

NHS Pensions Update – December 2021

Welcome to the December 2021 NHS Pensions Employer Update.

Sharing our performance

Table 1- Total Transactions (November 2021)

| Item | Volume |
|-------------------------|---------|
| Total Transactions | 101,395 |
| First retirements | 7,016 |
| Estimates | 4,517 |
| Annual allowance | 6,795 |
| Ill health applications | 641 |
| AP/ERRBO/AVC | 644 |
| Bereavements | 7,661 |
| Transfers | 3,626 |
| Nominations | 2,259 |
| Pensions On Divorce | 1,926 |
| Protection of Pay | 190 |
| Refunds | 2,131 |
| Revised retirements | 4,184 |
| Service | 3,258 |
| Inbound processing | 6,265 |
| Data support | 37,410 |
| Pensioner admin | 21,088 |

Table 2 - First Retirements and Pensioners (November 2021)

| Item | Volume |
|---------------------------|----------------|
| Applications Processed | 7,016 |
| On Time | 99.68% |
| Amount paid in Lump Sums | £197,793,003.2 |
| Amount of Pension Paid | £842,339,977.2 |
| No. Pensioners in Payment | 1,040,425 |

Table 3 - Employer Helpline statistics (November 2021)

| Item | Volume |
|-----------------------------|--------|
| Total Volume Calls | 3,604 |
| Average Handling Time (s) | 529 |
| Average Speed of Answer (s) | 92 |

Table 4 - Member Helpline statistics (November 2021)

| Item | Volume |
|-----------------------------|--------|
| Total Volume Calls | 30,441 |
| Average Handling Time (s) | 611 |
| Average Speed of Answer (s) | 119 |

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.

Total Rewards Statement and Annual Benefits Statements – Mid Year Refresh

The process of the mid-year refresh has been completed and member details up to the 8 October have been used for the refreshed statements. Any amendments to member details from 9 October will be included in the annual refresh in 2022. The mid-year refreshed statements were made available on Wednesday 15 December.

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

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 almost here.

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.

We must receive your request for reassessment by 31 December 2021. Any requests received on or after 1 January 2022 will not be accepted.

You can [find more information and how to apply for retrospective final pay control charges](#) to be reassessed.

Greenbury 2022 reminder

The Greenbury 2022 window will open on the 4 January 2022 from 9am. Pensions online (POL) will be unavailable between 7am to 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 to 9am whilst this important update takes place.

Avoid adding comments when uploading Greenbury updates

You should 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 the previous year's figures will be provided, so employers do not need to request this information via the comment box.

Reducing comments means more submissions will run through automatically and therefore speed up the process.

We are not able to provide revised calculations once final pay figures are known

In most cases the pay figures you provide will be estimated. During last year's exercise we were asked to recalculate a number of cases after an individual's pay up to the 31 March 2021 had been finalised.

Due to the limited timescale we have to complete the exercise, which must correspond with the group financial reporting timetable for 2021/22, we will not be able to provide revised calculations once final pay figures are known.

The Coronavirus Act 2020 and an update on the end of temporary suspensions for retire and return

Since the 25 March 2020, The Coronavirus Act 2020 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

These temporary suspensions will end on 24 March 2022

The measures set out in the Act are designed to be time limited. Following a review in Parliament in October 2021, the Act has been extended to the 24 March 2022.

The temporary suspensions are expected to end on the 24 March 2022 and we will 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.

Updates on what we're doing to support you

We have written to all affected pensioners to explain the re-instatement of the rules and have confirmed to them that we will write again early in the New Year with their earnings margin so that they can re-negotiate their hours should they wish to. In some cases we will

need to contact employers to request earnings. An early response to this would be very much appreciated.

In the meantime, please ask your pensioners not to contact us to request their earnings margin, as this could delay our calculations and further communications.

For the reinstatement of the regulations, we can confirm that the temporary suspension of the 16-hour rule will continue to apply to re-employments which begin on or before 24 March 2022, whilst the Act is still in force. This means that pensions will not be suspended under the 16-hour rule if the member:

- has a last day of service on 22 March 2022 or earlier; and
- takes a minimum 24-hour retirement on 23 March 2022 or earlier; and
- re-enters NHS employment on 24 March 2022 or earlier

The 16-hour rule will then apply as normal to all re-employments beginning on 25 March 2022 or later.

