request for this to be reviewed.

**Your request for reassessment must be received by us by 31 December 2021. Any requests received on or after 1 January 2022 will not be accepted.**

You can find all the information you need on final pay controls and how to apply for retrospective final pay control charges to be reassessed on our final pay controls webpage:

[www.nhsbsa.nhs.uk/employer-hub/final-pay-controls](http://www.nhsbsa.nhs.uk/employer-hub/final-pay-controls)

The changes to final pay controls included an increase to the allowable amount from the consumer prices index (CPI) measure of inflation plus 4.5% to CPI plus 7%.

New exemptions were also introduced for increases in pensionable pay as a result of:

- nationally agreed contracts, framework agreements or re-banding where this is authorised under particular NHS terms and conditions
- a National Clinical Excellence Award (CEA)
- promotions following fair and open competition
- the ending of a salary sacrifice arrangement
- an increase in practice profits impacting non-GP providers (in certain scenarios)

Any final pay control charges calculated on or after the 1 July 2021 will take into account the revised CPI percentage and the new exemptions introduced to final pay controls. There is no need to submit a reassessment form for any charges calculated after 1 July 2021.

## **Completing the final pay control form**

We have received a number of FPC1 forms where the box (non-GP provider) has been ticked incorrectly when completing Question 1.

We felt it might be helpful to clarify what constitutes a non-GP provider to assist you when completing Question 1 on the form.

To clarify, a member who is a non-GP provider is a partner, single-hander, or shareholder in a general medical services (GMS), personal medical services (PMS), specialist personal medical services (SPMS) or alternative provider of medical services (APMS) body (i.e. practice) who is not a GP.

For NHS Pension Scheme purposes a non-GP provider is classed as a whole time officer. Their NHS pensionable pay is their share of the practice profits. This will include pensionable income in respect of ad hoc GP work that their GP colleagues have elected to 'pool'.

If a non-GP provider is involved in more than one practice, they can only pension income from one selected practice. Like their GP provider counterparts, they must complete the Certificate of pensionable income.

Non-GP providers are classed as self-employed therefore they are responsible for the employer and employee contributions.

Their employing authority for pension purposes in England is NHS England/NHSCB, in Wales it is the Local Health Board.

## **Disclosure of senior managers' remuneration (Greenbury) 2022**

We anticipate that the Greenbury functionality within Pensions Online (POL) will be available from Tuesday 4 January 2022.

Requests for disclosure information should be received by NHS Pensions between 4 January 2022 and 28 February 2022 to enable us to provide you with the necessary disclosure information to meet your reporting timescales.

### **1. Who should employers request Greenbury figures for?**

The Department of Health and Social Care Group Accounting Manual (GAM) 2021-22 states the remuneration report must disclose information on those persons in senior positions having authority or responsibility for directing or controlling 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. The GAM goes on to say: “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.”

The NHS Foundation Trust Annual Reporting Manual (ARM) defines senior managers as ‘those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS foundation trust. The ARM goes on to say, ‘The chief executive should confirm whether this covers more than the chair, the executive and non-executive directors of the NHS foundation trust.’

## **2. 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 receive any pensionable remuneration.

## **3. 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.

## **4. How to submit disclosure information requests for the 2022 exercise**

- Employers must request Greenbury senior manager remuneration disclosures for the 2021/22 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: <http://www.nhsbsa.nhs.uk/Pensions>

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](mailto: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

Full guidance on how to register and use the POL system to make your requests is now available on our website at: <http://www.nhsbsa.nhs.uk/Pensions>

## **The Coronavirus Act and the end of temporary suspensions for retire and return**

The [UK government's Coronavirus action plan](#), published on 3 March 2020, set out measures to respond to the COVID-19 outbreak.

This included increasing the available health and social care workforce by removing barriers to allow recently retired NHS staff and social care workers to come back to work or increase their commitments without having their pension benefits suspended or reduced.

