Part 13 PM Check - State Pension

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Introduction

13000 The following paragraphs explain the specific processes that are followed by the CTG checker for the SP checking process.

13001 The check performed by the CTG checker is on a post-payment basis. The check is a full case check but restricted, to an award week (the selected week) chosen at random by FEMA from a one month rolling sample period. PM will check the award and payment relating to the selected week.

13002 - 13009

Checking methodology - State Pension

General information

13010 When undertaking the PM check you will complete FREDA ensuring that information on the system is correctly transcribed onto FREDA to provide an end to end audit trail of each case examined.

13011 You will check that:

- all the appropriate action has been taken on the case
- all aspects of the selected period have been considered. This will include any arrear payments/overpayment action made at a later date in respect of the selected period
- the various components that make up the award are correct

13012 You will look for evidence that offices, in the normal course of events, have:

- obtained all evidence required, for example verification of the date of birth.
- undertaken any prescribed checks, user-set case checks and existing verification procedures.

13013 You require all evidence and documentation relating to the award for the selected week, including where documents are stored remotely.

*Note: For any periodic payment (PP) cases you will require any relevant change of circumstances post from PP at Newcastle*
As well as requiring the full evidence relating to the case, you will also have regard to the following, where appropriate:

- PSCS/ISCS enquiry dialogues
- CIS for dependants
- CES
- PRCS
- NIRS 2 Browser

Evidence

Selected Period Check Principles

When conducting the selected week check you will have regard to the following:

- all office activity and all information/evidence received on or prior to the date the payment for the selected week was released

When conducting the selected week check you will not have regard to the following:

- any activity or information received after the date the payment for the selected week was released

*Note: except NIRS/RD10R/RD10B obtained for PM check*

Available evidence

As part of the examination of the case, you will have regard to all existing evidence available and relevant computer systems. Where the available evidence is insufficient to determine the correctness of the award, you will leave the check as incomplete.

*Note: the CTG checker must check the case to ensure it does not fall into the abandoned criteria before leaving it as incomplete.*

The following evidence will form part of the check:
information relating to the current claim and held on any accessible computer system within DWP for example, CIS, PSCS, PRCS, CMS, NIRS2, JSAPs, ISCS, CES, NTC portal
an examination of all benefit related system dialogues to establish whether the case is live and benefit is in payment; whether the award is an initial or final award or if the case is an International Pension Centre case; the amount of the award; whether Carer’s Allowance is in payment; the correctness of the case.
information held on any accessible computer system within DWP relating to a previous claim (but not where the information has been archived)
exceptionally, any archived information relating to a current claim, which you consider is instrumental to the technical preview in progress. The CTG checker will state why such information has been requested
all clerical papers and documentation relating to the current claim, including unactioned post/ evidence
scanned documents relating to a current claim and held on local systems

Note: this list is not exhaustive.

Types of evidence

13062 You will require all existing evidence supporting the award relating to the selected period, in order to complete your check.

13063 This includes:

• any statements made by the claimant
• documents provided by the claimant or third party in support of the claim
• any information on the Customer Account Management (CAM) system including the corresponding dates and times which relate to the Verint telephony system.
• any information with regard to the claimants claim in the form of a telephone recording that is held on the Verint telephony system.

Note: you will require the original documents such as birth/marriage certificates and pay slips, but will also accept scanned versions of the original documents. Where the original/scanned document is not available, you can accept a certified copy or a signed photocopy, or for the purpose of birth/marriage certificates form BR1 is noted confirming that the birth/marriage certificate(s) have been seen and verified by DWP staff. Exceptionally where none of these documents is available, you may accept a detailed form A6 recording full details taken from the original document/certified copy/photocopy.
If none of the above is available, in certain exceptional circumstances you can accept evidence obtained by e-mail or by telephone. See also 'Evidence by e-mail' and 'Evidence provided by claimant by telephone'

- documents relating to a relevant change of circumstances, including unactioned post
- in some cases, Social Fund wallets
- Carer’s Allowance cards

Note: the above cards will only be required on clerical cases or if the interface system release is unsuccessful.

13064 You will in all cases check the award details using the NIRS2 browser or from updated copies of the claimant’s account records where they are held in the casepaper, or a combination of both. In addition, if an RD10 or an RF1 is required, you will inform the PCP at the earliest possible opportunity to request these documents.

Note: Due to the decommissioning of DCI it may be necessary for offices to request RD10Rs by sending form BW 50 to HMRC, Employer Work flow control, Room BP8002

13065 - 13099

Evidence not available - missing casepaper/claim form or casepaper destroyed.

