

## Confidential briefing

To: Heads of Primary Care, Medical Directors, Heads of Primary Care Finance

From: Caroline Greenwood, Head of PCS Pensions

Date: 13 September 2018

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### Dear colleagues

I am writing to update you on issues identified with the GP pensions programme. NHS England is responsible for commissioning certain administration activities in respect of GP pensions via the Primary Care Services contract delivered since September 2015 by Capita. It is NHS England's duty to ensure that these administrative duties are carried out correctly.

There have been issues identified in the administrative delivery of this function. NHS England is working with NHS Business Services Agency (host organisation for NHS Pensions) and Primary Care Services England (PCSE) to rectify these issues.

NHS England has agreed to provide a short briefing to GPs on this issue. Both the BMA (General Practitioner Committee) and NHS BSA are in support of this approach

### Background

- Staff and GPs working in primary medical care are entitled to participate in the NHS Pension Scheme. Within the NHS Pension Scheme there are three schemes (1995, 1998 and 2015) with membership depending on the date at which the individual joined the NHS. Most NHS staff are in the officer scheme but GPs are members of the practitioner scheme.
- Following changes to the GP contract in 2004 a new way of calculating GP pensions was introduced. GPs' pensions are based on the level of pensionable earnings as uprated by a dynamising factor for each year in the scheme. For most GPs, the pension scheme relies on the GP to submit an estimate of their annual earnings and (after the end of the relevant year) a certificate of their actual earnings.
- NHS England inherited responsibility for certain aspects of the administration of GP pension contributions in April 2013 when it was established; this was delivered through the Primary Care support shared service function locally. In 2015 NHS England commissioned Capita, as part of the PCSE contract, to deliver this work. Capita have now centralised this service to their Blackburn office.
- NHS England has identified issues with the completeness of legacy data (pre-Capita contract award) held on the electronic systems used to hold GP's pension data. These issues are believed to relate to inconsistent historic management in

PCS sites and failure of some GPs to follow the correct process for submitting information.

- In addition to legacy errors, issues with service delivery since commencement of the PCSE contract has resulted in a backlog of missed or inaccurate pension contract payments and pension payments to GPs.
- This is a complex issue, with the potential to have a significant impact upon a large proportion of the GP community, as well as generating high levels of media interest and a significant financial impact – both in terms of the costs of performing rectification activity and the potential costs of any changes to GPs' pensions where they are members of the NHS Pension Scheme.

### **Action taken to date by NHS England and Capita**

NHS England has created a dedicated programme team and a senior-level governance group has been convened to ensure robust management and oversight. NHS Business Services Agency (NHS BSA) has also appointed a programme manager who is working closely with NHS England to ensure oversight of progress by the scheme manager.

NHS England, jointly with Capita entered into an agreement for the appointment of an Independent Expert. Price Waterhouse Cooper (PWC) was appointed in August 2018 and work is on-going.

In recognition of the need for additional dedicated resources to support pensions activity Capita has created a project team to work with PWC. It is anticipated that the immediate focus of this team will be on ensuring that Pensions Online, the system used by GPs to view their pension information, is updated for the most recent financial year and previous years.

NHS England has identified a resource to respond to complaints, enquiries and subject access requests from GP pension scheme members.

NHS England and NHS Business Services Agency will meet with The Pensions Regulator monthly to report progress.

In August 2018 the Total Reward Statements (TRS) were released by NHS Business Services Agency. GP Members with gaps in their information were not provided with updated statements. This has resulted in some concern within the general practice community, and we have agreed with NHS Business Services Agency and the British Medical Association to send the attached letter to GP practices on Monday 10 September 2018.

### **Action Required**

**We are asking Heads of Primary Care to distribute to GP Practices and clinical commissioning groups ideally by end of Thursday 13 September 2018 and no later than 12pm Friday 14 September 2018.**

**The BMA will be sending the same letter to LMCs at the same time**

**End of briefing**