

Ombudsman's Determination

Applicant	Mr S
Scheme	NHS Pension Scheme (the Scheme)
Respondent	NHS Business Services Authority (NHS BSA)

Outcome

1. I do not uphold Mr S' complaint and no further action is required by NHS BSA.

Complaint summary

2. Mr S complained that his retirement benefits from the Scheme have been reduced due to incorrect application by NHS BSA of an earnings cap.

Background information, including submissions from the parties

3. Mr S joined the 1995 Section of the Scheme on 2 June 1997. He transitioned to the 2015 Scheme for future membership from 1 April 2015.
4. In January 1998, Mr S transferred pension rights into the Scheme that were earned in the Local Government Pension Scheme (**LGPS**). This secured an additional membership credit of six years and 205 days in the 1995 Section of the Scheme. The whole of the credit counted as membership accrued on 2 June 1997, the date Mr S joined the Scheme.
5. On 4 December 2019, Mr S was sent an estimate of his retirement benefits by NHS Pensions.
6. On 12 December 2019, Mr S emailed NHS BSA as he did not understand the calculations used to provide the estimate of his retirement benefits. His main query was regarding the application of an earnings cap, although he said he did not earn more than the cap in any year prior to the abolition of the cap.
7. On 17 December 2019, NHS BSA wrote to Mr S and attached an earnings cap factsheet. It said:-

- The earnings cap applied if pensionable earnings exceeded the limit for the period it used for total pensionable pay. It did not look at earnings on an annual basis to establish which years had exceeded the cap or not.
 - Mr S' benefits were calculated using his pensionable pay from 1 May 2018 to 30 April 2019 and this was compared to the earnings cap limit for the same period.
 - Based on the data provided by Mr S' NHS employer, his pensionable pay worked out at £193,649.53, that is 365 paid days stepping back from 30 April 2019.
 - The capped pay for the same period worked out at £155,672.86. As Mr S' earnings exceeded the limit then the cap was applied to all of his membership that fell into this category.
 - The membership that fell into this category was from 2 June 1997 to 31 March 2008 including the additional membership credit in relation to the transfer from the LGPS.
 - Membership from 1 April 2008 was not subject to the earnings cap because the rule was abolished from this date.
8. On 18 December 2019, Mr S responded to NHS BSA as he had two queries as follows:-
- The period between 1997 and 2008 was 11 years and 17 years appeared to have been applied.
 - Where did it say that "if in any year you breach the cap then we apply it to all years?"
9. On 16 January 2020, NHS BSA replied to Mr S. It said the 17 years and 143 days included the transfer credit from the LGPS. It said if Mr S did not agree with the way the earnings cap was applied, he should raise a complaint.
10. On 17 January 2020, Mr S raised a complaint with NHS BSA under the Scheme's two stage Internal Dispute Resolution Procedure (**IDRP**). His complaint related to the application of the earnings cap, which was applied although he did not earn more than the cap in any year prior to the abolition of the cap. He was also unhappy with the length of time it had taken to reach that point.
11. On 3 February 2020, NHS BSA wrote to Mr S with its stage one IDRP response. In summary it said:-
- Membership from 1 April 2008 was not affected by the cap, however, all membership prior to this date may still be affected by the cap.

- The earnings cap applied to Mr S' membership up to 31 March 2008, including his transferred in membership. Where it was relevant, the notional cap must be applied even when actual NHS income did not exceed the cap before 1 April 2008.
 - The cap was applied to Mr S' estimated figures in accordance with the Scheme Regulations (**the Regulations**). The earnings cap applied if Mr S' pensionable earnings exceeded the limit for the period it used for the total pensionable pay figure used to calculate his benefits. This period was from 1 May 2018 to 30 April 2019 for the estimate Mr S received.
12. On 19 March 2020, Mr S wrote to NHS BSA and asked for his complaint to be considered under stage two of the IDRP.
 13. On 16 July 2020, NHS BSA wrote to Mr S with its stage two IDRP response. Its response is summarised in paragraphs 14 to 29.
 14. The earnings cap, imposed by HMRC, was introduced as part of the Finance Act 1989 and applied to members entering an occupational pension scheme on or after 1 June 1989. The NHS (Superannuation) Regulations 1980 [1980/362] were amended to reflect the overarching legislation. The current 1995 Section Regulations, the NHS Pension Scheme Regulations 1995 (amended) [1995/300] continued to include regulations applying a Scheme earnings cap until 31 March 2008, under Part C of the Regulations (see Appendix 1).
 15. The earnings cap was subsequently removed (for future benefit accrual) under provisions introduced by the Finance Act 2004. Removal of the cap did not apply retrospectively; therefore it remained an enduring restriction in respect of benefits earned whilst the cap was in force.
 16. In the Scheme, the cap ceased to apply to benefits earned after 31 March 2008, however, it continued to apply to benefits earned up to 31 March 2008 in the form of a notional earnings cap.
 17. Mr S joined the Scheme (1995 Section) on 2 June 1997. His membership had been continuous since that date, and he transitioned to the 2015 Scheme for future membership from 1 April 2015.
 18. In January 1998, Mr S transferred pension rights earned in the LGPS to the Scheme. This secured an additional membership credit of six years 205 days in the 1995 Section. For the purposes of the Regulations the whole of the credit counted as membership accrued on 2 June 1997, the date Mr S joined the Scheme.
 19. Under the Regulations, the transferred in credit counted as membership accrued after 1 June 1998 and before 31 March 2008. So, it is membership that is subject to the earnings cap.

