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

Our ref TN 5/2004

Date 18 March 2004

Dear Colleague,

NHS PENSIONS NEWSLETTER

New contract for general medical practitioners and PMS permanence

1. This Newsletter contains important information about changes to NHS Pension Scheme (NHSPS) benefits and procedures, for primary care doctors in England and Wales. The changes, which will implement agreements reached by professional and NHS employer representatives in the new practice-based General Medical Services (GMS) contract, have most impact for Primary Care Trusts (PCT) in England and Local Health Boards (LHB) in Wales. The changes also take account of the ending of 'pilot' status for Personal Medical Services (PMS) Practices.

2. Some of the measures in this Newsletter remain subject to discussions between professional and NHS employer representatives. Regulations also need to be made and will be subject to Parliament. The guidance at this stage is intended to provide 'early warning' for employers and is likely to be amended in the light of further discussions with professional bodies, and any further changes in the way pensions are regulated.

FROM 1 APRIL 2003

Improved pension flexibility

3. More flexible pension calculations now apply for doctors *and* dentists retiring with a mixture of practitioner and non-practitioner scheme membership. Regulations introducing these arrangements were made from 1 April 2003 and more information is provided in Newsletter TN 9/2003. The Pensions Agency is reviewing all GP pensions awarded from 1 April 2003 and will write to members whose benefits are improved. NHS Scheme members and Employers need take no action.

FROM 1 APRIL 2004

Pensionable pay

4. The former national average classification of medical GP earnings split into 3 groups (100% pensionable, 0% pensionable and 66% pensionable) is being replaced by assessment of *actual* NHS pensionable earnings and expenses, at individual practice level. The new assessment will apply to earnings for all medical GMS and PMS GPs except GP locums, and more information is provided at Annex 1. A further Newsletter confirming pensionable earnings and expense items will be issued in April 2004, on completion of joint work between professional and NHS Employer representatives.

Pensions dynamising factor

5. The move from estimated to actual earnings assessment requires changes in the dynamising factor (DF) used at retirement, to uprate medical GP career earnings before assessment of benefits. Professional and NHS employer representatives have agreed a new method of calculating the medical DF, and interim factors for 2003-2004 and 2004-2005 will be issued soon. Further detail is provided at Annex 2. Please note that the changes to the method of calculating the medical DF do NOT apply to the method of calculating the dental DF, which remains unchanged.

Non-GP partners in GMS

6. Subject to the making of regulations, the NHSPS will be opened to non-GP partners in new GMS from 1 April 2004. Further detail is provided in Annex 3.

End of pilot PMS

7. All PMS 'pilots' become permanent from 1 April 2004. Pension arrangements will be largely unchanged, but Salaried GPs who became or in future become, GP performers for the first time in

PMS, will accrue NHSPS membership on an assistant practitioner basis on or after 1 April 2004. Further detail is provided in Annex 4.

Pension contributions and collection arrangements

8. NHSPS employers are reminded that employer contributions in respect of all Scheme members rise to 14% of pensionable pay from 1 April 2004. This change is not brought about as a result of the new GMS contract, but PCTs/LHBs and GP Practices will need to reflect the 14% rate in all the contracts they arrange and payments they make for NHS work from 1 April 2004.

9. In new GMS, PCTs/LHBs will provisionally base GP employee and employer contributions on a GP/PCT agreed *estimate* of NHS net pensionable earnings, beginning in 2004/5, and deduct these from the global sum paid to practices every month. The provisional payments may be adjusted in year and will be finalised following assessment of total NHS pensionable earnings and expenses, when practice accounts for the year are closed. Further detail is provided in Annex 4.

Out of hours providers

10. Subject to the making of regulations, providers that offer out of hours primary medical services (OOHP) and operate on an appropriate 'mutual trading' or 'not for profit' basis, will be able to apply to the principal PCT/LHB with whom they contract, to become an approved NHSPS employer. If the OOHP does not contract with a particular PCT/LHB, they will be able to apply to the principal PCT/LHB in the area(s) in which they operate. OOHPs that become approved NHSPS employers will offer NHSPS membership to their GP and non-GP employees, on broadly the same basis available to GPs and employees in GMS or PMS practices. Further detail is provided in Annex 5.