From 25 March 2020, the [UK government's emergency legislation](#), has temporarily suspended some of the regulations governing the administration of NHS pensions, including the temporary suspension of:

- the 16-hour rule
- abatement for special class status holders in the 1995 Section
- draw down abatement in the 2008 Section and 2015 Scheme

The measures predominantly affect members of the 1995 Section, although a smaller number of members could be affected by draw down abatement in the 2008 Section and the 2015 Scheme.

You can read more about the temporary suspensions in our [COVID-19 guidance on support for retired members](#).

### **These temporary suspensions will end on 24 March 2022**

The Coronavirus Act 2020 is designed to be time limited. Following a review of the Act in Parliament in October 2021, we have now been informed by the Department of Health and Social Care that the Act has been extended to 24 March 2022.

DHSC is asking employers and members to prepare for an end to the temporary suspensions and a return to normal arrangements from the 25 March 2022.

This is when the 16-hour rule in the 1995 Section, abatement for special class status holders in the 1995 Section and draw down abatement in the 2008 Section and 2015 Scheme will come back into force.

You can find information on normal arrangements for returning to work after retirement on our [Re-employment](#) webpage.

### **What we're doing to support you**

We will soon be contacting all pensioner members who have retired and returned to work or chosen to draw down a portion of their benefits to let them know that the temporary suspensions will be ending and we will return to normal arrangements from 25 March 2022.

To enable affected pensioner members to negotiate their earnings and avoid abatement of their pension, if they wish to, we will provide pensioner members who are affected with their earning margins in the early part of 2022.

### **Total rewards Statements / Annual Benefits Statements refresh**

The process of the mid-year refresh has started and the member details up to 15 October will be used for the refreshed statements.

Any amendments to member details from 16 October will be included in the annual refresh in 2022. We expect the mid-year refreshed statements to be made available in mid-December.

### **AW8 retirement application form**

We are seeing an increase in the number of requests from members for copies of AW8 that they should be receiving from you, the employer.

Where a member doesn't have an email address and requires a hard copy of the AW8 form, you will need to arrange for the form to be locally printed and sent to the member.

All our forms are available on our website.

## **Emails to the Scanning team**

The Scanning team are receiving a number of emails with no attachments, mainly AW8 applications.

Please note that these emails will be deleted and not actioned.

## **Reminder – Members of the 2008 Section and 2015 Scheme and Mental Health Officer / Special Class status**

We have noticed a recent increase in the number of enquiries, where employers are seeking to know why a member's pension record is not reflecting Mental Health Officer (MHO) / Special Class (SC) status or why it appears to have been removed, even though the member has remained in the same job/role after transitioning to the 2015 Scheme.

We would like to remind employers that MHO / SC status does not apply to benefits earned in the 2008 Section or 2015 Scheme. Therefore, pensionable employments (membership) recorded in the 2008 Section or 2015 Scheme cannot be updated or amended to reflect MHO/SC status. Once 2008 Section or 2015 Scheme membership commences, no further doubled MHO years are possible.

However, for MHO / SC members who transition from the 1995 Section to the 2015 Scheme with a final salary link, SC / MHO status continues to be relevant to the benefits they earned in the 1995 Section whilst the final salary link is retained.

This means that a transitional member can still achieve entitlement to an earlier retirement age for their 1995 Section benefits, if they continue in a role that meets the conditions for MHO / SC status.

If a transitional member wishes to claim unreduced 1995 Section benefits earlier than 60 via MHO /SC status, we need to be satisfied that a member is still in pensionable employment in a MHO / SC role at their chosen retirement date and meet the normal eligibility criteria for an earlier retirement age in the 1995 Section.

For this reason, employers need to continue to consider MHO / SC status for 1995 Section members who have transitioned to the 2015 Scheme.

Please remember, employers must continue requesting MHO / SC status every time a member changes a job/role after they have transitioned to the 2015 Scheme by using the relevant forms. You must do so for all members that retain a final salary link to their 1995 Section benefits or, for example, to maintain an earlier retirement age via continued membership in a role that would have previously been eligible for MHO / SC status.