20. Benefits earned in the 1995 Section are determined under “final salary” arrangements and as such the whole of Mr S’ 1995 Section membership, including any transferred in credit, linked to his current rate of pensionable pay for retirement benefit purposes.
21. Upon Mr S’ transition to the 2015 Scheme, his membership of the 1995 Section ceased on 31 March 2015 but under the transition arrangements, he continued to retain a “final salary” link to his 1995 Section benefits whilst his NHS employment continued.
22. Mr S’ pensionable earnings have increased steadily yearly and it estimated his pensionable NHS earnings had exceeded the (notional) earnings cap since around 2009-2010.
23. Applying the Regulations to Mr S’ circumstances, as a member who joined the Scheme after 1 June 1989, his entitlement in the 1995 Section was subject to Regulation C2. This meant earnings in excess of the cap were ignored for the purpose of employee contributions and the calculation of his retirement benefits.
24. Under final salary arrangements in the 1995 Section, benefits were not calculated by reference to year on year pensionable pay values throughout membership, as they were in the 2015 Scheme.
25. Mr S’ 1995 Section benefits were based on the highest of his last three years pensionable earnings prior to leaving/retirement from the NHS (the “final salary” value).
26. As at 16 July 2020, Mr S’ level of his pensionable earnings (his latest “final salary” value) exceeded the notional earnings cap.
27. As a continuing Scheme member with a final salary link, his benefits earned prior to 1 April 2008 were based upon his current level of pensionable pay which, for the purpose of calculating his pre-April 2008 benefits, was subject to the current notional earnings cap.
28. Mr S’ rationale would be correct if, for example, he had left or retired from the Scheme on 31 March 2008, because his retirement benefits would then be based upon his final salary in 2008, around £95,000 per annum, which did not exceed the cap.
29. The calculation method for 1995 Section benefits meant that Mr S’ pensionable earnings in any years prior to his latest three years membership were not relevant to the calculation of benefits earned up to 31 March 2008 – or the application of the earnings cap in respect of those benefits.

Mr S’ position

30. Mr S submitted:-
 - He cannot understand how NHS BSA can retrospectively apply reductions to his pension, even after he has ceased to be a contributing member of the Scheme

and has had his historical benefits frozen a long time before he earned a salary that was more than the earnings cap.

- He did not earn more than the earnings cap in any year before the Finance Act 2004 removed caps or before the Scheme followed suit in 2008. He does not understand the equity in applying an earnings cap due to circumstances that occurred afterwards.
- He does not understand how the earnings cap applies to him if his earnings were below the cap for the entire period of his membership until the cap was removed. It is retrospective application of a “tax” on his pension and the justification for it was not clear as the response from NHS BSA had been to explain the “how” rather than the “why”.
- He joined the LGPS, and his LGPS benefits were subsequently transferred into the Scheme in September 1988. NHS BSA stated the cap applied to people joining public sector pension schemes after 1 June 1989.
- He transferred his historical LGPS benefits into the Scheme when he joined, and this purchased “additional years”. At no point had he been advised that the funds he transferred into the Scheme could be retrospectively reduced, especially as his salary in the previous position that purchased this fixed number of years, was a tiny fraction of the earnings cap. He considered that this failure to communicate was a form of “mis-selling” given the material impact it has had on his retirement planning.
- The introduction of Annual and Lifetime Allowances had led to some perverse consequences. He is unclear as to whether the Scheme calculated his implied fund values (for calculating annual growth) from the factors that underpin the pension that the NHS BSA intends to pay him or whether it was calculated by reference to uncapped earnings. It would be double taxation if the latter approach was adopted, and he feels that the Scheme needs to be far more transparent when providing information to members.

