

NHS Pensions Update – August 2023

Welcome to the August 2023 NHS Pensions Employer Update.

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Sharing our performance

Table 1- Total Transactions (July 2023)

Item	Volume
Total Transactions	76,637
First retirements	11,866
Estimates	6,797
Annual allowance	2,083
Ill health applications	773
AP/ERRBO/AVC	216
Bereavements	8,104
Transfers	1,420
Nominations	2,893
Pensions On Divorce	1,350
Protection of Pay	29
Refunds	1,649

Revised retirements	6
Service	1,262
Inbound processing	4,277
Data support	25,699
Pensioner admin	8,213

Table 2 - First Retirements and Pensioners (July 2023)

Item	Volume
Applications Processed	11,866
On Time	97.55%
Amount paid in Lump Sums	£224,451,828.62
Amount of Pension Paid	£1,011,731,562.83
No. Pensioners in Payment	1,108,677

Table 3 - Employer Helpline statistics (July 2023)

Item	Volume
Total Volume Calls	2,975
Average Handling Time (s)	541
Average Speed of Answer (s)	111

Table 4 - Member Helpline statistics (July 2023)

Item	Volume
Total Volume Calls	30,477
Average Handling Time (s)	609
Average Speed of Answer (s)	157

From May 2021 we have amended the way 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.

Pensions Online (POL) downtime – July and August 2023

POL will be available throughout August and September between 7am and 7pm apart from the following dates when there will be downtime for scheduled system maintenance:

- Sunday 20th August

If we do need to bring POL down at short notice for urgent maintenance, we will advise you as soon as we can in advance via the POL homepage.

Changes to early and late retirement factors

Following a change to the discount rate used for public service pension schemes that HM Treasury announced on 30 March 2023, the factors used to calculate early and late retirement factors from the Scheme have changed. These have been implemented from 30 June 2023.

A small review will be completed for any early or late retirements with a payable date on or after 30 June 2023 that would have been processed using the previous factors.

We will provide the updated factors on our website soon.

Updates for employers on partial retirement

Thanks again to everyone who attended our event last month for payroll providers and pensions administrators on the changes being introduced to partial retirement.

You can find more information on partial retirement, who is eligible to take partial retirement and how the application process works via the [retirement section of our employer hub](#) including:

- An employer guide to partial retirement
- The supplementary partial retirement form that needs to be submitted with the AW8
- A copy of the slides and a recording from our event.

Since the event in July, we have made a number of changes to our [employer factsheet](#) including:

- Adding information on what happens if members want to opt out after taking partial retirement,
- Clarifying the language around the required change of terms and conditions to explain this relates to the 10% reduction in pensionable pay only – all other terms and conditions remain the same,
- Clarifying the language around the 12-month reduction in pensionable pay to confirm this must start from the day the member takes pensionable pay,
- Adding a reminder of what constitutes actual pensionable pay which is required on the partial retirement supplementary form,
- Adding a reminder that spine/step points as well as annual pay awards do not count towards the 10% reduction in pensionable pay,
- Adding more information on what happens if a member breaches the 10% reduction in pensionable pay in the 12 months after the took partial retirement and how abatement will be applied,
- Adding information on added years and additional pension.

We have also included the information in the member factsheet as appropriate.

We will soon be adding information on death benefits and how these are calculated where a member has taken partial retirement, as well as more information for members affected by McCloud to help explain how taking partial retirement will interact with their choice of legacy or reform scheme benefits as part of the public service pension scheme remedy.

Please be assured that we have increased the size of our awards team to enable us to process up to 3,000 partial retirement applications per month. Our teams will be processing partial retirement applications manually till 16 September when systems improvements will be made.

Members with maximum service

Since our employer event, the Department of Health and Social Care (DHSC) has also clarified that members who have maximum membership in the 1995 Section and have ceased paying contributions are unable to access those pension benefits using partial retirement. If a member who has 1995 Section benefits wishes to claim their benefits and continue working, they will need to retire and rejoin the 2015 Scheme.

More information on re-employment is available for members on our website www.nhsbsa.nhs.uk/pensioner-hub/re-employment

Those with maximum membership in the 2008 Section will be able to access their pension benefits using partial retirement. This is because of existing provisions in the Scheme regulations for members with 2008 Section benefits to access partial retirement benefits after achieving maximum membership of 45 years.