NHS GP locum work

11. GPs who provide NHS GP locum services will be able to pension their work on broadly the same basis as in 'old' GMS/PMS. In addition GP locum work performed for OOHPs, approved as NHSPS employers, will become pensionable. There may be some revision to GP locum forms and guidance in due course. Further detail is provided in Annex 4.

NHS Pension Scheme Regulations

12. The 1995 NHS Pension Scheme Regulations are being revised to reflect new GMS, the end of pilot PMS, the single PCT/LHB performers list and certain other changes. Subject to Parliament, the amendment regulations will be finalised and made as soon as discussions between professional and

NHS Employer representatives are complete. It is intended that the regulations will apply retrospectively, from 1 April 2004.

NHS Scheme literature

13. The NHS Scheme Practitioner Booklet will be completely revised in line with the changes described in this Newsletter. The revised booklet will be made available on the Pensions Agency website at www.nhspa.gov.uk and through NHS employers and the Agency's Stationery Store. NHS employers will be advised as soon as the new booklet is available.

Enquiries

14. Please make any enquiries about this Newsletter to your usual Pension Centre contact.

Yours sincerely

A handwritten signature in black ink that reads "Howard Robinson". The signature is written in a cursive style with a large, looped initial "H".

Howard Robinson

Scheme Communications Manager

MEDICAL GP PENSIONABLE EARNINGS FROM 1 APRIL 2004

Annex 1

NHS Pensionable earnings

1. From 1 April 2004, the definition of NHSPS pensionable pay for medical GPs on a PCT performers list will be broadened to include, *earnings, after deduction of expenses for:
 - i) Delivery of NHS services by a GMS or a PMS GP.
 - ii) Provision of NHS services by a GMS or a PMS GP sub-contracted directly from a GMS or PMS provider.
 - iii) NHS board or advisory work carried out by a NHSPS principal or assistant GP (see Annex 4, paragraphs 5 & 16) on behalf of a NHSPS employer, for and paid by, that employer (NB excludes direction body employers).
 - iv) NHS work by a GMS or a PMS GP under collaborative arrangements with local authorities, paid for by a NHSPS employer.
 - v) Practice-based work carried out in educating or in organising the education of medical students, undergraduates, vocational and postgraduate training funded through national educational and training budgets or otherwise.
 - vi) GMS or PMS GP certification under the requirements of Schedule 4 to the GMS Regulations 2004.
 - vii) NHS services provided by an out of hours provider (OOHP) who is approved as a NHSPS employer.

*GP NHS quality, golden hello, returner's and flexible career scheme and seniority payments will also be pensionable in the NHSPS.

Expenses element

2. Earnings for NHS work are pensionable in the NHSPS *after* deduction of expenses. In new GMS, the former national average classification of medical GP earnings into 3 groups (100% pensionable, 0% pensionable and 66% pensionable) is being replaced by assessment of *actual* expenses and NHS pensionable earnings, at individual practice level.
3. Expenses will, e.g. include the cost of staff and materials used to deliver services and the cost of getting work done, where practices *sub-contract* work to other practices or organisations (e.g. for OOH work). In summary, payments for NHS work can only be pensioned once, by and for the benefit of the GP that actually performs the work.

Accountancy study

4. The above definitions of NHSPS medical GP earnings and expenses are subject to refinement following completion of a joint accountancy study by professional and NHS employer representatives. The results of the study, expected in April 2004, will include clarification of gross NHS earnings and the items to be recorded as expenses. Pending this guidance, GPs and employers should retain *all* NHS income and expenditure records.

MEDICAL PENSIONS DYNAMISING FACTOR

Annex 2

1. Professional and NHS employer representatives have agreed a revised method of calculating the dynamising factor (DF) in new GMS, and expect to issue interim factors for 2003-2004, then 2004-2005 soon. In 2003-2004, the DF will be based on assessments of

expected GP NHS earnings and expenses. From April 2004 onwards, the DF will be based on movements in *actual* GP NHS earnings since the previous year. For both 2003-4 and 2004-5 onwards, an *interim*, estimated DF will be declared initially, followed by a final confirmed figure for the year, once complete data is available. Pensions awarded on the interim DF will then be reassessed and any arrears paid. The DF calculated under the new arrangements will take account of PMS as well as new GMS pensionable earnings and apply for the NHSPS benefits of GPs working in either contract. A further Newsletter will be issued when the interim factors are available.

