



Scottish Public
Pensions Agency
Buidheann Peinnseanan
Poblach na h-Alba

NHS Pension Scheme (Scotland): proposed scheme changes

Consultation Response

May 2025

1. Background

1.1. The National Health Service Pension Scheme (Scotland) (NHSPS[S]) continues to be an integral part of the remuneration package, and offers significant value in retirement, to people who have chosen to dedicate part, or all, of their careers to the NHS in Scotland. As a defined benefit pension scheme, it offers the security of a guaranteed income in every year of retirement for all its members.

1.2. The Scottish Public Pensions Agency (SPPA) continuously monitors the rules of the pension scheme to ensure it continues to help the NHS in Scotland to attract and retain the staff needed to deliver high quality care for patients.

1.3. The changes proposed in this consultation document were split into five key areas:

- To revise the employee contribution tier earnings thresholds in line the Agenda for Change pay award for 2024-25.
- To retrospectively amend the definition of overtime in the 2015 Scheme so that it aligns with the long-standing policy and practice for additional hours worked by part-time staff to be pensionable up to whole-time equivalent (WTE) hours.
- To clarify the method for calculating member contributions where pay reduces during a period of absence.
- To provide for general practitioner (GP) partners and non-GP (general practitioner) providers to update their annual certificate of pensionable profits for 2024 to 2025 to the amount declared to HM Revenue and Customs (HMRC) on their revised tax return. This is required because of HMRC's reforms to standardise the accounting period for businesses.
- To make other technical and miscellaneous amendments, including new references to neonatal care leave that the UK Department for Business and Trade will bring into law from 6 April 2025

2. Consultation Process

2.1. These proposals were subject to public consultation which ran from 21 February to 28 March 2025. A consultation paper, [Consultation Document - NHS Pension Scheme \(Scotland\) - Proposed changes from April 2025](#) and response form were published on the SPPA website (www.pensions.gov.scot) with responses invited by way of the response form, email or post to the SPPA.

2.2. The NHS Trade Unions, NHS employers and other interested parties were formally notified of the Consultation.

3. Summary of Proposals

3.1. The following is a summary of the proposals which were outlined in the consultation document.

Revised employee contribution tables

3.2. The SPPA previously published a [consultation response](#) in September 2023 on changes to the member contribution structure in the NHSPS(S) from 1 October 2023. It was confirmed that the member contribution tiers would be uprated annually in line with the average uplift in the Agenda for Change (AfC) pay award.

3.3. This consultation sought views on the proposal to amend the employee contribution tables in the NHSPS(S) to uprate contribution tier thresholds, according to the previously agreed policy of uprating earnings in line with the average uplift in AfC pay.

3.4. Table 1 shown below is updated to reflect the pay 2024-25 average AfC pay award which was 5.5%, introduced with effect from 1 April 2024. This table is used for officer members who are active in the scheme on the last day of the previous scheme year and the first day of the current scheme year. Table 1 is also applicable for Practitioner members of the scheme. Table 2 below is used to assess contribution rates for officer members who start a new job in the current scheme year or where a member has an employment change which results in a change in actual pensionable pay during the current scheme year. This table will be updated following confirmation of the 2025-26 AfC pay award.

Table 1

Column 1 Pensionable earnings band in 2024/2025	Column 2 Contribution percentage rate
Up to £13,330	5.7%
£13,331 to £26,762	6.4%
£26,763 to £31,669	7.0%
£31,670 to £39,734	8.7%
£39,735 to £41,669	9.8%
£41,670 to £50,650	10.5%
£50,651 to £54,811	11.2%
£54,812 to £76,652	11.6%
£76,653 and above	12.7%

Table 2

Column 1 Pensionable earnings band in 2025/2026	Column 2 Contribution percentage rate
Up to £13,330	5.7%
£13,331 to £26,762	6.4%
£26,763 to £31,669	7.0%
£31,670 to £39,734	8.7%
£39,735 to £41,669	9.8%
£41,670 to £50,650	10.5%
£50,651 to £54,811	11.2%
£54,812 to £76,652	11.6%
£76,653 and above	12.7%

