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4.1

Your responsibilities when staff join

Identifying eligibility to join the CSP arrangements

4.1.1 As a general rule, the majority of your employees will be eligible to join the Civil Service pension (CSP) arrangements. This section tells you about:

- who is and isn't eligible to join
- the choices available to employees, according to their employment status, and
- the actions you need to take and your duty of care when staff join your organisation.

4.1.2 This section does not cover compulsory transfers of staff as there are different eligibility rules concerning pension provision. If you are thinking of undertaking a compulsory transfer exercise, you must get in touch with CSPD via the Employer Helpdesk in the first instance. Email: employerhelpdesk@cabinet-office.x.gsi.gov.uk. For further information on transfers please see section 12 of the EPG.

Who is eligible for a pension?

4.1.2 The CSP arrangements are open to all employees of the Civil Service and organisations listed in Schedule 1 of the Superannuation Act

1972, with the following exceptions:

- people engaged locally overseas
- inward secondees from a non-CSP employer
- people who belong to another registered pension scheme to which you (as employer) contribute
- people whose terms of employment exclude them from membership of the scheme; and
- for Civil Service employers: anyone whose appointment does not comply with the Civil Service Commissioners' Recruitment Code. See www.civilservicecommissioners.gov.uk/publications_and_forms/recruitment_code.aspx

Definition of 'employee'

4.1.4 By 'employees', we mean people engaged on a contract of service. You should obtain your own legal advice to determine whether or not an individual is an 'employee.'

4.1.5 Where someone is not an employee, for the avoidance of

doubt you should specify in their contract that they are not covered by the pension arrangements.

4.1.6 You should note that just because someone is treated as an employee for tax and national insurance purposes it does not necessarily mean that they are employed on a contract of service and therefore entitled to a Civil Service pension.

‘New entrants’ and ‘rejoiners’

4.1.7 We use the term ‘new entrant’ to define someone who is starting work for a CSP employer for the first time and, depending on their ‘employee status’, is eligible for a Civil Service pension. Whether the employee works full or part-time is immaterial.

4.1.8 We use the term ‘rejoiner’ to define someone who has been a member of the CSP arrangements before. This includes individuals:

- joining your organisation (either with or without a preserved award for earlier service), or
- joining your organisation and who is receiving a Civil Service pension or has received some form of compensation from their previous CSP employer.

4.1.9 There is no minimum or maximum age for members joining the CSP arrangements. However, members must take their benefits before their 75th birthday.

4.1.10 New entrants have a choice of joining **nuvos** or opening a **partnership** pension account. (See Section 3 for details on the schemes available).

4.1.11 Rejoiners may have different choices. These will depend on the:

- length of break since they were last employed by a CSP employer,
- reason they left, and
- whether or not they are drawing their pension.

4.1.12 The general position is as follows. There are exceptions to new entrants and rejoiners but we will tell you about these later. (See table 1 and paragraph 4.1.53 onwards).

No more than 28 days’ break between CSP employments

4.1.13 Rejoiners who have not drawn their pension or received compensation and who have had a break in CSP employment of 28 days or less will return to the scheme they were in with their previous CSP employer. Members who have received compensation on leaving, may on rejoining have their award cancelled. See further information on rejoiners in paragraph 4.1.53 onwards.

More than 28 days and under 5 years’ break between CSP employments

4.1.14 Most rejoiners who return after a break of at least 28 days but within 5 years will be eligible to join either **nuvos** or **partnership**. However, those who resigned from their previous CSP employment or

came to an end of a fixed term appointment, having qualified for a **classic**, **classic plus** or **premium** pension, and who are not yet receiving their pension, will have a choice of **premium** or **partnership**. They will not be able to join **nuvos**.

Breaks between CSP employments of 5 years or more

4.1.15 This group of rejoiners have the option to join either **nuvos** or **partnership**. (In effect, you treat them as if they were new entrants).

4.1.16 Annex 4A gives a summary of the choice(s) of scheme(s) available for rejoiners. Because the choices for rejoiners are not straightforward, we have developed a 'Pensions Questionnaire and Rejoiner Calculator' which you must use to help you identify the correct choices. We tell you more about this in paragraph

4.1.18 onwards.

Exceptions to new entrants and rejoiners

4.1.17 The following table lists the groups of employees who are not regarded as being either new entrants or rejoiners for pension purposes.

Table 1 Exceptions to new entrants and rejoiners	
Staff on short term contracts (Casuals and FTAs) who are given further contracts of work (and have not had a break in employment)	As there has not been a break in employment, these staff are not regarded as either new entrants or rejoiners for pension purposes. For guidance, please see EPN 184 (Rev).
Members moving from one CSP employer to another without a break in service	An individual is not regarded as a new entrant or rejoiner if they move from one CSP employer to another CSP employer. These members will have already established their pension choice. They are not permitted to change their option purely as a result of moving from one CSP employer to another. The exporting employer must tell you about the member's pension details when they transfer the personnel details to you. It is your responsibility to ensure you have received this information. Annex 4B text C gives you a form of words to use in the letter of appointment. See Section 6.1 for how to deal with this type of staff move or 'transfer'.

Staff on loan from another CSP employer	Staff on loan will have already established their pension choice and are not permitted to change their option purely as a result of working for another CSP employer.
Staff returning from a career break	Staff returning from a career break will stay in the scheme that they were in before their break.
Pensioners immediately re-employed upon retirement	See guidance under 'Other things you need to know', paragraph 4.1.53 onwards.
Staff who previously worked for the Northern Ireland Civil Service or a 'by-analogy' organisation	<p>If you appoint someone from the Northern Ireland Civil Service or a 'by-analogy' organisation, they may be able to join the CSP scheme that mirrors their previous arrangement as long as they have not taken their pension and:</p> <ul style="list-style-type: none"> • they apply to transfer all their benefits from the by-analogy scheme, and • they have not had a break of more than 28 days in service between the two employments. Where there is a break of more than 28 days, you must treat the employee as a new entrant. <p>Where you appoint someone from the Northern Ireland Civil Service or a 'by-analogy' organisation and they are receiving a pension from that employment, they will only have the choice between nuvos and partnership.</p> <p>Note this arrangement applies only to multi employee by-analogy organisations and not to 'one man schemes' set up especially for individual post holders.</p> <p>A list of by-analogy schemes can be found on our website www.civilservice-pensions.gov.uk/facts_and_figures.aspx</p>
Staff returning from secondment	See Section 5.1 for information on the treatment of secondments.

Helping you decide pension choices for new entrants and rejoiners

You must use the Pension Questionnaire (Rev May 2008) and Rejoiner Calculator. It is an essential tool to help you deliver the correct choice of pension(s) to staff and, because of this, Cabinet Office is mandating its use by all employers who participate in the CSP arrangements.

There is also an 'online' version of the questionnaire on our website for you to put on to your own website if you wish to have this facility. You can email this version to the new entrant for completion on-line and return by email. It does not have the calculator attached. See www.civilservice-pensions.gov.uk

4.1.18 Although new entrants will only have a choice of joining either **nuvos** or **partnership**, the choices for rejoiners are not straightforward. We have therefore developed a 'Pensions Questionnaire and Rejoiner Calculator' which will help you identify the correct choices.

4.1.19 The questionnaire and calculator are in a single Excel workbook which can be found on our website in the 'Guidance for employers' section, under 'forms' and entitled 'Pensions

Questionnaire (Rev May 2008)'.
www.civilservice-pensions.gov.uk

We suggest that you download the workbook onto your personal computer so that you don't have to keep accessing the website.

4.1.20 If you do not have access to the web, please contact the Employer

Helpdesk employerhelpdesk@cabinet-office.x.gsi.gov.uk and we will send the questionnaire and calculator to you either by e-mail, on a floppy disc or CD, whichever suits.

4.1.21 When you access the workbook, it will open with the page on which you will input the information from the completed questionnaire the appointee would have returned to you. The 'Pensions Questionnaire (May 2008)' itself is on the second page and you can print this off when you need to issue one to an appointee.

4.1.22 Before issuing the questionnaire you should put your return address in the space provided to let the appointee know where to return the form. You can input this on the Excel worksheet before you print it off. (All other information on the questionnaire and calculator is locked).

4.1.23 You must send the questionnaire with the 'conditional offer' letter to the appointee and include the text we have provided in Annex 4B, letter text K. The text asks the appointee to complete and return the questionnaire to you without delay; you must give them sufficient time to complete it and enter an appropriate date for return in the letter.

4.1.24 The calculator will tell you:

- which pension choice(s) a rejoiner has
- which Starter Pack to order, and
- which 'Letter of Appointment' (LOA) text to use.

The calculator will also remind you about other actions (for example, abatement).

Actions once eligibility has been established

'Defaulting' people in to a pension scheme

4.1.25 In most cases, you will automatically 'default' new entrants and joiners into one of the Civil Service pension schemes even though they will not yet have decided which scheme to join. You will default all new entrants who are given contracts of 12 months or more into **nuvos**. The calculator will tell you which scheme to default each joiner into, according to their circumstances.

4.1.26 Even where you do default people, you must tell them about the pension choices they have and send them the appropriate LOA text and order them a Starter Pack, if appropriate. (The calculator will guide you on which text you use for joiners.)

4.1.27 You must give all new entrants and joiners 3 months from their start date to decide which scheme they wish to join. If they choose within the 3 months, you backdate their choice to their start date.