Changes in how the Data Management Team request information from employers for data queries

We suspended several steps in the data escalation process whilst we dealt with COVID-19 as we felt from an employer's and a Pension Team perspective, we all made significant adjustment to ways of working. The timeframes were lapsed and we stopped telephoning employers and e-mailing the Finance Directors.

We are at a point now where an escalation process needs to be introduced to ensure members can access up to date Total Reward Statements, Annual Allowance Statements, or any other information about their pension.

We have reviewed our working practice to ensure that if we continue to work from home, all aspects of the work is successfully achieved. This has included providing internet-based software to the team to enable them to call employers.

We felt that the process needed refreshing to align to future ways of working and we have amended our current escalation to the process below. Thank you to those employers from the SID Board that provided us with some feedback. We have reviewed those recommendations as part of the final process.

Please note this process will not be used for payment pending / service statement cases.

The key changes are:

- The process is now 60 days instead of 35 days giving employers an additional 25 days in which to respond to our query.
- We have removed the phone call stage and replaced it with a follow up e-mail request so that you are not having to take a call when it might not be convenient.
- We have added in the option of a pre-arranged call where a time can be booked in with a member of the team should any support be required.

New process effective from 1 January 2022

The revised process is as follows:

1. All first requests will be sent via e-mail and the case will be placed in a 'pending' queue for 30 working days.
2. If you would prefer a call regarding the case please provide your contact details via return email, including your availability, and add 'telephone call' to the email subject so that a call back can be arranged.
3. If a response has not been received after 30 working days, a second request will be sent.
4. If a response has not been received after a further 10 working days, we will send a third request and the Finance Director will be copied in.
5. The case will be pended for a further 20 days.
6. If no response has been received after the 60 working days in total, a letter/email to the member will be sent regarding their record, to state we have been unable to update their record.
7. NHS Pensions will copy the error form into the EDM and delete the error.

We will continue to monitor the outcome of these changes and will review the process in the future. If you have any questions relating to this change, please contact Stakeholder Engagement Team via e-mail nhsbsa.stakeholderengagement@nhs.net

To enable us to ensure we are contacting the correct person can you please ensure that your Pension Contact and Finance Director Contact details are up to date. If this needs to be amended, please complete the Changes to Employers Organisations details form which is located on our website - [NHS Pensions - Changes to employer organisation contact details](#) and return to nhsbsa.schemeaccess@nhs.net

2019/20 Pensions annual allowance charge compensation policy: third window for GP applications in England opens

GPs in England applying to the 2019/20 Pension Annual Allowance Charge Compensation Scheme must have their application form endorsed by Primary Care Support England (PCSE) before it can be processed by the NHS Business Services Authority (NHSBSA). You can find a copy of the form on the [NHS England and NHS Improvement \(NHSEI\) website](#).

PCSE's third GP application window opened on the 13 December 2021 and closes on the 11 February 2022. This is the final application window for GPs in England to submit their Pensions Annual Allowance Compensation Scheme application forms to PCSE for processing ahead of the scheme application deadline on 31 March 2022.

If you are a GP in England and you intend to apply to the Scheme, please ensure you apply before the 11 February 2022 deadline.

If you're a GP in England and you have any queries about when you can apply and how your application form will be endorsed by PCSE, please visit the [PCSE website](#) for more information or contact the [PCSE Customer Support Centre](#).

If you are not a GP, or you are a GP in Wales, please follow the instructions on the application form and ensure your form is submitted to the NHSBSA before the 31 March 2022 deadline.

To apply for the 2019/20 Pension Annual Allowance Charge Compensation Scheme, you need to use scheme pays to pay your tax charge. To use scheme pays you must make an application using the scheme pays election (SPE2) form available via our [annual allowance webpage](#).

If you've already submitted a scheme pays election (SPE2) for 2019/20 you will not need to submit a new scheme pays election.

NHS Pension Scheme employer contribution rates

The NHS Pension Scheme employer contribution rate increased on 1 April 2019 from 14.3% to 20.6%, plus the employer levy of 0.08%.

