

## NHS Pensions Update – January 2021

Welcome to the January 2021 NHS Pensions Employer Update.

### Sharing our performance

*Table 1- Total Transactions (December 2021)*

Item	Volume
Total Transactions	126,729
First retirements	5,577
Estimates	3,335
Annual allowance	5,180
Ill health applications	591
AP/ERRBO/AVC	560
Bereavements	6,143
Transfers	3,069
Nominations	1,871
Pensions On Divorce	1,578
Protection of Pay	103
Refunds	1,634
Revised retirements	3,962
Service	2,752
Inbound processing	5,110
Data support	70,808
Pensioner admin	14,456

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

Item	Volume
Applications Processed	5,577
On Time	99.65%
Amount paid in Lump Sums	£244,478,147.60
Amount of Pension Paid	£843,981,906.60
No. Pensioners in Payment	1,045,273

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

Item	Volume
Total Volume Calls	2,329
Average Handling Time (s)	508
Average Speed of Answer (s)	42

*Table 4 - Member Helpline statistics (December 2021)*

<b>Item</b>	<b>Volume</b>
Total Volume Calls	21,759
Average Handling Time (s)	615
Average Speed of Answer (s)	86

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.

### **Make Contribution Payments (MCP) system reminder**

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](mailto:nhsbsa.pensionsfinance@nhs.net) for advice before submitting any information.

### **Reminder 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**

We emailed employers in December to let you know 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.

If you have any questions about this announcement, please contact our Pensions Finance Team via [nhsbsa.pensionsfinance@nhs.net](mailto:nhsbsa.pensionsfinance@nhs.net)

## **Greenbury reminder**

The Greenbury functionality within Pensions Online (POL) is now available. All requests for disclosure must be received by Monday 28 February 2022, so that we can provide you with the necessary disclosure information.

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 will mean more submissions will run through automatically and therefore speed up the process.

## **The Coronavirus Act 2020 and a reminder on the end of temporary suspensions to retire and return**

Since the 25 March 2020, The Coronavirus Act 2020 temporarily suspended some of the regulations governing the administration of the NHS Pensions Scheme, 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

### **A reminder that the temporary suspensions will end on 24 March 2022**

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

We will return to normal arrangements from 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.

We have written to all affected pensioners to explain the re-instatement of the rules. We have confirmed 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.

Please ask your pensioners, for the time being, not to contact us to request their earnings margin because this could delay our calculations and communications.

We are awaiting an update from DHSC on the implications of re-introducing the 16-hour rule where 25 March 2022 could be part way through the first month of retirement. As soon as we have confirmation, we will update employers.

## **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'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](#).

Any members wanting to apply who are not a GP, or they are a GP in Wales, should follow the instructions on the application form and ensure their form is submitted to the NHSBSA before the 31 March 2022 deadline.

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

If a member has already submitted a scheme pays election (SPE2) for 2019/20 they do not need to submit a new scheme pays election.

## **Changes to public service pension schemes – processing retirement applications from 1995/2008 Scheme members from 1 April 2022**

A reminder that at the end of last year we shared information with you on some updates to processes for retirement applications from 1995/2008 Scheme members who will transition into the 2015 Scheme on 1 April 2022.

From 1 April 2022, all active members regardless of age will be members of the 2015 NHS Pension Scheme. The 1995/2008 Schemes will close and we'll update the records of those 1995/2008 members moving into the 2015 Scheme. This will happen automatically.

Because we are updating these member records, this will impact any work in progress relating to applications to retire.

If you receive a retirement application from a 1995/2008 member with full protection (who will move to the 2015 Scheme on 1 April 2022) you should follow this guidance:

- **Applications to retire before 31 March 2022:** should be processed as normal
- **Applications to retire in April 2022:** You should submit the application as normal using your existing processes. We'll calculate the member's pension using 1995/2008 Scheme membership until their last day of service for when they first retire. As soon as possible after 1 April 2022, we'll recalculate their pension benefits based on 2015 Scheme membership for the period from 1 April 2022 and write to the member to explain they'll get a sub-award to cover this service.
- **Applications to retire from May 2022 onwards:** applications for retirement from May 2022 should be uploaded to Pensions Online (POL) on or after Monday 4 April 2022 – no applications should be uploaded to POL before this date. This will ensure that the members' record has been moved into the 2015 Scheme and their pension

calculations will accurately reflect both their 1995/2008 and 2015 Scheme membership.