4.1.28 Where you have defaulted someone into **nuvos** and they choose **partnership** instead, as long as they have decided within 3 months of their start date, you must 'unscramble' contributions from the default scheme and put them into **partnership**. Section 4.2 tells you more about 'unscrambling.'

4.1.29 You do not default everyone. New entrants with contracts of less than 12 months will have to choose to join a pension scheme. They will have a choice of either **nuvos** or

partnership but, unlike other groups, you do not default them. If they do choose to join within 3 months, contributions must be backdated to their start date.

partnership joiners, rejoining within 28 days

4.1.30 Where a joiner was in **partnership** in their previous employment and joins your organisation within 28 days of leaving that employment, you must send them, at this stage, form CSP14. This form asks the joiner for their **partnership** pension account details and their authorisation so that you can contact their pension provider and re-open their account. We have provided a form of words for you to use in a covering letter, which you can find in Annex 4B, letter text J. (You will only need to do this if the joiner is coming from another CSP employer. If they worked for you before, you should already have these details.) The calculator will prompt you.

4.1.31 You can find a copy of form CSP14 on our website www.civilservice-pensions.gov.uk/publications.aspx

Letter of appointment (LOA) text

4.1.32 You should insert the appropriate text into your standard LOA to tell the appointee about their pension choices. We have provided standard texts in Annex 4B; these texts relate to each of the particular pension choice(s) each group of new entrants and joiners have. Where applicable, the text notifies those employees who have been defaulted into one of the pension schemes.

4.1.33 The calculator will tell you which letter text to use. You should send the LOA before the person starts work. If this is not possible, then you should include the appropriate text in the 'start letter' or similar communication that is sent to the appointee with details of their joining arrangements.

Starter Packs

4.1.34 It is a statutory requirement that new entrants and rejoiners receive scheme information within two months of their start date. Cabinet Office requires you, as employer, to ensure that new staff receive scheme information much earlier. Please see paragraph 4.1.39 onwards.

4.1.35 There are 3 Starter Packs, each designed for the different categories of new entrants and rejoiners. (The calculator will tell you which Starter Pack to order.)

'NE1' – for new entrants expected to work for 12 months or more and all rejoiners except those who only have a choice between **premium** and **partnership**

'NE2' – for new entrants whose appointment is expected to last less than 12 months

'RJP' (**premium**) – for rejoiners who are eligible to join (or rejoin) **premium**. These will generally be people who left **classic**, **classic plus** or **premium** on resignation with more than 2 years' service, having qualified for a pension and who return with a break of more than 28 days but within 5 years.

4.1.36 All packs contain:

- An introductory letter with a

personalised Pension*Choices* form attached. The letter tells all starters who are given pension choices that they have 3 months in which to decide which pension scheme they want to be in. The Pension*Choices* form also allows the new entrant/rejoiner to make a death benefit nomination

- A return pre-paid envelope which will allow the new entrant/rejoiner to return the Pension*Choices* form to the address indicated by the employer on the DRF2. We tell you about the DRF2 in paragraph 4.1.40.
- A set of three leaflets supplied by the **partnership** pension account providers which provide background information and contact details for new entrants/rejoiners interested in this arrangement
- A Trades Union promotional leaflet.

4.1.37 NE1 and NE2 Starter Packs also contain a 'Pension*Choices*: **nuvos** or **partnership**' booklet; the RJP (**premium**) Starter Pack contains a 'Pension*Choices*: **premium** or **partnership**' booklet.

Ordering Starter Packs

4.1.38 All pensions material including the Starter Pack is distributed by St Ives Direct who is our current print and distribution supplier.

4.1.39 When you issue the LOA (or earlier communication, as appropriate) you must, at the same time, ask St Ives Direct to issue a Starter Pack.

4.1.40 The preferred method of ordering from St Ives Direct is by email, using the DRF2 spreadsheet or

the Despatch Request Form (DRF2). Both the DRF2 spreadsheet and form are available on the CSPD Employer website www.civilservice-pensions.gov.uk/publications.aspx

You should download the form and spreadsheet and send them as an attachment to an email. St Ives Direct will then email you back with an immediate acknowledgement. Their email address is: cspdorders@stivesdirect.com

4.1.41 You may fax or post your orders only if you are unable to use email. The address for St Ives Direct is:

St Ives Crayford Ltd
St Ives Direct
Optima Park
Thames Road
Crayford
DA1 4QX

Fax: 0870 0131 694

4.1.42 Please note that St Ives will not acknowledge either faxed or posted orders.

4.1.43 It is your responsibility to make sure that each new entrant receives their Starter Pack within 1 week of issue of their LOA or start date, whichever is the earlier. Ideally you should ask new entrants at their induction if they have received their pension Starter Packs. This will prompt them to make their pension choice and will help you to identify anyone who has not received their pack.

4.1.44 Where a member has not received a pack, you should follow up the delivery with St Ives Direct. You should not refer the member to St Ives in any instance. It is your responsibility

to follow up delivery of the pack, and if the member has a query about the pension arrangements you should direct them to your APAC's helpline.

Dealing with PensionChoices forms

4.1.45 The new entrants and rejoiners complete and return the PensionChoices forms to either you or your APAC, depending on your Service Level Agreement. The following guidance is written with the view that the PensionChoices forms are returned to the employer.

4.1.46 The forms are colour coded to help you recognise the actions you need to take according to new entrant or rejoiner status. Table 2 tells you about the colour coding and the actions to take when you receive these forms.

Table 2 PensionChoices form	Actions to take
NE1 – green	<p>If the new entrant ticks that they want to stay in nuvos, pass the form to your APAC for action. You will have already defaulted the new entrant into nuvos so there will be no further action for you.</p> <p>If the new entrant chooses partnership tell payroll to:</p> <ul style="list-style-type: none"> • ‘unscramble’ nuvos contributions (see Section 4.2 for details on ‘unscrambling’) • change the ‘contracting-out’ status (see Section 3.5 and 4.2 for further details) • send the PensionChoices form to your APAC to tell them of the member’s choice so that they can check that PenServer has been correctly noted. <p>Note 1: You take these actions only if you have received the PensionChoices forms within 3 months of the appointee’s start date.</p>
NE2 – dark blue	<p>If the new entrant ticks nuvos, tell payroll to:</p> <ul style="list-style-type: none"> • put them in nuvos, • backdate entry to their start date (see note 2), and • start paying contributions (backdated to their start date) • Send form to your APAC <p>If the new entrant ticks partnership, follow instructions given in Section 4.2. and tell APAC so that they can note PenServer.</p> <p>Note 2: The new entrant must return their form within 3 months of their start date for you to backdate their choice.</p>
RJP (premium) – red	<p>You will have defaulted this group into premium. If the rejoiner ticks that they want to stay in premium, pass the form to your APAC.</p> <p>If the new entrant chooses partnership tell payroll</p>

	<p>to:</p> <ul style="list-style-type: none"> • ‘unscramble’ premium contributions (see Section 4.2 for details on ‘unscrambling’) • change the ‘contracting-out’ status (see Section 3.5 and 4.2 for further details) • tell the APAC of the member’s choice so that they can check that PenServer has been correctly noted. <p>Note1: You take these actions only if you have received the Pension<i>Choices</i> forms within 3 months of the appointee’s start date.</p>
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4.1.47 Where you have defaulted people into either **nuvos** or **premium**, they may not always return their Pension*Choices* form. You should encourage them to do so as it includes their death benefit nomination and other important information.

Receiving Pension*Choices* forms after the 3 month decision period

4.1.47 Where staff return their Pension*Choices* form after the 3 month decision period, you will need to take the following action according to whether or not you defaulted them into either **nuvos** or **premium**:

- if they were defaulted automatically and wish to stay in that scheme, then there is no further action for you (although in all cases you must keep the Pension*Choices* form on the member’s personnel file for future reference, and send a copy to your APAC. Alternatively, according to your SLA, your APAC may keep the original on your behalf).
- if they were defaulted but wish to join **partnership**, you must treat

their choice as a request to ‘switch’ schemes. See Section 3 for information on switching. Your APAC may take this action forward for you, according to your agreement with them. (You must keep the Pension*Choices* form – see above.)

- if they were not defaulted, you must put the member into the scheme of their choice from the next available payday. (You must keep the Pension*Choices* form – see 1st bullet point above.)

4.1.49 Where you receive a Pension*Choices* form after the 3 month decision period, you must first consider the reasons why there has been a delay in the return of the form. If the reason for the delay is not the member’s, you should consider backdating contributions (where appropriate) so that the member doesn’t lose out. You must get approval from CSPD before you take any action.

At-a-glance Employer Actions tables

4.1.50 Annex 4C gives a series of tables which show, at a glance, the

actions you need to take throughout the recruitment process.

Member opting not to join

4.1.51 A new entrant may indicate on their PensionChoices form that they do not wish to join any of the CSP arrangements. You should forward the PensionChoices form (if they come to you) to your APAC immediately. They will follow up the decision with the new entrant by letter to ensure that the new entrant is aware of what they are giving up and will ask them to confirm their decision. (This is because they are giving up benefits beyond just a retirement pension. These include potentially valuable ill-health and death benefits.)