13100 Where all or some of the casepaper or teleclaim relating to the claim/award selected for check has been provided, but some relevant evidence is missing, you will complete the check as far as possible and leave the remainder of the check as incomplete.

13101 If the clerical papers are missing and the documents are less than 14 months old, Pension Centres will be expected to reconstruct the cases in accordance with existing procedures. If the papers are available but any relevant documentation is missing, where this is less than 14 months old, Pension Centres will be expected to obtain and reconstruct any relevant documentation setting out the claimant’s circumstances. You will examine the claim from the outset to ensure that all aspects of the claim form have been covered.

13102 When the case is more than 14 months old, and has been destroyed in line with retention guidance, documents will only be requested if the required document(s) affect the award of benefit. Documents that do not affect the award (e.g. change of address, change in method of payment (MOP)) should not be requested. If documents that affect the award are required, you will
leave the case as incomplete and allocate the case on FREDA to the PCP. If the account was updated less than 14 months ago but the award is not affected, FREDA should be noted with the update date and the reason for it. Following confirmation from the PCP you will use the NIRS 2 browser system and system records to check the correctness of the selected case.

13103 - 13109

Evidence unclear/insufficient

13110 If the evidence available is unclear in any way, or if you need additional evidence to complete a check, you will ask the PCP to attempt to obtain this during the PM visit.

13111 You will seek further evidence, where:

- the claim form is incomplete
- information gathered is unclear, inconsistent, incomplete or out of date
- verification procedures have not been followed

13112 - 13119

E-mail evidence

13120 Where the original document/certified copy/signed photocopy is not available, you may accept e-mail evidence provided that the relevant points are covered. E-mail evidence will be regarded as equivalent to a telephone call.

13121 - 13129

Scanned evidence

13130 Where the original document has been scanned, the scanned document will be regarded in the same way as original evidence. This is because scanned evidence in this instance is held on microfilm and there is no paper evidence to annotate.

13131 - 13139
Evidence provided by the claimant by telephone

13140 From 6.1.04 the Social Security (Change of Circumstances) Regulations 2003 amended regulation 32(1B) of the Claims and Payments regulations. Notice of a change which affects whether entitlement to benefit will continue, or payment of benefit can be given to an appropriate office:

- in writing
- by telephone, unless the Secretary of State requires written notice.

13141 Where the statement can be supported by documentary evidence. PM will expect the office to have obtained such evidence.

13142 For SP the policy on this legislation remains unchanged in that changes affecting these claimants may need to be submitted in writing.

13143 You may accept some changes by telephone but where for example:

- the change in question is too extensive or complicated to be accurately recorded over the telephone;
- there are grounds to doubt the correctness; or
- depending on the nature of the change, further information/evidence may be required

In such cases, you will require documentary evidence and expect the office to have obtained such evidence.

13144 In all cases where the claimant has reported a change by telephone, a form A6 record (or equivalent) must be completed and full details of the change recorded.

13145 - 13149

Evidence obtained by visiting officers

13150 Evidence obtained by visiting officers must be sufficient to enable you to carry out your check.

13151 You will seek further evidence where:

- the claim form obtained by the visiting officer is incomplete
- information gathered by the visiting officer is unclear, inconsistent, or incomplete
- prescribed verification procedures have not been followed.
NIRS 2 check

13160 The PCP will update NIRS2 for current SP information as requested in the initial letter to the PCP, such as rates payable, details of any erroneous payments/awards and enable you to identify cases of non-posted contributions/credits.

13161 You will check NIRS2 information in respect of each case examined that forms part of the PM sample to establish that the information held on NIRS2 is consistent with details held in the casepapers and other computer systems available and that the award of SP is correct.

13162 Where the case being checked requires use of the claimant’s current/former/late spouse’s account to confirm the correctness of the award, you should ensure that the claimant’s current/former/late spouse’s NIRS2 account has been updated. If this is not possible you will request that the PCP updates the relevant NIRS2 account. The check should then be performed with consideration given to the information from the claimant’s current/former/late spouse’s NIRS2 account.

The PM Check

13170 You will also check;

- that the SP payday and amount are recorded correctly on PSCS
- whether Carer’s Allowance is in payment
- dependants’ details on CIS to ensure that the rate of benefit corresponds with the information provided
- CES where appropriate to verify any other details
- deductions

Note: this list is not exhaustive. The net effect of the check is to state that the award(s) and payment(s) in respect of the selected week are correct.

