



Employer Pensions Notice

EPN184 (Rev)

- 1) **nuvos – pension choices for casuals and fixed term appointees who are given an extension of contract, or become permanent**
- 2) **opting out (and back in)**
- 3) **secondments**

Audience This Notice will be of particular interest to:

HR Managers and advisors who have responsibility for recruitment and appointments

Action Identify and offer pension choices according to terms of contract.
Circulate this information to all relevant HR contacts in your organisation.

Timing From 30 July 2007

Background

1. EPN 172 (Rev) told you about **nuvos**, the pension scheme which Cabinet Office introduced for new entrants from 30 July 2007. Since releasing this EPN, we have had a number of enquiries from employers about the pension choices for casuals and short-term fixed term appointees (FTA) who are already employed and are to be offered an extension of contract or a permanent position (without a break in employment) at some point after 30 July 2007.
2. We have also received enquiries from employers about the pension choices available to people opting back in to the CSP arrangements and to people returning from secondment.



3. The purpose of this EPN is to clarify the procedures.
4. **Please note that you will not be able to use the Rejoiner Calculator for these staff as they have not had a break in employment.**

1(a) Casuals and FTAs who were originally employed pre-30 July 2007

5. Where you wish to offer a further period of employment or permanency to casuals and FTAs who have been in a casual or an FTA post since before 30 July, you must consider their pension position and whether they will have a further choice of pension. This will depend on:
 - the contractual arrangements already in place, and
 - the type of employment you now want to offer.

Extension of contract

6. If the casual or FTA's current contract allows you the flexibility to extend their employment, there will be no pensions action to take. This is because the casual/FTA will have been given their pension choice(s) at the beginning of their original appointment, and these will still apply.

Further/new contract

7. Where you offer a casual or FTA a further contract (because there was no flexibility in the original contract to offer an extension) or a new contract because they are, for example, moving to a permanent post, you must take a different approach.
8. Scenarios 1-4 (below) give examples of the actions you must take where someone was appointed as a casual or FTA pre-30 July and you are offering them a further or new contract.

Scenario 1 – Casual (who does not already have a partnership account)

You must offer the casual a choice of joining either **nuvos** or **partnership**.

If you offer an appointment for 12 months or more, you must automatically enrol the person into **nuvos** from their new start date, order Starter Pack NE1 (quoting their new start date on the DRF2) and use letter text A from EPN 172 (Rev), Annex B in your Letter of Appointment (LOA).*

If you offer an appointment for fewer than 12 months, you will not automatically enrol the employee into **nuvos**. You must order Starter Pack NE2 and use letter text B from EPN 172 (Rev), Annex B in your LOA.* The employee will have 3 months in which to make their decision whether or not to join.

*You will need to revise the wording at the beginning of the text by taking out 'As soon as you start your new job'.

Scenario 2 – Casual (who already has a partnership account)

Where the casual had chosen to join **partnership** during the period of their ‘pre-30 July 2007’ employment, you should keep their **partnership** account open and continue to pay over contributions as before but you must still offer them the choice of **nuvos** or (continuing in) **partnership**.

You must order Starter Pack NE2 (quoting their new start date on the DRF2), and use letter text L, which is in Annex A of this EPN. This is an additional letter text to those given in EPN 172 (Rev).

Note 1: the action you take is the same regardless of the length of employment you are offering.

Note 2: an employee who had chosen to join **partnership** in their original period of employment already belongs to the CSP arrangements. They do not have to make a decision between continuing in **partnership** and joining **nuvos** within the first 3 months of their new employment. If they choose to join **nuvos**, you must inform the appropriate **partnership** pension provider and put the employee in to **nuvos** from the first available pay run after you receive their PensionChoices form. (You do not backdate their **nuvos** membership to their start date.)

Note 3: The rationale for offering casuals the choice of either **nuvos** or **partnership** is that, under pre-30 July 2007 arrangements, a casual could only join **partnership**. They did not have the choice to join **premium**. However, there is no restriction in choice for casuals from 30 July. (To be clear on this point, you cannot offer them the choice of **premium** and **partnership** even though they started their original employment before 30 July as this choice never existed for them under **premium** rules.)

Scenario 3 – FTA (who has already joined either premium or partnership)

Where an FTA joined either **premium** or **partnership** at the beginning of their original employment, they will continue to be a member of that scheme.

You must use letter text M. See annex A of this EPN.

Scenario 4 – FTA (who chose not to join the arrangements during their original employment)

If the FTA had opted out of **premium** and also did not open a **partnership** pension account, they will remain opted out of the Civil Service pension arrangements until they decide to opt back into **premium** or open a **partnership** account. They are not eligible to join **nuvos**.

You must use the letter text N in Annex A of this EPN. You should not treat the employee as a new entrant and should refer requests to opt back into **premium** to your APAC to take the necessary action.

At-a-glance ‘Employer Action’ table

9. We have provided an ‘At-a-glance Employer Action’ table for dealing with casuals and FTAs whose employment spans 30 July 2007. See Annex B.

