

NHS Pensions Update – July 2021

Welcome to the July 2021 NHS Pensions Employer Update.

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 (June 2021)

Item	Volume
Total Transactions	107,812
First retirements	6,253
Estimates	3,219
Annual allowance	4,455
Ill health applications	598
AP/ERRBO/AVC	1,519
Bereavements	7,229
Transfers	2,908
Nominations	2,239
Pensions On Divorce	1,793
Protection of Pay	209
Refunds	1,555
Revised retirements	3,108
Service	3,125
Inbound processing	7,267
Data support	44,634
Pensioner admin	17,701

Table 2 - First Retirements and Pensioners (June 2021)

Item	Volume
Applications Processed	6,253
On Time	99.59%
Amount paid in Lump Sums	£217,516,307
Amount of Pension Paid	£827,971,537
No. Pensioners in Payment	1,024,350

Table 3 - Employer Helpline statistics (June 2021)

Item	Volume
Total Volume Calls	3,104
Average Handling Time (s)	459
Average Speed of Answer (s)	78

Table 4 - Member Helpline statistics (June 2021)

Item	Volume
Total Volume Calls	28,583
Average Handling Time (s)	538
Average Speed of Answer (s)	51

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.

The Greenbury window is closing

For any employers that have Greenbury queries, please ensure that these have been submitted by 31 July 2021. Any queries received after this date will not receive a response.

Greenbury requests for senior managers who have opted out of the NHS Pension Scheme and are in active employment.

We understand that employers have been receiving Greenbury requests from the National Audit Office for members that have opted out of the NHS Pension Scheme.

We understand that employers have been receiving queries about disclosure figures from the National Audit Office for members that have opted out of the NHS Pension Scheme.

The Group Accounting Manual specifies pension figures for disclosure purposes should 'include those benefits accruing to senior management from membership of the NHS Pension scheme'.

An individual who has opted out of the scheme for the whole year has not accrued pension benefits therefore no pension figures will be supplied. A narrative should be added to the accounts to explain, for example:

'Name of individual chose not to be covered by the NHS Pension Scheme during the reporting period.'

Changes to final pay controls and how to apply for retrospective charges to be reassessed

The Department of Health and Social Care (DHSC) recently published the outcome of its consultation on proposed amendments to the NHS Pension Scheme Regulations which confirmed changes to final pay controls from the 1 July 2021.

These changes are being applied retrospectively to final pay control charges since 1 April 2018 – this means you can ask for any final pay control charges since this date to be reassessed.

Changes to final pay controls have been implemented from 1 July 2021

This includes an increase to the allowable amount from the consumer prices index (CPI) measure of inflation plus 4.5% to CPI plus 7%.

New exemptions have also been 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.

The changes will be applied retrospectively to 1 April 2018

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 actioned.

We've created a new webpage with all the information you need on final pay controls, including how to apply for retrospective charges to be reassessed and the application forms you need for this.

Access to POL – urgent action may be required

Due to some employers having issues connecting to POL, we have been advised to amend the IP Address we use to host the site. This change will be implemented between 15:00 and 16:00 on Friday 2nd July and will result in a short outage during this time.

If your IT supplier currently uses the HSCN DNS Service then you shouldn't have to make any changes.

However please check with your IT supplier that you can access POL with these details:

- URL: https://nww.pensionsagency.nhs.uk/poltest_forms/home3.cfm
- IP Address: 194.155.10.129 (Previously 194.155.10.128)
- Ports: TCP 80 and 443
- Network: HSCN

You must have a HSCN service to access POL. Guidance for obtaining a HSCN service can be found at [Health and Social Care Network \(HSCN\) - NHS Digital](#)

Changes to the Death in Service process

From 1 September 2021, the death in service process is changing. A new Death Notification Form is being developed to replace the existing AW9, AW11 and AW158 claim forms.

This change means that you will no longer need to issue claim forms to the family for death in service cases. You will also no longer have to pay the initial or limited survivor pension to the member's spouse or civil partner because NHS Pensions will be responsible for these actions.

Under the new process, when a member dies in service, you will be required to complete a Death Notification Form as soon as possible and update and close the record as you usually would.

The purpose of this change is to align and streamline our existing process as we currently have several different claim forms in use, which all essentially request the same information. By removing the existing employer forms and issuing the standard dependant's claim form and lump sum on death claim form ourselves this will reduce the amount of work for employers and will enable NHS Pensions to process cases quicker. In addition, by paying the initial or limited survivor pension to spouses or civil partners ourselves (as we already do for qualifying Scheme partners) we will be able to transition into paying a continuing pension (where applicable) seamlessly and employers will not have to claim repayment of this pension.

Further guidance will be available on our website nearer the time.