In its March 2019 consultation response announcing the rise, DHSC confirmed the available funding to meet the associated costs and that a transitional arrangement would operate in 2019/20 – this allowed employers in the Scheme to continue to pay 14.3%, plus the employer levy of 0.08%.

This approach continued in 2020/21 and 2021/22, and we can now confirm that the transitional arrangement will continue again in 2022/23. This is intended to maximise stability for employers in the sector, particularly in light of the pressure resulting from the coronavirus (COVID-19) pandemic.

Employers should carry on paying pension payments as normal

This means that for 2022/23, all employers should continue to pay 14.38% in employer contributions, including 0.08% for the employer levy, under their normal monthly payment process to the NHS Pension Scheme. NHS England and NHS Improvement will continue to make payments to the scheme for organisations covered by their commitment to the NHS.

As referenced in the 2019 consultation response, the 6.3% increase was split into two parts:

1. a 2.5% foreseen element, which was the increase expected at the time of Budget 2016, and
2. an unforeseen element accounting for the remaining 3.8%.

If your organisation is outside the scope of the commitment to the NHS, you will receive funding for the unforeseen costs again in 2022/23. You will need to manage the impact of the foreseen element, in a continuation of the original 2019/20 arrangement.

For 2022/23, Arm's Length Bodies (ALBs), excluding NHS England and NHS Improvement, will continue to receive the same available funding support as they have previously, and the funding and administrative arrangements will stay the same as in 2021/22.

We are currently writing to university medical schools to let them know that the specific contribution from university medical schools will remain as advised by the NHSBSA for 2019/2020.

If you have any questions about this announcement, please contact our Stakeholder Engagement Team via nhsbsa.pensionemployers@nhsbsa.nhs.uk

Department of Health and Social Care launches consultation on proposed changes to Scheme Regulations to support McCloud Remedy

The Department of Health and Social Care has announced a consultation on proposed changes to the NHS Pension Scheme Regulations that will be required to put the first part of the McCloud Remedy in place.

What is included in the consultation

The government has proposed primary legislation before Parliament to put into effect changes in public service pension schemes designed to remedy the discrimination identified by the McCloud judgment.

The remedy has 2 parts - these apply to all public service pension schemes, including the NHS Pension Scheme:

1. To ensure equal treatment for all members within each of the main public service pension schemes by moving all members into the new schemes on 1 April 2022 irrespective of age.
2. To remove the effect of transitional protection by offering eligible members a choice over the set of benefits (legacy scheme or new scheme) they wish to receive for any pensionable service during the period 1 April 2015 to 31 March 2022.

You can read more about this in our [changes to public service pension schemes web hub](#). The Department of Health and Social Care is seeking views from interested parties on the first set of draft amendments.

The department has launched the consultation on the draft regulations at the same time as the bill goes through Parliament. This is to ensure that when they become an act of Parliament, the necessary scheme rule changes can be enacted in time for 1 April 2022.

Putting the second part of the remedy in place will also require changes to the NHS Pension Scheme Regulations. A further set of draft scheme regulations is in development and will be consulted on separately in 2022.

How to respond

You can view the consultation documents and submit your comments [online](#). The consultation will close at 11.45pm on 20 January 2022.

Payroll provider requirements update: preparing for potential changes to member contributions

We shared some payroll provider information and a set of requirements with you in November because the Department of Health and Social Care (DHSC) is currently consulting on changes to member contributions from 1 April 2022.

We won't receive confirmation as to whether these changes will go ahead until after the consultation has closed on 7 January 2022, but DHSC has postponed the date of one of the changes to make sure your payroll provider can get ready.

You should have received a separate email with more information on this. We are currently updating our McCloud web hub to include this information.

Changes to public service pension scheme

Our website 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 an introductory video on the changes, and a factsheet to support members to understand if they are affected and what the changes mean.

Changes to the AW171 retirement benefits process

We would like to thank you for your continued support whilst the revised automated AW171 retirement benefits process has been bedding in. During the implementation we have worked with you to alleviate some of your initial concerns. We created a set of FAQs to answer the most common queries we received and made some slight changes to the process from your feedback. We hope you have found this helpful.

We have also reached out to some of you who volunteered to join an employer working party and invited you to provide feedback on how the AW171 process is now working.

