

**NHS PENSION SCHEME (Scotland) 2015
2015/05**

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

ACTION: To read and circulate for information

SUBJECT: Introduction of NHS Pension Scheme (Scotland) 2015

The purpose of this circular is to:

1. Provide information about protection and what it means for members.
2. Inform employers how SPPA will notify members of their protection status.
3. Confirm how employer information will be supplied.
4. Advise how SPPA will use the member protection status.

You will be aware that from 1 April 2015, a new Scottish NHS Pension Scheme will be introduced and, from that date, the existing 1995 and 2008 sections will be closed to new members. Current members may also be affected by these changes depending on their age and or when they joined the current pension schemes.

1. What does protection mean for members?

Protection is the arrangement whereby certain members will remain in their current section of the NHS Superannuation Scheme (Scotland) (NHSSS(S)) beyond 31 March 2015.

There are three categories of protection for members:

Full protection: all active members of the 1995 and 2008 sections, who, as at 1 April 2012, were either already over their normal scheme pension age, or 10 years or less from their normal scheme pension age are entitled to full protection. Full protection means that the member will not move into the new NHS Pension Scheme (Scotland) 2015 (NHSPS(S)) but will continue in their current section until retirement.

Tapered protection: active members of both sections who, as at 1 April 2012, were more than 10 years, but less than 13 years and 5 months from their normal scheme pension age are eligible for tapered protection. Tapered protection means a member will join the new arrangements from a date determined by their age in years and months as at 1 April 2012. A calculator is available on our website to show a tapered protection member when they would join the new NHSPS(S). [Tapered Protection Calculator](#)

Unprotected: all active members will move to the new NHSPS(S) on 1 April 2015.

2. How will members know about their protection status?

Every active scheme member will have their own individual protection status calculated by SPPA, based on the information held on our pension administration system. Each member will then receive a letter confirming their protection status.

More information can be found on protection [here](#)

The pension benefits of members, who are not entitled to full protection, that have been built up in the 1995 or 2008 sections of the NHSSS(S) before moving to the new NHSPS(S), are preserved rights. At retirement, these benefits will be treated separately and calculated in accordance with the rules of the 1995 and 2008 sections, as appropriate.

More information about preserved rights can be found [here](#)

3. Employer information

We have been working with our NHS employer technical working group representatives to agree what information will be provided to employers as a result of the changes. It has been agreed that we will issue a protection status report to every employer confirming the protection status for each of their active members. This will be provided in an EXCEL format which will contain three separate tabs (protected, tapered and unprotected). Each tab will contain the details of the active scheme members in their employment under their protection status.

It is our intention to issue these reports during March by email, except in the case of Health Boards and Special Health Boards using the national ePayroll software where the report will be sent direct to Atos.

An example report can be viewed [here](#).

It will be up to each individual employer how they wish to use this information. The Health Boards have developed their e payroll system to hold the protection status and tapered end dates (where appropriate) for each of their active members. Post April 2015, we will issue starter reports to allow employers to maintain new starters with the correct protection as well as superannuation numbers, employment numbers, MHO/Special Class confirmation (where applicable) and any on-going additional benefit contracts.

4. How will SPPA use the protection status?

We will record each active member's protection status on their pension record with the appropriate action required for each category of protection.

Unprotected members will have their current active records closed at 31 March and a new NHSPS(S) record opened from 1 April for each active employment they have in the scheme. We will do this by using the 2014/15 annual returns that you will be providing in April/May as a leaver.



We do **not** require you to provide any additional information to achieve this.

It is therefore imperative that all annual returns are submitted by 31 May 2015.

We will then create a new starter record/s from 1 April 2015 in the new NHSPS(S) using the information already held on our member records and will notify you of the employment number for the new record.

You are required to update each member's employment number and these will be provided in a starters report. This is to ensure future data submissions are applied to the NHSPS(S) records.

Tapered protection members will require no action until they reach their tapering end date. The first members will reach their tapering end date on 31 May 2015, with the last members reaching their tapering end date in February 2022. Every two months, we will send you a list of your active members who are approaching their tapering end date. **You are required to provide a leaver at their tapering end date and a starter for the day after their tapering end date.**

We will also be writing to the members affected as they approach their tapering end date.

Protected members require no action to be taken.

You can find out more about pension reforms here [Pension Changes 2015](#)

More details will follow in due course.

Pam Brown
Director of Operations
3 March 2105

Contact information:

Should you have any enquiries about this circular, or require further information, please contact: Brian.Casson@scotland.gsi.go.uk

Scottish Public Pensions Agency
7 Tweedside Park
Tweedbank
GALASHIELS
TD1 3TE

www.sppa.gov.uk
Telephone: 01896 893000
Fax: 01896 893214