NON-GP PARTNERS

Annex 3

1. Subject to the making of regulations, non-GP partners in new GMS will be able to join the NHSPS, like non-GP providers in PMS.
2. The PCT/LHB will be the employer for NHSPS and NHS Injury Benefit Scheme purposes, and be responsible for pension records. Non-GP partners will accrue NHSPS membership on a whole-time officer (non-practitioner) basis, and the PCT/LHB will agree their pensionable pay, on the basis of their partnership share, as specified in writing to the PCT/LHB. The PCT/LHB will investigate any disproportionate change in the non-GP partners share that may have impact for NHSPS benefits. Like GPs, non-GP partners will be entitled to NHS injury benefits but not redundancy benefits under the NHS compensation scheme.
3. In new GMS the PCT/LHB will need to collect non-GP partners NHSPS contributions via their practice global sum (see Annex 4, paragraph 6). Practices must NOT complete non-GP partners pension records or enter their contributions on forms GP1.
4. Once the amendment regulations are in place, all non-GP partners in new GMS should be *automatically* joined in the NHSPS from 1 April 2004 or, if they joined the practice after that date, from the date they joined. They may of course choose to opt out of the NHSPS if they wish, on form SD502. PCTs/LHBs are requested to inform non-GP partners in new GMS of the forthcoming change as quickly as possible, so that they can, if they wish, set aside appropriate NHSPS contributions. A further Newsletter will be issued when the regulations are made.

PENSION CONTRIBUTIONS AND COLLECTION ARRANGEMENTS

Annex 4

Introduction

1. These changes flow, in the main, from new GMS but apply to PMS and other NHS work and employers, unless otherwise stated.

Contributions Rate

2. From 1 April 2004, NHSPS contributions in respect of all GPs will continue at:
 1. Employee (EE) rate - 6% of NHS pensionable income, net of expenses.
 2. Employer (ER) rate - 14% of NHS pensionable income, net of expenses.

2003-04 payments made in 2004-05

3. New GMS introduces measurement of the year-by-year increase in actual GP pensionable earnings for DF assessment purposes, see Annex 2. PCTs/LHBs are requested to facilitate this change by recording any 2003/04 payments they make in 2004/05, in year 2003/04. 'Exeter' payroll software will be adjusted accordingly.
4. Employers are reminded that, although ERs increased to 14% from 1 April 2003, they were directly responsible for only 7%; the balance was provided from central funds. The central funding of 2003-04 payments will continue for amounts paid up to 30 June 2004 and reaching the Pensions Agency by 19 July 2004. The 2003-04 payments must be highlighted on forms GP1 and RFT1.

Revised GP contribution collection arrangements

GP Contractor/Provider status in the NHSPS

5. In both new GMS and PMS, GP contractor/providers on a PCT/LHB performers list will continue to be regarded as principal practitioners and the PCT/LHB will continue to be the employer for NHSPS and NHS Injury Benefit Scheme purposes. GP contractor/providers must NOT complete their own NHSPS record and benefit forms.
6. In new GMS, all NHS work performed by GPs from 1 April 2004 on behalf of their GMS or PMS practice, will be pensionable in the NHSPS by means of interim EE and ER deductions from their monthly payments of practice global sum. PCTs/LHBs will assume that all earnings for basic, enhanced and any additional NHS services they perform are to be regarded as practice earnings for NHSPS purposes, and allocate them to the relevant GPs in accordance with any partnership agreement. This will apply to all NHS services and earnings included from the outset in the global sum, and to any *additional* earnings from NHS work the practice receives during the year, e.g. under sub-contract from another practice or PCT/LHB.
7. For GPs on a PCT performers list working individually (rather than on behalf of a practice) please refer to:
 - Annex 4, paragraph 23, for GP locum work providing temporary GP deputising and assistance.
 - Annex 4, paragraph 27, for regular GP work for another GMS or PMS practice.
 - Annex 5, paragraph 15, for regular GP work for an approved OOHP.

Agreeing the deduction for NHSPS contributions

8. In new GMS, it will no longer be possible to establish the exact amount of pensionable NHS earnings for any year until practice accounts for that year are closed. This means it will be necessary for GMS practices, in broadly the same way as in PMS, to take all reasonable steps at the start of the year to *agree* with their PCT/LHB an *estimate* of the years expected pensionable NHS earnings. The PCT/LHB should then base their provisional NHSPS EE and ER contributions on the agreed pensionable earnings figure.
9. The estimate should take into account the total NHS pensionable earnings, net of expenses, expected for the year, in respect of all of the GP contractor/providers (i.e. principals) and

Salaried GPs (i.e. assistants) working in the practice, any partnership shares and any additional added years or money purchase AVC contributions they may be making.

