



SCOTTISH PUBLIC PENSIONS AGENCY

Superannuation (Health Service) Circular No 2/2003

NHS and other participating employers
NHS Trades Unions and Staff Associations

7 Tweedside Park
Tweedbank
Galashiels
TD1 3TE

Telephone: 01896 893100
Fax: 01896 893260
SPPA.NHS@scotland.gsi.gov.uk

24 February 2003

Dear Sir or Madam

NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (SCOTLAND) – CHANGES TO THE SCHEME

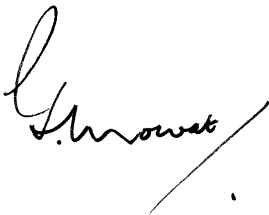
1. This Circular provides information about changes to be made to the Scheme by the National Health Service Superannuation Scheme (Scotland) Amendment Regulations 2003 (Scottish Statutory Instrument No 2003/55), which comes into force on 1 March 2003.
2. These Regulations amend the National Health Service Superannuation Scheme (Scotland) Regulations 1995. The main changes are summarised below but more detailed information is given in **Appendix A**, attached. **Appendix B**, also attached, constitutes a **Notice to Staff** and, in accordance with the requirements of the Occupational Pensions Schemes (Disclosure of Information) Regulations 1996, **should be brought to the attention of all employees**.
3. The main changes are:-
 - To provide access to the Scheme for freelance locum practitioners, provided that they are included in a supplementary or services list, and to allow those locums who are on a list by 31 August 2003 to backdate their scheme membership to 1 April 2001. Provision is also made for those who have been locum practitioners and became, or have become, another type of practitioner prior to the introduction of the Supplementary lists, to backdate their service.
 - To define the ‘listing authority’ for a locum practitioner engaged in the provision of general medical services and ‘the appropriate contracting party’ where the locum practitioner is engaged in the provision of personal medical services.
 - To define pensionable earnings for a locum practitioner; set out the procedures for applications and the payment of contributions; make provision for short breaks in locum pensionable service not exceeding three months to be treated as qualifying service (but not pensionable service); and exclude a locum from the provisions for absence from work because of illness, injury, maternity leave or other reasons.

- To introduce various definitions relating to practitioners, which are required as a result of the amendments enabling locum practitioners to be included in the scheme, including a new definition of “locum practitioner” and to amend the definition of ‘trainee practitioner’ to ‘GP registrar’.
- To remove references to ‘self-employed pension arrangements’ as these arrangements now come within the definition of personal pension scheme and to provide for pensionable service in an occupational scheme to count as qualifying service where the member has transferred to the NHS Scheme as a result of a transfer of an undertaking and no transfer payment has been made to the NHS Scheme.
- To provide, where there is a transfer of an undertaking, for the Scheme to make or accept a transfer payment where a member leaves or joins it after age 60. The Scheme has also been amended to enable special terms to apply where one or more members transfer as a result of a transfer of an undertaking.
- To provide for members employed on a casual (short term) basis to continue in qualifying (but not pensionable) service during short breaks in pensionable employment not exceeding three months.
- To clarify that the provisions for officer service to be treated as practitioner service apply to practitioners providing piloted services.

4. Enclosed are replacement pages for insertion in the loose-leaf version of the National Health Service Superannuation Scheme (Scotland) Regulations 1995 (as amended) which was issued to NHS Employing Authorities and which should be kept up to date and made available to NHS employees for reference.

5. Copies of the Amendment Regulations have been supplied to Trusts and Health Boards and further copies can be purchased from The Stationery Office. They may also be accessed on the HMSO website - www.hmso.gov.uk. Additional copies of this Circular and its Appendices can be obtained from SPPA by contacting Mrs Sharon Liptrott on 01896 8933228.

Yours faithfully



GAVIN MOWAT
Director of Policy

Superannuation (Health Service) Circular No 2/2003

**NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (SCOTLAND) –
CHANGES TO THE SCHEME**

This Appendix describes in more detail the amendments made to the National Health Service Superannuation Scheme (Scotland) Regulations 1995 (as amended) (the 1995 Regulations), by the National Health Service Superannuation Scheme (Scotland) Amendment Regulations 2003 (Scottish Statutory Instrument No 2003/55).