4.1.52 If the member confirms that they do not wish to join, and providing that they have indicated this within their first 3 months, your APAC will tell you and you in turn must tell your payroll to:

- refund to the employee any **nuvos** or **premium** pension contributions they have paid, less income tax, and less the employee's Contribution Equivalent Premium (CEP) for that period.
- recover overpaid **nuvos** or **premium** scheme ASLCs from the Cabinet Office Civil Superannuation, and;
- calculate the employer's CEP and reinstate the employee into S2P from their first day by paying the employer's and employee's CEP to NICO.

Other things you need to know

Rejoiner matters

Abatement

4.1.53 Abatement will apply where a rejoiner:

- is receiving a Civil Service pension or has received a pension lump sum before the re-employment or
- is receiving an annual compensation payment (ACP) or
- has received a Compulsory Early Severance package that included a reserved rights pension 'top-up' payment (for this group only abatement will not apply to those who are employed on or after 30 July 2007).

The calculator will tell you if you have to do this. For details on how abatement works, please see Section 4.3.

Rejoiners who have an upper-tier ill health pension

4.1.54 If, exceptionally, you re-employ someone who has an upper-tier ill health pension, they are not eligible to rejoin the CSP arrangements. This is because an upper-tier ill health pension includes a service enhancement through to pension age. If you do re-employ someone in this position, you must ask your APAC to refer the case to Employer Helpdesk, Cabinet Office, Civil Service Pensions Division (CSPD) for immediate review of the ill health pension. (Email: employerhelpdesk@cabinet-office.x.gsi.gov.uk) If, after review, the upper-tier top-up is withdrawn, the person can then rejoin the pension arrangements. The rejoiner will then

be eligible to join either **nuvos** or **partnership**.

Quarantine periods

4.1.55 Where someone left:

- on early retirement
- on lower tier ill health terms, or
- with reserved rights under compulsory early severance, they may have had their period of pensionable service enhanced. On re-employment, you need to ensure they are prevented from paying pension contributions to build up any further pension until the period of enhancement (the “quarantine period”) has expired. You must tell any rejoiner in this position when their quarantine period will expire in their letter of appointment. The calculator will tell you the correct letter text to use. You must ask your APAC for the quarantine period end date. You must also tell your payroll the quarantine period end date, so that they know when to start deducting employee contributions and paying the full ASLC. (Please note, your APAC should send you a reminder when the “quarantine end date” is approaching.)

4.1.56 You will be responsible for paying a mini-ASLC of 0.8% of the rejoiner’s pensionable earnings during the quarantine period to cover them for death in service.

4.1.57 This approach will apply even where the enhancement is notional – for instance, for those in **premium** or **classic plus** who left on Flexible Early Retirement (FER) or Compulsory Early Retirement (CER) and for those in **classic** who chose Option B FER/CER or who had “reserved rights” severance terms.

Rejoiners who have had a break in

service of 28 days or less

4.1.58 Where people are re-employed within 28 days having left on compulsory or flexible early retirement, their award will be cancelled and they will have to repay any pension and/or compensation received. This is regardless of whether or not they have gone through an ‘open and fair’ competition. You must tell your APAC so that they can take the necessary action.

4.1.59 Where a rejoiner who received an enhancement as part of an early or ill health retirement package decides to join **partnership**, they can make contributions (through payroll) to their account from their start date. As with **nuvos**, you only pay a mini-ASLC of 0.8% during the enhancement (“quarantine”) period.

4.1.60 The Rejoiner Calculator will guide you.

Severance payments

4.1.61 Where people are re-employed within 28 days having left with a severance payment, they must repay the whole of their severance payment and rejoin their old scheme (unless they specifically opt out of the CSP arrangements altogether). This is regardless of whether or not they have gone through ‘open and fair’ competition. You must tell your APAC so that they can take the necessary action.

4.1.62 Provided their break in service is more than 28 days, members will not normally be required to repay their severance payment, unless you have re-employed them other than on the basis of fair and open competition. If that is the case, the member must

repay a severance amount proportionate to the remaining period of the severance.

4.1.63 You must tell your APAC that the member had received a severance payment and that you are re-employing the member other than on the basis of open and fair competition. The APAC will then take responsibility for calculating and collecting the severance repayment.

4.1.64 Where severance payments were made on the basis of “**reserved rights**” to pre-1987 terms, a different approach will apply. In these cases, the benefits include a notional service enhancement. These people will therefore be subject to a “quarantine period” as described above. Repayment will still be necessary if re-employed within 28 days (as per 4.1.60). If re-employed after 28 days repayment will not be necessary but quarantine (as per 4.1.55) will apply and salary is not abated.

Joining past service with new service

4.1.65 A rejoiner who has a preserved **classic**, **classic plus** or **premium** pension in the CSP arrangements will, in certain circumstances, be able to join this up with their new service:

- where the rejoiner has had a break of more than 28 days but less than 5 years and goes into **premium**, they will be able to link their two periods of service.
- where the rejoiner is not eligible to go into **premium** and joins **nuvos**, they may choose to link their preserved service. This option will not be available to those who left with an exit package. The

preserved service will be converted into final salary benefits similar to **premium** but with the service adjusted to reflect the later pension age in **nuvos**, and (if the preserved award was in **classic** or **classic plus**) differences in the benefits structure. When the member takes their **nuvos** pension benefits, the final salary element of their pension will be worked out on their final pensionable earnings at that time. Their new service will provide **nuvos** benefits built up each year – in other words, they will have a mix of final salary and **nuvos** benefits. Your APAC will handle any linking enquiries from rejoiners.

Pensioners re-employed immediately upon retirement

4.1.66 If a member retires from CSP employment on or after pension age, or leaves on actuarially reduced, lower tier ill health or approved early retirement before pension age, and you subsequently re-employ them after a break of 28 days, they will generally have the choice of **nuvos** or **partnership**.

4.1.67 These arrangements do not apply to those who are re-employed having left on upper tier ill health retirement.

4.1.68 In all cases where a pensioner is re-employed, their pension will be abated (reduced or suspended) if their pension plus new annual rate of salary exceeds their pensionable earnings immediately before retiring. See Section 4.3 for details of the action you need to take.

4.1.69 On final retirement, their pension will be calculated according to the relevant re-employment provisions in their pension scheme.

4.1.70 We have added “formal retirement” as a reason for leaving on the Rejoiner Calculator which was issued with EPN 172 (Rev). We have not included it on the Rejoiner Questionnaire given the very limited availability of formal retirement.

Please note that ‘partial retirement’ has been introduced from 1 March 2008. Partial retirement will replace the provisions for re-employment immediately after taking pension, (although formal retirement will continue to exist for “Pre-Fresh Start” Prison Officers). See EPN 204 for guidance.

Transferring pension benefits into the CSP arrangements

4.1.71 If you have a new entrant who wishes to transfer their benefits from a previous pension into the CSP arrangements, you should refer them to your APAC.

Processing **partnership** applications

4.1.72 Please see Section 4.2.

4.2

Your responsibilities when staff join Partnership

Introduction

4.2.1 Section 3.2 of the EPG tells you about the **partnership** pension account and how it works. Please read it before processing any **partnership** applications.

4.2.2 The new entrant Starter Pack tells new entrants who wish to open a **partnership** account to contact the **partnership** pension provider(s) directly for an application pack. The application pack will explain what the provider has to offer and contains the provider application form.

4.2.3 Annex 4D lists the helpline numbers for each of the providers, which are also available on the provider flyers included in the new entrant Starter Pack. Members are responsible for requesting information from the provider(s) directly. They can request packs from more than one provider but can only choose one.

4.2.4 New entrants complete the PensionChoices form and fill in their section of the chosen provider's application form. They send both forms to you. If the new entrant applies for

partnership within 3 months of the start of their employment they are entitled to have the employer contributions to **partnership** backdated to the first day of service.

Employer actions

4.2.5 You are responsible for processing the forms. This means that the new entrant's **partnership** pension account is not set up until you process the application form and send it to the provider.

Important note

For the purposes of this guidance only, we have referred to action that you, as employer, should undertake. You may decide that your APAC is better placed to carry out some or all of the actions on your behalf. In that event, you must agree the processes for taking appropriate payroll action in a timely fashion with your APAC. We recommend that you include any agreement in your SLA.

Table 1 sets out the steps for you and your payroll to follow

Table 1 Actions for employer and payroll

Step 1

Check the PensionChoices form. This will show you that the new entrant has chosen **partnership**. It is important to check that the applicant has signed and dated the form and that they have entered the correct employer details.

If the new entrant has chosen **partnership**, have they sent you a provider application form?

If YES, please go to step 2.

If NO, please contact the new entrant and ask them to:

- choose a provider and remind them to contact the chosen provider for a **partnership** application form
- fill in the employee section of the provider application form
- send the provider application form to you as soon as possible. (You may wish to remind the new entrant that if they make their pension choice within the first 3 months of employment you will backdate the employer age-related contributions to **partnership** to their first day of service.)

You should not take any further action until the new entrant has sent the provider application form to you.

Step 2

Check the provider application form to ensure that:

- the new entrant has entered all of their personal details on the front page of the provider application form, and signed and dated the form
- if they have chosen to split contributions between funds, the % splits add up to 100%
- although the employee is not required to contribute anything, if they have chosen to contribute they have shown their contribution as a percentage to one decimal place.

If any information is wrong, you will need to return the form to the new entrant for amending, reminding them of the 3 month choice period. If the 3 month choice period lapses whilst you are sorting out enquiries, you should consider the circumstances as to whether or not you 'unscramble' **nuvos** contributions (see paragraph 4.2.17). It is reasonable to do so if the new entrant originally returned their form within the initial 3 months. However, you may decide against unscrambling if the new entrant has caused unreasonable delays.

