

## NHS Pensions Update – May 2023

Welcome to the May 2023 NHS Pensions Employer Update.

### Sharing our performance

*Table 1- Total Transactions (April 2023)*

Item	Volume
Total Transactions	67,312
First retirements	8,675
Estimates	6,381
Annual allowance	2,468
Ill health applications	897
AP/ERRBO/AVC	259
Bereavements	8,079
Transfers	1,697
Nominations	2,698
Pensions On Divorce	361
Protection of Pay	23
Refunds	1,738
Revised retirements	83
Service	1,162
Inbound processing	3,426
Data support	19,695
Pensioner admin	9,670

*Table 2 - First Retirements and Pensioners (April 2023)*

Item	Volume
Applications Processed	8,675
On Time	99.51%
Amount paid in Lump Sums	£214,844,767.57
Amount of Pension Paid	£1,001,705,362.45
No. Pensioners in Payment	1,098,338

*Table 3 - Employer Helpline statistics (April 2023)*

Item	Volume
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Total Volume Calls	1,995
Average Handling Time (s)	606
Average Speed of Answer (s)	771

*Table 4 - Member Helpline statistics (April 2023)*

Item	Volume
Total Volume Calls	10,939
Average Handling Time (s)	675
Average Speed of Answer (s)	1,596

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.

## **Total Reward Statement update reminder**

The annual Total Reward Statement refresh is set to commence with the data cut being taken after close of business on the 16 June 2023.

The aim is for the statements to be made available mid-August. We will confirm the exact refresh date nearer the time.

## **Pensions online (POL) downtime - May and June 2023**

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

- Sunday 21 May 2023
- Sunday 25 June 2023

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.

If you have any queries about how to use POL, a reminder that more resources can be found on our Employer Hub on the [Pensions Online webpage](#).

## **NHS Pension Scheme access guidance for retire and re-join**

Following a period of consultation, the Department of Health and Social Care (DHSC) has implemented changes to the NHS Pension Scheme to enable members with 1995 Section benefits who retire and return to re-join the Scheme from 1 April 2023.

Members of the 1995 Section who retired and returned to work before 1 April 2023 can also now re-join the Scheme.

Members who re-join the Scheme can build up further pension in the 2015 Scheme. When staff retire and return, their employment ends, and a new employment begins if they return to work.

Further changes are being introduced from 1 October 2023, to enable members with 1995 Section benefits to take partial retirement.

You can read more about the changes on the ['Your options for a flexible retirement'](#) page of our Member Hub.

### **Interaction between retirement flexibilities and closed direction/determination documents**

In line with HM Treasury's New Fair Deal (NFD) policy, direction/determination documents provide ongoing NHS Pension Scheme access to NHS staff who are subject to a compulsory TUPE transfer.

TUPE stands for 'Transfer of Undertakings (Protection of Employment) Regulations 2006' and its amendment in 2014.

Direction/determination documents provide staff who are subject to a compulsory TUPE transfer with what is known as the 'golden thread'. This means they can continue to access the NHS Pension Scheme in the event of subsequent transfers, as long as they continue to perform the same role or function that they initially performed for the NHS.

The current drafting of closed direction/determination documents states that eligibility for the NHS Pension Scheme will cease should affected staff leave an employment where they worked wholly or mainly on the delivery of NHS services.

In order to allow staff working for direction employers to access the new retirement flexibilities, DHSC is in the process of updating the drafting of determination templates to allow those staff who return to work to re-join the 2015 Scheme and build up further pension.

In the meantime, direction employers with staff who plan to retire, and return can confirm that access to the NHS Pension Scheme will be provided to staff who return, providing they perform the same role that they performed before retirement, in which they wholly or mainly support the delivery of NHS services. This includes where staff return in a reduced capacity.

Until updated determination templates are available, employers can request a letter of comfort from the NHSBSA as a guarantee of these arrangements.

### **Interaction between retirement flexibilities and open access arrangements**

Staff who access the Scheme via an open direction/determination and retire and return should be reassessed against the direction/determination eligibility criteria upon their return to work.

Some open direction/determination documents require staff to have been eligible for the NHS Pension Scheme within the 12 months prior to the start of their employment in order to access the Scheme. In cases where staff retired and returned before the introduction of retirement flexibilities, they may not satisfy the 12-month eligibility rule. In such circumstances, employers should assess staff as being eligible for the scheme for 12 months starting on 1 April 2023. This gives staff 12 months to decide whether to re-join the NHS Pension Scheme.

Staff who retire and return to an independent provider should be reassessed against the eligibility criteria upon their return to work. In cases where staff retired and returned before the introduction of retirement flexibilities, they may not satisfy the 12-month eligibility rule. In such circumstances, where staff work for a 'closed access' independent provider, they should be assessed as being eligible for the scheme for 12 months starting on 1 April 2023.