NHS BSA’s position

31. NHS BSA submitted:-

- On 3 August 1992, Mr S joined the LGPS, working for Berkshire County Council and left it on 31 May 1997. His salary at the time was £19,120.53.
- On 2 June 1997, Mr S joined the 1995 Section of the Scheme. His salary as at 31 March 2008 was £95,586.
- In 1998, Mr S transferred benefits from the LGPS to the Scheme. The transfer secured a membership credit of six years 205 days, which counted as membership accrued in the Scheme from 2 June 1997.

- 2 June 1997 to 31 March 2008 - NHS 1995 Section, £95,586, Mr S' salary as at 31 March 2008, plus LGPS transfer credit;
- 1 April 2008 to 31 March 2015 - NHS 1995 Section;
- 1 April 2015 to continuing - NHS 2015 Scheme, £194,616.84, Mr S' salary as at 31 March 2021.
- Mr S' membership in the LGPS and in the Scheme commenced after 1 June 1989, so his membership across both schemes, until 31 March 2008, was subject to the earnings cap.
- Including the transfer from the LGPS, benefits earned in respect of the following 1995 Section membership were subject to the earnings cap:-
 - The transferred-in membership credit - six years 205 days; plus
 - The membership from 2 June 1997 to 31 March 2008 of 10 years 303 days = 17 years 143 days = 6,348 days;
 - Benefits earned in Mr S' remaining 1995 Section membership from 1 April 2008 to 31 March 2015 (seven years 0 days = 2,555 days), were not subject to the earnings cap.
- The benefits Mr S earned in the 2015 Scheme were unaffected by the earnings cap. As a transitional member of the 2015 Scheme, Mr S retained a "final salary link" to the 1995 Section benefits he earned until 31 March 2015. This means Mr S' 1995 Section benefits continue to link to his current level of earnings.
- The level of Mr S' pensionable earnings had exceeded the notional earnings cap since 2010. The notional earnings cap for 2021-2022 was £172,800. Mr S' latest recorded earnings for the year to 31 March 2021 were £194,616.84. Based upon these values, it estimated Mr S' retirement benefit entitlement in the 1995 Section as follows:
 - Capped benefits to 31 March 2008: Pension = membership (6,348) x pay (£172,800) / (80 x 365) = £37,566 per annum.
Lump Sum = three x pension = £112,698
 - Uncapped benefits from 1 April 2008 to 31 March 2015: Pension = membership (2,555) x pay (£194,616.84) / (80 x 365) = £17,028 per annum.
Lump Sum = three x pension = £51,084
 - Total Pension = £54,594 per annum;
Total Lump sum = £163,782.
- It is not obliged to provide benefit information for theoretical scenarios that cannot apply to the member. To assist in this complaint however, if the earnings cap did not apply to Mr S' circumstances, it estimated his 1995 Section benefits would currently be:-

- Uncapped benefits from 2 June 1997 to 31 March 2015 (including transfer credit): Pension = membership (8,903 days) x pay (£194,616.84) / (80 x 365) = £59,338 per annum.
Lump Sum = three x pension = £178,014.
These are theoretical values for information purposes only.

32. The conclusions reached at stage two IDRPs remained unchanged in that the Regulations had been correctly applied to Mr S' circumstances. His entitlement in the 1995 Section was a combination of capped and uncapped benefits. The capped element of Mr S' benefits remained subject to the notional earnings cap, which is an enduring restriction that continues to apply to the benefits he earned until 31 March 2008.

Adjudicator's Opinion

33. Mr S' complaint was considered by one of our Adjudicators who concluded that no further action was required by NHS BSA. The Adjudicator's findings are summarised below:-
- The relevant regulations are the Regulations. As at the date Mr S joined the Scheme, Regulation C1 covered "pensionable pay" and "final pensionable pay". Regulation C1 (2) provided that:

"Subject to paragraph (3), any amount by which a member's pensionable pay exceeds the permitted maximum will be ignored when calculating the amount of any contributions or benefits payable under these Regulations."
 - Regulation C1 allowed for pensionable pay in excess of the permitted maximum not to be ignored where a member had joined the Scheme before 1 June 1989, except in relation to a period of service following a break of more than 12 months. In 2008, the maximum was removed in respect of service after 1 April 2008. References to "the permitted maximum" in Regulation C1 are to the earnings cap.
 - In the opinion of the Adjudicator, as Mr S joined the 1995 Section of the Scheme after 1 June 1989, under the Regulations, he was subject to the earnings cap for membership from 2 June 1997 until 31 March 2008. This included the transfer of benefits from the LGPS.
 - The Adjudicator's opinion was that the NHS guide for members of the 1995/2008 Sections of the Scheme (see Appendix 2) confirmed that a member who joined the 1995 Section on or after 1 June 1989 is subject to the pensionable earnings cap for any membership prior to 1 April 2008.