Step 3

Complete the employer section on the provider application form.

- **Employer details:** this should be the name of your department/body and not just 'Civil Service'.
- **Partnership Numbers (Employer/payroll codes):** these codes help the pension providers to identify where the data has come from, so that they can resolve any problems quickly. Obtain your code before completing any **partnership** application forms. CSPD's Employer Helpdesk team will give you a code if you do not already have one. employerhelpdesk@cabinet-office.x.gsi.gov.uk
- **First payday on which payments are to be deducted:** this is the date your payroll will send the first **partnership** contributions to the chosen provider. Make sure that the providers receive all applications in good time before the first payment. This is important as it allows the provider to set up the member's account before receiving the first payment. You may need to check with your payroll provider how long it will take them to set up the payment.
- Where new entrants make their pension choice within the 3 months' choice period, you should backdate their option to the first day of their service. You must enter the date that the first payment is due and not the date the new entrant started work with you. For example, if a new entrant started work on 1 September and made their choice at the beginning of October, the next payroll date is 31 October. You can write the entry as such: '31.10.07 backdated to 01.09.07' or 'October backdated to September' or just October and a letter to confirm original start date.
- **Pensionable earnings:** as a general rule, only permanent items of pay are pensionable. This will include any pensionable allowances but will not include payments such as overtime. The employee may, however, also have some non-cash pensionable earnings. For example, some people may receive 2% uniform allowance and others may have an allowance for accommodation. In these circumstances, you should also pay contributions based on the equivalent cash value of these non-cash pensionable earnings.
- **Age-related and matching payments:** employer contributions are in two parts, age-related and matching.
- You pay an age-related contribution for all **partnership** members whether or not the member contributes. The level of contribution depends on the employee's age at the beginning of the current tax year (on 6 April last). Annex 3D of this guide sets out the percentage contribution. You must put the appropriate percentage on the provider application form and review the age contributions each year. **You will need to revise the contributions when a member moves into a**

different age band.

- The employer matching contribution depends on whether, and how much, the member chooses to pay to **partnership** as a regular contribution. You can find out how much the employee wants to contribute from the information they give in the employee section of the provider application form. If the new entrant has chosen to make an employee contribution, you will match this up to a maximum of 3% of the employee's pensionable earnings. You will pay no more than 3% regardless of whether the new entrant pays more than that. You can make a higher contribution in exceptional circumstances provided that these are justified on a case by case basis as necessary for recruitment and retention purposes. You must report all cases to CSPD (via Employer Helpdesk in the first instance); you will need to ensure that your payroll provider and the pension provider are fully aware that non-standard contributions are to be paid.

Annex 4E provides examples and further information on how to calculate **partnership** contributions.

- **Payroll Reference Number:** this is the employee's payroll reference number.

Step 4

Send the application form to the provider. You should send applications in bulk each week to each provider. You must be sure that the member application form will reach the provider in good time for them to set up the account before payroll sends the first payment.

Step 5

Instruct your payroll to begin making deductions from the new entrant's or rejoiner's salary and to unscramble **nuvos** or **premium** contributions if necessary. (See paragraph 4.2.17). Your payroll provider must then send both the employer and employee contributions to the chosen provider. In addition to paying the age-related and matching contributions, you must also pay a mini ASLC of 0.8% of pensionable earnings to Cabinet Office Civil Superannuation to cover the cost of benefits due as a result of death in service or ill health retirement. Section 3.5 tells you more about this. It also gives you the deadlines you must meet for paying the contributions.

Your payroll must also send a schedule via the provider's website which we call web based scheduling. Further guidance on Web Based Scheduling can be found in EPN 207. This schedule contains data, such as member name and NI number, as well as amounts of employer and employee contributions. The provider needs this information in order to allocate the contributions and set up the account. To set up a web based scheduling account you will need to:

- decide who in your organisation will have access to submit pension contribution schedules. They will, of course, need to have access to the Internet; and

- request access to the providers' web sites. You will need to contact each provider separately to request access to their websites.

All three provider web sites have been designed with ease of use in mind and, although different, their functionality is broadly similar.

You can use web based scheduling to automatically deduct the total contributions listed on the schedule from your payroll account. The money is not deducted until you submit your schedule. Alternatively you can use web based scheduling for the transmission of member information but carry on making your payments by BACS.

Provider contact details are:

- Standard Life - Robin Stirling – Robin_Stirling@standardLife.com
- Tel: 0131 245 5208
- Scottish Widows – Adele Robertson – adele.robertson@scottishwidows.co.uk
- Tel: 0131 655 2251
- TUC/Prudential – Heike Burnell and Georgina Deacon – civilservice@prudential.co.uk – Tel: 0845 070 6666

Step 6

Send PensionChoices form to your APAC. Do not send it to the provider. Your APAC will use this to update the member's pension record and note the death benefit nomination.

Employers' regulatory responsibility

4.2.6 Because the **partnership** pension account is a stakeholder type pension, it is vital that you follow the correct procedures. The Financial Services Authority (FSA) and The Pensions Regulator regulate stakeholder pensions, which means that the pension providers have strict guidelines to adhere to. If you do not follow these procedures, the providers may report you to The Pensions Regulator. (For example, FSA rules do not allow providers to hold monies which they cannot apply to a member's account for more than a few days.) The providers can only invest contributions if they have the

corresponding application form and receive the schedule via Web Based Scheduling. If they do not have all the necessary information, the providers will have to return any payment you may have sent. This means you will have to reverse the contributions and set them up for the following month.

4.2.7 Your payroll must send contributions to the provider as soon as possible after being deducted from an employee's pay. This is so that the member does not suffer a loss of investment opportunity. There is a statutory deadline under the Welfare Reform and Pensions Act 1999, which requires the employee and employer contributions to be paid by the 19th of the month following the month in which

they were deducted from the policyholder's salary. You should, ideally, instruct your payroll to pay contributions within the shortest possible time.

4.2.8 The pension providers tell us of any employers who do not get payments and documentation to them within the statutory set time limits.

Policy start dates

4.2.9 The chosen pension provider will send a policy schedule to the member when the application has been processed. The start date on the policy schedule is unlikely to be the date the new entrant took up employment with the Civil Service or the day they signed their application form. The providers allocate the policy start date as the month in which they receive and process the first contributions. This can include backdated contributions but the policy schedule itself will not be backdated.

'Cooling off' period

4.2.10 After applying for **partnership**, the member has a 30 day 'cooling off' period in which to change their mind. The provider will write to you and refund both the employee and employer contributions if the member cancels their policy. You must arrange for the member to receive a refund of their contributions.

Sporadic earnings

4.2.11 Some employees do not receive any pensionable earnings and are not paid through the payroll. This is particularly common with fee-paid staff who often invoice the employing department as and when they do work for them. If the fee-paid person meets

the eligibility criteria for scheme membership you need to:

- attach a note to the provider application form when you pass it to the provider to say that the policy should be treated on a single payment basis and
- send a cheque covering the employee and employer contributions to the provider as and when the employee is paid, together with details of who the payment relates to.

4.2.12 Where the provider application form asks for details of the individual's annual pensionable earnings you should estimate what their annual pensionable earnings will be. You should do this even where it is unclear what future work the individual might undertake.

4.2.13 The Pensions Regulator requirements mean that employers must tell the **partnership** provider if no contributions are to be paid in a particular month and the reason why. Where there are no pensionable earnings and therefore no contributions for a particular month if you are sending information via web based scheduling you must put 0.00 in the contribution rate and you may be asked to select a reason such as payment holiday.

For the manual schedule you can either:

- mark the individual's entry on the monthly data file with the status code of 0 ('sporadic earnings'); or
- mark the individual's entry on the monthly data file (from payroll to the pension provider) with the status code of 3 ('contribution holiday').

Extending the 3 month deadline for new entrants

4.2.14 Sometimes, new entrants, through no fault of their own, do not receive their Starter Pack until some way into their first three months. In these circumstances, you should encourage individuals to return their PensionChoices form as soon as possible, but you should still allow them three months to make their choice if they need it. On receipt of the form, you should process it as quickly as possible, backdating employer **partnership** contributions to the first day of service.

4.2.15 In this situation, or if there is a delay in processing the **partnership** application form, you will need to tell the new entrant that you will backdate any employee contributions to their first day of service. Therefore, significant arrears could mean a big deduction from one month's pay. See paragraph 4.2.17 onwards for 'unscrambling' actions.

4.2.16 A new entrant can vary their initial contributions to avoid significant arrears being deducted from one month's pay. Individuals might, for example, choose not to make contributions for the months that are backdated, and only contribute for the future. They could do this by indicating a zero contribution on their provider application form and then opting for an increase by completing a contribution change form.

Unscrambling

4.2.17 If a new entrant is defaulted into **nuvos** and they opt for **partnership** within three months of joining, you must fully backdate their choice of **partnership** to their first day of service.

4.2.18 This means that you (or your payroll) must:

- refund to the employee any **nuvos** employee contributions paid in earlier months, less income tax, and less the employee's Contribution Equivalent Premium (CEP). (See paragraph 4.2.19 for further information).
- recover overpaid **nuvos** scheme ASLCs from Cabinet Office Civil Superannuation
- pay a backdated mini-ASLC to Cabinet Office Civil Superannuation to cover death and ill-health benefits
- work out the employer's CEP and reinstate the employee into State Second Pension (S2P) from their first day by paying the employer's and employee's CEP to NICO
- work out employee and employer **partnership** pension contributions from the first day of service, and send these backdated contributions to the pension provider with the first payroll run following the member joining **partnership**.

