

NHS Superannuation Scheme (Scotland)

Superannuation (Health Service) Circular No 3/2008

HR Managers and Payroll Manager of:

- Health Boards
- GP Practices
- Direction Bodies
- NHS Quality Improvement Scotland
- State Hospital
- NHS Health Scotland
- NHS Education for Scotland
- NHS 24
- Scottish Ambulance Service
- Golden Jubilee National Hospital
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Our ref: NHS Circular 3/2008

6 March 2008

Dear Sir/Madam

SUPERANNUATION (NHS) CIRCULAR No 3/2008

NHS Choice 2009

Previous circulars 8/2007 & 2/2008 gave information regarding the forthcoming changes to the current NHS Pension Scheme and the introduction of new arrangements from 1 April 2008. Please note that the changes also apply to Direction Bodies.

As previously notified it is proposed that existing members of the NHS Superannuation Scheme Scotland, [i.e. those who were members before 1 April 2008], will be given an option to transfer to the new arrangements, [with a normal pension age 65], and this choice exercise is planned to take place early in 2009. To allow members to make an informed choice it is intended that the Agency will issue to each employer, for every active member, a pack with:-

- background information, contact information, timescales and instructions
- a benefit statement detailing comparisons between the existing and new arrangements
- a summary of the key differences between the two pension arrangements
- a range of questions and answers
- a choice form for the member to complete and return to the Agency

The proposed timetable for the exercise is as follows –

February 2009	Statement production
March 2009	Issue of packs to members via employers
April 2009	Choice exercise commences
July 2009	Exercise concludes on 31/07/09

You will wish to note that no benefit statements will be issued during 2008. The statements for NHS Choice 2009 will provide both benefit statement and choice information. It is important that all starter, leaver, etc information is accurately and timeously reported.

During the period April to July 2009, SPPA will provide resources to respond to member enquiries and a designated helpline.

Members who fail to respond to the choice option will remain in the existing arrangements, [with a normal pension age 60], and no reminders will be issued.

In the lead up to the choice exercise there will be communications to create awareness. During 2008 information will be published via a range of NHS newsletters and in 2009 payslips will contain reminders and contact details. The SPPA web will be updated to include NHS Choice 2009.

As it is currently proposed that NHS Choice 2009 packs for active members will be issued via employers it is considered essential that a specific co-ordinator for every main NHS employer is established for the purposes of this exercise. We would therefore be grateful to be provided with the name and contact address of the nominated individual. It would also be helpful to provide a telephone number and e-mail address. SPPA's existing arrangements for practitioner and practice staff will be used.

Please forward these details to the Operations Business Change Team at NHSChoiceExercise@scotland.gsi.gov.uk Any queries regarding the NHS Choice 2009 exercise can be made to the team referred to above.

Employers are asked to continue to provide information relating to members in the existing format. No additional information is required for new entrants to the scheme from 1 April 2008 and therefore, no change to the current data supplied by the employers is necessary. It is intended that, on migration to the new pension administration system later in 2008, SPPA will be able to distinguish existing [pre-April 2008] members from new members [post-1 April 2008 joiners] by the date of entry to the scheme and therefore identify those who are eligible for the choice. As part of the project to replace its current pension administration system, the SPPA will be engaging with employers regarding the data they supply, with any changes being agreed for implementation at a future date.

As previously indicated in this circular, the NHS Choice 2009 exercise primarily affects existing active members of the NHS Superannuation Scheme Scotland. In addition however certain other types of member may be eligible for the choice, and in the table below we have outlined the various circumstances which might apply, together with an indication of whether the member would qualify for the choice in 2009. Employers are asked to bring this circular to the attention of deferred members who return to NHS employment from 1 April 2008 onwards.

Circumstances	Choice availability	Employers action	Member action required
Active on 1 April 2008 who become deferred members before the choice exercise and who then return within five years of deferment	Choice to stay in current arrangements [NPA 60], or transfer all service to 2008 arrangements with NPA 65	Any action will be post 2009 exercise. Member will have the choice of NPA 60 or NPA 65 and appropriate instruction will be issued later	None at this stage because does not apply until post NHS Choice 2009 exercise
Active on 1 April 2008 who retire before the choice exercise and who then return to NHS employment	Will be able to join the 2008 [NPA 65] arrangements but only after two years have elapsed after taking their pension	This is not a choice. The member may elect to join the NPA 65 arrangements or opt out altogether	None
Deferred on 1 April 2008 before the choice exercise who return within five years of deferment or by 1 October 2008	Choice to stay in NPA 60 arrangement or transfer all service to NPA 65 arrangement	These members continue in the NPA 60 arrangement and take part in the NHS Choice 2009 exercise	None – the member will automatically receive a choice pack in 2009
Deferred on 1 April 2008 but do not return to NHS	Remain in NPA 60 arrangement	No action for anyone	None
Deferred members on 1 October 2008 who return after a break of more than five years	Choice to leave deferred benefits in the NPA 60 arrangement or transfer of all service to the NPA 65 arrangement	They join the NPA 65 arrangement but get an option re deferred service	Member who wishes to transfer previously deferred service to NPA 65 arrangements to contact SPPA
Members who chose to remain in the NPA 60 arrangement but subsequently incur a break of more than five years	Choice to leave deferred benefits in NPA 60 arrangement or transfer all service to NPA 65 arrangement	Similar to above but will only apply post the NHS Choice 2009 exercise	As above
Members who take their benefits before 1 April 2008 and return to NHS employment	No change they will not be able to access pensionable re-employment	No action required	None

SPPA have agreed the procedures to be adopted for the NHS Choice 2009 exercise with staff sides and employers represented in the Scottish Pensions Review Group [SPensiR]. Any questions relating to this circular should, in the first instance, be directed to the Operations Business Change Team at NHSChoiceExercise@scotland.gsi.gov.uk or telephone 01896 893002.

Yours faithfully

A handwritten signature in black ink, appearing to read 'I Clapperton', followed by a long horizontal flourish.

Ian Clapperton
Director of Operations