

NHS Pension Scheme

2023/09

- Who should read:**
- Chief Executives of Health Boards
 - Payroll Managers
 - Pension Administration Staff
 - Staff who submit data to the SPPA

Action: For information and to note impact on affected employees

Subject: Pension Savings Statements and the McCloud/2015 Remedy

Date: 25 August 2023

The purpose of this circular is to provide an update on the impact of the McCloud/2015 Remedy on the provision of Pension Savings Statements over the coming 12 months.

Annual Allowance Deadlines

Legislative deadlines for Annual Allowance (AA) Pension Savings Statements (PSS) have recently been changed by HMRC due to the McCloud/Sargeant Ruling and the administrative steps required to deliver the [2015 Remedy](#).

What does this mean?

All scheme members who are eligible for Remedy will need to make a decision at or following retirement about their pension benefits for the remedy period between 1 April 2015 and 31 March 2022. Find out more about who is relevant for the [2015 Remedy](#).

What is a Pensions Savings Statement?

A PSS is a written statement of the amount of pension saving in a pension scheme for a tax year. The UK Government sets limits on the amount a person can build up in their pension schemes each year to benefit from tax relief. This limit is known as the Annual Allowance (AA) and for the 2022/23 year has been set at £40,000. Any growth in the value of pension benefits above this will be subject to a tax charge unless there is sufficient allowance “carried forward” from the previous three years. This growth in value is known as the “pension input amount”.

Provision of Pension Savings Statements (2022/2023)

1 Members who will receive their 2022/2023 PSS by 6 October 2023

Protected Members

- Members who remained in the legacy scheme from 1 April 2015 to 31 March 2022.

CARE Only Members

- Members who joined the 2015 scheme from 1 April 2015 who were not a member of any other public sector pension before this date.

Self-employed GPs requiring 2021/2022 PSS

- Members who hold a current self-employed GP post requiring a 2021/2022 PSS.

When will statements be issued?

The above members who have breached within a single scheme or requested a statement before 6 July 2023 will receive their AA PSS for 2022/2023 by 6 October 2023. Any requests received after 6 July 2023 will be issued within 3 months of request.

Please note SPPA is unable to produce PSS until we hold up to date and correct information from employers.

2 Members who will receive their 2022/2023 PSS by 6 October 2024

Unprotected and Tapered Members

- Members who were moved into the reformed scheme between 1 April 2015 and 31 March 2022.

When will statements be issued?

In recognition of the significant impact of Remedy on the administration of pensions, the legislative deadline for issuing 2022/2023 PSS for AA purposes to those affected by the McCloud/Sargeant Ruling, has been changed **to 6 October 2024** by HMRC. In addition, Scheme Pays deadlines have also been extended to 31 July 2025 by HMRC.

Self-assessment Deadline for 2022/2023

If a member needs to submit a self-assessment tax return for 2022/2023, they will still need to submit this by the deadline of 31 January 2024, even if they do not know whether they have an Annual Allowance (AA) charge for that year.

The latest HMRC position is as follows:

HMRC have confirmed that members won't need to report any annual allowance charge for 2022/23 on their self-assessment tax return by the standard 31 January 2024 deadline, even if they receive a 2022/23 pension savings statement before this date. HMRC have announced a separate reporting framework for self-assessment tax returns, for Remedy. You can find out more by visiting their website: [HMRC Website](#)

We will continue to update our website as further information becomes available: [Annual Allowance | SPPA \(pensions.gov.scot\)](#)

Information is also available in HMRC's Pensions Tax Manual: <https://www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm051100#valueofpensionsavings>

Any questions?

Please contact SPPATAVA@gov.scot if have any enquiries about this circular. Please note, SPPA is not able to provide any specific advice on pensions or pension taxation.

You may wish to take advice from an accountant or financial advisor.

Frances Graham
Chief Operating Officer
25 August 2023