Table 2 sets out the cash flows when you have to take unscrambling action.

Table 2 Cash flows to unscramble **nuvos contributions for new joiners and **premium** contributions for rejoiners**

	Paid to	How cost is met	Action by
Refund of nuvos/premium contributions	Employee (via payroll)	Offset against payments of nuvos/premium employee contributions to Cabinet Office Civil Superannuation	Employer/payroll
Refund of nuvos/premium ASLCs	Employer	Offset against payments of nuvos/premium ASLCs to Cabinet Office Civil Superannuation	Employer/payroll
mini-ASLC	Cabinet Office Civil Superannuation	Employer	Employer/payroll
Employee's CEP	NICO	Employee (via payroll)	Payroll
Employer's CEP	NICO	Employer	Payroll
Backdated employee's partnership contributions	Pension provider	Employee (via payroll)	Payroll
Backdated employer's partnership contributions	Pension provider	Employee (via payroll)	Payroll

Contribution Equivalent Premium (CEP)

4.2.19 Part of the unscrambling process is the payment of a CEP to National Insurance Contributions Office (NICO). **nuvos** and **premium** scheme members are contracted out of S2P. Paying a CEP buys them back into S2P for the period they were defaulted into **nuvos** or **premium**.

4.2.20 To understand how to calculate a CEP, please see www.hmrc.gov.uk/nico

Employee leaves, having chosen **partnership**, before employer action is completed.

4.2.21 If an employee applies for **partnership** but leaves before you have completed your action, you must honour the agreement and pay any outstanding contributions for the period the account runs from and to. In cases where someone has left your employment and has been taken off your payroll before you have had time

to set up their account, your payroll must:

- action the account with the application form and pay the age - related contribution,
- ask the member to pay their contribution direct to the pension provider, and
- check with the provider that the member has done so.

Your payroll must also find out the amount the member has paid so that they (payroll) can pay any outstanding matching contributions.

Member wishes to transfer other pension benefits into their **partnership** account

4.2.22 If a member chooses **partnership** and wishes to transfer any other pension benefits they may have into it, they must request this by attaching a covering note to the **partnership** pension provider application form. Alternatively, they can contact the new provider directly. Annex 4D gives the contact details of the **partnership** providers.

Ongoing payroll action

4.2.23 Your payroll must send a completed schedule via web based scheduling to the member's pension provider every time they, (your payroll) pays over contributions.

4.3

Your responsibilities when re-employing pensioners and CSP13

Introduction

4.3.1 Pensioners who receive a pension under the CSP arrangements and who are re-employed by a CSP employer may not earn more, by way of re-employed salary and pension, than they were earning before they retired. Where re-employed salary and pension exceed previous salary, the excess is deducted from their pension. This is known as 'abatement'. Abatement may apply to members opting for partial retirement. See EPN199 for further information.

4.3.2 For the purposes of abatement, an annual compensation payment (ACP) is treated in the same way as a pension. All references to pensions or pensioners below also include members with ACPs.

4.3.3 Abatement, where applicable, only operates for the duration of the re-employment.

4.3.4 Members who are over age 75 are not affected by abatement.

4.3.5 Abatement of salary rather than pension can apply to those re-employed after receiving a Compulsory Early Severance (CES) package that included a reserved rights 'top-up' payment. This is because the 'top-up' payment includes an element of pension. Please see paragraph 4.3.15

for information on how to deal with this group. This no longer applies to members who return after 30 July 2007.

4.3.6 Abatement applies whether or not the employment is pensionable. This does not apply, however, if a pensioner works less than a total of 15 days in any 91-day period.

4.3.7 You must use the Pensions Questionnaire in your recruitment process to determine eligibility for the pension arrangements (see Section 4.1). The information collected enables you to identify individuals who have a pension or ACP in payment from an employment covered by the CSP arrangements before they are appointed. The Rejoiner Calculator will identify the correct choice of pension(s) available to them.

4.3.8 If you are not recruiting by fair and open competition and recruit an individual who received compensation as a result of the termination of previous employment covered by the CSP arrangements (for example as a result of compulsory early retirement), then their compensation could be affected. Again, the Pension Questionnaire (Rev May 2008) will collect this information and the Rejoiner Calculator will identify the correct choice of pension(s). If the member returns within 28 days then

the early retirement award is cancelled and the compensation payment must be repaid.

4.3.9 When people retire or leave with an ACP they are told, as part of their pension notification, that if they become re-employed in employment covered by the CSP arrangements they must tell the new employer about their previous service because of possible abatement. They are also responsible for telling the pension paying authority, Capita Hartshead, that they are taking up the new employment. However, you have a responsibility to notify the member about possible abatement where they tell you they are receiving a pension and you have the responsibility to tell Capita Hartshead that the pensioner has started work with you. The Rejoiner Calculator will prompt you to take abatement action, where appropriate.

Appointment actions

4.3.10 You must tell pensioners who are being offered re-employment about the effect of the re-employment provisions of the CSP arrangements on their pension, including abatement, before they take up the new post. We have produced a leaflet on abatement which you should give to any pensioner who is receiving a pension under the CSP arrangements and who is applying for re-employment. The leaflet can be downloaded from our website under Publications, rules and forms; other issues; What is abatement? Or you can order a hard copy from your APAC in the normal way.

4.3.11 When offering a post to a CSP pensioner, you should obtain an abatement estimate from Capita

Hartshead, using form CSP13 (Estimate). The information from Capita Hartshead will help the pensioner to make an informed choice whether or not to accept the post.

Both CSP13 (Estimate) and CSP13 forms can be found on our website www.civilservice-pensions.co.uk

4.3.12 Once the pensioner has accepted the post, you must tell Capita Hartshead using form CSP13.

Important note

You must carry out CSP13 (Estimate) procedure without delay as you must tell the member whether or not their pension (or pay if they have CES Reserved Rights (Also see 4.3.8)) is going to be affected before they decide to accept the post. Not to do so could result in the member accepting the post where they may not have done had they been given the information at the outset.

Equally, you must carry out the CSP13 procedure without delay as there is a potential for large arrears of pension (or salary) abatement being deducted from one month's pension or salary.

4.3.13 You should email or fax the CSP13 (Estimate) and CSP13 forms to Capita Hartshead:

Email: esp.enquiries@capita.co.uk

Fax: 0870 1699 720

Capita Hartshead will send an acknowledgement to let you know they have actioned the form.

4.3.14 You must also send a copy of the CSP13 to your APAC. Your APAC will need to know so that they can tell Capita Hartshead about the new pension details once the re-employment stops. You do not need

to copy the CSP13 (Estimate) to your APAC.

4.3.15 However, in the case of those re-employed after receiving CES reserved rights you should obtain an estimate from your APAC, not Capita Hartshead (Also see 4.3.8). If the individual accepts the post, you must tell your APAC. The APAC will tell you whether or not the member's pay is affected and you must pass this information to your payroll so that they can impose the necessary deductions from pay.

Completing the CSP13 (Estimate) and CSP13 forms

4.3.16 To complete the CSP13 (Estimate), you will need to find out the pensionable pay that the pensioner was receiving in their last 12 months of employment before they retired. This is known as the salary of reference. The salary of reference is basic pay plus, where applicable, London Weighting, London allowance, and any other pay additions payable to those who work in a particular place or area. You should not include other allowances, whether pensionable or not. You must ask the pensioner's former employer for the details of the salary.

4.3.17 Where the former employer is no longer in existence, you will need to get this information from the employer who has taken on responsibility for handling the former employer's residual affairs.

4.3.18 If you cannot find which employer has taken responsibility, you should write to the Administration Team (Re-employment) at Capita Hartshead to find out which APAC made the original award. You will then

need to contact that APAC for the name of the employer handling the residual affairs. If the APAC does not have this information, please contact the Employer Helpdesk at CSPD.

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

4.3.19 If the member has been re-employed more than once then the salary of reference is the salary on the last day of service before the member originally retired.

4.3.20 As soon as the pensioner acknowledges that they understand and accept the terms of abatement you must complete box A of the CSP13. You will need to replicate the information used to complete the CSP13 (Estimate).

Ongoing action

4.3.21 Once the level of abatement (or earnings margin) has been calculated for a re-employed pensioner, it will not normally change during the course of the re-employment, other than an annual increase in line with inflation. The normal annual increase in the person's re-employed salary will not result in a recalculation of abatement.

4.3.22 However, you will need to complete box B or C of form CSP13 and send it to Capita Hartshead (copied to your APAC) if the person:

- is promoted or demoted; or
- increases or decreases their conditioned hours; or
- benefits from a retrospective pay award that alters either their salary of reference or their salary at the beginning of re-employment; or
- is fee-paid and there is a change in the rate of fee being paid (other than a general increase);

- has their pay reduced as a result of long term sick leave

Note: If the member's pay has substantially increased or decreased for any other reason than shown above you must complete a new CSP13 and send it to Capita Hartshead and copy to your APAC.

Resignation

4.3.23 You must complete box D of form CSP13 to notify Capita Hartshead when the period of re-employment ends. You must also send a copy to your APAC. On resignation, you need to take prompt action to ensure that the abated pension is reinstated as soon as possible after the termination of employment date. You must ensure that you notify Capita Hartshead as soon as you know the termination of employment date.