10. For practices in which the number of GPs and pattern of work is expected to remain broadly the same as it was in 2003-04, the average monthly level of NHSPS EE and ER contributions deducted during that year should be a useful guide. However last years figure may need to be adjusted to take account of any expected *changes* in NHS earnings for 2004-05 and later years, e.g. for:
 - Price uplifts
 - Additional NHS work the practice expects to take on
 - NHS work the practice expects to lose, e.g. by opting out of enhanced services
 - Changes in GP numbers, practice staff or partnership shares.
11. However it will be important to remember that the estimate is only an estimate. The agreed monthly deduction may be revised at any time during the course of the year in the event of changes in the practice, or significant additional payments in-year, e.g. 'quality payments'. In every case the NHSPS contributions paid will be subject to final confirmation and payment of arrears (or refunds) when practice accounts for the year are closed and the practice certificate of pensionable earnings is completed.

Paying NHSPS contributions to the Pensions Agency

12. The PCT/LHB should pay the agreed EE and ER deduction, including any added years and money purchase AVC (MPAVC) contributions, to the Pensions Agency no later than the 19th day of the month following the month in respect of which the amount was deducted. Any MPAVCs deducted must be forwarded to the relevant provider no later than the 7th day.

Annual Certificate of practice NHS pensionable earnings

13. At the end of every financial year and closure of accounts, each practice, including PMS, will in future need to complete a certificate of pensionable earnings, detailing gross practice income and expenditure and the amount attributable to NHS work. The certificate should show the total for the practice as a whole and the amounts for each individual GP, and any non-GP partners/providers share, where applicable. The certificate will need to reflect the total of *all* the practices pensionable NHS work, including additional work performed for other practices or NHSPS employers during the year and the gross payments received. Payments for additional NHS work must be supported by professional receipts from the NHSPS employer(s) who paid for the work. The certificate will also need to reflect other pensionable NHS amounts received during the year, e.g. for seniority payments that are paid to individual GPs, rather than to the practice as a whole.
14. Each practice should forward their completed certificate to their relevant PCT/LHB as soon as possible after accounts closure, for checking and to enable the PCT/LHB to determine any over or under payment of their provisional NHSPS contributions. The PCT/LHB should then collect or refund any over or underpaid contributions as quickly as possible. In the case of MPAVCs, the practice/GP concerned may prefer to treat any overpayment as a further investment, or to have it offset against future MPAVC payments, and the PCT/LHB must liaise with the practice/GP, to confirm their requirements. The PCT/LHB will also need to prepare pension record forms SD86C and SD55 in the usual way.

15. The agreed format for the annual certificate, and any adjustment for practices that close accounts at a date other than 31 March, will be confirmed in a further Newsletter, when the accountancy study and discussions between professional and NHS Employer representatives are completed.

Salaried GP status in the NHSPS

16. In GMS and in permanent PMS, ALL *Salaried GPs on a PCT performers list, including:

- GMS and PMS assistant GPs
- GP retainers
- GPs on the flexible career scheme and
- GPs directly employed by a PCT for the provision of primary medical services

will continue to be regarded as assistant practitioners for NHSPS purposes and the relevant PCT/LHB will be their Employer for NHSPS and NHS Injury Benefit Scheme purposes. Practices must NOT complete pension records or record contributions on form GP1 for any Salaried GPs they employ.

*1. Excludes GP registrars, who are trainees and pensionable as 'officers' in the NHSPS.

*2. Excludes *hospital* doctors employed by a PCT to undertake secondary care in a primary care setting, who will be pensionable as officers in the NHSPS.

Confirming pensionable earnings to the PCT/LHB

17. When a practice employs a Salaried GP for the first time, they will need to inform the PCT/LHB of their agreed NHS pensionable earnings, net of expenses, as soon as possible and thereafter in April each year. The PCT/LHB and practice should then take account of the relevant NHSPS EE and ER contributions, including any added years and MPAVC contributions, in their total monthly NHSPS deduction from the practice global sum. The contributions deducted should be paid as described in paragraph 12 of this Annex.
18. Any significant change in the practices provisional monthly NHSPS contribution deduction from global sum, due to changes in a Salaried GPs pay should be adjusted for in-year and finalised with other adjustments, when practice accounts for the year are closed.
19. Salaried GP contributions in relation to GP locum work, and work as an individual, (rather than on behalf of their practice) for OOHP (see Annex 5) or other NHSPS employers, must NOT be collected via the practice global sum.