1(b) Casuals/FTAs employed after 30 July 2007 and whose contracts are subsequently renewed

10. As from 30 July 2007, both casuals and FTAs have the same pension choices. Where you offer them a further or new contract you must follow the actions given in Scenarios 5 and 6 (below). The action you take will depend on the length of further employment you are offering and whether or not the casual/FTA joined the CSP arrangements in their first period of employment. Please note that if you are simply making use of a flexibility in the original contract to extend the period of employment, there is no action for you to take.

Scenario 5 – Casual/FTA (who has already joined either nuvos or partnership)

Where a casual/FTA joined **nuvos** or **partnership** during the course of their original employment, they will continue to be a member of that scheme.

You must use letter text M in Annex A of this EPN.

Scenario 6 – Casual/FTA (who chose not to join the arrangements at the beginning of their original employment)

If the casual/FTA had opted out of **nuvos** and also did not open a **partnership** pension account, they will remain opted out of the Civil Service pension arrangements until they decide to opt back into **nuvos** or open a **partnership** account.

You must use the letter text O in Annex A of this EPN. You should not treat the employee as a new entrant and should refer requests to opt back into **nuvos** to your APAC to take the necessary action.

(2) Opting Out (and back in)

11. Employees do not have to join the CSP arrangements. Where they do join the arrangements, they have the right to opt out at any time after joining. Employers asked us to clarify the ‘opting in’ procedure for people who fall under these scenarios.

Employee who did not join the arrangements at the beginning of their employment.

12. Where an eligible employee who did not join the arrangements at the beginning of their employment subsequently decides they do want to join, they will have the same choice they would have had at the beginning of their employment.
13. So, for example, if they started work on a permanent contract in 2004, they can choose to join either **premium** or **partnership**. You should refer the employee to your APAC who will provide them with the relevant information and, where appropriate, take the necessary opting back in action.

14. When you are notified by your APAC that the employee has opted back into the scheme, you should put them into the scheme they have chosen from the next available pay run.
15. Someone who started employment before 1 October 2002 and who was eligible to join **classic** but opted out from day one of their employment can only join **classic** if they now wish to opt back in. They do not have the choice of **partnership**.
16. Employees must put their request to join in writing.

Member who opted out and subsequently wishes to opt back in

17. Where an employee opted out of the arrangements and subsequently wishes to opt back in, they can do so provided they have not previously opted out and back in. They can only opt in to the scheme they opted out of. They must put their request in writing.
18. Under **classic** and **nuvos**, the effective date will be the earliest practicable after the APAC has received the appropriate documentation from the member and informed your payroll in time for the next available pay run.
19. Under **premium** and **partnership**, the rules state that the member must give notice of 3 months and that the effective date will be either 1 April or 1 October following. In practice, however, if your APAC is able to handle the application sooner, they can do so at your discretion. (Cabinet Office is considering reviewing this rule for **premium** so that it mirrors the other schemes. For **partnership**, however, the rule will remain.)
20. Members (in any scheme) can opt out once and subsequently opt back in. If they opt out again, they will not be allowed to opt back in a second time.

(3) Secondments

21. Generally, when an employee is on secondment they either:
 - continue to build up benefits in the CSP arrangements, irrespective of whether the borrowing or the loaning organisation pays their salary; or
 - they are treated as if they are on unpaid leave, in which case they remain in the CSP arrangements but do not build up pension during their secondment.
22. When a secondee returns to their Civil Service employment, they resume building up benefits in the scheme they were in before their secondment started.
23. If an employee's terms and conditions of employment excluded them from joining the CSP arrangements before taking secondment, they cannot join the CSP arrangements on their return. However, an employee who had opted out of the CSP arrangements before taking secondment would be able to opt back into the scheme they had opted out of when they return.
24. The guidance on secondment is the same regardless of which Civil Service pension scheme a member belongs to.

**nuvos – pension choices for ‘casuals’ and
fixed term appointees**

EPN184 (Rev)

Reference This document refers to EPN 172(Rev) and replaces specific information in Section 4.1 regarding the treatment of casuals.

Contacts Enquiries about content, distribution or to receive in a different format

employerhelpdesk@cabinet-office.x.gsi.gov.uk

01256 846414

**Employer Helpdesk, Civil Service Pensions, Grosvenor House, Basing View
Basingstoke, RG21 4HG**

You can find electronic copies of the EPG, all current EPNs and forms on our website www.civilservice-pensions.gov.uk in the Guidance for employers section.

If this notice is to be circulated to members, then please remove contact details as the helpdesk is for employers only. Members should be directed to your pensions administrator if they have any queries.

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Text for letters of appointment

L. For casuals in post before 30 July 2007 who have a **partnership** account and are offered a further or new contract of employment at some point after 30 July 2007

Pensions

‘In your previous employment with us, you opened a **partnership** pension account.

For your new contract/employment [[use preferred term](#)], you have the option to continue with that account or, alternatively, join the **nuvos** pension scheme. **nuvos** is an occupational pension scheme that currently has a 3.5% member contribution rate. As your employer, we meet the rest of the cost of the scheme.