1. **Regulations 1 and 2** are formal.
2. **Regulation 3** amends regulation A2 (Interpretation) to substitute a new definition of “practitioner” and to introduce other changes to definitions relating to practitioners, required as a result of the amendments enabling locum practitioners to be included in the Scheme. The definition of “trainee practitioner” is replaced with the new definition of “GP registrar”. The amendments also clarify that, for the purposes of the 1995 Regulations, the Mental Welfare Commission is to be treated as if it is an employing authority.
3. **Regulation 4** amends regulation B1 (Membership of the Scheme) to substitute “GP registrar” for “trainee practitioner”.
4. **Regulation 5** amends regulation C3 (Meaning of “qualifying service”) to omit references to “self-employed pension arrangements” as these arrangements now come within the definition of a personal pension scheme. An additional provision is inserted in regulation C3 to enable service which a member could count in a previous occupational scheme, to count as qualifying service in the NHS Scheme, where the member has transferred to the NHS as the result of a transfer of an undertaking and no transfer payment has been made to the NHS Scheme. This regulation also provides for members employed on a casual basis (e.g. Bank Nurses) to continue in qualifying (but not pensionable) service during short breaks in employment not exceeding three months.
5. **Regulation 6** amends Part M (Transfer-out arrangements and buy-outs) to delete references to “self-employed arrangements” as they no longer require to be defined separately, and to clarify that a transfer payment to an occupational pension scheme may be requested at any time before reaching age 60.
6. **Regulations 7 and 8** amend regulation M1 (Member’s right to transfer or buy-out) to entitle members to a transfer payment where they leave the scheme after age 60 as a result of a transfer of an undertaking.
7. **Regulations 9 and 10** amend Part M to dis-apply the age restrictions in regulation M2 (Exercising a right to transfer or buy-out) where a member exercises that right upon the transfer of his or her employment as the result of a transfer of an undertaking. The amendment to regulation M6 (Transfers in respect of more than one member) provides for special terms to apply (bulk transfers) where one or more members transfer as a result of the transfer of an undertaking, and sets out the procedures to be followed in determining the amount to be paid.
8. **Regulations 11 and 12** amend Part N (Transfers-in from other pension arrangements) to omit references in regulation N1 (Member’s right to transfer accrued rights to benefits to the scheme) to self-employed pension arrangements. Provision is also made for transfer payments to be accepted for members who have reached age 60, and who have transferred to the NHS as a result of the transfer of

an undertaking. Existing regulation N4 (Transfers in respect of more than one member) is replaced by a new regulation N4 (Special terms for transfers in (bulk transfers etc.)). The new provision enables payments on special terms to be accepted for one or more members where they transfer to the NHS Scheme as a result of the transfer of an undertaking, and sets out the procedures to be followed in determining the amount to be accepted.

9. Regulations 13 and 14 amend regulation R1 (Medical and dental practitioners and trainee practitioners) to replace the reference to “trainee practitioners” with a reference to “GP registrars”, and to provide for Schedule 1 to the 1995 Regulations (medical and dental practitioners) to be amended in accordance with regulations 15 to 21.

10. Regulation 15 amends paragraph 1 of Schedule 1 to insert a new definition of “locum practitioner” and amends the definitions for “assistant practitioner”, “associate general practitioner” and “principal practitioner” to reflect the changes in the definition of practitioner in regulation A2 resulting from the admission of locum practitioners to the Scheme.

11. Regulation 16 amends paragraph 2 of Schedule 1 to identify the employing authority for locum practitioners and inserts definitions of “the listing authority” and “the appropriate contracting authority” as the relevant employing authority. The regulation also amends paragraph 2 to exclude from pensionable earnings, any locum employment which is concurrent with practitioner employment. Two new paragraphs, 2A and 2B, are inserted.

Paragraph 2A sets out the procedures for locums to apply to join the scheme, including provision for applications to be made in relation to locum service on or after 1 April 2001. Applications must be made to the employing authority, including evidence of service as a locum practitioner and the contributions payable in respect of that service. On receipt, the employing authority must submit the application to the Scottish Ministers. Applications must be made not later than 10 weeks after the end of the period of engagement as a locum practitioner. Where a locum practitioner wishes to join the Scheme in respect of locum service on or after 1 April 2001, the application must be submitted not later than 10 weeks after ceasing to be engaged or by 31 August 2003.

Paragraph 2B makes transitional provisions relating to retrospective access to the Scheme for locum practitioners, and makes special provision for those who were locum practitioners but became another kind of practitioner prior to the coming into force of these Regulations. The definition of locum practitioner is modified in two ways-

(i) A doctor can be treated as a locum practitioner, or as having been a locum practitioner, at any time during the period 1 April 2001 to 30 August 2003 if they would have met the one of the conditions in the definition of locum practitioner had it been in force at that time, and they meet one of the conditions in paragraph (b) of the definition not later than 31 August 2003. Because the lists were not in place at the beginning of the period, some practitioners performing piloted services would not have been named as mentioned in paragraph (b)(ii) of the definition.

(ii) A doctor can also be treated as having been a locum practitioner, or as being a locum practitioner, at any time during the period 1 April 2001 and 30 August 2003 if they would have met one of the conditions in the definition of locum practitioner had it been in force at that time, and they become or became another type of practitioner (principal, associate or assistant practitioner), a medical pilot scheme employee or a registered medical practitioner who is an officer, after 1 April 2001 and not later than 31 August 2003.