Pensionability of additional hours for member who work part time

3.5. The consultation set out proposed changes to the 2015 Regulations so that the definition of overtime aligns with the original policy intention and reflects how the scheme operated from 1 April 2015 to 31 March 2024. The long-standing position has been that any extra hours worked by part time employees have been considered pensionable, up to the limit of their full-time contracted hours. Hours exceeding a member's whole-time equivalent (WTE) hours are regarded as overtime, as outlined in the scheme documentation.

3.6. This change would ensure the regulations are consistent with published guidance and existing administrative practice. Any members who previously did not have those additional hours treated as pensionable up to WTE would have the option to retrospectively elect to make them pensionable.

Calculating contributions where members are on reduced pay

3.7. The consultation proposed amendments to clarify how members' contribution rates should be calculated when they are in receipt of reduced pay because of certain types of authorised absences.

3.8. From 1 October 2023, member contribution rates have been based on actual annual pay rather than notional WTE pay. This means that many part-time members of the NHS Pension Scheme pay fewer contributions than they previously would have.

3.9. The proposal sought to reach an agreement on two amendments to clarify this approach for members who are receiving less than full pay:

- Firstly, that this method applies to all members on reduced pay, ensuring that the applicable contribution rate is based on their actual pay rather than assumed or deemed pay. This adjustment will not affect members' pension accrual, which will continue as if they were receiving full pay. Any member who contributed more than they would have under the revised contribution structure will be eligible for a refund.
- Secondly, there was a proposal to modify the regulations to allow members on qualifying unpaid leave to continue building pension benefits even if they move directly from full pay to unpaid leave. Previously, only members moving from reduced pay to unpaid leave could accrue pension benefits.

GP and non-GP provider annual certificates of pensionable profit

3.10. This proposal addresses the impact of changes in tax reporting requirements on GP and non-GP provider annual certificates of pensionable profit, particularly for those whose accounting periods don't align with the tax year. Starting from 6 April 2024, unincorporated businesses will need to report profits on a tax year basis, as opposed to the annual accounting period they may have used previously.

3.11. The consultation proposed to make a minor amendment to the 2015 Regulations which would mean that affected GPs and non-GP providers must provide a revised annual certificate of pensionable earnings to Practitioner Service Division (PSD) where their GP practice accounting year is not aligned with the tax year, and where their certificate was based on a provisional figure submitted to HMRC in their Self Assessment Tax Return.

3.12. It was proposed that an updated annual certificate must be completed and sent to PSD within one month of the deadline for the member to notify HMRC of the correct figure on their amended tax return. PSD would then determine the correct amount of pension contributions and pensionable earnings.

Technical and miscellaneous amendments

Neonatal Care Leave

3.13. Neonatal care leave and pay, introduced by the UK Department of Business and Trade, is a new entitlement allowing employees responsible for children who require neonatal care. This will come into force on 6 April 2025.

3.14. The consultation proposed changes to scheme to integrate neonatal care leave into the regulations, treating it similarly to other types of family leave considered as pensionable service for members contributing to the pension scheme.

Parental Bereavement Leave

3.15. Amendments to NHSPS(S) regulations were made in 2020 to align parental bereavement leave with other types of family leave like maternity and paternity. However, references to parental bereavement leave were missing in certain areas of the regulations. The consultation proposed to correct the omissions retrospectively from April 2020.

Implementation of revised costs for additional pension

3.16. The cost factors for purchasing additional pension change periodically. According to the 1995 and 2008 Scheme Regulations, new factors may apply immediately to new purchases that begin after the revised factors are introduced, but new factors apply from the beginning of the next scheme year for purchases already in progress. However, the 2015 Regulations state that new factors apply immediately in all cases. The consultation therefore outlined a proposal to make all three sets of regulations consistent.

