

## Annual Benefit Statement FAQ

This factsheet includes the six most common benefit statement questions, their answers and where to find out further information.

### Questions

#### 1. Why is my Annual Benefit Statement not available?

SPPA aim to provide active members of NHS and Teacher's schemes with a 2018 Annual Benefit Statement (ABS) from 31 August 2018.

If you are an active member of the scheme and your 2018 ABS is not available online by 31 October 2018 please contact us and we will investigate.

#### 2. I don't understand the 2015 CARE Scheme information

As a result of pension reforms in April 2015, some members moved into the new 2015 Career Average Re-valued Earnings Pension Scheme, known as the 2015 CARE Scheme. Your pension benefits are calculated as a fraction (1/54th) of your pensionable earnings each year. This is re-valued each year until your retirement.

[Find out more here](#)

#### 3. Why is the pensionable pay / CARE earnings on my benefit statement wrong?

This could be for a number of reasons depending on whether you are in the 1995, 2008 sections or 2015 CARE Scheme.

[Find out more here](#)

#### **4. Why do I have less service than I have worked or why is some of my service missing?**

- You may not have always contributed to the scheme during your time with your employer.
- You may have previously had a refund of your service.
- You may have previously worked, or are currently part time:

If you work or have worked part-time in your current or previous pensionable employments you accrue pensionable service on a pro-rata basis, e.g. if you work two and a half days per week over a five day week you will accrue 182 or 183 days of reckonable service over the 365 days qualifying service that year.

[Find out more here](#)

#### **5. My Personal details are wrong**

Please tell us if any of the information is incorrect. You can update your address on My Pension Online Member Services.

#### **6. I don't understand/there is a problem with the Death grant/Potential survivor pension**

As a result of pension reforms in April 2015, some members moved into the new 2015 Career Average Re-valued Earnings Scheme known as the 2015 CARE Scheme. If you have benefits in both a final salary scheme and the 2015 CARE scheme your death grant is only calculated and paid from your 2015 CARE Scheme benefits as this is your current scheme.

##### **Death Grant**

The death grant is a lump sum payable in the event of your death. If you have final salary and 2015 Care Scheme benefits, the final salary death grant will be £0.00 as the lump sum is calculated on your 2015 Care Scheme benefits.

##### **Survivor Pension**

In the event of your death, a pension may be payable to your dependants.

[Find out more here](#)

### [Why does my statement show two sets of pension benefits?](#)

As a result of pension reforms in April 2015 you may now have pension benefits in both a final salary scheme(s) and the new 2015 Career Average Re-valued Earnings (CARE) Scheme. If this applies, both sets of benefits are displayed and they are payable at different normal pension age(s) (NPA(s)) as shown.

### [How is my 2015 CARE Scheme pension benefit calculated?](#)

The 2018 Annual Benefit Statement (ABS) shows a maximum of three full years in the 2015 CARE Scheme. Your pension benefits are calculated as a fraction of your pensionable earnings each year. This value may appear low however, assuming you remain in the scheme, it is re-valued each year and will increase each year until your retirement.

### [Why has my service in my final salary scheme not increased from my last annual benefit statement at 31 March 2017?](#)

As a result of pension reforms, if you are not fully protected you will move to the new 2015 CARE Scheme on or after 1 April 2015. Your pensionable service in the previous scheme will not increase after the date of moving to the 2015 CARE scheme. You will now be entitled to benefits in both schemes as shown on your 2017 ABS.

### [Further 2015 CARE Scheme Information](#)

[CARE - How it works \(PDF file\)](#)

[Guide to the NHS 2015 Care Scheme \(PDF file\)](#)

[NHS 2015 Pensionable pay and contributions \(Video\)](#)

## Why is the pensionable pay / CARE earnings on my ABS wrong?

This could be for a number of reasons:

### **1995 Section**

If you are part-time your pay will have been uprated to the whole time equivalent – this means it will reflect what you may earn if you worked full time – which is used to calculate your benefits.

