

## **NHS Pensions - Constructed values**

### **Background**

Default values have historically been uploaded to a member record where part or all of the contributions, pay or hours have been missing from an update or leaver form. To improve the quality of data NHS Pensions has replaced the default values with constructed values. To address the member records that held historical default values an automated solution was run at the end of June 2012 to replace default values either with information obtained from the ESR Archive or with values constructed by NHS Pensions.

### **Constructed Values SD55E**

Where employments were open or had been closed in the last 7 years a “Constructed Value SD55E” was created and a Constructed Values flag placed on the members record.

Any existing SD55E’s for cases excluded from the automation have remained in Pensions Online for action as normal. Further guidance on this can be found in the Automated SD55E/Constructed Values POL Guide.

### **Refunds/Estimates/AW8 via Pensions Online**

Where any estimates of benefits are produced via Pensions Online or an AW8 or refund application form are completed via Pensions Online, for a member with a constructed values flag, you will receive an onscreen warning advising that constructed values are present on the member record.

Before continuing with the estimate or application form it would be advisable to check your Auto SD55E’s or Constructed Value SD55E’s in E-Forms and submit correct information to NHS Pensions as this would prevent the constructed value paragraph from being included with the calculation

If you do not have either of these automated forms to action then it is likely that the constructed values are present within a previous employment and there is no action for you to take before continuing.

The estimate/refund/awards output will include an additional page advising that the calculation may be based on constructed values and will advise the name of the employer(s) concerned.

You may receive an enquiry from the member or a third party either because you have supplied the estimate or because you are the named employer in respect of the constructed values.

Not all constructed values will affect the calculation and the following guidelines should be used.

**Refund of Contributions** – only constructed employee contributions or AVC contributions will affect the amount of the refund. Without the constructed values the refund payment would be reduced but could also be greater if the true values are higher than those constructed.

**Estimates/Transfers/Award Notifications/Death Benefits** – only constructed employer pay and/or part time hours/sessions would affect these calculations.

When either a response has been received to the Constructed Value SD55E or NHS Pensions has amended the data, the constructed values flag on the member record is removed.