3.17. The consultation proposed to amend the 2015 Regulations to align all scheme regulations (1995, 2008, and 2015) starting from 1 April 2025, ensuring that new factors apply immediately to new purchases of additional pension, while for ongoing purchases, the new factors apply at the start of the next scheme year.

Members who incorrectly accrued benefits in the 2008 Section after 1 April 2015

3.18. Due to a regulatory error, some members who should have transitioned from the 2008 Section to the 2015 Scheme after April 2015 were allowed to remain in the 2008 Section. This error affects a small number of members who first joined the 2008 Section on 1 April 2012 and were incorrectly permitted to remain members of that section after 1 April 2015.

3.19. The consultation proposed to correct this error with retrospective effect from 1 April 2015. Under this proposal, members of this group would automatically become entitled to 2015 Scheme benefits for their service between 1 April 2015 and 31 March 2022, when the 2008 Section closed to all members. For most members, 2015 Scheme benefits are likely to be higher, so they would not be negatively affected because of this proposal.

3.20. However, it is estimated that for some members of this group, 2008 Section benefits are likely to be higher. The consultation proposed a further amendment to regulations, to ensure that these members are not worse off because of the correction. This proposal would allow for additional payments to be paid to members, to bring their benefits earned between 1 April 2015 and 31 March 2022 up to the same level as the benefits that would have been paid from the 2008 Section.

Forfeiture of Lump Sums

3.21. Lump sums or pensions due upon death may be forfeited if the intended recipient is convicted of the unlawful killing of that member. The 2008 and 2015 Regulations, providing for lump sums on death, refer to offences committed by the member, by references to other regulations that contain the power to forfeit the beneficiary's benefits. However, these references currently point to offences of which the member is convicted. This is an error, and instead these references should point only to offences of which the intended beneficiary is convicted. The consultation therefore set out proposals to correct this.

3.22. The consultation proposed to correct the cross references in the regulations, ensuring they refer only to offences committed by the intended recipient of the benefits. This correction will apply retrospectively from 1 April 2008 for the 2008 Scheme and from 1 April 2015 for the 2015 Scheme.

Retrospective correction of regulations allowing pensionable re-employment for 1995 Scheme Members

3.23. In 2023, it was confirmed that 1995 Section pensioners who return to NHS employment can join the 2015 Scheme, but it was later discovered that the regulations were not completely or correctly introduced in regulation.

3.24. The proposal is to introduce a correction retrospectively from 1 April 2023. There are no issues with the way this change has been communicated or implemented administratively.

4. Summary of responses

4.1. SPPA is grateful to those individuals and groups that took the time to respond to the consultation. The questions included in the consultation, a summary of comments received from respondents and the Scottish Government's response are set out in the following section:

Question 1 – Do you agree or disagree that the amended employee contribution tables in the draft regulations give effect to the previously agreed policy of uprating the earnings tiers in line with the average uplift in AfC pay?

4.2. All respondents either agreed with this proposal or did not directly declare their agreement or disagreement with the above statement. The British Medical Association (BMA) and the British Dental Association (BDA) took the opportunity to share their support for a flat rate member contribution structure.

4.3. The BMA added:

“The BMA firmly believes that it is inappropriate to have a system of tiered member contributions within a Career Averaged Revalued Earnings (CARE) scheme where

all members get the same proportional benefit. We remain of the view that a flat contribution rate should apply to all i.e. everyone pays 9.8% member contributions."

Scottish Government response

4.4. SPPA intends to proceed with implementing the revised employee contribution tables from 1 April 2025.

4.5. Some organisations expressed a preference for a single flat rate member contribution structure. However, the focus of this consultation was solely on adjusting the earnings thresholds within the existing structure and not on redesigning the contribution framework. In 2023, SPPA conducted a consultation on potential reforms to the contribution structure, and the outcome was a decision to maintain a tiered contribution model. This approach aims to encourage greater participation across the entire membership base.