4.3.24 You will need to consider how you ensure that a CSP13 is completed for every change of circumstance. We suggest that you include a prompt for personnel staff on their Staff Advice Notices/Change of Circumstances forms.

Capita Hartshead action

4.3.25 On receipt of the CSP13 (Estimate) Capita Hartshead will calculate any abatement due as a result of taking up the post offered. They will advise you and the pensioner of the details within five working days of receiving the CSP13 (Estimate).

4.3.26 On receipt of the CSP13 on appointment, Capita Hartshead will formally assess whether abatement should apply and write again to the pensioner with the details. They will copy the letter to you within five

working days of receiving the CSP13 so that you know it has been done. They will also assess any changes to terms of employment notified by further CSP13s and advise the member of any consequences to their pension.

4.3.27 On receipt of the CSP13 on resignation, Capita Hartshead will reinstate the pension in payment from the resignation date and confirm their action to the pensioner within five working days of receiving the CSP13.

Pension choices table for Rejoiners from classic, classic plus or premium

This table provides a summary of the pension choices only – you must use the calculator on the CSP website www.civilservice-pensions.gov.uk (employer section) as there are exceptions for repaying compensation and for by-analogy scheme members

Description of rejoiner	Break from scheme over 5 years	Break from scheme 28 days – 5 years	Returning to scheme within 28 days
Resigned with less than 2 years' service	nuvos or partnership	nuvos or partnership	Old scheme only – no choice
Resigned with more than 2 years' service. Pension not yet in payment	nuvos or partnership	premium or partnership	
Left with an early severance package (other than "reserved rights") or dismissed for inefficiency or misconduct	nuvos or partnership	nuvos or partnership	
Left with an early retirement package (FER or CER) or "reserved rights" severance.	nuvos or partnership (after quarantine)	nuvos or partnership (after quarantine)	

Description of rejoiner	Break from scheme over 5 years	Break from scheme 28 days – 5 years	Returning to scheme within 28 days
Pension in payment (following age retirement, AER or ARR)	nuvos or partnership	nuvos or partnership	nuvos or partnership
Pension in payment – Ill Health Retirement (classic or lower tier)	nuvos or partnership (after quarantine)	nuvos or partnership (after quarantine)	nuvos or partnership (after quarantine)
Pension in payment – Ill Health Retirement - (upper tier)	none	none	none

Pension in payment – formal retirement	No break in service; remains in classic .
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PLEASE NOTE Formal retirement has been withdrawn and will not apply after 1 March 2008 for anyone other than for pre-Fresh Start prison officers.

Anyone who leaves nuvos will return to it unless excluded by their terms of appointment.

Text for letters of appointment

A. For new entrants who:

- have not previously worked for a CSP employer and whose appointment is expected to last more than 12 months

For rejoiners who:

- resigned with less than 2 years' service and return after a break of more than 28 days
- resigned from a pre-2007 scheme and return after 5 years or more
- resigned from **nuvos** with more than 2 years' service and returning after a break of more than 28 days
- left on severance or were dismissed for inefficiency or misconduct from their previous CSP employment and return after a break of more than 28 days
- are joining you from a by-analogy organisation, whose appointment is expected to last more than 12 months, and who:
 - left for any reason other than resignation, or
 - resigned and had a break of more than 28 days between employments

Pensions

As soon as you start your new job, you are eligible to join the Civil Service pension arrangements. We offer you a choice of two types of pension:

- **nuvos**. This 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.
- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

You will find full information on your pension choices in the Starter Pack which our distributors will send you nearer your start date. To enable them to send you your Starter Pack, we will provide them with your name and home address. The distributors will not use this information for any other purpose. If you do not receive your pack before you start work please contact [\[insert employer section or named contact\]](#)

We will automatically enter you into **nuvos** on appointment unless we receive your PensionChoices form at or before your start date. We will deduct contributions from

your salary with effect from your start date. If you wish to open a **partnership** pension account and you make your choice within 3 months, we will backdate your choice to your start date. If we do not receive your form within 3 months, you will remain as a member of **nuvos**, unless you subsequently opt out.

You do not have to join the Civil Service pension arrangements. If you opt out, 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 return your PensionChoices form and the **partnership** pension application form, if applicable, to [\[insert employer contact name/section\]](#)

B. For new entrants who:

- have not previously worked for a CSP employer and whose appointment is expected to last less than 12 months
- are joining you from a by-analogy organisation, whose appointment is expected to last less than 12 months, and who:
 - left for any reason other than resignation, or
 - resigned and had a break of more than 28 days between employments

Pensions

As soon as you start your new job, you are eligible to join the Civil Service pension arrangements. We offer two types of pension:

- **nuvos**. This 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.
- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

You will find full information on these arrangements in the Starter Pack which our distributors will send you nearer your start date. To enable them to send you your Starter Pack, we will provide them with your name and home address. The distributors will not use this information for any other purpose. If you do not receive your pack before you start work please contact [\[insert employer section or named contact\]](#)

Inside the Starter Pack is a PensionChoices form. **You must complete the PensionChoices form if you want to join the pension arrangements.** If we

receive your PensionChoices form within 3 months of your start date we will backdate your membership of the pension scheme to your start date. Otherwise, we will take your start date from the next available pay date after receiving your form.

You do not have to join the Civil Service pension arrangements. If you don't join, you will build up benefits in the State Second Pension Scheme (S2P) instead. You may wish to join a personal pension scheme although we would not contribute towards that scheme. Before making a decision however, we strongly recommend that you read the Starter Pack booklet to find out what our pension arrangements offer.

Please note that, under **nuvos**, if you leave with less than 2 years' service you will not receive any benefits from our scheme. The Starter Pack tells you more about this.

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 return your PensionChoices form and the **partnership** pension application form, if applicable, to *[insert employer contact name/section]*

C. a) For rejoiners who were in were in **classic, classic plus, premium** or **nuvos** and who join your organisation after a break of no more than 28 days in CSP employment, **except** those who left under

- redundancy
- normal retirement or actuarially reduced retirement
- early (flexible or compulsory) retirement
- ill health retirement

b) For staff transferring from another CSP employer without a break in employment

[Use either paragraph (a) or (b) according to circumstances]

Pensions

(a) You will be covered by the Civil Service pension arrangements during this appointment. You will rejoin the pension scheme that you recently left.

(b) As you are transferring between employers who offer the Civil Service pension arrangements you will continue to be covered by those arrangements for the duration of this appointment. You will remain in your chosen pension scheme.

We will deduct contributions from your salary with effect from your start date.

If you have any questions about your pension, please see the Civil Service Pensions website, www.civilservice-pensions.gov.uk or contact our pensions administrators, who are *[insert APAC details including Helpline number]*.

D) For rejoiners who left their previous CSP employment under

- redundancy
- early (flexible or compulsory) retirement

and are rejoining after a break in CSP employment of no more than 28 days

Pensions

You will be covered by the Civil Service pension arrangements during this appointment. You will rejoin the pension scheme that you recently left.

As you are returning within 28 days of leaving your previous employment, you must repay your compensation package in full. As well as repaying any cash compensation, you will also lose any enhancements to service.

We will deduct contributions from your salary with effect from your start date.

[If the rejoiner has taken their Civil Service pension, insert this paragraph:]

You also need to understand the effect of being re-employed as a pensioner. Under the Civil Service pension arrangements, you cannot receive more pay and pension combined on re-employment than the rate of salary you were receiving in your last employment. If you want to know more about how this works, contact your pension payroll provider, Capita Hartshead. You should be aware that “abatement” (as this is called) applies even if you do not rejoin the Civil Service pension arrangements.

If you have any questions about your pension, please see the Civil Service Pensions website, www.civilservice-pensions.gov.uk or contact our pension administrators, who are *[insert APAC details including Helpline number]*.

E) For rejoiners who left and took their pension from their previous CSP employment under normal, actuarially reduced or approved early retirement (irrespective of the length of break in employment)

Pensions

As soon as you start your new job, you are eligible to rejoin the Civil Service pension arrangements. We offer two types of pension:

- **nuvos**. This 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.
- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

You will find full information on these arrangements in the Starter Pack which our distributors will send you nearer your start date. To enable them to send you your Starter Pack, we will provide them with your name and home address. The distributors will not use this information for any other purpose. If you do not receive your pack before you start work please contact [\[insert employer section or named contact\]](#)

We will automatically enter you into **nuvos** on appointment unless we receive your PensionChoices form at or before your start date. We will deduct contributions from your salary with effect from your start date. If you wish to open a **partnership** pension account and you make your choice within 3 months, we will backdate your choice to your start date. If we do not receive your form within 3 months, you will remain as a member of **nuvos**, unless you subsequently opt out.

*[Include this next paragraph only if the rejoiner has a **classic**, **classic plus**, **premium** or **nuvos** pension in payment. Do not include if they have a **partnership** pension]*

You need to understand the effect of being re-employed as a pensioner. Under the Civil Service pension arrangements, you cannot receive more pay and pension combined on re-employment than the rate of salary you were receiving in your last employment. If you want to know more about how this works, contact your pension payroll providers, Capita Hartshead. You should be aware that “abatement” (as this is called) applies even if you do not rejoin the Civil Service pension arrangements.

