

Tel: 01253 774774
Fax: 01253 774412

NHSnet: <http://nww.pensionsagency.nhs.uk>
Web: <http://www.nhs.gov.uk>

All NHS Chief Executives
Payroll Managers and Pensions Officers,
Directors of Finance and Human Resources
Direction Bodies, all GP Practices and
Out of Hours Providers

Our ref TN 14/2006

Date 15 August 2006

Dear Colleague,

NHS PENSIONS NEWSLETTER – NHS PENSION BENEFITS & RETIREMENT

1. Introduction
2. Officer Scheme Members
3. Practitioner Scheme Members
4. Ill Health Pension Benefits.

1. Introduction

This letter contains important clarification about NHS Pension benefits and the rules regarding qualifying for retirement benefits. Following a number of recent enquiries, discussions have been held with the Department of Health who have confirmed that the underlying requirement of the NHS Pension Scheme Regulations is that all Scheme members must demonstrate a clear intention to retire from the NHS before NHS pension benefits are awarded.

2. Officer Scheme Members

To qualify for NHS pension benefits an Officer (i.e. salaried employed) Scheme member must resign from their NHS contract of employment and must not return to NHS employment within 24 hours. This rule applies to Officer Scheme members who may qualify for the normal age pension,

voluntary early retirement pension, redundancy (i.e. compensation) pension, or the ill health pension.

'Non GP Providers' providing General Medical Services (GMS), Personal Medical Services (PMS) or who are Alternative Providers of Medical Services (APMS) are afforded whole time Officer Scheme status. To qualify for NHS pension benefits they must resign from their GMS contract, APMS contract or PMS agreement and cannot return to the NHS either as a contractor or as an employee for at least 24 hours.

An Officer Scheme member who has two or more concurrent part-time pensionable posts at retirement is only required to retire for at least 24 hours in one of them provided that the remaining post(s) do not exceed 16 hours a week. If the remaining post(s) total more than 16 hours a week then it will be necessary to retire for at least 24 hours from some or all of the remaining posts until the total hours reduce to 16 or less per week.

Although an Officer Scheme member who has two or more concurrent pensionable posts is not required to take a 24 hour break in the remaining post(s), they must cease to be pensionable in all their posts to qualify for the age pension, voluntary early retirement pension, or the ill health pension. Officer Scheme members who qualify for the redundancy (i.e. compensation) pension may elect to continue to contribute to the Scheme in respect of any concurrent posts.

A part-time Officer member who has only one part-time post must retire from that post for at least 24 hours irrespective of the number of weekly hours worked.

If an Officer Scheme member who is in receipt of a NHS pension wishes to return to NHS employment after retiring they must work no more than 16 hours a week in the first month of retirement as well as taking the 24 hour break. If they exceed 16 hours in total in any week in the first month following retirement, their pension benefits will be suspended and they will have to repay any pension benefits they may have received. Once the first month has elapsed there are no restrictions (regarding suspension of pension benefits) on the number of hours that can be worked in NHS re-employment.

Officer Scheme members who retire on ill health or redundancy grounds are subject to abatement until the age of 60.

3. Practitioner Scheme Members

To qualify for NHS pension benefits a 'type 1 medical Practitioner' (i.e. a GP Provider who is a GP partner, single handed GP, or GP shareholder) must resign from any involvement in a GMS contract, PMS agreement, or APMS contract. They cannot return to the NHS either as a GP Provider, salaried GP, freelance GP locum, out of hours GP, or as an employee for at least 24 hours. Similarly a 'type 1 dental Practitioner' (i.e. a Dental Performer who is also a GDS or PDS contractor) must resign from any involvement in a GDS contract or PDS agreement and cannot return to the NHS in any capacity for at least 24 hours.

A salaried GP or salaried Dental Performer (i.e. a 'type 2 Practitioner') must resign from their NHS contract of employment with their Practice, PCT, or LHB in order to qualify for NHS pension benefits. They cannot return to the NHS in any capacity for at least 24 hours.

Freelance GP locums (i.e. locum Practitioners) must resign from any involvement in NHS work for at least 24 hours to qualify for NHS pension benefits.

A Practitioner Scheme member who has a concurrent part-time pensionable Officer post at retirement (i.e. Clinical Assistant) is not required to retire for at least 24 hours in that Officer post if it is 16 hours a week or less. They must however cease paying Scheme contributions in respect of the Officer post.

Practitioner Scheme members do not need to come off their appropriate Performers List in order to access their NHS pension benefits.

These rules apply to all Practitioner Scheme members who qualify for the normal age pension, voluntary early retirement pension, or the ill health pension.

If a Practitioner Scheme member who is in receipt of a NHS pension wishes to return to NHS employment immediately after retiring they must work 16 hours a week or less in the first month of retirement as well as satisfying the 24 hour break. If they exceed 16 hours in total in any week in the first month following retirement their pension benefits will be suspended and they will have to repay any pension benefits they may have received. NHS freelance GP locum work is included in the '16 hour' rule.

Once the first month has elapsed there are no restrictions on the number of hours that a Practitioner can work in the NHS, however Practitioner Scheme members who retire on ill health grounds are subject to abatement until the age of 60.

4. Ill Health Pension Benefits

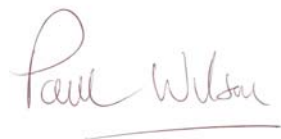
To qualify for the NHS 'in service' ill health pension NHS Pensions must be satisfied that the member is permanently incapable of discharging their NHS duties due to ill health. NHS employers are reminded that all Scheme members have a right to be considered for the 'in service' ill health pension and an application should be made on form AW33E prior to the pensionable employment ceasing.

Bank nurses and freelance GP locums can only be considered for the 'in service' ill health pension when they are in pensionable employment. They are not eligible for the 'in service' ill health pension during other periods when they may be registered and available for work, but not in actual pensionable employment.

Enquiries

Enquiries about this Newsletter should be made to your usual Pension Centre contact.

Yours sincerely

A handwritten signature in cursive script that reads "Paul Wilson". The signature is written in a dark ink and is positioned above a thin horizontal line.

Paul Wilson
Communications Manager