4.6. The [consultation response](#) also confirmed that a cautious pace would be appropriate for any future changes to contribution rates, suggesting that aligning these adjustments with valuation cycles might be prudent. The results from the upcoming 2024 scheme valuation are set to be implemented from April 2027.

Question 2 - Do you agree or disagree with the proposal to retrospectively amend regulations to align with long-standing practice, so that additional hours worked between 1 April 2015 and 31 March 2024 by part-time staff are pensionable up to whole-time equivalent (WTE)?

4.7. Most respondents agreed with the proposal, stating that they felt it is appropriate to bring the 2015 Regulations in line with long-standing practice.

4.8. The BDA also emphasised:

"On the basis that this is optional, we agree with this proposal. However, it is vital that robust and timely communications are provided to members, including an opportunity for members to model the cost (including impacts to Pension Input Amounts, and when those impacts would apply) and benefit of making such an election."

4.9. The BMA also commented their support for 'regular' earnings above WTE to be considered pensionable.

Question 3 - Do you agree or disagree that affected members who did not pension their additional hours during the period 1 April 2015 to 31 March 2024, should now be given the option to do so?

4.10. Most respondents agreed with the proposal, however cautioned the possibility of local staff and services becoming overwhelmed with enquiries. The BMA added that they do not anticipate significant, if any, numbers of part-time staff

to have had their pay treated in line with the erroneous regulatory language. Suggestions were also made, to allow affected member to repay any contribution arrears in a suitable timeframe.

4.11. This point is echoed by UNISON, in the following statement:

“UNISON would also welcome a clear policy position for those staff who might elect to take advantage of this change but require some form of staged payment to assist them in making up their contributions”

4.12. The BDA made the point that members should be given the opportunity to model the impact on their pension, and their pension input amount, of electing to make additional hours pensionable.

Scottish Government response

4.13. SPPA intends to proceed with the regulation changes to clarify that additional hours worked by part-time staff between 1 April 2015 and 31 March 2024 are pensionable up to their WTE.

4.14. It is anticipated that the vast majority of part-time members will have had any additional hours pensioned correctly. However, SPPA recognises the importance of providing an appropriate notice period for employers and members to action any changes accordingly. This includes allowing members to make payments over a period of time if they chose to do so. Employers will be able to agree payment plans, in line with normal practice.

4.15. SPPA will consider how it can support members to model the impact on their pension of electing to make additional hours pensionable.

4.16. Employers will have until 1 January 2026 to notify affected members of the option to pension additional hours. Members will then have three months from the date of receiving this notification to make their election. The regulations allow employers to extend this period where their staff need further time to make their election, up to a backstop of 1 July 2026 by which time all elections should be made.

Question 4 - Do you agree or disagree with the proposal to clarify that member contribution rates should be based on actual annual pensionable pay for members who are in receipt of reduced pay?

4.17. Of those respondents who expressed a view on this question, all agreed with the proposals because they felt that it reduced the financial strain on members who were on certain types of authorised leave and aligned with the original regulatory intent.

4.18. Some respondents raised concerns about the administrative impact of backdating changes to 1 October 2023. There were concerns raised that employers might find the changes burdensome.

4.19. The BDA raised specific concerns relating to dental payments and ensuring that Practitioner Services Division (PSD) can comply with these requirements.

Question 5 - Do you agree or disagree that, for members on unpaid leave who choose to continue building up pension scheme benefits, their member contributions should be based on their pay period immediately before they went on unpaid leave?

4.20. Respondents were supportive of the proposal and a number of responses explained that they thought it was fair and would create consistency. The BMA said that the mechanism for calculating contributions when on unpaid leave was understood. They added that the change should mean there is less potential for administrative errors, compared with calculating the rate by using a level of pay that has not been paid or received by the member before their pay reduced to zero.