Completing the process at the time of the role change, will ensure that there is evidence and/or a file note confirming the status on the members record at retirement stage and will prevent any delays to the members benefits being paid, and reduce the administration for you at retirement.

### **Transitioned SC/MHO members of the 2015 Scheme and Normal Pension Age (NPA) 60 on Total Rewards Statements for 1995 Section membership**

There is a known issue on the Total Reward Statement (TRS) system whereby the normal pension age (NPA) on the TRS for the 1995 Section membership, is displayed as 60 instead of 55 after a member with SC/MHO has transitioned to the 2015 Scheme and has retained the final salary link.

This issue is being investigated and we apologise for any inconvenience it may be causing to employers and members.

We would like to assure employers and members that the pension figures provided on the TRS are correct and are to age 55, regardless of the incorrect NPA displayed.

In any instance of doubt, employers are kindly asked to seek further clarification from us, using the [nhsbsa.pensionemployers@nhsbsa.nhs.net](mailto:nhsbsa.pensionemployers@nhsbsa.nhs.net) email account.



## **New spreadsheets for non-POL employers**

Following feedback from our non-POL (Pensions Online) users, we have amended the leaver spreadsheet to enable more information to be provided when a member leaves the organisation.

The information that can now be included are changes to the employment, contribution rates and any personal information. This reduces the need to send in an email advising of any changes in the final period of employment.

In line with these changes, we have also updated the SS10 joiner spreadsheet, and included a separate guidance document to assist employers with the completion of the information.

A SD55E spreadsheet has also been created to enable non-POL employers to provide changes to financial information in bulk, and therefore remove the need to send in an individual form when members financial information needs to be amended.

The guidance and spreadsheets can be located under [the forms section of the website](#) for those without access to Pensions Online / Electronic Staff Record (ESR).

## **Additional GP Practice Manager events – Level 2**

The NHS Pensions Stakeholder Engagement Team are delivering Level 2 GP Practice Events commencing in November presenting educational training tailored for practice managers. These events will be delivered virtually via Microsoft Teams.

Practice managers will need to attend two consecutive training sessions. The second session needs to immediately follow the first. For example, if you select to attend Tuesday 16 November Level 2 Part 1, you must also select Wednesday 17 November Level 2 Part 2.

Only after the two consecutive sessions have been attended will you receive a Continued Professional Development (CPD) accreditation.

There are 2 training sessions:

- GP Practice Manager Event Level 2 Part 1
- GP Practice Manager Event Level 2 Part 2

Level 2 Stakeholder GP Practice Manager Events will take place on the following dates:

**GP Practice Manager Event Level 2, Part 1**

Tuesday 16 November 1pm - 3pm

This session includes Roles and Responsibilities and an overview of different kinds of leave

Link to Eventbrite: [Level 2 part 1](#)

**GP Practice Manager Event Level 2, Part 2**

Wednesday 17 November 1pm - 3pm

This session includes Ill Health and Family Benefits and Flexible Retirement.

Link to Eventbrite: [Level 2 part 2](#)

**GP Practice Manager Event Level 2, Part 1**

Wednesday 24 November 1pm - 3pm

This session includes Roles and Responsibilities and an overview of different kinds of leave.

Link to Eventbrite: [Level 2 part 1](#)

**GP Practice Manager Event Level 2, Part 2**

Thursday 25 November 1pm - 3pm

This session includes Ill Health and Family Benefits and Flexible Retirement.

Link to Eventbrite: [Level 2 part 2](#)

If you register and then are unable to attend, let us know as soon as possible so that we can reallocate your reserved place to the next available person.

If your organisation would like to request training or attendance directly from the Stakeholder Engagement Team, complete the event or meeting request form available on our Stakeholder Engagement Team webpage and email the team for consideration: [nhsbsa.pensionsevents@nhs.net](mailto:nhsbsa.pensionsevents@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.

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.

The scheme has been introduced for eligible frontline health and social care workers during the coronavirus (COVID-19) pandemic.

