

Superannuation (Health Service) Circular No 15 /2006

To:

NHS and other participating employers
NHS Trade Unions and /Staff Associations

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Your ref:
Our ref:

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Dear Sir or Madam

NATIONAL HEALTH SERVICE SUPERANNUATION SCHEME (NHSS)

This circular contains important information about the following:

1. Standard Life Demutualization
2. AVCs - Equitable Life – Funds W0110 and WP110
3. Bank Nurse contracts
4. Employers Code of Procedure

1. Standard Life Demutualisation – Distribution of “Windfall”

Following the announcement of the Demutualisation of Standard Life, the decision was made for the NHS Superannuation (Scotland) Scheme’s “windfall” to be distributed to the relevant individual group AVC with-profits investing members’ accounts. The basis for the distribution is amount and period of investment, so the amount of the enhancement varies significantly. The actual amounts have now been applied to these accounts by Standard Life and will be clearly shown and notified to those concerned on the next anniversary summary issued by the company. It is of course open to any individual member who wishes to check the details prior to that time to make contact with Standard Life in the normal way. Separate communication has already been made by Standard Life with Stakeholder customers.



2. “AVCs - Equitable Life – Funds W0110 and WP110”

Equitable Life has intimated that it is changing the timing rules for processing switch instructions. They have advised that this has been done so that they can more effectively protect the interests of all their policyholders. This means that from 21 October 2006, if Equitable Life are told by 5pm on any working day that an investor wants to switch funds, they will buy and sell the investor’s units using the unit prices calculated the next working day. If, however, such request is received after 5pm, the unit prices calculated on the second working day after the request was received will be used. Unit prices are published the day after they have been calculated. All other terms and conditions around switching remain unchanged.”

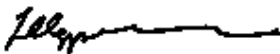
3. Bank Nurse and other short-term Contracts

Employers are reminded that under the scheme regulations pension records for short term appointments such as Bank Nurses may remain open for short breaks in pensionable employment up to, but not more than 3 months from the date on which they last paid contributions. During this period the member will continue membership in qualifying not pensionable terms. Where the period of a break exceeds 3 months, pensionable contracts should be closed and leaver information submitted to the Agency. This information was previously cascaded within NHS Circular 2/2003 which can be viewed on our website at www.sppa.gov.uk

4. Employers Guide (Code of procedure)

Many of you still retain the original Employers Guide, which is now at least 12 years old, and I am sure that you find this has become a bit dated. SPPA are very much aware that they have a responsibility to provide employers with advice and guidance, and with this in mind have been considering how best to update the guide. We have concluded that the most appropriate time to issue a new guide will be in conjunction with the changes to the Scheme which will take place during 2007/2008, and have already made arrangements with colleagues in England & Wales and Northern Ireland to jointly undertake the work. In the meantime SPPA will endeavour to ensure that our website at www.sppa.gov.uk is kept up to date and we have recently inserted new pages for GPs and GP practice staff which will hopefully assist in your work.

Yours sincerely



Ian Clapperton
Director of Operations



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