

Superannuation (NHS) Circular No 8/2009

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Dear Colleagues

This circular gives information on the following topics:

- **NEW TABLE FOR MEMBER CONTRIBUTIONS EFFECTIVE FROM 1 APRIL 2009**
- **INFORMATION ON INCREASES FOR PENSIONS IN PAYMENT**

Updated member tier 2009/10 contribution table

1. SPPA circulars [2009/2](#) and [2009/03](#) set out the procedures for allocating contribution tiers for officer and practitioner pension scheme members. In these circulars we said that the table used to allocate tiered contributions would be updated by the Scottish Ministers and be issued each year once the AfC pay award was agreed. (Paragraph 3 of circular 2009/2 and paragraph 4.2 of 2009/3)
2. The 2009/10 AfC pay award has recently been agreed and employers were informed through Scottish Government NHS circular PCS (AFC) 2009/2 issued on 16 February 2009. In light of this agreement a new 2009/10 table outlined below has been issued with effect from 1 April 2009 and should replace the initial table only for:

- all practitioner and non-GP Provider Scheme members
 - setting an estimated tier for all officer members who start a new employment or join the scheme for the first time from 1 April 2009 and
 - where an officer member has their tier re-assessed during the 2009/10 year.
3. Officer members who have their tier set based on 2008/09 pay using the 2008/9 pay rate tables and are not subject to a tier re-assessment are unaffected. Please refer back to SPPA circulars 2009/02 and 2009/03 circulars for detailed information on how to set a contribution tier.

Tiered Contribution Rates (2009/10 pay rates)

Tier	Annual Pensionable Pay (¹full time equivalent) – 2009/10	Contribution Rate 2009/10
1	Up to £20,709	5%
2	£20,710 to £68,392	6.5%
3	£68,393 to £107,846	7.5%
4	£107,847 plus	8.5%

Annual increases for pensions in payment

4. Employers may wish to note that increase for NHS pensions in payment which began before 7th April 2008 is 5.0%. For those pensions which began on or after 7th April 2008 the increases are as follows:-

Pensions Beginning	Percentage Increase
7th April 2008 to 21st April 2008	5.00%
22nd April 2008 to 21st May 2008	4.58%
22nd May 2008 to 21st June 2008	4.17%
22nd June 2008 to 21st July 2008	3.75%
22nd July 2008 to 21st August 2008	3.33%

¹ Full time equivalent pay refers to officer earnings; practitioners are allocated to tiers based on actual earnings from all sources.

22nd August 2008 to 21st September 2008	2.92%
22nd September 2008 to 21st October 2008	2.50%
22nd October 2008 to 21st November 2008	2.08%
22nd November 2008 to 21st December 2008	1.67%
22nd December 2008 to 21st January 2009	1.25%
22nd January 2009 to 21st February 2009	0.83%
22nd February 2009 to 21st March 2009	0.42%

Further information on increases for those with “preserved” pensions and lump sums can be accessed on the HM Treasury website on their Public Service Pensions / [Pensions Increases](#) page. No action is required by employers.

Yours faithfully

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