4.21. The BDA raised concerned that individuals may find their earnings in the month prior to taking leave to be disproportionate to their usual income, particularly if they are clearing a workload in advance. They offered a suggestion to allow a 12-month pay reference period to prevent individuals from being negatively impacted by temporary fluctuations in their income.

4.22. The BDA also sought clarification on the following point:

“Paragraph 3.11 of the consultation lists the scenarios under which unpaid leave periods can continue to accrue pension benefits – but this excludes leave due to illness or injury for a practitioner member. We understand that this provision, conferred by Regulation 28 (paras 2 to 4) will not be amended under these proposals.”

Scottish Government response

4.23. SPPA welcomes the responses to the two questions on calculating contributions while members are on reduced pay and notes that all respondents agreed with the proposals.

4.24. SPPA recognise the comments made by respondents about the importance of communication with members and employers about any refunds made and providing information to ensure that the regulations are applied correctly for members.

4.25. Some respondents raised concerns about the administrative burden on employers, of backdating changes to 1 October 2023. The SPPA recognises the additional work this might create for NHS employers. However, the position with

contributions for members on reduced pay has been inconsistent with the policy changes implemented from 1 October 2023. Therefore, it is right that the position be corrected for all affected members from that date.

4.26. All respondents agreed in principle with the proposal relating to members who are on unpaid leave. However, the BDA did question whether the pay received by a member immediately before going on to unpaid leave may be disproportionate to their regular earnings.

4.27. This is a technical amendment to ensure that members who go straight to zero pay can continue to accrue pension benefits, in certain circumstances. No changes to the method of calculating member contributions for members who are on unpaid leave were proposed, with the pensionable pay from directly before the member went on unpaid leave continuing to be used in these circumstances.

4.28. The amending regulations provide that where earnings are reduced to zero, they are to be treated as if they were the same as the rate of the member's pensionable earnings immediately before the period of absence. This will allow for reference to the members rate of pay over the previous 12 months.

4.29. The scheme regulations currently provide a limited number of scenarios where members can continue to contribute and build up pension benefits when they are not receiving pay. There are no changes being made to these scenarios and members remain unable to contribute to the scheme while on nil pay due to illness or injury.

Question 6 - Do you agree or disagree that the proposed changes to scheme rules about the annual certificate of pensionable profit should be implemented?

4.30. Many respondents declined to comment or offer their agreement/disagreement to the above question.

4.31. The BMA supported this proposal. They noted that it was due to tax legislation encouraging unincorporated businesses to align their accounting period with the UK tax year. Unincorporated businesses who do not wish to align their accounting period with the UK tax period will report provisional figures which are then amended when final figures are known. This means that finalised figures will align with the UK tax year.

4.32. The BMA further commented:

"Members will want reassurance that no unexpected issues arise during the transition year. Since GPs are in a CARE scheme rather than a final salary scheme, the impact should be lessened, avoiding complications from having a short or long year."

Scottish Government response

4.33. SPPA notes the absence of comment from most respondents and the general support from those who did respond in relation to this proposal. SPPA will proceed with the proposal and monitor any potential complications identified in the transition year.

Question 7 - Do you agree or disagree that provision should be made for members to continue building up pension benefits while on neonatal care leave?

4.34. Respondents were very positive about the proposed changes and agreed that these changes should be made so that neonatal care leave is treated consistently with other similar types of authorised leave. One respondent highlighting that is positive a step to help address the gender pension gap.

Scottish Government response

4.35. SPPA appreciates the feedback on these proposals and plans to move forward with the proposal as outlined in the consultation.

Question 8 – Do you agree or disagree that the 2008 Regulations should be amended to fully reflect the practice of treating members on parental bereavement leave in the same way as members on maternity leave, adoption leave, paternity leave and parental and shared parental leave?

4.36. All respondents agreed with this proposal. The limited comments received were supportive of this change which will be beneficial to members and ensure the 2008 Regulations are consistent with the original policy intention.