GP registrars

20. GP registrars (i.e. trainee GPs) will continue to be regarded as officers, not practitioners in the NHSPS, and for the purposes of all guidance in this Newsletter. The PCT/LHB will remain the employer for NHSPS and NHS Injury Benefit purposes. However payment and contribution arrangements will be slightly different in new GMS.
21. The registrar's salary should be agreed by the PCT/LHB at interview, including the EE contributions to the NHSPS, net of any supplement etc for expenses. The practice will need to collect the registrar's EE contributions, including any additional contributions for added

years and MPAVCs. The PCT/LHB should reimburse the net approved costs to the practice, taking account of the EEs they have recovered, and pay over to the Pensions Agency, EEs at 6%, and ERs at 14%. The PCT/LHB should recover the total cost of the GP registrar scheme from the appropriate postgraduate deanery.

GP returner's

22. The GP returner's scheme will continue in new GMS, with contributions, payment to the Pensions Agency and recovery from the postgraduate deanery arranged in the way described in paragraph 21 of this Annex. However it should be remembered that 'GP returner's' are qualified GPs, not trainees, and will accrue practitioner (assistant or principal, see paragraphs 5 & 16 of this Annex) benefits in the NHSPS.

GP locum work

23. GP locum work (irregular contract for services arrangements deputising for an absent GP or providing temporary GP assistance for a NHSPS employer) will be pensionable in new GMS and in PMS in broadly the same way as before. GP locum work for an approved OOHP will also be pensionable from 1 April 2004.

24. GP locums will continue to apply for NHSPS membership on forms locum A & B but there may be some revision to the forms and guidance in due course.

25. The ER contributions rate for locum work relating to the 2003-2004 year will remain at 7% for applications made on forms A and B up to the end of June 2004.

Practice Staff

26. Practices will continue to be the NHSPS employer for practice staff they employ, (including any non-GP doctors) for all pension record keeping and contributions purposes.

GP NHS work performed outside of a practice contract and global sum

27. GPs who perform regular NHS work for an NHSPS employer individually, under a personal contract for services arrangement, rather than on behalf of their practice, can still pension their payments. However, to ensure the GPs pension records are properly completed, the relevant NHS employer should deduct NHSPS EE and ER contributions from their payment, net of the GPs expenses*. The contributions must be forwarded to the PCT/LHB who keeps the GP's pension records (usually the one with whom they are listed as a GP performer) together with a completed form GP SOLO. A downloadable copy of form GP SOLO will be available shortly on the Agency website at www.nhspa.gov.uk and from PCTs and the Agency's Stationery Store.

*expenses will be clarified as described in Annex 1, paragraph 4.

28. The PCT/LHB who is keeping the GPs NHSPS pension records should include the net pensionable pay recorded on form GP SOLO in the GPs NHSPS annual pension record on form SD55, and forward the EEs and ERs to the Pensions Agency as described in paragraph 12 of this Annex.

Board and advisory work

29. In new GMS, NHS board or advisory work carried out by a NHSPS principal or assistant GP on behalf of a NHSPS employer, for and paid by that employer will be pensionable in the NHSPS. The arrangements for pensionable earnings, paying contributions and record keeping will be as described in paragraph 27 of this Annex.

GP performers in PMS

30. Subject to the making of regulations, *all* Salaried GP performers, including GP retainers and flexible career scheme GPs, in permanent PMS, will accrue NHSPS membership as assistant practitioners on or after 1 April 2004. The PCT/LHB will, in every case, be the employer for NHSPS and NHS Injury Benefit Scheme purposes.
31. PMS practices who currently hold forms SD55 for Salaried GPs accruing NHSPS membership on an officer (non-practitioner) basis, because they became GPs *for the first time* in pilot PMS, should liaise with their PCT/LHB and send a terminal form SD 55 to the Pensions Agency, showing the 'last day of pensionable membership' as an officer, as 31 March 2004. The PCT/LHB should then send a joiner form SS14 to the Pensions Agency, showing a 'commencement date of membership' as an assistant practitioner, of 1 April 2004. NHSPS contributions in respect of Salaried GPs must NOT be recorded on GP practice forms GP1 after 31 March 2004.