13171 From 06/04/10 part week payments can be appropriate for all people reaching SPA on or after 06/04/10.
New claims

13180 You will check that:

- the claim form was fully completed and received within the prescribed time limit
- details provided by the claimant do not warrant further investigation. Where further investigation was required you will confirm that this has been done
- the conditions of entitlement to benefit are met
- the claim form has been fully completed and evidence of identity has been verified where appropriate
- the date of claim is correct
- the claim form is signed, where appropriate
- the claim has been correctly paid in either arrears or advance, as appropriate
- where appropriate, the date of claim termination is correct

13181 In all new claims, you will check the following:

Claims covering the selected period

13182 To check that all personal details are correct and that the details provided by the claimant are the same as those held on the system.

CIS/PDCS

13183 To check other benefits paid to the claimant; to check for details of, and benefits paid to, the claimant’s partner, dependant(s), and, where relevant, any non-dependants.

13184 Where appropriate, you will also check the following:

- Child Benefit Centre/Payment Repository Computer System (PRCS)
  - for the rate of Child Benefit and other benefits in payment.

- Common Enquiry Service dialogues
  - check if other benefits/entitlements have been claimed/applied for or are in payment (e.g. DLA/PIP/AFIP/AA) and to check for existence of an Income Support claim.

- Carer’s Allowance
  - to check for details of a claim to, and payments of, Carer’s Allowance
Evidence of Identity

13190 The claimant/person for whom they are claiming (unless exempt) must:

• provide a NINO, together with information/evidence to show that the NINO is theirs, or
• provide information/evidence to enable their NINO to be traced, or
• make an application for a NINO and provide enough information/evidence for one to be allocated to them (the claim can be processed provided that such an application has been made)

Time limit for claiming

13200 You will check that the time limits for claiming benefit have been determined correctly.

Signature on the claim form

13210 A valid claim is a condition of entitlement. Although a signature adds weight to the evidence on the claim form, the lack of a signature on the claim form does not make the claim invalid, provided that:

• the claimant has stated elsewhere on the claim form his/her intention to claim.

13211 Once a claim is accepted as valid, the DM acting on behalf of the Secretary of State has effectively accepted the claim as valid.

13212 If the case is correct apart from the lack of a signature, where:

• the claimant has not expressed an intention to claim on the form, you will raise a procedural, not payment error
• the claimant has expressed an intention to claim on the claim form, you will clear the case as correct
the claim has been disallowed on the basis that there is no signature, but
the intention to claim has been expressed on the claim form, you will leave
the case as incomplete for the claim to be processed. If benefit:
• is awarded in respect of the selected period, you will raise a payment error
• is disallowed, you will raise a procedural error because the claim was
originally treated as invalid

E- Claims

13213 E-claims for Attendance Allowance (AA), Disability Living Allowance
(DLA), Personal Independence Payment (PIP), Armed Forces Independence
Payment (AFIP), State Pension (SP), Graduated Retirement Benefit (GRB),
State Additional Pension (SAP) were brought in by the Social Security
(Electronic Communications) (Miscellaneous Benefits) Order 2005 which
came into effect on 30.1.06. This means that from 30.1.06 claims for AA,
DLA, PIP, AFIP, SP, GRB, SAP including any dependency increase can be
made by means of electronic communication. However, this "Order" only
extends to the making of the claim - documents or evidence in support of the
claim and changes of circumstances must be submitted or notified in the
normal manner.

13214 In these cases the date of claim is the date recorded as having been
received on the Department’s computer system (i.e. at the Government
Gateway). This may not be the same as the date the claim is received in the
appropriate benefit processing office.

13215 For a claim to be made in the prescribed manner, it must normally contain
an express statement that a claim is being made. This is normally done for
claims in writing by signing the declaration page at the end of the form.
However, as a claimant cannot sign an e-claim, they must authenticate the
claim by typing their name on the declaration page. A communication that is
not authenticated in this way cannot be accepted as a claim.

13216 Where an e-claim is defective when received, the details will be printed off
and the partially completed claim form returned to the claimant for completion.
If the claim form is then returned properly completed within one month (or
such longer period accepted as reasonable) of the date it was sent to the
claimant, the date of claim will be the date the original e-claim was received.

13217 If the case is correct apart from the claimants typed-name on the
declaration page, where:

• the claimant has not expressed an intention to claim on the form, you will
raise a procedural, not payment error
the claimant has expressed an intention to claim on the claim form, you will clear the case as correct
the claim has been disallowed on the basis that there is no claimants typed name on the declaration page, but the intention to claim has been expressed on the claim form, you will leave the case as incomplete for the claim to be processed.
If benefit is awarded in respect of the selected period, you will raise a payment error
If benefit is disallowed, you will raise a procedural error because the claim was originally treated as invalid

13218 - 13219

Verification of life events

13220 The verification (if required), of a life event should have been made by reference to the original certificate, a certified copy, confirmation from the General Registrar's Office or from secondary evidence. It may be verified by reference to computer systems, which confirm the details given by the claimant.