### **2008 section**

Your pay is calculated using the average salary calculation (best of last 10 years' pensionable pay over 3 consecutive year period). This means the pay stated on your ABS will not reflect your current pay.

### **2015 CARE Scheme**

For the 2015 CARE Scheme your actual earnings are used. This is the part of your pay that you have paid pension contributions from.

### **Members with more than one active employment**

In this instance the pensionable pay from your employment with the lower pay is used. This is to avoid over estimating your benefits. When you come to retirement a full investigation of your pay and benefits will take place, and the appropriate pensionable pay will be applied to the related service.

### **Employer error**

Your employer might have provided incorrect details of your pay. If you think this is the case you must contact your employer. If this has occurred your employer will then advise the SPPA accordingly.

### [Why is my pensionable pay / 2015 CARE Scheme earnings on my statement different from my current pay / earnings?](#)

The amount used to generate your ABS is based on information from your employer as of the 31 March of the ABS year. The amount may differ to your current pay for two reasons:

- The amount on your ABS covers the full year – 1 April to 31 March – and you may not have been on the same salary rate for the whole year. This means that if you received a pay rise during the year, the final amount at the 31 March will not match your new salary rate.
- You have received a pay rise since the 31 March – this new amount will not be known by the SPPA.

When you apply for retirement your employer will provide the SPPA with your final details up until your last day of pensionable employment.

I have more than one post in the scheme, why does my ABS not show both posts?

Your ABS will show the pensionable / CARE earnings for the post with the lesser amount. This is to avoid over estimating your benefits.

Further Pensionable pay/CARE earnings Information

[How much will I pay? \(Webpage\)](#)

[Guide to the NHS 2015 Care Scheme \(PDF file\)](#)

[NHS 2015 Pensionable pay and contributions \(Video\)](#)

## Why do I have less service than I have worked, or why is some of my service missing?

- You may not have always contributed to the scheme during your time with your employer.
- You may have previously had a refund of your service.
- You may have previously worked, or are currently part time\*

\*If you work or have worked part-time in your current or previous pensionable employments you accrue pensionable service on a pro-rata basis, e.g. if you work two and a half days per week over a five day week you will accrue 182 or 183 days of reckonable service over the 365 days qualifying service that year.

### I think I have missing service, what should I do?

If you think there is service missing from your scheme record please contact the relevant employer and ask them to send the missing service data to SPPA to update your record.

If the service was longer than 7 years ago or the employer no longer exists then the service may not be available from your employer. In this case you should contact SPPA in writing at [sppaservice@gov.scot](mailto:sppaservice@gov.scot) outlining the period that you think is missing. Please include as much information about the missing service as possible, such as dates of employment, where you worked, and what contract of employment you held. Please also send copies of any relevant paperwork you may have, such as payslips. SPPA will then investigate and reply once the investigation has concluded. This process can take several months so please be patient in this instance.

### Why is my 'Date of Joining' different from when I started working?

Your date of joining the scheme will always be the date you commenced your first pensionable employment in Scotland. If you have previously worked in another area of the UK and have transferred in service, your date of joining the scheme will still show the date you joined the Scottish scheme. Please be assured that any transferred in service will be included in benefits calculations and statements.

### What is the maximum service I can accrue in the scheme?

1995 section – 45 years (Mental Health Officers under age 55 can only accrue 40 years, and 45 years maximum by age 65)

2008 section – 45 years

2015 CARE Scheme – no maximum service

### Is my Added Years or Additional Pension shown on my annual benefit statement?

If you have a contract to purchase additional pension benefits such as added years or additional pension by installment, the full amount of the benefits will not show on your ABS until the full contract has been completed. Until then you will see a proportionate credit based on how much has been paid to the date of the statement.

## What is the difference between qualifying and reckonable service?

Qualifying service is the calendar service from the date you commence employment to the date you cease employment and is used to measure eligibility for scheme membership and pension benefits.