The scheme covers staff who provide hands-on personal care for people who have contracted coronavirus or who work in health or social care settings where the virus is present.

The scheme recognises the increased risk faced by staff during the crisis. It covers coronavirus-related deaths of workers in frontline health and social care roles during the outbreak.

A payment of £60,000 will be made to the estate of eligible individuals who die from coronavirus contracted during their frontline essential work.

England scheme information and Wales scheme information is available for:

- claimants
- employers

If you need information on this website in a different language or format, for example, accessible PDFs, large print, easy read, audio recording or braille, contact us by email [nhsbsa.clastranlation@nhs.net](mailto:nhsbsa.clastranlation@nhs.net).

### **Important payroll information about potential changes to member contributions**

From 1 April 2022, all active members of the NHS Pension Scheme, regardless of their age, will be members of the 2015 NHS Pension Scheme.

With all members building up benefits in the career average revalued earnings (CARE) model from 1 April 2022, the Department of Health and Social Care (DHSC) feels it is an

appropriate time to seek views from interested parties to inform changes to member contributions.

DHSC has launched a public consultation on its proposed changes to member contributions, including new tiers and contribution rates.

The consultation will close on Friday 7 January 2022 and you can read more about it and share your views here: [www.gov.uk/government/consultations/nhs-pension-scheme-proposed-changes-to-member-contributions](http://www.gov.uk/government/consultations/nhs-pension-scheme-proposed-changes-to-member-contributions)

### **What this may mean for your payroll**

As outlined in the consultation, DHSC intend for these changes to be implemented from 1 April 2022. Whilst we will not receive confirmation as to whether the changes will occur until after the consultation has closed on 7 January 2022, we have shared more information including a requirements document with all employers.

**Please ensure that your payroll provider is aware of the proposed changes and gain assurance that these changes will be in place by 1 April 2022 subject to the outcome of the consultation.**

Please note that if your payroll provider is ESR, then they have already been informed of the required changes and preparation has commenced.

If you have any questions in relation to the requirements document please contact our Stakeholder Engagement Team via [nhsbsa.stakeholderengagement@nhs.net](mailto:nhsbsa.stakeholderengagement@nhs.net)

If you would like to respond to the public consultation, you should go to [www.gov.uk/government/consultations/nhs-pension-scheme-proposed-changes-to-member-contributions](http://www.gov.uk/government/consultations/nhs-pension-scheme-proposed-changes-to-member-contributions) or email: [NHSPSconsultations@dhsc.gov.uk](mailto:NHSPSconsultations@dhsc.gov.uk)

### **Changes to public service pension schemes**

Our website now includes a dedicated hub area focusing on the government changes to public service pension schemes as a result of the introduction of transitional protection - sometimes known as the McCloud judgment.

The webpages include a new introductory video on the changes, and a factsheet to support members to understand if they are affected and what the changes mean.

New information will continue to be added to the webpages and our [FAQs on Knowledge Base](#) as this becomes available. There is also dedicated page for employers that further content will be added to over time.

## **2019/20 Pensions Annual Allowance Charge Compensation Policy**

Both NHS England and NHS Improvement (NHSEI) and NHS Wales have published guidance on their respective 2019/20 Pension Annual Allowance Charge Compensation policies, including an application form for eligible clinicians to apply for the scheme and information on the actions that employers now need to take.

It follows the NHSEI and NHS Wales announcements at the end of 2019 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.

You can find resources for employers, downloadable application forms and details of how to confirm eligibility on the NHSEI website if you're based in England, or the NHS Confed website if you're based in Wales:

- PAACCS information for England: [www.england.nhs.uk/pensions/](http://www.england.nhs.uk/pensions/)
- PACCS information for Wales: [www.nhsconfed.org/NHSPensionsWales](http://www.nhsconfed.org/NHSPensionsWales)

PCSE is accepting forms from GPs for endorsement in application windows. The next GP application window will be open from 13 December 2021 to 11 February 2022.