

**NHS PENSION SCHEMES
2015/11**

WHO SHOULD READ: HR and Payroll Managers
Direction Bodies
GP Practice managers
Practitioner Services Division
Dental Payments
Trade Unions

ACTION: To read and circulate for information
SUBJECT: Plans for NHS 1995 Section Choice

The purpose of this circular is to:

1. provide information about NHS 1995 section Choice Exercise
2. explain why members are being offered this choice
3. explain which members are eligible
4. outline plan, approach and timetable for communications to members
5. provide update on 2008 Section Choice Exercise
6. provide employers and members with Choice contact details

1. What is 1995 Section Choice?

When the new NHS 2015 pension scheme for Scotland was introduced on 1 April 2015 it was agreed that certain categories of members would be given a further choice about their pension arrangements. This circular is to advise employers about plans for NHS 1995 Section Choice Exercise.

2. Why are members being offered this choice?

A few years ago SPPA carried out the NHS Pension Choice Exercise after the 2008 section was introduced. All 1995 section members were given the choice to move their pension benefits from 1995 section to 2008 section, which had a higher pension build up rate, later normal pension age (NPA) and more flexible retirement options.

Some members may have decided to stay in 1995 section as they intended to retire at their NPA 60 (*55 for special classes). As a result of pension reforms, members who do not have full protection will now be required to move to the new 2015 scheme, which has a higher normal pension age equal to the member's state pension age. These members are now being given another opportunity to move their preserved rights from 1995 section to 2008 section.



3. Who is eligible for 1995 section choice?

All current active 1995 Section members who were eligible for the original Choice exercise and are not fully protected will be eligible for a second choice. These members would move to the new 2015 scheme on or after 1 April 2015.

4. Proposed plan of action and timetable for communications to members

SPPA will identify all eligible members and write to them at their home address from December 2015. Members will receive a letter and, where possible, a personalised statement providing a comparison of their pension and lump sum benefits in both sections of the scheme at 31 March 2015.

Some members will receive example statements where there is no data available. This may be due to missing/incorrect information or a recent change in employment/working pattern. Any member enquiries should be directed to NHS Choice Team nhschoice@gov.scot.

Members will be given 4 months to consider their decision and all reply forms received will be acknowledged. SPPA will amend members pension records and notify the member and their current employer(s) of the change in protection status and pension scheme membership.

Members who have tapered protection and opt to move their preserved benefits will lose this protection and move to 2015 scheme, backdated to 1 April 2015.

If a member does not reply, they will retain their preserved rights in the 1995 section.

5. Update on 2008 Section Choice

2008 section members with full and tapered protection were given the option to give up this protection and move to the new 2015 scheme, backdated to 1 April 2015.

SPPA issued letters to approximately 2800 eligible members from 31 July 2015. To date 139 (5%) members have returned their option forms indicating they wish to give up their protection. SPPA has notified both members and employers of this change in membership details. This closing date for this project was 30 November 2015 and if members have not replied they will retain their 2008 Section full or tapered protection status.

6. Where to find out more information

There will be additional information, frequently asked questions (FAQs) and case studies on our website at www.sppa.gov.uk.



SPPA has set up an email address and telephone helpline for any Choice enquiries from members/employers: nhschoice@gov.scot and 01896 893000 ask for 'Choice' when prompted.

Members can also register and login to [My Pension online member services](#) and use the 'contact us' NHS Choice enquiry option to submit an online enquiry to SPPA.

NHS Choice Team
SPPA
4 December 2015

Contact information:

Should you have any enquiries about this circular, or require further information, please contact: nhschoice@gov.scot

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