Targeted rollback of pensionable service and applications to retire or take ill health retirement before 1 October 2023

Earlier this month we advised by email that we were undertaking a targeted rollback of membership for some members and provided information on what this means for you as an employer. This information is also available on our website: [Information for employers receiving retirement or ill health retirement applications before 1 October 2023](#)

We can confirm that the rollback has now been completed.

If you are processing applications to retire or applications to retire on ill health before 1 October 2023, you must check if the member's pensionable service for the remedy period has been rolled back and needs to be undone.

To do this, email mccloudqueries@nhsbsa.nhs.uk Please explain in your email if the member has applied to retire or retire with ill health benefits and the payable date they have requested.

If you are processing applications to retire on or after 1 October 2023, you do not need to contact us in this way.

Applications to retire or take ill health retirement after 1 October 2023

Where a member is retiring or taking ill health retirement after 1 October 2023 our administrators have clear processes to follow that take account of the rollback on 1 October. This includes cases involving pensions on divorce (POD) and scheme pays.

If our administrators are processing an application with a payable date after 1 October 2023, will any of the additional events, a technical referral will be made:

- Additional pension

- ERRBO
- Annual allowance
- Transfer in

Information is being included in letters to members to explain the amount of retirement benefits they will receive and the impact of rollback.

Understanding the effect of the McCloud remedy period rollback on annual allowance

Members affected by the changes to public service pension schemes, sometimes known as 'McCloud' or the Public Service Pension Schemes' Remedy, will be asked if they would like to receive legacy scheme or reform scheme pension benefits for their membership between 1 April 2015 and 31 March 2022. This is called the remedy period.

Depending on when they retire, you'll be asked to make this decision either when they claim their NHS pension benefits, or at a later time.

From 1 October 2023, any pensionable service affected members have between 1 April 2015 and 31 March 2022, will be placed in their legacy scheme – in the NHS, this is the 1995/2008 Scheme. This is called rollback.

We've shared more information on our [website](#) on what this means if a member is affected by annual allowance, including:

- initial information on the new digital service HMRC will be introducing for affected members who have new, increased, or decreased annual allowance charges as a result of rollback,
- when these members will receive updated statements, known as remediable service pension savings statements.

TRS refresh – August 2023 – information for employers

The annual refresh of Total Rewards Statements (TRS) and Annual Benefit Statements (ABS) is taking place in August, and updated statements will be available to NHS Pension Scheme members from later this week.

We will be communicating with members later this month to remind them that updated statements are available, however we'd encourage you to also use the resources available to let your employees know.

We have created a toolkit of resources to help you promote the updated statements to your employees, including a to do list, a video, posters, a factsheet, images, branding guidelines and document templates. The toolkit can be found here on the [Promoting the statements page](#) of the TRS Employer toolkit section of our website.

Accessing ABS for non-ESR organisations

If your employees do not have access to Electronic Staff Record (ESR), they may have previously used Gov.UK Verify to access their Annual Benefit Statement (ABS). Gov.UK Verify closed on 30 March 2023.

If your employees are actively contributing to the NHS Pension Scheme, then we will write to them, including practitioner members, by the end of August 2023 to provide their registration information for our new digital platform, My NHS Pension, where they will be able to access their statement.

If your employees have previously accessed their statement in the last 12 months via Gov.UK Verify, they should have already received their letter to register for My NHS Pension.

If they have already been in touch to request a copy of their statement from us, and are a non-ESR user, we will be in touch soon to invite them to register for My NHS Pension.

If your employees need to access their statement sooner, they can contact us by selecting service 'My NHS Pension' on our [online form](#) or emailing: nhsbsa.mynhspension@nhsbsa.nhs.uk.

New email address for the Pension Scanning/Allocation Team

Please be advised that our email addresses are changing since the NHSBSA's recent email migration programme, referred to in the previous month's Employer Update. If submitting documents to our Pension Scanning and Allocation department the new email is nhsbsa.pensionscanquery@nhsbsa.nhs.uk.

If you are submitting attachments with emails, then please try to limit the size to 3MB.

Strike action and action short of strike

Where an employee goes on strike the [information on disallowed days](#) on our website remains relevant.

Where an employee undertakes action short of strike i.e. they work to rule, there are no disallowed days to add to the members pension record and if part-time the normal contracted hours must be shown. However, employers must reassess the member's pensionable pay and contribution tier if the pensionable pay reduces and apply any changes in the usual way.