We promised to share these testimonies with you which include:

- “Since NHS Pensions updated the process in respect of sub awards by removing the need to complete an AW171 and acted on ESR/POL updates, the process has become more streamlined, quicker, cost effective and easier to manage.”
- “As pensionable pay figures are checked prior to submitting the initial AW8 only minimal checks for anomalies in the last three ‘estimated months’ are needed.”
- “If there are no changes to the last day of service, all that is required is an update to POL. There's no need to run reports and fill in forms meaning no duplication or postage costs.”
- “Revised pensionable pay only needs to be recalculated and emailed over if there has been a change to the dates.”
- “The team all agree that this is a good and welcomed improvement.”

- “The new Sub Award process is a positive step forward in the administration of pension awards.”
- “We have noticed a reduction in work loads due to this automation.”

Please continue to share any feedback with us and thank you for bearing with us whilst this revised process fully embedded.

Reminder of changes to the opt out form (SD502) return process

We advised in a previous newsletter that employers are no longer required to send the paper SD502 opt out form to NHS Pensions and we have amended the form to include this advice. Instead, it is the employer’s responsibility to retain the form in line with your own retention policy.

Despite this we are continuing to see forms coming through to us. To date, we have returned the form to the employer however from the 4 January 2022 we will no longer return any SD502 forms we receive these. Instead, these will be securely disposed of.

Trust Event to be held in February 2022

The Stakeholder Engagement Team will be hosting a training event via Microsoft Teams for all trust employers on the 3 February 2022. Further information on the content and how to register for this event will be provided in our Employers Update in January 2022.

Level 1 GP practice manager additional events

Due to the exceptional demand, we’ve added a few additional Level 1 GP practice manager events to take place in January 2022.

As a reminder, there are two training sessions:

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

You 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 25 January Level 1 Part 1, you must also select Wednesday 26 January Level 1 Part 2. Only after the two consecutive sessions have been attended will you receive a Continued Professional Development (CPD) accreditation.

All events will be delivered virtually via Microsoft Teams.

GP Practice Manager Event Level 1, Part 1

Tuesday 25 January 1pm to 3pm.

This session includes NHS Pension Scheme website, Annual Benefit Statements and roles and responsibilities. You can register at [Eventbrite](#).

GP Practice Manager Event Level 1, Part 2

Wednesday 26 January 1pm to 3pm.

This session includes POL, AW8 and the member journey. You can register at [Eventbrite](#).

GP practice manager event level 2

The NHS Pensions Stakeholder Engagement Team are delivering Level 2 GP Practice Events commencing in February 2022 presenting educational training tailored for practice managers. These events will be delivered virtually on 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 Wednesday 16 February Level 2 Part 1, you must also select Thursday 17 February 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

Wednesday 16 February 13:00 to 15:00.

This session includes Roles and Responsibilities and Flexible Retirement. You can register at [Eventbrite](#).

GP Practice Manager Event Level 2, Part 2

Thursday 17 February 13:00 to 15:00.

This session includes Leave Overview and Ill Health and Family Benefits. You can register at [Eventbrite](#).

If you register and then are unable to attend, please 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, please complete the event request form available on our

Stakeholder Engagement Team webpage and email the team for consideration on:
nhsbsa.stakeholderengagement@nhs.net

An update to MCP

The MCP submission home screen has recently been updated to allow for Payment Information to be submitted for both Manual (BACS/Bank Transfer) and Automated (Direct Debit/Automatic Collection) Payment Types.

You should ensure you are selecting the correct option, as selecting the wrong option may result in your payment not being collected and possible late payment and interest charges being incurred. If you are unsure of the correct option, please contact nhsbsa.pensionsfinance@nhs.net for advice before submitting any information.

Christmas opening hours for contact centre

The proposed Christmas opening hours for our contact centre are as follows:

- Friday 24th December - 8am till 4pm
- Saturday 25th Dec – Closed
- Sunday 26th Dec – Closed
- Monday 27th Dec – Closed
- Tuesday 28th Dec – Closed
- Wed 29th and Thursday 30th Dec - 8am till 6pm
- Friday 31st Dec - 8am till 4pm
- Saturday 1st Jan 2022 – Closed
- Monday 3rd Jan – Closed

We will be publishing this information on the contact us page of our website.