[Continue here for all]

You do not have to join the Civil Service pension arrangements. You can opt out and 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 return your PensionChoices form and the **partnership** pension application form, if applicable, to [\[insert employer contact name/section\]](#)

F) For rejoiners who retired from their previous CSP employment with an ill-health pension (other than **premium upper-tier), irrespective of the length of break in employment**

Pensions

As soon as you start your new job, you are eligible to rejoin the Civil Service pension arrangements. We offer two types of pension:

- **nuvos**. This 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.

- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

You will find full information on these arrangements in the Starter Pack which our distributors will send you nearer your start date. To enable them to send you your Starter Pack, we will provide them with your name and home address. The distributors will not use this information for any other purpose. If you do not receive your pack before you start work please contact *[insert employer section or named contact]*

[YOU MUST USE EITHER OF THE FOLLOWING TWO PARAGRAPHS]

[Use this paragraph for rejoiners:

- *who did not receive an enhancement to their ill health pension or*
- *whose enhancement (quarantine) period has ended before their start date with you]*

We will automatically enter you into **nuvos** on appointment unless we receive your PensionChoices form at or before your start date. We will deduct contributions from your salary with effect from your start date. If you wish to open a **partnership** pension account and you make your choice within 3 months, we will backdate your choice to your start date. If we do not receive your form within 3 months, you will remain as a member of **nuvos**, unless you subsequently opt out.

*[Use this paragraph for rejoiners who received an ill health pension under **classic**, **classic plus**, **premium** or **nuvos** and an enhancement to pension was applied and the enhancement (quarantine) period has not yet ended]*

Please note that as your ill-health pension is based on enhanced (increased) service, you will not be able to build up basic benefits in **nuvos** until the period of enhancement has expired. In your case, the enhancement period ends on *[xxxxxxxx – enter date; APAC to provide]*. In the interim, you may join the scheme; you will be covered for death in service and you will be able to make contributions for top-up benefits but you will not build up benefits based on your pay. Similarly, if you opt to join **partnership**, we will not pay employer contributions until this enhancement period ends although you will be able to contribute if you wish. See the Starter Pack for further information.

*[Use this paragraph for all rejoiners who received an ill health pension under **classic**, **classic plus**, **premium** or **nuvos**. Do not include for rejoiners who have received a **partnership** ill health payment]*

You also need to understand the effect of being re-employed as a pensioner. Under the Civil Service pension arrangements, you cannot receive more pay and pension combined on re-employment than the rate of salary you were receiving in your last employment. If you want to know more about how this works, contact your pension payroll provider, Capita Hartshead. You should be aware that “abatement” (as this is called) applies even if you do not rejoin the Civil Service pension arrangements.

You do not have to join the Civil Service pension arrangements. You can opt out and 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 booklet 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 return your PensionChoices form and the **partnership** pension application form, if applicable, to [\[insert employer contact name/section\]](#)

G) For rejoiners who left classic, classic plus or premium on resignation from their previous CSP employment with more than 2 years' service and return within 5 years

Pensions

As soon as you start your new job, you are eligible to rejoin the Civil Service pension arrangements. Your pension choices are:

- **premium.** This is a final salary pension scheme that currently has a 3.5% member contribution rate. As your employer we meet the rest of the cost of the scheme.
- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

You will find full information on these arrangements in the Starter Pack which our distributors will send you nearer your start date. To enable them to send you your Starter Pack, we will provide them with your name and home address. The distributors will not use this information for any other purpose. If you do not receive your pack before you start work please contact [\[insert employer section or named contact\]](#)

We will automatically enter you into **premium** on appointment unless we receive your PensionChoices form at or before your start date. We will deduct contributions from your salary with effect from your start date. If you wish to open a **partnership** pension account and you make your choice within 3 months, we will backdate your choice to your start date. If we do not receive your form within 3 months, you will remain as a member of **premium**, unless you subsequently opt out.

You do not have to join the Civil Service pension arrangements. You can opt out and 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 return your PensionChoices form and the **partnership** pension application form, if applicable, to *[insert employer contact name/section]*

H) For rejoiners who left on flexible or compulsory early retirement or "reserved rights" severance and who rejoin after a break of more than 28 days

Pensions

As soon as you start your new job, you are eligible to rejoin the Civil Service pension arrangements. We offer two types of pension:

- **nuvos**. This 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.
- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

You will find full information on these arrangements in the Starter Pack which our distributors will send you nearer your start date. To enable them to send you your Starter Pack, we will provide them with your name and home address. The distributors will not use this information for any other purpose. If you do not receive your pack before you start work please contact *[insert employer section or named contact]*

*[Use this paragraph for rejoiners:
who did not receive an enhancement to their pension or
whose enhancement period has ended before their start date with you,
then continue to use text as marked from * or from ** for reserved rights people]*

We will automatically enter you into **nuvos** on appointment unless we receive your PensionChoices form at or before your start date. We will deduct contributions from your salary with effect from your start date. If you wish to open a **partnership** pension account and you make your choice within 3 months, we will backdate your choice to your start date. If we do not receive your form within 3 months, you will remain as a member of **nuvos**, unless you subsequently opt out.

*[Use this paragraph if enhancement to pension was applied and the enhancement period has not yet ended, then continue to use text as marked from * or from ** for reserved rights people]*

Please note that as your pension is based on enhanced (increased) service, you will not be able to build up basic benefits in **nuvos** until the period of enhancement has expired. In your case, the enhancement period ends on [\[xxxxxxxxx – enter date; APAC to provide\]](#). In the interim, you may join the scheme; you will be covered for death in service and you will be able to make contributions for top-up benefits but you will not build up benefits based on your pay. Similarly, if you opt to join **partnership**, we will not pay employer contributions until this enhancement period ends although you will be able to contribute if you wish.

This same approach applies if a notional enhancement was included as part of your pension benefits.

See the Starter Pack for further information.

* You also need to understand the effect of being re-employed while receiving a pension or Annual Compensation Payment. Under the Civil Service pension arrangements, you cannot receive more pay and pension combined on re-employment than the rate of salary you were receiving in your last employment. If you want to know more about how this works, contact your pension payroll provider, Capita Hartshead. You should be aware that “abatement” (as this is called) applies even if you do not rejoin the Civil Service pension arrangements.

**You do not have to join the Civil Service pension arrangements. You can opt out and 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 pension 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 return your PensionChoices form and the **partnership** pension application form, if applicable, to [\[insert employer contact name/section\]](#)

I) For staff in classic, classic plus or premium, who:

- **resigned from their employment with a ‘by-analogy’ employer with a break in service of no more than 28 days.**

Pensions

As soon as you start your new job, you are eligible to join the Civil Service pension arrangements. Because you are coming from an employer operating by-analogy to the Civil Service pension arrangements, you will join the equivalent scheme to that which you were in before (and pay the same level of contributions). This is subject to your agreeing to transfer your service from your by-analogy scheme to the Civil Service equivalent scheme.

If you do not wish to transfer your service, then you have the following pension choices:

- **nuvos.** This 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.
- **partnership** pension account. This is a stakeholder pension with a contribution from ourselves. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

We will automatically enter you into *[insert classic or premium, as appropriate]* and will deduct contributions with effect from your start date. Please note that, in order to remain in that scheme, you must contact our pensions administrator and ask for your service in your previous scheme to be transferred into the Civil Service pension arrangements. Our pensions administrators are *[insert APAC details including Helpline number]*.

If you do not wish to transfer your pension benefits, please let us know as soon as possible. We will then order you a Starter Pack which gives you full information on **nuvos** and **partnership**.

You do not have to join the Civil Service pension arrangements. You can opt out and build up benefits in the State Second Pension Scheme (S2P) instead.

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.

J) Rejoiners who left partnership and who are returning to CSP employment within 28 days

Pensions

Thank you for returning the Rejoiner questionnaire.

[Use either paragraph (a) or (b) according to circumstances]

(a) You will be covered by the Civil Service pension arrangements during this appointment. You will rejoin the **partnership** pension account that you recently left.

(b) As you are transferring between employers who offer the Civil Service pension arrangements you will continue to be covered by those arrangements for the duration of this appointment. You will remain in **partnership**.

[If the rejoiner left with compensation, include this paragraph]

As you are returning within 28 days of leaving your previous employment, you must repay your compensation package in full. As well as repaying any cash compensation, you will also lose any rights to Annual Compensation Payments.

We will restart contributions to your **partnership** pension account regardless of whether or not you contribute to it.

So that we can do this, can you please complete the enclosed form CSP14 and return it to *[insert address or 'the address at the top of this letter, as appropriate]* as soon as possible.

A reply envelope is included for your convenience.

K) Text to include in your conditional letter to successful applicant

The Civil Service pension arrangements form an important part of the pay and reward package we offer our employees. If you join the pension arrangements we will contribute a significant amount of money to your pension.

We would like to offer you the opportunity to join the pension arrangements. In order to do so and to be able to send you the right information relating to your particular circumstances, can you please tell us about yourself on the enclosed Pensions Questionnaire?

Please return the questionnaire to *[insert employer address/the address at the top of this letter, whichever is applicable]* by / / *[insert date]* at the latest so that you can join from your start date.
administrator] as above.

