

**National Health Service Superannuation Scheme
Circular No 4/2006**

Chief Executives, HR Managers and Payroll Managers of:

NHS Health Boards
NHS Quality Improvement Scotland
NHS National Services Scotland
NHS Health Scotland
NHS Education Scotland
Scottish Ambulance Service
Golden Jubilee National Hospital
State Hospital
NHS 24
Mental Welfare Commission
GP Practice Managers
Direction Bodies
Members of the Pensions Technical Working Group
Chair of the NHS HR Forum

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April 2006

Dear Sir/Madam,

NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (SCOTLAND)

Changes in the Administration of the NHS Superannuation Scheme

I last wrote to you in August 2005 advising you of a major change programme being undertaken at the SPPA and asking you to ensure that the relevant staff within your organisation were made aware of this.

The UK Government's proposals to introduce substantial reforms to the various public sector pension schemes, coupled with significant changes in the taxation arrangements for pension schemes being introduced from April 2006 prompted the Agency to carry out a review of its current arrangements for administering the NHS Superannuation Scheme.

It was clear that the scale of changes necessary to respond to the pension reforms require the Agency to replace its existing IT system and a dedicated project team has been set up to plan and co-ordinate this activity. The procurement process will commence in April and the requirements specification will need to be completed by the end of May 2006 so that the Invitation to Tender can be issued to suppliers.

Since the launch of the Pension Change Project, the SPPA has carried out a wide range of tasks to capture the requirements of the new system. The key tasks are listed below:

- **Current State Process Mapping:** Current State Process Maps have been created for all of the key processes throughout the organisation.

- **Future State Process Mapping:** Workshops were held to review the current state processes in order to streamline them and create the Future State Processes.
- **Market Awareness Exercise:** The SPPA have carried out a market sounding exercise to establish what products and what functionality is currently available in the market place.
- **External Stakeholder Engagement:**
 - Questionnaires were issued to NHS and STSS Employers during August 2005. The questionnaire established the current methods of submitting data to SPPA and the varying systems being used by all external stakeholders in submitting pension information to the Agency.
 - Presentations and discussions have taken place at the TWG meetings on 28th October 2005 and 24th February 2006.
 - Workshops were held with NHS Employing Organisations on 17/1/06 and Teachers Employing Organisations on 16/2/06. The workshops focussed on Data Migration, Data Interfaces and WEB Services. The output from the workshops was sent to all attendees and most employing organisations. The Agency is currently formulating the output from these workshops and using it to design the way forward in the sharing of information between Agency and Stakeholders. Any employer who would like a copy of the output should contact the Pension Change Project Team at: pensionchangeproject@scotland.gsi.gov.uk

To be a success, the Pension Change Project needs the support and engagement of all our key stakeholders, particularly NHS employers. This will ensure that the new system meets all the Agency's business requirements, whilst also developing business benefits for employer organisations and pension scheme members. The Agency is planning to hold a final workshop for NHS Employers on **10 May 2006**. This workshop will be an opportunity for you to hear the planned changes for how our organisations will exchange data and information with each other and to have an input to issues that still need to be resolved. It is essential that employer organisations participate in the change process to ensure that their requirements are accurately captured. Employer organisations will be affected by the changes when they are introduced and I therefore ask you to encourage representation at this final workshop.

If you have any further queries please do not hesitate to contact myself or the Project Team at PensionChangeProject@scotland.gsi.gov.uk.

Yours faithfully,



Neville Mackay
Chief Executive
Scottish Public Pensions Agency.