- The Adjudicator's view was that the calculation of benefits under the 1995 section for "officers" was based on the members final years' pensionable pay at retirement, or in either of the two preceding years if higher. The pension is 1/80th of pensionable pay per year and pro rata for any part year of membership.
- The benefits paid from the 2015 NHS Pension Scheme are based on career average revalued earnings (**CARE**) as described in the 2015 members guide (see Appendix 3).
- In the Adjudicator's opinion, the earnings cap had been applied correctly. The view of the Adjudicator was that Part C4 of the NHS Regulations 1995 [1995/300] as amended, remained in place despite the decision not to apply it from 1 April 2008 to future membership. Regulation C (1A) states that:

"Paragraphs (2) to (4) and (5) to (7) apply in respect of pensionable employment before 1st April 2008."

- Regulation C1 (7) refers to the "permitted maximum" with 7(b) referring to any year later than the 2006/07 tax year. The Adjudicator's opinion was that this meant that removal of the earnings cap post 2008, does not apply retrospectively and it is an enduring restriction in respect of benefits earned whilst the cap was in force on pensionable employment. So, in the opinion of the Adjudicator, while the earnings cap was removed in respect of pensionable service since 1 April 2008, it still applies to pensionable service prior to this date.
- In the Adjudicator's opinion, the application of the earnings cap could have been explained earlier to Mr S by NHS BSA. However, overall, his opinion was that he did not feel the delay was unreasonable and a payment in recognition of distress and inconvenience was not warranted.

34. Mr S did not agree with the Adjudicator's Opinion and the complaint was passed to me to consider.

35. Mr S provided his further comments in response to the Opinion. In summary he said:-

- If the Adjudicator concluded the application of the earnings cap was correct, then the annual benefit statements should have reflected this position. If they did not, NHS BSA had not executed its responsibilities correctly and he was likely to have overpaid tax.
- He joined the LGPS on 1 November 1988, not 3 August 1992, which was before the cap.
- The Adjudicator felt that the earnings cap could have been explained to him earlier by NHS BSA and concluded seven months to do so was not unreasonable. He would like to know what timeframe would be unreasonable.

- NHS BSA did not provide written notification that the earnings cap was continuing despite no legal requirement for the cap to continue.
36. I have considered the additional points raised by Mr S, however they do not change the outcome, I agree with the Adjudicator's Opinion.

Ombudsman's decision

37. Mr S' central complaint was that his retirement benefits from the Scheme have been reduced due to the incorrect application by NHS BSA of an earnings cap.
38. The Regulations, together with overriding legislation, set out how the earnings cap should be applied. Having reviewed the application of the earnings cap I find that NHS BSA applied the earnings cap in accordance with the Regulations and legislation. The earnings cap applied to members entering an occupational pension scheme on or after 1 June 1989. Mr S joined the 1995 section of the Scheme on 2 June 1997 and transitioned to the 2015 Scheme for future membership from 1 April 2015. So, under the Regulations, he was subject to the earnings cap for the membership from 2 June 1997 until 31 March 2008 when the earnings cap was removed in respect of service after 1 April 2008.
39. Mr S said he joined the LGPS on 1 November 1988 and not 3 August 1992, which was before the earnings cap was introduced. However, the earnings cap applied to Mr S' membership of the Scheme from 2 June 1997 until 31 March 2008, so the date he joined the LGPS does not affect the application of the earnings cap in relation to his membership of the Scheme.
40. Mr S said that if the application of the earnings cap was correct, then the annual benefit statements should have reflected this position. If they did not, NHS BSA had not executed its responsibilities correctly and he was likely to have overpaid tax.
41. The issue regarding annual benefit statements was not part of Mr S' initial complaint to NHS BSA. He has not provided copies of any statements that he feels were incorrect. I have included at Appendix 4 the information that is required to be included in annual benefit statements. If Mr S feels that the statements did not meet the requirements of these Regulations, he should raise this with NHS BSA for it to be able to provide a response.
42. In relation to delays by NHS BSA in providing an explanation of the earnings cap, I note that Mr S first raised this on 12 December 2019 and NHS BSA responded on 17 December 2019. On 18 December 2019, Mr S raised two queries with NHS BSA regarding its response and it replied on 16 January 2020. Mr S raised the IDRP complaint on 17 January 2020 and NHS BSA provided its stage one response on 3 February 2020. On 19 March 2020 Mr S asked for his complaint to be considered under stage two of the IDRP and NHS BSA responded on 16 July 2020.
43. While NHS BSA has not raised it as an issue, I note that four days after Mr S asked for his complaint to be considered under stage two of the IDRP, the UK went into