To help you decide, we will order a ‘PensionChoices’ Starter Pack from our distributors. We will provide them with your name and home address so that they can send it to you directly. The distributors will not use this information for any other purpose. If you do not receive your pack before you start your new contract please contact [[insert employer section or named contact](#)]

The Starter Pack tells you that we will backdate your contributions from the beginning of your new employment. It also tells you that you have 3 months in which to decide whether or not you wish to join **nuvos**. However, as you are already a member of **partnership**, we will continue to pay contributions to your **partnership** pension account until such time we receive your PensionChoices form, which is in the Starter Pack. If you indicate that you wish to join **nuvos**, we will inform your **partnership** pension provider that you are closing your account and instruct our payroll to start deducting **nuvos** contributions from your salary at the next available pay run. We will not backdate **nuvos** contributions to your start date as you will already have had contributions paid into your **partnership** account.

You do not have to join **nuvos**, and you can close your **partnership** pension account at any time. If you opt out of the Civil Service pension arrangements entirely, you will build up benefits in the State Second Pension Scheme (S2P) instead. But if you are considering opting out we strongly recommend that you read the Starter Pack before you make any decision.

Please contact our pensions administrators, who are [[insert APAC details including Helpline number](#)] if you have any questions about the pension arrangements, or visit the Civil Service Pensions’ website: www.civilservice-pensions.gov.uk.

Please complete and return your PensionChoices form to [[insert employer contact name/section](#)]. If you wish to continue with your **partnership** pension account, please note that you do not need to complete the **partnership** application form as we already have your details.’

M. For:

- FTAs in post before 30 July 2007 who are either a **premium** member or have a **partnership** account and are offered a further or new contract of employment at some point after 30 July 2007 (and there is no break between employments)
- Casuals/FTAs whose current contract of employment began on or after 30 July 2007 who are either a **nuvos** member or have a **partnership** account and are offered a further or new contract of employment (and there is no break between employments)

Pensions

‘You are already covered by the Civil Service pension arrangements. We will continue to deduct contributions from your salary, if applicable, in the usual way.

Please contact our pensions administrators, who are [\[insert APAC details including Helpline number\]](#) if you have any questions about the pension arrangements or visit the Civil Service Pensions’ website: www.civilservice-pensions.gov.uk.’

N. For FTAs in post before 30 July 2007 who opted out of **premium**, do not have a **partnership** account, and are offered a further or new contract of employment after 30 July 2007 (and there is no break between employments)

Pensions

‘You previously opted out of the Civil Service pensions arrangements and chose not to join **premium** or to open a **partnership** pension account. Unless you tell us otherwise, you will remain opted out of both **premium** and **partnership**.

If you wish to opt back into **premium** or open a **partnership** pension account (either now or at some time in the future), or you have any questions about the pension arrangements, please contact our pensions administrators, who are [\[insert APAC details including Helpline number\]](#). You can also find out more about the pension arrangements by visiting the Civil Service Pensions’ website: www.civilservice-pensions.gov.uk.’

O. For FTAs whose appointment began on or after 30 July 2007 who opted out of **nuvos**, do not have a **partnership** account, and are offered a further or new contract of employment (and there is no break between employments)

Pensions

‘You previously opted out of the Civil Service pension arrangements and chose not to join **nuvos** or to open a **partnership** pension account. Unless you tell us otherwise, you will remain opted out of both **nuvos** and **partnership**.

If you wish to opt back into **nuvos** or open a **partnership** pension account (either now or at some time in the future), or you have any questions about the pension arrangements, please contact our pensions administrators, who are [\[insert APAC details including Helpline number\]](#). You can also find out more about the pension arrangements by visiting the Civil Service Pensions’ website: www.civilservice-pensions.gov.uk.’

At-a-glance Employer Actions table

Pension choices for Casuals/FTAs who are offered further or new contracts and whose employment straddles before and after 30 July 2007.

Scenario	Which Starter Pack?	Which LOA text?	Auto enrol in nuvos?
Casual (not in partnership) > 12 months*	NE1	A (see EPN 172 (Rev) Annex B)	Y
Casual (not in partnership) < 12 months*	NE2	B (see EPN 172 (Rev) Annex B)	N
Casual (already has partnership account) > 12 months*	NE2	L (see EPN 184 Annex A)	Already has partnership account
Casual (already has partnership account) < 12 months*	NE2	L (see EPN 184 Annex A)	Already has partnership account
FTA (not in either premium or partnership) > 12 months*	No pack required	N (see EPN 184 (Rev) Annex A)	N
FTA (not in either premium or partnership) < 12 months*	No pack required	N (see EPN 184 (Rev) Annex A)	N
FTA (already in premium)	No pack required	M (see EPN 184 Annex A)	Already in premium
FTA (already in partnership)	No pack required	M (see EPN 184 Annex A)	Already has partnership account

* '<' = fewer than '>' = 12 months or more