Scottish Government response

4.37. SPPA is grateful for the responses received on this proposal and intends to proceed as set out in the consultation document.

Question 9 - Do you agree or disagree that the 2015 Regulations should be amended so that new purchases of additional pension that begin after an in-year change to the cost, will be based on that new cost?

4.38. Most respondents agreed with this proposal and acknowledged that the proposal corrected an unintended inconsistency in the 2015 Regulations, compared with the 1995 and 2008 Regulations.

4.39. The BMA noted that they disagreed with this proposal, however, their comments related to the broader issue of the replacement of 'added years' with 'additional pension' as part of the 2015 Scheme. The BMA commented that this change exacerbates the gender pensions gap. It was suggested that through purchasing additional years, part-time workers – many of whom are female – could

have made up the additional accrual spreading the cost across their working life. However, this would not be possible under the 2015 scheme as purchasing additional pension does not attract the same benefits as accruing pension through employment.

4.40. The BMA added:

“We therefore believe the cost of buying additional pension should be significantly reduced to bring it in line with the cost of accruing pension through employment or that the system of added years be introduced. We therefore disagree with this proposal if this will result in an increase in the cost of additional pension in the future.”

Scottish Government response

4.41. The majority of those who participated in the consultation were in favour of this proposal. As a result, SPPA plans to implement it so that the new factors will take effect immediately for new purchases of additional pension. For ongoing purchases, these new factors will come into effect at the beginning of the next scheme year.

4.42. The SPPA note concerns from the BMA regarding the replacement of added years with additional pension. They highlight how this change, made in 2008, may exacerbate the gender pension gap by restricting the ability of female members to later make up for periods of reduced accrual.

4.43. The consultation did not propose any changes to the way additional pension is valued or calculated. However, SPPA continue to engage with the Scheme Advisory Board on the gender pensions gap.

Question 10 - Do you agree or disagree that members should not be worse off as a result of the retrospective correction to membership eligibility and should, if necessary, receive an additional payment from the 2015 Scheme to make up any difference between 2008 Section benefits and 2015 Scheme benefits for service between 1 April 2015 and 31 March 2022?

4.44. Most respondents were in general agreement of this proposal. UNISON emphasised caution in some members becoming confused or alarmed by this correction and emphasised the need for effective and proactive communication on this issue.

4.45. The BMA added that some members may have already made retirement decisions based on accruing 2008 Section benefits between 1 April 2015 and 31 March 2022, and that it would not be appropriate to retrospectively reduce their benefit accrual.

Scottish Government response

4.46. SPPA is grateful for the responses received on this proposal and intends to proceed to retrospectively correct the pension benefits of affected members, ensuring that no members are financially worse off as a result.

Question 11 - Do you agree or disagree with the proposal to correct scheme regulations so that the power to forfeit lump sums accurately refers to a beneficiary's conviction for unlawfully killing the member, rather than any offence for which the member had been convicted?

4.47. Respondents were broadly supportive of the proposal. The BMA, who disagreed, proposed that the lump sum and/or survivor benefits should instead be payable to the deceased's estate where forfeiture as a result of a beneficiary's conviction has been directed.

Scottish Government response

4.48. SPPA is grateful for the responses received on these proposals and will proceed to correct the relevant references as proposed.

4.49. However, the SPPA recognises the concern about dependents not being able to benefit from any lump sum or survivor pension where forfeiture occurs in this situation. The current regulations state that any death benefit lump sum will be paid to the member's personal representatives in cases where no beneficiary is named.

4.50. The regulations do not permit survivor pension benefits to be assigned to anyone else. This restriction is in place since only scheme partners, spouses, or civil partners of the member can fulfil the eligibility criteria. However, in cases where benefits are payable to dependent children, it is possible that higher payment rates may be available if a survivor pension is not being issued.

Question 12 - Do you agree with the retrospective corrections to the regulations which allow retired 1995 scheme members to rejoin the 2015 Scheme?