NEW ENTRANT AND REJOINER PROCESSES

Table 1 New entrant with job offer of 12 months or more employment

Process Owner	Trigger points and pension actions	Service Standard/timeliness of completed action
Employer	Decides to appoint Send Pensions Questionnaire (May 2008) and covering letter to new entrant with instruction on when to return it. See Annex B, letter text K	Within 48 hours of making decision to appoint
New entrant	Returns completed questionnaire, showing no previous CSP employment	Within time specified on letter or, where prospective employee requests an extension because of extenuating circumstances, by employer verbal agreement.
Employer	As Pensions Questionnaire shows no previous CSP employment: 1) order Starter Pack NE1 from St Ives, using DRF 2 spreadsheet or form, as applicable 2) issue LOA using text in Annex B, letter A 3) set up payroll record, defaulting new entrant into nuvos , ensuring correct percentage rate of employer (ASLC) and employee contributions are applied	Within 5 working days of receiving completed questionnaire
St Ives	Despatches Starter Pack to new entrant	Within 48 hours of receiving order from employer
New entrant	Reads pack and completes Pension <i>Choices</i> form to confirm membership of nuvos or apply for partnership .	Within 3 months of start date

	Send to APAC or employer, as per address on form	
Employer (if Choice form is returned to employer)	<p>If new entrant's choice is nuvos, forward form to APAC as new entrant will already have been enrolled.</p> <p>If new entrant's choice is partnership, follow actions given in Employers' Pension Guide, Section 4.2. 'Unscramble' contributions from nuvos and change contracted-out status to "not contracted-out".</p> <p>If new entrant wishes to opt out, send the PensionChoices form to your APAC immediately. They will contact the member to make them aware of what they are giving up. See section 4.1.52 for further action.</p>	<p>Within 10 working days of receiving Choice form</p> <p>Before next available pay run date</p> <p>Before next available pay run date</p>
APAC	Process PensionChoices form as agreed with employer and in line with Cabinet Office procedures	Within 5 working days of receiving form

Table 2 New entrant with job offer of less than 12 months employment

Process Owner	Trigger points and pension actions	Service Standard/timeliness of completed action
Employer	Decides to appoint Send Pensions Questionnaire (Rev 2007) and covering letter to new entrant with instruction on when to return it. See Annex B, letter text K	Within 48 hours of making decision to appoint
New entrant	Returns completed questionnaire, showing no previous CSP employment	Within time specified on letter or, where prospective employee requests an extension because of extenuating circumstances, by employer verbal agreement.
Employer	As Pensions Questionnaire shows no previous CSP employment: 1) send LOA to new entrant; see Annex B, text B. 2) order Starter Pack NE2 from St Ives, using DRF 2 spreadsheet or form, as applicable 3) set up new entrant on payroll as “not contracted-out” (do not default this group of new entrants!)	Within 5 working days of receiving completed questionnaire
St Ives	Despatches Starter Pack to new entrant	Within 48 hours of receiving order from employer
New entrant	Reads pack and completes PensionChoices form to apply for membership of nuvos or partnership . Sends details to APAC or employer, as per address on form	New entrant can decide to complete and return Starter Pack at any time during employment. However, they must return a completed PensionChoices form within 3 months of their start date if they want contributions to be backdated.
Employer (if Choice form is returned to employer)	If new entrant chooses nuvos : 1) set up payroll record ensuring correct percentage rate of employer (ASLC) and employee contributions are applied 2) amend “not contracted-out” status to “contracted-out” 3) send PensionChoices form to APAC If new entrant chooses partnership :	Before next available pay run date Before next available pay run date

	follow actions given in Employers' Pension Guide, Section 4.2. Send Pension <i>Choices</i> form to APAC	
APAC	Process Pension <i>Choices</i> form as agreed with employer and in line with Cabinet Office procedures	Within 5 days of receiving form

Table 3 Rejoiners (people who have previously worked for a CSP employer)

[illegible]

Employer	<p>1) Checks pension choices by inputting information from questionnaire onto the Rejoiner Calculator (held on CSP website www.civilservice-pensions.gov.uk)</p> <p>2) Undertakes CSP13 (Estimate) action, where appropriate. (Section 4.3, EPG refers). Follows up cases with APAC, where appropriate. (The calculator will indicate)</p> <p>3) Where rejoiner has “quarantine period”, asks APAC for quarantine end date. (Make sure you include this date in the LOA to the member)</p> <p>4) Issues LOA using appropriate text from Annex B as indicated by Rejoiner Calculator</p> <p>5) Orders Starter Pack from St Ives (if applicable) as indicated on Rejoiner Calculator, using DRF 2 spreadsheet or form</p> <p>6) Defaults rejoiner into appropriate scheme ensuring correct contributions are applied by payroll</p>	<p>Within 5 working days of receiving completed questionnaire</p> <p>CSP13 (Estimate) action must be completed and new entrant informed of abatement effect at the earliest opportunity so that they can decide whether or not to accept the post.</p> <p>Where abatement may apply, timing will be dependent on the completion of the CSP 13 (Estimate) action.</p> <p>Where the rejoiner has a quarantine period, you must get the information from the APAC and pass it to the member as soon as possible so they can decide whether or not to accept the post.</p>
St Ives	Despatches Starter Pack to new entrant	Within 48 hours of receiving order

New entrant	<p>Reads pack and complete Pension<i>Choices</i> form</p> <p>Sends details to APAC or employer, as per address on form</p>	<p>New entrant can decide to complete and return Starter Pack at any time during employment. However, they must return a completed Pension<i>Choices</i> form within 3 months of their start date if they want contributions to be backdated.</p>
Employer (if Choice form is returned to employer)	<p>If rejoiner chooses nuvos or premium (according to their pension choices), forward form to APAC as they will already have been enrolled.</p> <p>If the rejoiner chooses partnership, follow actions given in Employers' Pension Guide, Section 4.2. 'Unscramble' contributions from nuvos or premium, as appropriate, and change contracted-out status to "not contracted-out".</p> <p>If rejoiner wishes to opt out, unscramble any nuvos or premium contributions that may have been paid and change the contracted-out status to "not contracted-out".</p> <p>Send Pension<i>Choices</i> form to APAC</p>	<p>Before next available pay run date</p> <p>Before next available pay run date</p>

partnership providers contact details

Scottish Widows

Scottish Widows Direct Sales

PO Box 17037

69 Morrison Street, Edinburgh, EH3 8WZ

Telephone helpline: 0800 838 312

email: cs.stakeholder@scottishwidows.co.uk

Standard Life

Civil Service Team

Group Pensions (J1)

Standard Life House, 30 Lothian Road

Edinburgh EH1 2DH

Telephone helpline: 0800 33 33 09

email: publicsector_service@standardlife.com

TUC Prudential

Stakeholder Service Centre

Prudential, Craigforth

Stirling FK9 4UE

Telephone helpline: 0845 070 6666

email: civilservice@prudential-pensions.co.uk

Calculating **partnership** contributions

Tax

Employee contributions are calculated after the deduction of basic rate tax, currently 20%, (regardless of the tax status of the employee). The provider then claims basic rate tax relief from the HMRC and credits it to the employee's pension fund. Higher rate taxpayers claim their additional tax relief via their annual tax return. Please note that any changes to the main basic rate of tax will affect the net

employee contributions that are deducted by payroll, so the examples below will need to be adjusted.

Employer contributions are calculated and paid gross (i.e. before tax).

Calculations and examples

Age related contributions are calculated according to the employee's age at the beginning of the current tax year (i.e. on 6 April last):

Table 1 partnership age related contributions	
Employee's age at start of current tax year	Employer contribution - % of pensionable earnings
under 21	3.0
21-25	4.5
26-30	6.5
31-35	8.0
36-40	10.0
41-45	11.5
46 and over	12.5

Employer matching contributions:

If the member makes regular contributions, the employer matches these up to a maximum of 3%.

Employer matching contributions will only apply to monthly contributions paid by the employee. You must take care when calculating the matching contributions as the aim is to match on a gross basis. This means that the amounts paid to the provider as (a) the employee contribution and (b) the employer matching contribution are not the same.

If an employee decides to make a one-off lump sum contribution, this will not attract matching contributions, and the employee should deal with the provider direct.

Example 1: employee does not contribute

Sam has pensionable earnings of £1,000 (gross) in the month. Sam was aged 20 at the beginning of the tax year. Sam has not opted to pay any contributions.

Employer's age-related contribution = $3\% \times £1,000 = £30$

Example 2: employee contributes up to 3%

Sue has pensionable earnings of £1,500 (gross) in the month. Sue was aged 28 at the beginning of the current tax year. Sue has chosen to pay contributions of 2%.

Sue's net contribution = $2\% \times 0.80 \times £1,500 = £24.00$ (grossed up to £30 by the provider). The 0.80 factor reflects the deduction of basic-rate tax.

Employer's age-related contribution = $6.5\% \times £1,500 = £97.50$

Employer's matching contribution = $2\% \times £1,500 = £30$

Total employer contribution = £127.50

Total payment to the provider = $£127.50 + £24.00 = £151.50$.

Example 3: employee contributes over 3%

Ian has pensionable earnings of £2,000 (gross) in the month. Ian was aged 40 at the beginning of the current tax year. Ian has chosen to pay contributions of 5%.

Ian's net contribution = $5\% \times 0.80 \times £2,000 = £80$ (grossed up to £100 by the provider)

Employer's age-related contribution = $10\% \times £2,000 = £200$

Employer's matching contribution = $3\% \times £2,000 = £60$ (employer matching contribution is restricted to 3%)

Total employer contribution = £260

Total payment to the provider = $£260 + £80 = £340$.