

Superannuation (Health Service) Circular No. 01/2006

General Managers/Chief Executives

- Health Boards
- NHS Quality Improvement Scotland
- NHS National Services Scotland
- State Hospital
- NHS Health Scotland
- NHS Education for Scotland
- Scottish Ambulance Service
- Golden Jubilee National Hospital
- Melanie Stewart – Director SSPS
- Matthew Little – ATOS
- NHS 24

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Galashiels
Selkirkshire
TD1 3TE

Telephone: 01896 893100

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www.sppa.gov.uk

Your ref:
Our ref: SHE/1/2

01 March 2006

Dear Sir/Madam

NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (SCOTLAND) ANNUAL RETURN FOR 2005/2006.

1. In order that the superannuation records of individual members of the scheme can be updated, employing authorities are asked to supply information about all staff in pensionable employment for the year ending 31 March 2006. Annual Returns should be submitted to the ISU, 7 Tweedside Park, Tweedbank, Galashiels, Selkirkshire, TD1 3TE on 4 millimetre DAT tape or in previously agreed formats **no later than 31 May 2006**.

Employing authorities must also submit their hard copy Annual Returns **no later than 31 May 2006** and ensure that entries are in superannuation number order. Hard copy “invalid records” should be provided in alphabetical order

2. During the past year, the Agency has invested a great deal of time and effort, improving the condition of our data in advance of the procurement of our new IT system. To support us with this ongoing task, we would be very grateful if particular emphasis could be placed on the accuracy of data submission, in particular: -

- **Contract numbers**

Contract numbers must be included, where possible, as our system does not accept information without them. Where you have records with no contract number, the **Scottish Standard Payroll System Project** group will be advising you shortly about a special exercise to identify these cases to the Agency.

- **Temporary National Insurance numbers**

All efforts should be made to include the correct National Insurance numbers when submitting data to the Agency as the use of temporary numbers can lead to duplication of superannuation records.

3. The employee's pensionable pay reported on the Annual Return is used in the production of annual benefit statements and estimates of benefit entitlement. The benefits quoted will be overstated if the pensionable pay reported includes arrears for an earlier financial year. To prevent this, written confirmation of the amount of arrears of pay for the appropriate financial year should be made at the time the arrears are paid. If this has not been done for an employee during the year, the information must be provided with the Annual Return.
4. The service reported must not exceed the calendar period between the start and stop dates of the employment.
5. The Annual Return for employees who have not received any pensionable pay during the year should have "zeros" inserted for both pay and service. Service cannot accrue if nil pay is reported.
6. The HMRC (formerly Inland Revenue) limit on pensionable pay for entrants to the scheme since 1 June 1989 (the "Earnings Cap" for the year 2005/06) is £105,600. However, from A- Day on 6 April 2006, the HMRC earnings cap will be replaced by an NHS Scheme limit. In 2006/07, the limit will be £108,600. There will be an annual review of the scheme limit. Employers should ensure that superannuation contributions are not deducted from the salary in excess of that amount. Particular attention should be paid to members with more than one contract.
7. The upper limit of Dental Practitioners' pensionable pay for the year 2004/05 is not yet available. Separate notification of this will be given once the figure is known.
8. As Practitioners quite often have periods of service of Officer status, it would be useful to provide additional information regarding Practitioner status.

Membership of the National Health Service Superannuation Scheme (NHSSS) Scotland is open to NHS (Medical, Dental and Ophthalmic) Practitioners who are registered with their relevant Local Health Board. 'Practitioner' for this purpose means the following groups of people:

Principal Practitioners – GMS Principal GPs, Section 17 C (PMS) GPs, Principal Dental Practitioners, Ophthalmic NHS Practitioners

Assistant Practitioners – GMS salaried GPs, Section 17 C (PMS) salaried GPs, GP retainers, GPs on Flexible Career Scheme, Associate GPs, GPs who are Out of Hours Providers (OOHP) and NHS Dental Trainees

GP Locums – Freelance GP Locums and existing GP scheme members who undertake GP locum work

GP Registrars (Previously Trainee Assistant Practitioners) are afforded Officer status in the NHSSS (Scotland).