**We have received some queries about processing applications from members who will move into the 2015 Scheme before 1 April 2022**

If a member has tapered protection and is due to move into the 2015 Scheme before 1 April 2022, the processes for handling applications for retirement remain the same. Applications should be uploaded after the member's transition date into 2015 Scheme and their pension will be correct first time and accurately reflect both their 1995/2008 and 2015 Scheme membership.

**New NHS Pensions training event - Guide for new NHS Pensions Administrators – Foundation Course**

The foundation course has been developed following feedback from our GP Practice Manager Employer Training events.

This course is available to all new local administrators (less than 12 months in post) of the NHS Pensions Scheme. It provides a high-level overview of what is expected of you as an NHS Pensions administrator throughout a scheme year.

At the end of the course, you will have an understanding of the actions required to enable you to administer the NHS Pensions Scheme at a local level. The course could also be used as a high-level refresher course for anyone restarting in local NHS Pensions Scheme administration.

The foundation course is available to all employer types of the NHS Pensions Scheme.

We will run the course on Tuesday 22 February 2022 between 1pm and 3pm. You can book your place on the day [on Eventbrite](#).

We will also repeat the same course on Wednesday 23 February 2022 (same content) between 1pm and 3pm. Places can be booked [on Eventbrite](#).

## **NHS Pensions Trust Virtual Event**

The Stakeholder Engagement Team are hosting a virtual training event via Microsoft Teams for all NHS trust employers on the 3 February 2022.

The trust event will be held in the morning and the afternoon on Thursday 3 February 2022.

**The morning session will be from 10am until 12pm and will cover:**

### **Data session**

- How to process year end to reduce data errors / data
- Data cleanse
- Improve heat maps
- Q&A

### **Improvements / business updates**

- System improvements
- Death in service
- Sub awards updates
- Final pay controls
- Q&A

**The afternoon session will be from 1pm until 3pm and will cover:**

### **Future improvements and how they impact employers and members**

- My NHS Pensions
- Changes to public service pension schemes (McCloud)
- Potential regulatory changes
- Pensions on divorce
- Member events



- Q&A

Anyone interested in joining the NHS Pensions Trust Virtual Event can do so by [registering your place on Eventbrite](#).

## **Level 1 GP practice manager additional events**

We have added additional Level 1 GP Practice Manager events to take place in March 2022. We still have availability for these events on the 25 and 26 January. To register your place use the links below.

As a reminder, there are two training sessions:

- [GP Practice Manager Event Level 1 Part 1 – 25 January 2022](#)
- [GP Practice Manager Event Level 1 Part 2 – 26 January 2022](#)

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 Wednesday 23 March Level 1 Part 1, you must also select Thursday 24 March Level 1 Part 2. Only after the two consecutive sessions have been attended will you receive a continued professional development (CPD) accreditation.

All the events will be delivered virtually via Microsoft Teams.

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

The event will take place on Wednesday 23 March from 1pm until 3pm.

It will cover the NHS Pensions Scheme website, annual benefit statements and roles and responsibilities.

[Anyone interested in joining the session can register your place on Eventbrite](#).

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

The event will take place on Thursday 24 March from 1pm until 3pm.

It will cover POL, AW8 and the member journey.

[To register your place, please visit Eventbrite.](#)

## **GP Practice Manager Event Level 2**

The NHS Pensions Stakeholder Engagement Team are delivering Level 2 GP Practice Manager events commencing in February 2022 and will present 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 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

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

The event will take place on Wednesday 16 February from 1pm until 3pm.

It will cover roles and responsibilities and also flexible retirement.

[Please visit Eventbrite to register your place.](#)

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

The event will take place on Thursday 17 February from 1pm until 3pm.

It will cover leave overview and also ill health and family benefits.

[Anyone interested in joining the event can register your place on 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/attendance directly from the Stakeholder Engagement Team, please complete the event / meeting request form available on our Stakeholder Engagement Team webpage and email the team for consideration:

[nhsbsa.stakeholderengagement@nhs.ne](mailto:nhsbsa.stakeholderengagement@nhs.ne)