- 12. Regulations 17 and 18** amend paragraph 3 of Schedule 1 to clarify that paragraph 3 defines principal practitioner earnings, and inserts new sub-paragraphs (4) and (5) into paragraph 6 to define the “pensionable earnings” for locum practitioners.
- 13. Regulation 19** amends paragraph 9 of Schedule 1 to clarify that the provisions enabling officer service to be treated as practitioner service apply to a practitioner providing piloted services. This regulation also inserts a new provision (9A) to allow a locum practitioner to be treated as being in qualifying service (but not pensionable service) during short breaks in pensionable service not exceeding three months.
- 14. Regulation 20** amends paragraph 10 of Schedule 1 to insert two new paragraphs (5A) and (5B) to provide for locum practitioners to pay their contributions to their employing authority, which must then pass these contributions to the Scheme no later than the 19th day of the month following that in which they were received from the practitioners. Contributions for AVCs will be payable in accordance with the requirements of the relevant Regulations.
- 15. Regulation 21** amends paragraph 18 of Schedule 1 to insert a new paragraph (7) which disapplies the provisions of paragraph 18 and Regulations P1, P2 and P3 (absence from work) for locum practitioners (illness, injury, maternity leave and absence for other reasons).

Scottish Public Pensions Agency
24 February 2003

SCOTTISH PUBLIC PENSIONS AGENCY

***THIS NOTICE GIVES EMPLOYEES IMPORTANT INFORMATION
ABOUT CHANGES TO THE NHS SUPERANNUATION SCHEME
(SCOTLAND) REGULATIONS 1995***

The Regulations that set out the NHS Superannuation Scheme in Scotland have been amended by the National Health Service Superannuation Scheme (Scotland) Amendment Regulations 2003 which come into force on 1 March 2003. This notice is designed to inform **ALL NHS EMPLOYEES** about these changes and their effect for individuals.

Briefly, the main changes are:-

- (a) to provide access to the Scheme for freelance locum practitioners;
- (b) to amend the transfer provisions to allow the Scheme to make or accept transfer payments where the member is over age 60 and has transferred as the result of a transfer of an undertaking;
- (c) to enable the special terms that apply where there is a transfer of an undertaking to apply where only one member transfers as the result of a transfer of an undertaking; and
- (d) to provide for short breaks in casual or locum employment not exceeding three months to be treated as qualifying service (but not pensionable service).

More detailed information is given below and your employer can, on request, let you see the full Superannuation (Health Service) Circular No 3/2003. Your employer can also let you see the Regulations that govern the Superannuation Scheme.

1. LOCUM PRACTITIONERS

The Regulations have been amended with effect from 1 March 2003 to allow freelance locum practitioners access to the Superannuation Scheme. It is a condition of access that a locum must be on a Supplementary or Services List. The Scheme's normal automatic membership provisions will not apply to freelance locum practitioners. Application forms, together with evidence relating to service as a locum practitioner and the contributions payable, must be submitted to the employing authority not later than 10 weeks after ceasing to be engaged as a locum practitioner. The employing authority is the Trust or Health Board who holds the Supplementary or Services List or with whom an agreement is made for piloted services.

LOCUM PRACTITIONERS (continued)

1.1 Retrospective access.

A person can be treated as a locum practitioner at any time during the period 1 April 2001 to 30 August 2003 if, apart from the condition to be on a Supplementary or Services List, they would have fallen or fall to be treated as a locum practitioner and they meet that condition before 31 August 2003. Retrospective access will also apply where a locum practitioner who would have fallen, or who falls, to be treated as a locum practitioner became or becomes-

- another kind of practitioner e.g. principal practitioner, associate practitioner or assistant practitioner; or
- a medical pilot scheme employee treated as an officer, or
- a registered medical practitioner who is an officer

not later than 31 August 2003.

1.2 Breaks in contracts

Where there are short breaks in contracts of not more than three months, the locum practitioner will not require to rejoin the Scheme when he becomes re-engaged in pensionable service and will be treated as being in qualifying service (but not pensionable service).

1.3 Absence from work

The provisions in respect of absence from work because of illness, injury, maternity leave or other reasons will not apply to a locum practitioner.

1.4 Practitioners undertaking locum employment

Where a general practitioner undertakes locum employment, the earnings for any concurrent locum employment will not reckon as practitioner earnings.

2. TRANSFER PROVISIONS

A number of changes have been made to the transfer provisions to allow the Scheme to make a transfer payment to another Scheme, or to accept a transfer payment into the NHS Scheme where the person is age 60 or over and the transfer is as a result of a transfer of an undertaking. The special terms which apply to these transfers have been extended and will now apply where there is a single transfer. References to "self-employed pension arrangements" have been omitted as these arrangements now fall within the definition of a personal pensions scheme.

For further information about the changes you should contact SPPA enquiries on 01896 893100.

Scottish Public Pensions Agency
24 February 2003