13221 You will have regard to the types of evidence available and whether this evidence is sufficient.

13222 - 13229

Conditions of Entitlement

13230 You will check that the qualifying conditions to receive benefit are satisfied, in accordance with Decision Maker's Guide and where appropriate PDCS Single Source of Guidance.

State Pension Deferral

13231 Prior to April 2005, claimants could defer claiming State Pension beyond State Pension Age up to a maximum of 5 years. They earned approximately 7.5 % extra for each year they deferred (equivalent to 1% for every 7 weeks).

13232 From 6 April 2005, the rate of extra State Pension increased to approximately 10.4% for each year of deferral (equivalent to 1% for every 5 weeks), and the 5 year upper limit for deferral period was removed, allowing claimants to defer as long as they wish.
In addition, a new option was introduced allowing claimants to choose to earn a one-off taxable lump-sum payment if they defer their State Pension for 12 consecutive months or more from 6 April 2005 onwards. The lump-sum payment is made up of State Pension foregone, plus interest accrued weekly. The rate of return is the Bank of England base rate, plus 2%. The first lump-sum payments became payable on 6 April 2006.

From 6 April 2006 backdating of claims has been increased to a maximum of 12 months.

For the purposes of PM checks it has been clarified in law that the office can award old increments earned before 06/04/05 either with the award of SP or when the lump sum or extra State Pension (eSP) is awarded. TPS guidance states that old increments should not be awarded until the lump sum or eSP is awarded. Therefore when you check a case where old increments earned before 06/04/05 have been awarded at the point of the award of SP a procedural comment will be raised. Where old increments earned before 06/04/05 have not been awarded until the lump sum or eSP is awarded you will record this element of the check as correct.

PCPs will supply a print out of the calculations and the input details. The details that the PCP will be able to supply in order to complete the checks are:

- If SPA on or after 06/04/05 then the results will contain:
  - eSP payable instead of the lump sum. This is the total of eSP earned for the period 06/04/2005 or 60/65th birthday (for those attaining pension age after 06.04.05), up to actual date of retirement. NB. Graduated Retirement Benefit (GRB) result includes the value of GRB at the END date OR
  - value of Lump Sum payable instead of the above
- If SPA is before 6/4/05 then the papers will contain the following documents:
  - eSP payable instead of lump sum - this is the total of eSP for period prior to 6/4/05 (old rules) and eSP for period from 6/4/05 (new rules) N.B. GRB result includes value of GRB at END date.
  - value of lump sum payable instead of above.
  - eSP payable with lump sum - this is the total of eSP for period prior to 6/4/05 (old rules) and eSP for period from 6/4/05 to 10/4/05 (new rules)
  - Note: In this situation a further On-line Entitlement (OLE) calculation for eSP rate to use on Better Off calculation is required using Notional backdating - the end date used is actual date of retirement minus one year.
13237 The only time separate calculations are required for Pre and post 05 eSP is when SPA is more than 5 years before 6/4/05 in which case 3 OLE calculations are required.

- To calculate eSP due from 60/65 to 65/70 – start date on OLE 60/65 end date 65/70 (this gives value of eSP payable with lump sum OR, when added result of calculation below, eSP rate payable instead of lump sum)
- To calculate lump sum OR rate of eSP earned after 6/4/05 (payable instead of Lump sum when added to 1st result) – start date 6/4/05 end date actual DOR
- To calculate notional eSP for Better off calculation - start date 6/4/05 end date Actual DOR minus one year (The result of this calculation needs to be added to 1st result for Better off eSP rate)

13238 For PM checking purposes a full error cannot be recorded unless an actual incorrect payment has been made in the selected week.
Note: If you ascertain that the lump sum/eSP option, which the claimant has not elected to take, is incorrect then only a procedural comment will be appropriate.

13239 Where cases over 14 months old and relevant documents have been destroyed the case will be abandoned.

Display issues

13240 It is accepted there is a known display problem on NIRS OLE, see example below:

Example

Case with date of entitlement 1/6/06

The Increments payable with the lump sum are calculated up to the day before the lump sum starts to accrue (11/4/05) but the rate of pension they are calculated on is still the same as for the full period (i.e. it ends on the date of entitlement).

The results of the full period calculation are shown as applying from 01/06/06 (which is April 06 uprating). However the effective date for the Incremental Values Payable with the lump sum is shown as 11/4/05, which can give the impression that the rates for that period are April 05.

