

NHS Superannuation Scheme Circular No. 16/2009

NHS Employers

NHS Trades Unions and Staff Associations

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Dear Sir/Madam

NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (SCOTLAND) NHS CHOICE EXERCISE 2009/10

The purpose of this circular is to provide an update on the position regarding the NHS Pensions Choice Exercise.

1. Background

New arrangements for the NHS Pension scheme were introduced on 1 April 2008. As part of the NHS Pension reforms it was agreed by NHS employers and staff representatives that existing scheme members will have the option to transfer from the current 1995 section to the new 2008 section.

2. Choice timetable & distribution

The Choice exercise started in July 2009 with eligible members retiring from 1 October 2009. These members are being provided with Choice information by SPPA on receipt of their pension application forms.

The main exercise is due to start early in 2010. Members who are eligible to participate in the Choice exercise will be issued with a Choice pack.

Choice packs will be sent to members at their home address via Royal Mail. It is planned to begin the issue of Choice statements to superannuation scheme members towards the end of January 2010 and it is hoped to complete the distribution before the end of February 2010.

Choice packs will include:-

- A pension comparative statement detailing pension and lump sum amounts in both the 1995 section and 2008 section. The Choice reply form will be attached as a cut-off form.
- The Choice Guide – Understanding your options. This gives members more detailed information on the differences between the 1995 and 2008 sections.

Statements will be issued broadly in geographical areas, but all staff may not receive their statements at the same time. I regret that it is not possible to give specific dates for delivery.

Staff have 4 months to reply with their decision. Members who do not reply within this timescale will remain in the 1995 section. Every effort has been made to ensure that most of the eligible staff will receive a Choice statement. However, inevitably some staff will have been missed due to pension data issues and delivery or address inaccuracies. SPPA will give notice to employers when the distribution is completed. A payslip message and a website message will be arranged to notify staff. Members who have not received their Choice pack should then contact SPPA. We will then arrange for these members to receive a Choice pack and they will still be given the statutory 4 months to respond.

Members with service as Dental or Medical Practitioners are being dealt with separately and it is proposed to issue Choice statements to these members around March 2010.

3. Choice Statement

The majority of staff will receive Choice statements with personalised data giving details of their service, pensionable salary, pension & lump sums at 31 March 2008 and projections to age 60 and age 65. However, some staff will receive statements based on generic information using the earnings, service and age of an average member of the NHS superannuation scheme. These will be mainly issued to staff where their service is too short or earnings too erratic for SPPA to provide meaningful personalised estimates and projections. Generic statements will also be issued for staff whose pension records have incomplete or missing pension data. Staff who receive a generic statement and require additional information before they make their decision can refer to the calculator on the SPPA website where they can input their own details or should contact SPPA.

4. Choice Workshops

Any enquiries regarding the Choice exercise should be referred to SPPA at the contacts details provided at the end of this document. However, some NHS staff may contact NHS Payroll, Human Resources(HR) staff or Trade Union representatives with questions on the Choice exercise. It is therefore proposed to offer a workshop for employers and staff side representatives close to the

start of the main exercise to cover the various issues. The purpose of these workshops is to explain the arrangements for the Choice exercise. The workshop for employers will be held at the SPPA office on Wednesday 13th January 2010 starting at 10.30am to 3.00pm approximately. Lunch will be provided. Places available will be limited and if possible should be restricted to 2 staff per employing authority. Details of the staff wishing to attend should be sent to the choice e-mailbox at: NHSChoiceExercise@scotland.gsi.gov.uk by 7 January 2010. It is appreciated that the timing and venue location will not suit everyone, therefore presentation material will be made available on request to the Choice e-mailbox.

Arrangements for the workshop for Trade Union and staff side representatives will be issued separately.

The Pensions Advisory Service (TPAS) offer independent and impartial guidance on all matters relating to pensions. They have representatives throughout Scotland and are available to attend work locations to talk to groups of 20 or more staff on the implications of the Choice exercise and wider pension issues. Employing authorities wishing to make use of this service should contact The Pensions Advisory Service directly at 11 Belgrave Road London SW1V 1RB, e-mail at workplace@pensionsadvisoryservice.org.uk or telephone 020 7630 2250

5. Choice information

The SPPA website has a separate NHS Choice Exercise section with specific information for members and employers. This includes:-

- NHS Choice presentation – intended to be used by individual members or as part of a presentation to staff.
- A comparison table detailing the main differences between the 1995 section and the 2008 section.
- NHS Choice calculator – intended for use by members to input their own data and provides Choice comparisons at a retirement date of their choosing.
- A variety of factsheets and frequently asked questions documents.
- A link to the Choice DVD 'Your Pension – Your Choice'. Financial Expert, Alvin Hall discusses the differences between the 1995 Section and new 2008 Section of the NHS Pension Scheme and helps to explain what members should consider when deciding which section of the superannuation scheme better suits their needs.

Copies of the Choice DVD and posters are being distributed to NHS Payroll and HR contacts. Requests for further copies should be sent to the choice e-mailbox below.

Further information is available on our website, www.sppa.gov.uk/nhschoice.htm or you can e-mail any queries to:- NHSChoiceExercise@scotland.gsi.gov.uk or telephone on 01896 893002.

Please also arrange to bring this to the attention of HR & Payroll contacts.

Yours Faithfully



Ian Clapperton
Director of Operations