It is understood that some direction employers are withholding salary from members undertaking action short of strike action. Again, employers must reassess the members pensionable pay and contribution tier if their pensionable pay reduces and apply any changes in the usual way.

For all members this will affect the member's Final Salary Link for the 1995/2008 Scheme (depending upon retirement) and the amount of benefits accrued in the 2015 Scheme.

When the member returns to their usual work pattern/pensionable pay the employee contributions will have to be reassessed again.

In all cases the employer contributions will be based on the reduced pensionable pay.

Reminder of 24 hour break required for re-employed pensioners

When a pensioner decides to re-join the scheme after retirement (including retire and return) there must be a 24-hour break from when the employment ends (last day of membership) and the date the member returns to work.

We have seen an influx of member records not showing that the member has had a 24-hour break before re-joining the scheme. If the member does not take a 24-hour break they are not entitled to retirement benefits.

When adding a pensioner back into the pension scheme, you must ensure there is a 24-hour break on their record. For example, if a member's date of retirement (and last day of membership) is on the 1st of the month, the re-employment date must be no earlier than the 3rd of the month. It cannot be the 2nd of the month.

The 24 hours break rule is also applicable to any bank or locum posts etc. added to a member's record.

If the member is new to your organisation, you must ensure that you confirm with the member their last date of employment with their previous employer, to ensure that a 24-hour break has taken place.

For members who are taking partial (drawdown) retirement, they do not require a 24-hour break. Care must be taken to ensure you identify the correct reason for retirement to ensure the member's pension record is correctly updated.

New email address reminder

You may have recently noticed we've updated our email addresses at the NHSBSA. Please know this has been updated on our forms too, so make sure you're downloading a new, up-to-date form from our website and not using an older and incorrect version of a form which will contain an inaccurate email address.

Stakeholder engagement events

The Stakeholder Engagement Team run a series of events throughout the year providing regular updates and delivering educational training.

Please see the [employer events section](#) of the [Employer Hub](#) for upcoming events. These events are free of charge and some include CPD accreditation. The NHSBSA does not endorse any other third-party training events.

If your organisation would like to request training or attendance directly from the

Stakeholder Engagement Team, please complete the [event/meeting request form](#) and email the team for consideration: stakeholderengagement@nhsbsa.nhs.uk.

Administration foundation course dates

This course is available to all new local administrators of the NHS Pension Scheme who are less than 12 months in post and provides an overview of what is expected of you as an NHS Pension Scheme administrator throughout a Scheme year.

At the end of the course, you will have a high-level understanding of the actions required to enable you to administer the NHS Pension Scheme at a local level. The course could also be used as a refresher course for anyone restarting in local NHS Pension Scheme administration. The details for the next available courses are as follows:

- [Wednesday 4 October, 10am – 11am](#)
- [Tuesday 7 November, 10am – 11am](#)

GP Practice Manager training for 2023

Further dates are available for the Level 1 and Level 2 GP practice manager events, which include educational training tailored for practice managers, delivered virtually via Microsoft Teams.

Practice managers need to attend the whole training session to receive a Continued Professional Development (CPD) accreditation.

Level 1 GP Practice Manager events

This session includes information on the NHS Pension Scheme website, Annual Benefit Statements, roles and responsibilities, Pensions Online (POL), the AW8 and the member journey. The details for the next available course are as follows:

- [Wednesday 23 August, 10am to 1pm](#)
- [Tuesday 17 October, 10am to 1pm](#)
- [Wednesday 22 November, 10am to 1pm](#)

Level 2 GP Practice Manager events

These sessions include roles and responsibilities, flexible retirement, leave overview, ill health and family benefits. The details for the next available course are as follows:

- [Wednesday 6 September, 10am to 1pm](#)
- [Tuesday 31 October, 10am to 1pm](#)
- [Thursday 30 November, 10am to 1pm](#)

NHS Pensions member events

The NHS Pensions member events aim to help members understand everything they need to know about their NHS pension and how to navigate through the Scheme.

We have several events planned throughout the year to help them which includes:

- Understand what the NHS Pension Scheme is
- Find out all they need to know about their Total Reward Statement and Annual Benefit Statement
- Explore their retirement options

You can find links to register for the member events on the [member events section](#) of the [Member Hub](#).