4.51. Most respondents agreed with this proposal. The BMA added that they believed this to correct a previous error from 2023, when it was confirmed that 1995 Section pensioners who return to NHS employment can join the 2015 Scheme.

Scottish Government response

4.52. SPPA is grateful for the responses received on this proposal and intends to proceed as set out in the consultation.

5. Equality Impact Assessment (EQIA)

5.1. The Public Sector Equality Duty ('PSED') was created by the Equality Act 2010 and is supported by the specific duties contained in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, as amended.

5.2. The PSED requires the Scottish Government to assess the impact of applying a proposed new, or revised, policy or practice. Scottish Ministers must have 'due regard' to the need to eliminate discrimination, advance equality of opportunity and foster good relations between people with different protected characteristics when carrying out their activities.

5.3. An initial equality impact assessment was set out in the consultation document and respondents were asked to identify any further considerations and evidence which should be taken into account in the assessment of equality issues.

5.4. While most respondents did not highlight further equality considerations, the BDA did raise issues relating to the continued use of tiered contribution rates in the scheme and how that might favour part time workers over their full-time comparators.

5.5. As mentioned in paragraph 5.3 above, SPPA consulted on changes to the contribution structure in 2023 and carried out an equality impact assessment on those changes, including maintaining a tiered contribution structure. Any future changes to the contribution structure will be considered in line with the next scheme valuation due to be implemented from April 2027.

5.6. The BMA reiterated its concerns about the removal of added years contracts, the ability of female members to supplement periods of part-time working and how this may exacerbate the gender pension gap. They restated their view that access to added years contracts for legacy scheme members should be restored or to allow additional pension to be purchased at the same rate as pension earned through employment.

5.7. The SPPA appreciates the feedback collected regarding the EQIA and acknowledges the interest in investigating the gender pension gap. The SPPA has commenced engagement the Scheme Advisory Board on the gender pension gap and will continue to consider in more detail.

5.8. The SPPA believes that the PSED analysis published during the consultation continues to be relevant.

6. Additional proposals

6.1. From time to time, the department will consult on proposals that will not come into force straight away. This section sets out proposals that were previously consulted on and sets out the next steps.

Abolition of the lifetime allowance

6.2. The SPPA previously consulted on a proposal related to the abolition of the lifetime allowance and the introduction of new allowances following the Finance Act 2024. This consultation ran from 20 December 2023 to 1 February 2024 and a response to that consultation was published in March 2024.

Background

6.3. The previous consultation proposed making consequential amendments to scheme regulations to update relevant definitions and ensure the smooth operation of current provisions and any future requirements relating to the lifetime allowance and new allowances. The National Health Service Superannuation and Pension Schemes (Miscellaneous Amendment) Regulations 2024 (SSI 2024/272) made consequential amendments relating to partial retirement and the types of benefit that can be taken from the NHS Additional Voluntary Contributions Scheme. These amendments came into force in April 2024 and were made because these provisions were not fully covered by the provisions of the Finance Act 2024.

6.4. Further amendments to provisions were required in a subsequent amending instrument. These proposals include:

- amending regulations which apply prior to 6 April 2024 and relate to the lifetime allowance
- removing references to the lifetime allowance provisions from 6 April 2024
- amending the regulations to introduce the new allowances

6.5. The consequential amendments will be made retrospectively to 6 April 2024 to take effect from the start of the financial year 2024 to 2025.

6.6. As part of that earlier consultation, respondents were asked if they agreed or disagreed with the proposal to amend scheme regulations with the intended effect of removing reference to the lifetime allowance. All respondents to the consultation agreed with this proposal.

6.7. The proposal was to amend scheme regulations with retrospective effect to 6 April 2024 to ensure that references to the lifetime allowance are redundant from 6 April 2024 and to transition to the new allowances. The SPPA concluded that it would go ahead with the remaining consequential amendments.