Reserved Awards
13241 Reserved cases that occur naturally in the SP sample will be checked and must not be abandoned. These cases will be checked as other ‘normal’ State Pension case that occurs in the sample.

13242 You will need to preview cases on the FEMA lists to identify any reserved cases. You should then ask the office to request any relevant forms i.e. RF1’s, RD10R’s straight away.

*Note: Due to the decommissioning of DCI it may be necessary for offices to request RD10Rs by sending form BW 50 to HMRC, Employer Work flow control, Room BP8002*

13243 – 13249

**International Pension Centre (IPC) Cases**

13250 Cases involving overseas claims that occur naturally in the SP sample will fall to be checked and must not be abandoned, unless they fall into the specified abandonment criteria.

*Note: Any case that has IPC involvement, will still fall to be checked where the claimant has 100% GB entitlement, regardless of whether the documentation is over 14 months old.*

13251 – 13259

**Initial Awards**

13260 It has been accepted that there is no provision in law for initial awards to be made on State Pension or any other benefit dependant on contributions and are therefore erroneous in law.

13261 The view has been taken that the department is operating a sensible business process that is beneficial to the claimants, however as this is erroneous in law it has been recommended that an amending regulation is laid to bring these awards in to legislation.

13262 If an initial award is appropriate procedurally and the award is correct, you will clear the case as correct. If an initial award is appropriate procedurally and the award is incorrect, you will raise a payment error. If an initial award is not appropriate procedurally, you will raise a payment error, regardless of the correctness of the award.
13263 If at the time of the PM check a final award has been made, you will check that the office has correctly adjusted the initial award in relation to the selected period i.e. paying any arrears that may be due to the claimant.

13264 - 13299

State 2nd Pension (S2P) – Post 02 Additional Pension (Post 02 AP)

13300 Claimants in receipt of Incapacity Benefit (IB) can be entitled to State Second Pension (S2P) as part of their State Pension (SP) entitlement.

13301 National Insurance Records System (NIRS) shows an S2P notation for Carer’s Allowance, credits only cases, IB (LT), IB (Y) and Severe Disablement Allowance (SDA) once a 52-week point of incapacity has been reached. The task of identifying when this has occurred and issuing the liability notice is all done by PSCS.

13302 NIRS performs a test for entitlement if the correct dialogue is completed by the Short-Term Benefits (STB) section or a clerical form (CF2) is completed; if there have been any problems, such as an account deletion.

13303 Where the test has not been performed by NIRS and the claimant may have entitlement to Post 02 AP, it is the responsibility of the SP section to ensure that the STB section has performed any necessary action.

13304 You will leave the case as incomplete for further investigation if there is possible entitlement to Post 02 AP.

   *Note: Changes to S2P scheme have been made from 2012 - [DMG Volume 12 Chapter 75](#)*

13305 – 13309

Adult Dependency Increase (ADI)

Abolition of ADI’s

13310 From 06/04/2010 it is no longer possible to claim an increase of SP for another adult.

13311 Full details of the entitlement conditions are covered in [DMG Volume 12 Chapter 75](#)
ADI Earnings

13312 Where the adult dependant is in employment but earning less than the allowed maximum, original wage slip(s) or a certified copy or a signed photocopy of wage slips will be required.

13313 Exceptionally, where the above is not available, you may accept a form detailing the information that was taken from the original document/certified copy/signed photocopy.

13314 You will also check that:

- the correct periodicity of payment has been applied
- earnings have been attributed correctly
- the appropriate disregards have been applied.

13315 - 13319

Child Tax Credits

13320 From the introduction of the Child Tax Credit from 6 April 2003, there were no new claims to CDI. CDI awards existing on 5 April 2003 were transitionally protected. The amount of CDI in payment reduces annually each year at uprating.

13321 Full details of the entitlement conditions are covered in DMG Volume 12 Chapter 75

13322 PM will:

- raise a payment error where CDI was awarded from 6 April 2003 where no TP was appropriate
- raise a payment error where TP was appropriate but CDI is not considered
- raise a payment error where CDI is paid when the claimant is not entitled to/cannot be treated as entitled to CHB.

13323 - 13329

Deductions

Deductions for Social Fund
13330 You will check that the deductions for recovery of SF payments are appropriate and at the correct rate.

   Note: as the benefit transactions take place wholly within the Resource Account, any error in the SF deduction will be classed as a procedural error.

13331 – 13399

National easements

13400 Businesses can seek National easements for specific operational issues; WWEG FESD can provide support with drafting the easement if businesses require help.

13401 Where a National easement has been accepted, PM will issue guidance to inform PM and benefit delivery staff to explain how PM will treat any affected cases.

   Note: PM will not have any regard to any local easements.

13402 -13999