lockdown due to the coronavirus pandemic. Many organisations operated a reduced service during that time which would have impacted response times. Given the context of the pandemic and how it affected business operations globally, the delay was not unreasonable. I find that NHS BSA responded to Mr S within a reasonable timescale.

44. Mr S said that NHS BSA did not provide written notification that the earnings cap was continuing despite there being no legal requirement for the cap to continue. The HMRC requirement for earnings to be capped ceased in 2006. However, schemes were not required to cease capping pensionable salary immediately. I completely understand Mr S' frustration that he was initially unaware of the application of the earnings cap however, I do not find that there was any requirement on the part of NHS BSA to have provided written notification that it was continuing to apply the earnings cap.
45. I do not uphold Mr S' complaint.

Anthony Arter CBE

Deputy Pensions Ombudsman

29 October 2024

Appendix 1

Extract from the 1995 No. 300 NATIONAL HEALTH SERVICE, ENGLAND AND WALES
The National Health Service Pension Scheme Regulations 1995

“Part C Pensionable Pay, Pensionable Service and Qualifying Service

C1 Meaning of “pensionable pay” and “final year's pensionable pay”

- (1) In these Regulations, “pensionable pay” means, subject to the provisions of this regulation—
 - (a) all salary, wages, fees and other regular payments made to a member in respect of pensionable employment as an officer, but does not include bonuses, pay awards and pay increases that are expressed by the Secretary of State to be non-consolidated, payments made to cover expenses or payments for overtime;
- (1A) Paragraphs (2) to (4) and (5) to (7) apply in respect of pensionable employment before 1st April 2008.
- (2) Subject to paragraph (3), any amount by which a member's pensionable pay exceeds the permitted maximum will be ignored when calculating the amount of any contributions or benefits payable under these Regulations.
- (3) In the case of a member who—
 - (a) joined this Section of the scheme before 1st June 1989 and has a break in pensionable employment on or after that date—
 - (i) any pensionable pay earned preceding the break in that employment in excess of the permitted maximum will not be ignored;
 - (ii) any pensionable pay earned after the break in that employment in excess of the permitted maximum will be ignored;
 - (b) joined this Section of the scheme before 1st June 1989 and to whom sub-paragraph (a) does not apply, pensionable pay in excess of the permitted maximum will not be ignored.
- (3A) Where a member who was eligible to be a member before 1st June 1989 joins this Section of the scheme on or after that date by virtue of being a person to whom regulation B5 applies, any amount by which that member's pensionable pay exceeds the permitted maximum will not be ignored when calculating the amount of any contributions or benefits payable under these Regulations except in relation to a period following a break in pensionable employment on or after that date.

- (4A) Paragraphs (4B) to (7) apply in respect of pensionable employment on, or after, 1st April 2008.
- (4B) Subject to paragraph (4C), pensionable pay in excess of the permitted maximum will not be ignored.
- (4C) Pensionable pay in excess of the permitted maximum will be ignored in respect of additional service being bought under regulation Q1 and an unreduced lump sum being brought under regulation Q2 if—
- (a) the member elected to make such a purchase under regulation Q6(3) from a birthday falling before 1st April 2008; and
 - (b) the member's pensionable pay was restricted under paragraph (2) of this regulation before that date; or
 - (c) the member's pensionable pay would have been restricted under that paragraph if it had exceeded the permitted maximum.
- (5) This regulation applies to a member in respect of whom a transfer payment has been accepted from a health service scheme in the same way as if the period of employment that qualified the member for benefits under the health service scheme had been pensionable employment.
- (6) Subject to paragraph (6A), in these Regulations, “final year's pensionable pay” means pensionable pay in respect of the member's last year of pensionable employment, ending on the date the member ceases to be in such employment, or dies, whichever occurs first, except—
- (a) if pensionable pay was greater in either or both of the 2 consecutive years immediately preceding the last year, “final year's pensionable pay” means pensionable pay in respect of the year immediately preceding the last year or, if greater, pensionable pay in respect of the first of those 2 consecutive years; and
 - (b) if the member was in pensionable employment for less than 12 months, “final year's pensionable pay” means—

$$\frac{\text{pensionable pay}}{\text{number of days pensionable employment}} \times 365$$