OUT OF HOURS PROVIDERS

Annex 5

Joining the NHSPS as an approved out of hours provider

1. Subject to the finalising of definitions and the making of regulations, it is expected that an out of hours provider (OOHP) that meets the criteria exemplified at paragraphs 4A & B below, will be able apply to the principal PCT/LHB with whom they hold a contract or contracts, to register as an approved NHSPS employer. If they do not hold contracts with a PCT/LHB, they will be able to apply to the principal PCT/LHB in the area(s) in which they operate. Employees of an approved OOHP and self-employed GPs (but not other self-employed staff) will be able to join the NHSPS in respect of all NHS work they perform for the OOHP.
2. It is expected that non-GP staff employed by an approved OOHP will accrue the same Scheme rights as GP practice staff and that GPs and GP locums working in or for an approved OOHP will accrue same Scheme rights as they would in other NHS GP work.
3. The following criteria and guidance for employers is subject to the making of regulations and provided for the advance information only.

Eligibility criteria

4. The qualifying criteria for OOHP will, subject to Parliament, be set out in amendment regulations, after further consultation. The intention is that the criteria will be drawn in such a way that commercial OOH providers (or their subsidiary companies) will not be eligible to become approved NHSPS employers. The current thinking is that there will be 2 types of OOHP that will be eligible to be approved NHSPS employers, for example:

- A. A company limited by guarantee, where the majority of the members (i.e. owners) are either GMS or PMS contractors whose GMS or PMS contracts require them to provide out of hours services, or GPs who are partners or shareholders of such a contractor (and all the remaining members are other GMS or PMS contractors or GPs who are partners or shareholders in such contractors). The company must have a contract to provide out of hours services for GMS or PMS contractors, a PCT, or Local Health Board in Wales. The company's business of providing out of hours primary medical services must be operated wholly or mainly in a way which is of a 'mutual trading' character.

- B. A corporate body whose members include at least one GMS or PMS contractor or a GP who is a partner or shareholder of such a contractor. The body must be operated for the benefit of the general public or the recipients of its primary medical services and on a 'not for profit' basis that forbids the payment of dividends, requires any 'profits' to be re-invested in the business and requires assets to be transferred to a charity or similar body on its winding up. It must have a contract with a PCT or LHB (or, until 1 January 2005 a GMS or PMS contractor) to provide out of hours primary medical services.

Applying to the PCT/LHB to become an approved OOHP

5. When the regulations are in place, an OOHP that believes it meets the confirmed criteria exemplified at paragraph 4A & B above, and wishes to become an approved NHSPS employer, will be able to apply to the principal PCT/LHB with whom they hold a contract or contracts to provide NHS OOH services. If there is no such PCT/LHB, the OOHP will be able to apply to the principal PCT/LHB in the area(s) in which they operate. An application form will be provided on the Pensions Agency website at www.nhspa.gov.uk and be available from PCTs. The PCT/LHB will require documentary evidence from the OOHP that it meets the criteria for approval as an NHSPS employer.

6. OOHPs will be able to decide if and when they want to apply. Those who apply up to a cut-off date, to be notified, will be able to apply to backdate their approval as an NHSPS employer to 1 April 2004, or a later date. OOHPs who apply after the cut-off date will be able to become 'approved' from the date of their application. In all cases the OOHP must meet and continue to meet the approval criteria from the relevant date.

7. PCTs/LHBs should encourage OOHPs who think they may qualify, and wish to become approved NHS employers from an early date, to keep records of all NHS payments made and received.

8. In the event of an OOHP application being rejected by the PCT/LHB, the OOHP will be able to apply to the Pensions Agency for a review of their application. More details will be provided in a further Newsletter when regulations are made.

9. If the PCT/LHB is satisfied that the OOHP meets the criteria exemplified above, they should write to their Pension Centre at the Pensions Agency, providing full details of the OOHP and their signed approval for the OOHP to become a NHSPS employer. The Pensions Agency will then contact the OOHP to arrange for them to be registered as a NHSPS employer, and supply them with an employing authority code and an information and instructions pack.

Ceasing to be an approved OOHP

10. If an OOHP wishes to continue providing OOH services but give up its status as a NHSPS employer or ceases to operate as an OOHP, it must provide notice to its staff and to the Pensions Agency. All EE and ER pension contributions due at the date of ceasing as a NHSPS employer must be collected and paid to the relevant PCT/LHB. More details will be provided in a further Newsletter.