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.

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.

Year end update for employers

We would like to remind all employers that the deadline for submitting year end updates has now passed. Failure to submit year end data can result in penalties imposed by HMRC for each member where the data is outstanding.

The timely submission of year end data is a legislative requirement and NHS Pensions cannot grant extensions to this deadline.

You can check if you have members with a missing year end in Pensions Online (POL) notifications – non-updated years or by checking your ADP4 in E forms. Please submit any outstanding year end updates as soon as possible.

Data errors

Currently 126,000 joiner, cyclic update and leaver form data errors are allocated to employers. This means that these members may not receive current figures when annual benefit statements are refreshed in August.

Please check your POL error handling and clear any outstanding data errors as soon as possible.

There are 115,000 joiner, cyclic update and leaver forms allocated to NHS Pensions. Our data teams continue to work on these.

NHS Pensions are also developing automated, robotic processes to manage some data issues. This will improve the timeframe for the clearance of NHS Pensions allocated errors.

Automation for the processing of cases where whole time hours or sessions exceed whole time was recently implemented. Following year end processing, more than 35,000 of these were cleared before the data cut was taken for annual benefit statements.

We are currently testing automation to assist in managing cases where there has been an overlap in employments.

ESR employer Heat Maps

The year end reports including heat maps, have been sent to ESR employers. The information reflects the processing of your ESR year end files only. Data cleanse activities following the processing of year end files is vital to ensure that members receive accurate annual benefit statements but does not alter the information given in your reports or amend the heat map.

We cannot send revised heat maps following year end data cleanse but are currently considering other data reports that we may be able to provide for employers later in the year.

Claims for repayment of initial or limited survivor pension paid to widow, widower or civil partner

The NHS Pensions Operational Finance team has fully transitioned to using a paperless system for processing claims for the re-imbusement of initial or limited survivor pension. We therefore require the FIN9 Claim form in a PDF format for audit purposes.

We have redesigned the FIN9 Claim forms in order to meet the recent process changes and the revised FIN9EA and FIN9GP forms are now available on the NHS Pensions website.

The forms are located in the Family Benefits & Life Assurance section of the [Employer forms](#) webpage on the Employer Hub.

To submit a claim for repayment of initial or limited survivor pension, please complete all required sections and return the completed FIN9 form saved in PDF format and any additional supporting information, to nhsbsa.eafinance@nhs.net

Any incomplete or older versions of the FIN9 form submitted will be returned with a request for the required additional information. Please delete/destroy all previous versions of the form you hold.

The FIN9 form should not be emailed with any Bereavement forms – these should be kept separate.

Forwarding your requests via postal services will incur a delay in making your repayment. The benefit to employers is that this will reduce the time for the NHS Pensions Operational Finance team to receive and process your claim and improve our service to both employers and members.

2019/20 Pensions Annual Allowance Charge Compensation policy

Clinical staff who go over their annual allowance for the 2019/20 tax year and 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/
- PACCS information for Wales: www.nhsconfed.org/NHSPensionsWales

If you receive any Pensions Annual Allowance Charge Compensation Scheme (PAACCS) application forms to endorse, please ensure that these are completed and returned as soon as possible following the processes outlined on the application form.

You do not need to wait to submit the PAACCS form until after the member has received their scheme pays acceptance. The deadline for PAACCS applications is 31 March 2022.

A reminder that the deadline for voluntary scheme pays deadline for 2019/2020 has been extended to 31 March 2022.

PCSE application window for Pensions Annual Allowance Charge Compensation Scheme forms opening 2 August 2021

GPs in England who have an annual allowance charge for 2019/20 and wish to apply to the 2019/20 Pension Annual Allowance Charge Compensation Scheme (PAACCs) must submit their application form to be endorsed by [Primary Care Support England \(PCSE\)](#) before it can be processed by the NHS Business Services Authority (NHSBSA).

PCSE is accepting forms for endorsement in application windows.

The next GP application window will open on 2 August 2021 and close on 1 October 2021.

This application window is open to all GPs applying to the Scheme.

GPs will need to upload their form via the new [PCSE portal](#). PCSE will share more information on how to do this nearer the time. No forms will be accepted before 2 August 2021.

A further application window will open in December 2021 and close before the 31 March 2022 deadline for submission of PAACCs application forms. If possible, GPs are encouraged to submit their forms during the 2 August – 1 October 2021 window.

Any GPs who have recently retired can also submit their application when the application window opens on 2 August 2021.

The application form is available on the [NHSEI website](#) for clinicians in England and the [NHS Confed website](#) for clinicians in Wales.