Draft amending regulations

6.8. This section explains how these remaining consequential amendments will operate in scheme regulations.

6.9. The proposals will amend The NHS Superannuation Scheme (Scotland) Regulations 2011 (SSI 2011/117), The NHS Superannuation Scheme (2008 Section) (Scotland) Regulations 2008 (SSI 2013/174), The National Health Service Pension Scheme (Scotland) (Additional Voluntary Contributions) Regulations 2018 (SSI 2018/124) and The NHS Pension Scheme (Scotland) Regulations 2015 (SSI 2015/94).

6.10. The amendments will make changes to the regulations which reference provisions of the lifetime allowance to make them effective before 6 April 2024 only, and redundant from 6 April 2024. New regulations will be inserted to mirror the provisions of the redundant paragraphs but with reference to new allowances contained within the provisions in section 14 and schedule 9 of the Finance Act 2024. The changes will apply retrospectively from 6 April 2024.

7. Conclusion

7.1. The SPPA thanks all respondents for providing feedback on the consultation, which has helped test the proposals and provided valuable insight from across the NHSPS(S) membership and interested stakeholders.

7.2. The SPPA has consulted those who appear likely to be affected by the proposed changes to regulations with a view of reaching agreement. Following consultation, the SPPA intends to proceed with the proposals to:

- Amend member contribution tables to reflect the pay uplift, with effect from 1 April 2025.
- Retrospectively align the definition of overtime with established practice to reflect how the scheme operated in practice from 1 April 2015 to 31 March 2024.
- clarify the method for calculating member contributions where pay reduces during a period of
- Update 2015 scheme regulations to reflect changes in tax reporting for GP and non-GP providers.
- Amend 2015 Regulations is revised to add 'neonatal care leave' to the types of absences considered as pensionable service for members contributing to the pension scheme
- Amend the 2008 NHS Pension Scheme regulations to include parental bereavement leave in the same way as other types of leave (maternity, adoption, etc.), effective from 6 April 2020.

- Amend the 2008, 2015, and 1995 NHS Pension Scheme regulations to ensure that new costs for additional pension apply immediately to new purchases, with old purchases reflecting the new cost starting from the next scheme year.
- Amend the 2008 and 2015 NHS Pension Scheme regulations to correct the cross-references regarding the forfeiture of lump sums in cases of unlawful killing, effective from 1 April 2008 (2008 Scheme) and 1 April 2015 (2015 Scheme).
- Retrospectively correct regulations which allow 1995 Scheme pensioners who retired and returned to NHS employment after 1 April 2023 to rejoin the 2015 Scheme.

After consultation, the SPPA has identified that three minor adjustments are necessary for certain aspects of the proposals.

- where part-time members of staff worked additional hours up to WTE between 1 April 2015 and 31 March 2024 and these hours were treated as non-pensionable, employers will have until 1 January 2026, rather than until 1 October 2025, to notify them of their right to make an election. This change should allow sufficient time to provide the necessary advice to employers and for employers to then issue the required notices. In line with this change, the timeline for members to make their election has been amended by three months
- for members who return to work for the purpose of keeping in touch while on reduced pay, the regulations will be amended to take out the gendered reference to women on maternity leave. This change will clarify that keeping in touch days for all members who are on adoption leave or shared parental leave will be treated in the same way and ensure consistency across the different types of leave when calculating reduced pay for the purposes of member contributions
- where the regulations will refer to provisional figures for the purpose of GP and non-GP provider annual certificates of pensionable profit, they will no longer include a definition of provisional in the regulations. This is because this term has its natural and ordinary meaning

As part of the same piece of legislation, changes to scheme regulations necessary following the abolition of the lifetime allowance will also be implemented. These changes were previously consulted on as part of a different consultation, which ran from 20 December 2023 to 1 February 2024.

The Scottish Government will now proceed to lay before the Scottish Parliament a statutory instrument that will amend scheme regulations to give effect to the changes as confirmed in this document. The SPPA as scheme administrator will issue a circular to employers and members advising them of these changes.