Non-GP staff employed by an approved OOHP

11. Non-GP employees that work for an approved OOHP that has been registered as a NHSPS employer should be *automatically* joined in the NHSPS. If employees wish to 'opt out' of membership, they should complete form SD502. Non-GP staff in approved OOHPs will accrue officer (non-practitioner) membership in the NHSPS, and accrue the same pension rights as GMS or PMS practice staff. The NHS Injury Benefit Scheme and NHS Compensation Scheme regulations will not apply to non-GP staff employed by an approved OOHP.
12. Approved OOHPs will be responsible for deducting EE contributions from their employees at 6% of pensionable pay (5% for manual workers), and providing tax relief; the pensionable pay must exclude any overtime, bonuses or expenses*. The OOHP will then need to forward the Ees, and ERs at 14%, to the Pensions Agency, as described in the instructions that will be provided to each approved OOHP.

*expenses will be clarified as described in Annex 1, paragraph 4.

GPs employed by an approved OOHP

13. GPs who perform regular NHS work for an approved OOHP under a fee-based contract for services arrangement, or a formal contract of employment, will be able to pension the work in the NHSPS. The PCT with whom the GP or practice has a contract and/or is listed as a GP performer will normally be the employer for NHSPS purposes and NHSPS membership will be accrued on a practitioner basis.
14. If the GP is working for the OOHP on behalf of a GMS or PMS practice (i.e. the practice is contracting with the OOHP to provide an additional NHS service) the OOHP should pay the practice gross and supply a professional receipt confirming the NHS work done, for inclusion in their certificate of pensionable earnings provided to the PCT/LHB when practice accounts are closed. The earnings will be pensionable in the NHSPS after deduction of expenses* and attract EEs and ERs on the net amount remaining.

*expenses will be clarified as described in Annex 1, paragraph 4.

15. If a GP performs regular work for an OOHP on an individual basis, rather than on behalf of a practice, the OOHP should provide tax relief and deduct NHSPS EEs at 6% and ERs at 14% of the payment, net of expenses*, made for each period of work. The contributions should be forwarded to the PCT/LHB who is keeping the GP's pension records (usually the one with whom they are listed as a GP performer) together with a completed form GP SOLO. A downloadable copy of form GP SOLO will be available shortly on the Agency's website at www.nhs.gov.uk and from PCTs/LHBs and the Agency's Stationery Store.

*expenses will be clarified as described in Annex 1, paragraph 4.

16. The PCT/LHB who is keeping the GPs pension records should treat the GP as a Salaried GP (assistant practitioner) for NHSPS purposes. The net pensionable pay recorded on form GP SOLO should be included in the GPs NHSPS annual pension record on form SD55, and the EEs and ERs forwarded to the Pensions Agency, as described in Annex 4, paragraph 12.

GPs who opt of the Scheme in work for an approved OOHP

17. If a GP working in an OOHP wishes to 'opt out' of the NHSPS on form SD502, they must do so in all other NHS GP posts.

GP locum work for OOHPs

18. The following table provides guidance on the NHS Pension Scheme status for OOHP staff eligible to join the NHS Pension Scheme.

Type of Co-op Worker	Arrangement with Co-op	NHSPS Status	NHSPS Employer	NHS Injury Benefit Scheme Cover
GMS GP Principal/PMS GP Provider	Fee based	Principal Practitioner	PCT	Yes
GMS GP Principal/PMS GP Provider	Employed	Principal Practitioner	PCT	Yes
GMS/PMS Salaried GP's	Fee Based	Assistant Practitioner	PCT	Yes
GMS/PMS Salaried GP's	Employed	Assistant Practitioner	PCT	Yes
GP Retainer*	Fee based	Assistant Practitioner	PCT	Yes
GP Retainer*	Employed	Assistant Practitioner	PCT	Yes
GP Locum	Fee based	Locum Practitioner	PCT	No
GP solely working for a co-op	Fee based	Assistant Practitioner	PCT	Yes
GP solely working for a co-op	Employed	Assistant Practitioner	PCT	Yes
Non GP staff (including hospital doctors, nurses etc)	Employed	Officer	CO-OP	No

*GP Retainers' work for OOHPs will be subject to the approval of their director of GP postgraduate education.