- (6A) If the pensionable pay of a member credited with a period of pensionable service under regulation N2 (transfers made under the Public Sector Transfer Arrangements) or regulation N4 (special terms for transfers in (bulk transfers etc)) has exceeded the permitted maximum and either—
- (a) paragraph 20 of Schedule 6 to the Finance Act 1989 applied to the member without the modification made by regulation 5 of the Retirement Benefits Schemes (Continuation of Rights of Members of Approved

Schemes) Regulations 1990 in respect of benefits derived from all or part of that service under another scheme; or

- (b) any equivalent scheme provision applied to the member in respect of all or part of that service when that person was a member of the scheme from which the transfer was accepted,

that excess shall be ignored for the purposes of calculating the final year's pensionable pay under paragraph (6) in respect of the corresponding period of pensionable service credited under regulation N2 or N4.

(7) In this regulation, “permitted maximum” means—

- (a) in relation to any tax year before the tax year 2006–07, the figure specified for that tax year in an order made under section 590C of the Income and Corporation Taxes Act 1988; or

- (b) subject to paragraphs (8) and (9), the figure for any later year is £108,600.

(8) If the retail prices index for the month of September preceding the tax year 2007–08 or any later tax year is higher than it was for the previous September, the figure for that year shall be an amount arrived at by—

- (a) increasing the figure for the previous tax year by the same percentage as the percentage increase in the retail prices index; and

- (b) if the result is not a multiple of £600, rounding it up to the nearest amount which is such a multiple.

(9) If the retail prices index for the month of September preceding the tax year 2007–08 or the month of September preceding any later tax year is not higher than it was for the previous September, the figure for that year shall be the same as for the previous tax year.”

Appendix 2

46. Extract from the NHS BSA 1995/2008 NHS Pension Scheme – Guide for Members

“Earnings cap

You are subject to the pensionable earnings cap for any membership prior to 1 April 2008 if you either:

- first joined this Scheme on or after 1 June 1989 or
- joined before 1 June 1989 but had a break in pensionable employment of 12 months or more that spanned 1 June 1989.”

Appendix 3

47. Extract from the NHS BSA 2015 NHS Pension Scheme – Guide for Members

“The 2015 Scheme is a **Career Average Revalued Earnings (CARE) scheme**. This is a form of defined benefit pension scheme, which means you get a guaranteed level of benefit at retirement payable according to a fixed formula. Pension benefits for all members are calculated using the same method and revaluation rate.

In a CARE scheme your pension is based on your pensionable pay throughout your career. The pension you earn each year is based on actual pensionable pay in that Scheme year and is increased by a method, known as revaluation, each year up to retirement or leaving. A ‘Scheme year’ runs from 1 April of one year to 31 March of the following year. The final pension payable is calculated by adding together the revalued pensions earned in each year of membership.”

Appendix 4

Relevant extract of The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013

“SCHEDULE 5

Statements of benefits: non money purchase benefits

PART 1

Information for active members

1. The amount of any benefits (and how they are calculated) that would be payable on a date specified by the trustees or managers of the scheme if the member of the scheme were to die in service.
2. One of the following amounts, chosen by the trustees or managers of the scheme, of the member's benefits and survivors' benefits calculated without regard to possible increases in the member's salary—
 - (a) the amounts that would be payable from the date benefits are payable if pensionable service were to end on a date specified by the trustees or managers of the scheme,
 - (b) the amounts that would be payable from the date benefits are payable if pensionable service were to end on the member attaining normal pension age, or
 - (c) the amounts that would be payable from the date benefits are payable if pensionable service were to end on a date agreed between the member and the trustees or managers of the scheme.
3. The amount of the member's pensionable remuneration on a date specified by the trustees or managers of the scheme.

PART 2

Information for active and deferred members

4. The date on which the member's pensionable service started.
5. A summary of the method for calculating the member's benefits and any survivors' benefits.
6. Details of how any deduction from benefits is calculated.”