Reckonable service is the actual service accrued for calculating benefits and statements. This will be a maximum of 365 days each year for full-time scheme members or a pro-rata equivalent for part-time scheme members.

### Further Service Information

[How much will I pay? \(Webpage\)](#)

[Guide to the NHS 2015 Care Scheme \(PDF file\)](#)

[NHS Transfers \(Video\)](#)

### Why does my estimate of final salary benefits death grant show as £0.00?

As a result of pension reforms in April 2015, some members moved into the new 2015 Career Average Re-valued Earnings Scheme known as the 2015 CARE Scheme. If you have benefits in both a final salary scheme and the 2015 CARE Scheme your death grant is only calculated and paid from your 2015 CARE Scheme benefits as this is your current scheme. Please see your 2015 Scheme CARE benefit details for your Death Grant values.

### My statement doesn't show my spouse/partner benefits, how do I nominate them?

The legal spouse or civil partner of a member is entitled to any lump sum on death due, unless there is a nomination on file for another person or organisation. If you have service on or after the dates below\*, and at least two years' service, they will also be entitled to a survivor pension.

If you are in a relationship with a non-legal partner there is no need to nominate them. At death, evidence must be provided to ensure the following regulatory criteria is met:

- living together in an exclusive committed long term relationship;
- free to marry or enter a civil partnership and
- financially interdependent

You can inform SPPA of your non-legal partner by completing the form available on our website. This is not a legal document and is not a guarantee that your partner will receive death benefits.

Non-legal partner benefits only apply to members who have service after 1 April 2008.

While any individual can be nominated for a lump sum, a survivor pension can only be received by a spouse, civil partner or qualifying partner. A dependant's allowance may also be payable to children under 23. Children do not have to be nominated to receive a dependant's allowance.

Please note that a qualifying partner would also receive any lump sum due if there was no lump sum nomination on file.

### Why is my death nomination not showing on my statement?

If you have made a nomination for a death beneficiary, you can access it on My Pension online > Forms > view death grant nominations. If this is not the case please contact SPPA and we will investigate. If you are married or in a civil partnership your spouse/partner is entitled to the death lump sum so there is no need to nominate them. Your spouse/partner's name will not appear on your ABS as a nominee, unless you have made a nomination for them.

### What is payable when I die?

This depends on whether or not you are in service, retired or preserved. Normally a partner pension and a child pension(s) is paid. A death lump sum (death grant) is paid if you die in service or with preserved benefits, and is sometimes paid if you have retired recently. Further information is available in our members guides. Links below.

[1995 Section Members Guide](#)

[2008 Section Members Guide](#)

[2015 Members Scheme Guide](#)

2015 CARE Scheme A lump sum of either:

- 2 x actual pensionable earnings in the 365 days prior to your death
- or
- 2 x best full scheme year actual earnings after revaluation

A pension will be paid to your surviving adult dependant of 33.75% of notional upper tier ill health pension. A child pension(s) may also be paid to children under the age of 23, this is based on a calculation applied to your upper tier ill health benefits.

If your child is over 23 and unable to work due to illness or disability then their pension may continue for life.

[I have already retired and I am living with my partner who is not my spouse. Do surviving partner benefits cover us?](#)

Surviving partner benefits only apply to members who were in pensionable service on or after 1st April 2008 and retire after that date. If you are not married or in a civil partnership you can notify SPPA of your partner's details but this is not a legal document and is not a guarantee that benefits will be paid.

[I am not married and live with my partner. Can I provide benefits for them?](#)

Yes, however this option is only available to pensioners who were active members of the scheme on or after 1st April 2008. To qualify, you and your partner must have been in an exclusive long-term committed relationship of at least 2 years and be either financially dependent or inter-dependent.

[Further Service Information](#)

[The Partner Nomination form \(PDF file\)](#)

[The Lump Sum on Death Nomination form \(PDF file\)](#)

[Guide to the NHS 2015 Care Scheme \(PDF file\)](#)