Group Codes on related Agency NSR forms and Annual Returns information require to be recorded correctly to differentiate the various types of Practitioner. The following Group Codes are to be used:

Medical Principal Practitioner	Group Code	09
Dental Principal Practitioner	Group Code	10
Medical Assistant Practitioner/GP Locums	Group Code	16
Dental Assistant Practitioner	Group Code	17

Where out of hours payments are being made to an Assistant Practitioner, Group code 16 should be used. As all Practitioners are considered 'whole time', Service Type 03 is used.

For any further inquiries about Practitioner status, please contact NHSPEN3@scotland.gsi.gov.uk

10. State Scheme earnings should be reported for all scheme members (expressed in whole £s).

11. In order to ensure that the correct information is held on the members records, and the correct pensionable pay is used in the calculation of benefits, Payrolls and GP Practice Managers are asked to review their current procedures when recording reduced rates of pensionable pay and members ceasing to pay contributions after a period of Reduced Rate of Pay as follows:

In most cases of maternity or sick leave, full pay is followed by a period of reduced pay, then possibly nil pay, before the member returns to work.

If the members Reduced Sick Rate of pay ends, and they continue to be employed on nil pay, then NSR 02 (leaver) should be sent to the Agency with Code 20 as reason for leaving and Item 23 showing the last day of superannuable employment.

An NSR 01 (starter) form should be completed and sent to the Agency for any period after the last day of employment for which the person receives pensionable pay (as should be recorded in the leaver form) - for example, if annual leave takes place after the actual last day of working but before the actual date of termination of the contract, this is treated for superannuation purposes as part of reckonable service and contributions should be collected.

Where an employee contributes on reduced pensionable pay during sick leave, the employer's contributions should be paid as if there was no reduction. (It is the unreduced pensionable pay on which the employer's contributions are paid that requires to be taken into consideration when assessing the best pensionable pay during the past three years).

12. **Employing Authority Resource Accounts - (Disclosure of Salary & Pension Information at 31 March 2006)**

To help employers meet their requirements in relation to salary and pension disclosure for senior staff in their accounts, SPPA will, on request, provide details of an individual's service in the scheme. That information will, however, normally be restricted to the service at 31 March 2005. That is the latest date to which our records are updated as the Annual Returns for the year 2005/06 have not yet been provided by employers. When requesting such information, it is essential that employers provide written consent from each individual. Without this, the Agency cannot release details to employers.

Please note that if any member has Medical or Dental Practitioner service, the request for information should be sent directly to NHS Team 3 at NHSPEN3@scotland.gsi.gov.uk

The Ready Reckoner, which was provided last year to calculate and produce the information required by employers will again be, provided when available.

Full instructions on the completion of NSR forms has been updated and is available for downloading from our website. Please review this in case there are any changes which affect you. The link is :- [Scottish Public Pensions Agency - NHS Scheme - Forms and Leaflets](#)

Any enquiries about these instructions should be referred to the Agency on 01896 893100 or alternatively by emailing the appropriate team detailed in **Annex A** attached.

Yours faithfully

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

Ian Clapperton
Director of Operations

TEAM	AREA
NHS Team 1 NHSPen1@scotland.gsi.gov.uk	NHS Borders, NHS Ayrshire & Arran NHS Injury Benefits
NHS Team 2 NHS Pen2@scotland.gsi.gov.uk	GP Practices Direction Bodies
NHS Team 3 NHS Pen3@scotland.gsi.gov.uk	GP Practitioners Dental Practitioners
NHS Team 4 NHSPen4@scotland.gsi.gov.uk	NHS Tayside NHS 24
NHS Team 5 NHSPen5@scotland.gsi.gov.uk	NHS Grampian
NHS Team 6 NHSPen6@scotland.gsi.gov.uk	NHS Lothian N.E.S.
NHS Team 7 NHSPen7@scotland.gsi.gov.uk	NHS Fife NHS Forth Valley Scottish Ambulance Service
NHS Team 8 NHSPen8@scotland.gsi.gov.uk	NHS Lanarkshire State Hospital NHS National Services Scotland
NHS Team 9 NHSPen9@scotland.gsi.gov.uk	NHS Glasgow NHS Argyll & Clyde (part) Golden Jubilee National Hospital
NHS Team 10 NHSPen10@scotland.gsi.gov.uk	NHS Highland NHS Dumfries & Galloway NHS Orkney, Shetland & Western Isles NHS Argyll & Clyde (part)