## **DHSC consultation on proposed uplift to member contribution thresholds for 2023/24**

The Department of Health and Social Care (DHSC) is consulting on changes to the NHS Pension Scheme Regulations 2015 concerning uplifts to member contributions in 2023 to 2024, in line with the Agenda for Change pay deal.

When DHSC introduced changes to member contribution tiers and rates in October 2023, they committed to changing the salary ranges each year in line with any annual increase to Agenda for Change pay scales in England.

This means that members will be less likely to move into a higher contribution tier as a result of a national pay award.

The consultation closes at 11:45pm on Wednesday 17 May 2023.

To read more or submit a response, [visit the consultation webpage](#).

## **Mid-year contribution changes - notifications for 2022/23**

In March we shared an update on member contributions and year-end guidance for 2022/23.

It included:

- Requirements for submitting your year-end contribution totals
- Advice on understanding if you need to complete year-end re-banding

The guidance advised that if you're receiving mid-year contribution rate change notifications, please ignore the notifications you receive for 2022/23 as there is no action for you to take and these are in the process of being deleted.

You can [view a copy of this 2022/23 year-end employer guidance](#) on the website. If you have any queries on the member contributions changes made on the 1 October 2022, you can also read our [guidance on the top ten employer queries about member contributions](#).

## Members purchasing additional pension by lump sum payment

We have identified an increase in additional pension applications being rejected and rejection letters being sent to members where a member has elected to purchase additional pension via one-off lump sum payment.

These rejections have occurred because the additional pension team were not aware that a payment has been made by the member.

We understand that the actual payment may not be sent by you to our Finance Team until the next month's pay date, and this may fall after the date you received it.

We ask that all employers email the additional pension team as you receive payment **even if the payment has not yet been sent to our finance team**. You can email them at: [nhsbsa.apavcreferrals@nhs.net](mailto:nhsbsa.apavcreferrals@nhs.net).

This will avoid rejection letters being sent to members unnecessarily, and duplication of work streams.

## Annual allowance information deadline date

Employers are required in legislation to provide information to NHS Pensions which enables pension savings statements to be provided to members. This statement informs members whether they have exceeded the annual allowance limit in the NHS Pension Scheme.

The requirements specify that employers must provide pay (and membership) information to NHS Pensions by 6 July following the end of the tax year.

We are expecting an influx of requests for annual allowance statements in July. In order to be able to respond to these requests, we must have the available pay and membership information from employers for 2022/23 by 6 July 2023 (information for previous years should already have been received). If the member's record is not updated by the employer by this date, HM Revenue and Customs (HMRC) may impose fines and charges on employers of:

- up to £300 per member, and
- £60 per day per member until the member's records are updated.

If the information is not provided, we will not be able to conduct the necessary calculations to check whether the member has exceeded the annual allowance limit. We will not be able to generate a pension savings statement and notify potentially affected members in a timely manner. Members could be subject to fines and late payment penalties from HMRC.

Special arrangements were made for PCSE/NHS England in relation to the provision of information for GPs once their end of year certificates have been received and the provision of pension information to NHS Pensions after HMRC's deadline.

## **Reminder for employers - contacting us by email**

We have noticed that email queries are being received that have been sent to multiple accounts and this is causing duplications or delays.

Please send all general enquiry emails to the main employer email account [nhsbsa.pensionemployers@nhsbsa.nhs.uk](mailto:nhsbsa.pensionemployers@nhsbsa.nhs.uk) and they will be forwarded on where applicable.

Members should be directed to contact [nhsbsa.pensionsmember@nhsbsa.nhs.uk](mailto:nhsbsa.pensionsmember@nhsbsa.nhs.uk)

## **Stakeholder engagement events**

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

Please visit 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 [Meeting / Event request form](#) on the [employer events section](#) of the [Employer Hub](#) and email the team for consideration: [nhsbsa.stakeholderengagement@nhs.net](mailto:nhsbsa.stakeholderengagement@nhs.net)

## **Administration Foundation Course dates for 2023**

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 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 that are taking place throughout April, June and August 2023 can be found on the [employer events section](#) of [Employer Hub](#).

## **GP Practice Manager training for 2023**

Our Level 1 and Level 2 GP practice manager events 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.

Details for the next available courses throughout May, June and August 2023 on the [employer events section](#) of [Employer Hub](#).

### **Level 2 GP Practice Manager events**

These sessions include roles and responsibilities, flexible retirement, leave overview, ill health, and family benefits.

Details for the next available courses throughout April, May, July and September 2023 on the [employer events section](#) of [Employer Hub](#).

## **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 up to June 2023 on the [member events section](#) of the [Member Hub](#).