

## Ombudsman's Determination

Applicant	Mr Y
Scheme	NHS Pension Scheme ( <b>the Scheme</b> )
Respondent	NHS Business Services Authority ( <b>NHSBSA</b> )

## Outcome

1. I do not uphold Mr Y's complaint and no further action is required by NHSBSA
2. My reasons for reaching this decision are explained in more detail below.

## Complaint summary

3. Mr Y has complained that NHSBSA say that he is required to pay a fee for the specific pension projections he has requested.

## Background information, including submissions from the parties

4. Because of a reduction in his salary following a restructure by his employer, Mr Y's pay was protected up to 10 April 2016.
5. In June 2017, he began seeking specific pension projections from the NHSBSA so that he could compare the relative merits of retiring early while his protected salary still counted as one of his last three years, or staying until his NPA of 60. These figures were not shown on the annual benefit statement which is now sent to all 1995 section members of the Scheme. This showed a projection to NRA based on actual pay at the date of the statement not his protected pay, and did not include early retirement estimates. Mr Y was told he would need to pay a fee if he wanted the additional information for comparison purposes.
6. NHSBSA said that details of the pension benefits Mr Y had built up were provided on his annual benefit statements and that this information was also available to members through their online system. It explained that the projections Mr Y was requesting would need a manual calculation to be completed, which is why he was required to make a payment for these.
7. Mr Y was dissatisfied, because he did not consider the online system could work out his entitlement accurately because of his protected benefits.

8. Mr Y took his complaint through both stages of the Scheme's internal dispute resolution procedure during which NHSBSA clarified that the annual benefit statement which was provided complied with the disclosure regulations and NHSBSA were only required to provide one free estimate every twelve months.
9. The matter remained unresolved and Mr Y brought his complaint to the Pensions Ombudsman to be independently reviewed.

### **Adjudicator's Opinion**

10. Mr Y's complaint was considered by one of our Adjudicators who concluded that no further action was required by NHSBSA. The Adjudicator's findings are summarised briefly below:
  - NHSBSA have provided details of the pension benefits Mr Y has built up, on the annual benefit statements. These statements hold all the information that NHSBSA is required to supply, by law, under the Occupational and Personal Pension Schemes (disclosure of information) Regulation 2013 (**the Regulations**) (as shown as an appendix).
  - NHSBSA have not done anything wrong in asking Mr Y to pay a fee for the extra pension projections he is requesting. This is because Mr Y is asking for non-standard calculations which are regarded as an additional administrative responsibility. It is reasonable for NHSBSA to ask for a contribution towards obtaining these further calculations.
11. Mr Y did not accept the Adjudicator's Opinion and the complaint was passed to me to consider. Mr Y provided his further comments which do not change the outcome.
12. Mr Y said if NHSBSA are fulfilling their legal duty in the information it is providing then there is little he can do. But, he does not believe it is fair that he should have to pay for an accurate statement, purely because he has a protected salary.
13. I agree with the Adjudicator's Opinion and I will therefore only respond to the key points made by Mr Y for completeness.

### **Ombudsman's decision**

14. Mr Y believes that his projected pension statements are inaccurate and considers he should therefore not have to pay a fee for the specific pension projections he has requested.
15. Under the Regulations, NHSBSA may choose to provide a projection of 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. This is what NHSBSA are providing on the annual benefit statements and through its online system.

16. I understand that the 2017 projection sent to Mr Y uses his reduced salary but I do not think it is therefore inaccurate. Mr Y was born in 1961 and will not reach his NRA of 60 until 2022. A calculation of benefits due in 2022 based on the best of the last three years could not look back as far as the period of protected pay. Therefore I can see no reason to factor it into the projection.
17. I note that NHSBSA have referred Mr Y to its online early retirement calculator which it suggests may be of assistance in establishing the level of pension he might possibly expect if he retired early so that his protected pay was included in his last three years of Scheme membership. In the circumstances, requesting a fee to provide the additional projection which Mr Y would like does not amount to maladministration.
18. Therefore, I do not uphold Mr Y's complaint.

**Karen Johnston**

Deputy Pensions Ombudsman  
26 April 2018

## **Appendix**

### **The Occupational and Personal Pension Schemes (disclosure of information) Regulation 2013**

#### **Part 1**

##### **Information for active members**

1. The amount of any benefits (and how that 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 manager 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 manager 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 amount 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**

4. The date on which the member's pensionable service started.
- (d) A summary of method for calculating the member's benefits and any survivors' benefits.
- (e) Details of any deduction from benefits is calculated.