Any non-GP members applying for the scheme should follow the submission instructions on the application form

If you are a clinician in England and have received a pension savings statement for the 2019/20 tax year or think you may have an annual allowance charge in respect of your NHS Pension Scheme benefits, you can find more information about the 2019/20 Pension Annual Allowance Charge Compensation Policy, whether you are eligible and how to apply on the [NHSEI website](#).

To apply, you and your employing authority will need to complete an application form available on the [NHSEI website](#) to confirm your clinical eligibility for the scheme. You should follow the instructions on the application for how to submit your form.

Clinicians in Wales can access the scheme information and application form via the [NHS Confed website](#)

Using scheme pays

To use the Pension Annual Allowance Charge Compensation Scheme, you must also make an application using the Scheme Pays Election (SPE2) form and return this to NHS Pensions.

The voluntary scheme pays deadline for 2019/20 has been extended to 31 March 2022. We do not have the authority to extend the mandatory scheme pays election deadline for 2019/20 as this is confirmed in legislation. The 2019/20 mandatory scheme pays deadline remains 31 July 2021. You can find more information on voluntary and mandatory scheme pays on the [annual allowance page](#) of our website.

Preparing for Total reward Statements

Ahead of refreshed Total Reward Statements (TRS) being available in August, we are in the process of updating our TRS website information and employer resources. We'll share more information on this with you ahead of our next Employer Update.

If you're an organisation that uses ESR, the local benefits section of the online statement offers you the opportunity to promote the benefits you offer to your employees. If you've not already done so, now is a great time to add information about your local benefits to the local benefits page.

We've got some top tips for making the most of your local benefits statement:

- give an overview of each benefit
- highlight the advantage to employees of selecting each benefit you offer
- communicate the associated cost savings - for example if the benefit is through salary sacrifice reference the tax and National Insurance savings
- tell employees where they can get more information about each benefit
- provide contact details of the benefit providers

Kickstart Scheme

The Kickstart Scheme is a government funded scheme to create new jobs placements for 16 to 24 year old that are on Universal Credit who are at risk of long-term unemployment. This scheme is open to all employers.

The scheme covers:

- 100% of the National Minimum Wage (or National Living Wage depending on the age of the participant) for 25 hours per week for a total of 6 months
- Associated employer National Insurance contributions
- Employer minimum automatic enrolment contributions

The job placements created with Kickstart must be:

- New additional jobs – they must not replace or stop planned vacancies or cause existing employees, apprentices, or contractors to lose work or reduce hours.
- Have employability support – for each job placement the employer must help the young person become more employable

The 6-month placement will support the participant to develop the skills and experience they need to find work after completing the scheme.

The scheme will help the young person become more employable. This could include:

- Looking for long term work, including career advice and setting goals
- Support with Curriculum vitae (CV) and interview preparations

Developing their skills in the workplace

When the placement ends, the employer can:

- Employ the participant
- Turn the participant into an apprentice
- Release participant with excellent work and employability skills
- Employ another participant
-

Information about this can be located on the Government Website: [Kickstart Scheme - GOV.UK \(www.gov.uk\)](https://www.gov.uk/kickstart-scheme)

Kickstart and the NHS Pension Scheme

Any new jobs created under this Scheme and funded by the grant would be pensionable as the young person would have a contract of employment within the NHS. Therefore, they would be eligible to be in the NHS Pension Scheme in line with the regulations.

GP Practice Manager Events – Level 2

Our Level 2 GP Practice Manager Events will be starting in September.

We'll be publishing the registration details via Eventbrite in the Employer Update in the next couple of months. These events will be delivered virtually via Microsoft Teams and will include the following sessions:

Session 1:

- Flexible retirement
- Early retirement
- Drawdown where a member takes part of their pension early, including how to administer and the processes involved
- Retire and return

Session 2:

- Ill health
- Ill health and family benefits
- Serious ill health including commutation, where a member that has less than 12 months to live may receive all their ill health pension in one lump sum payment
- Death in membership

Session 3:

- Roles and responsibilities
- Detailed explanation of Primary Care Support England (PCSE) and GP pensions.
- Completion of estimate of pensions income / pay / profits form
- Non-compliance and The Pension Regulator

Session 4:

- Pensions Online (POL)
- POL Memberzone

Reminder: Update on the government changes to public service pension schemes – the McCloud judgment

In 2015 the government made changes to reform the majority of public service pension schemes. These reforms did not apply to those members closest to retirement, who remained in their legacy schemes with 'transitional protection'. The Court of Appeal later found this to be discriminatory against younger members.

The government has been working to fix this and has recently published the outcome of its consultation on how it will address the age discrimination. You can read more about the consultation response and changes on our website.

We have also shared a [news article for members](#) and [FAQs](#) that you may wish to share. We will be sharing more information once this is available.