

Public Service Pension History: 2015 pension changes



The Employer Impact Document – Eligibility and Enrolling includes instructions about the effect previous Public Service may have on an individual's eligibility in the Civil Service arrangements. This is a complex area, so this factsheet reinforces some of those instructions and expands on why it is important for you to understand the significance of previous Public Service Pension History.



Collecting the Public Service Pension History of your existing staff

It is your responsibility to find out if any of your existing staff have accrued pension rights in another Public Service pension scheme. We cannot tell you how you should go about this information gathering exercise. This is because all employers have different processes and different contractual relationships with their third party providers. However, we have provided you with a form which you can ask your employees to complete and use to work out if they have previous Public Service pension rights. This form is at Annex B.



Why is it important to obtain this information?

If a person has service in a previous Public Service pension scheme it can affect their Civil Service pension rights in four ways:

1. If the individual qualified for Tapered Enrolment in their previous scheme they may qualify for

Tapered Enrolment in the Civil Service scheme.

2. If the individual qualified for full protection in their former scheme they may qualify for full protection in the Civil Service scheme.

3. If they have preserved benefits in the Civil Service scheme and their break between the Public Service employments is 5 or less years then the deferred award will be cancelled. This means their total break between Civil Service pension employments could exceed 5 years.

4. If they have transferred their final salary rights to the Civil Service scheme after a break in service of 5 or less years then they retain the final salary link for those pension rights.

We have provided some case studies to highlight some different scenarios. These case studies are at Annex A.



What are the schemes?

You need to find out if an individual has belonged to one of the following Public Service Pension schemes:

- Judiciary
- Local Government Pension Scheme
- Teachers' Pension Scheme
- National Health Service Scheme
- Fire and Rescue Workers' Scheme
- Police Forces' Scheme
- Armed Forces Scheme



Do we need to capture this information for all staff or just those who may be in the Options Exercise?

You need to capture Public Service pension history for any joiners since 31 March 2007.



Why is the date 31 March 2007 significant?

Because a break which represents a qualifying break could go back further than 5 years – 31 March 2007 is the furthest back this date could go.

An example:

Elaine leaves the PCSPS on 31 March 2007 with a deferred award.

She works for Tesco's from 1 April 2007 to 31 March 2011.

On 1 April 2011 Elaine joins the NHS. She leaves the NHS on 30 April 2015 joining Home Office the next day. Elaine is eligible to join alpha.

Elaine's total break between membership of the Civil Service pension arrangements is 8 years. However, the break between Public Service employments is less than 5 years. So under the new arrangements her break in service is 'qualifying'. This means her deferred award is cancelled. Her PCSPS benefits will be calculated using her final salary when she leaves alpha.



Is it our responsibility to use the information to decide if the person has Tapered Enrolment, full protection or retains the final salary link?

It is employers' responsibility to use the information to enrol individuals in the right scheme. Employers need to tell MyCSP about an individual's public service pension history so they can calculate benefits using the final salary link where appropriate.



What are the timescales for collecting this previous public service history?

You need to complete this exercise as soon as possible. If someone had full protection or qualified for Tapered Enrolment in their previous scheme then this may mean they also qualify in the Civil Service scheme. You need to know so that you can make the right decision about whether or not to migrate the individual to the alpha scheme on 1 April 2015.



What happens if the employee does not respond or gives us incorrect information?

The principle of best endeavours would apply here. You must be able to show that you made reasonable efforts to collect the information needed. If someone does not respond then that is their responsibility. If, in the future, it comes to light an individual has previous public service which affected their migration to the alpha scheme then you need to enrol them at the right time retrospectively. However, they would be unlikely to claim compensation successfully for any detriment because you can show you made reasonable efforts to find out about their Public Service pension history.



What about new joiners on or after 1 April 2015?

We are reviewing the new joiner process in light of the 2015 changes and more information will be available in due course.



How do we get this information to MyCSP?

More information about how you should give the new public service history information to MyCSP will be available in due course.

What if the individual was over their Normal Pension Age (NPA) at 31 March 2012?

You must make sure they stay in their current pension arrangement.



What about the Local Government Pension Scheme, I have heard they are doing things differently?

The Local Government Pension Scheme took the decision not to offer Tapered Enrolment. To keep Tapered Enrolment an individual must qualify for it in both their former scheme and in the Civil Service scheme. As no one coming from the Local Government Scheme can meet that test in respect of Tapered Enrolment you must migrate them to alpha unless they meet the full protection test in both schemes.



Version 1, issued September 2014

More information about the 2015 pension reforms and what you need to do to implement changes to your payroll systems, interface and business processes can be found on the scheme website:

www.civilservicepensionscheme.org.uk/employers/the-2015-changes

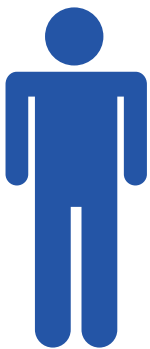
Annex A - Eligibility and Enrolling Case Studies



The Employer Impact Document – Eligibility and Enrolling includes instructions about the effect previous Public Service may have on an individual's eligibility in the Civil Service arrangements. This is a complex area and it is important for you to understand the significance of previous Public Service Pension History.

The case studies below highlight some of the different scenarios.

Oliver



Oliver worked for NHS and he was a member of their 2008 section with a Normal Pension Age of 65. As he was 53 on 1 April 2012 Oliver qualified for Tapered Enrolment in the NHS scheme.

Oliver joined the Department of Health in May 2012. His new employer enrolled him into nuvos. He decided to transfer his NHS pension rights to nuvos.

To find out when and if Oliver will join alpha the test is:

Did Oliver accrue pension rights in his former scheme? – Yes.

Has Oliver taken those pension rights? - No.

Did Oliver qualify for Tapered Enrolment in his former scheme? - Yes.

What scheme would Oliver have been enrolled in if he had joined the Civil Service pension arrangements on 31 March 2012 and would he have qualified for Tapered Enrolment? - nuvos and yes.

As Oliver qualified for Tapered Enrolment in both schemes on 1 April 2012 and has not taken his NHS

pension he keeps his Tapered Enrolment in nuvos. Oliver will join alpha at his Tapered Enrolment end date.

To find out if Oliver keeps his final salary link:

Did Oliver accrue pension rights in his former scheme? – Yes.

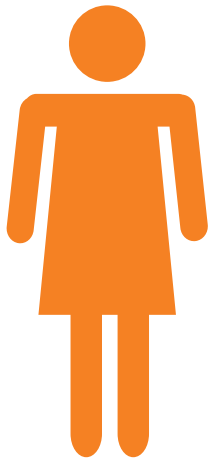
Did Oliver transfer his NHS pension rights to nuvos? - Yes.

As Oliver transferred his pension rights to nuvos he retains a final salary link.





Sandie



Sandie also worked for NHS. She was a member of the 1995 section with a Normal Pension Age of 60. Sandie was 47 on 1 April 2012.

Sandie joined the Home Office in December 2014.

She decided to transfer her NHS pension rights to nuvos.

To find out when and if Sandie will join alpha the test is:

Did Sandie accrue pension rights in her former scheme? – Yes.

Has Sandie taken those pension rights? - No.

Did Sandie qualify for Tapered Enrolment in her former scheme? - Yes.

What scheme would Sandie have been enrolled in if she had joined the Civil Service pension arrangements on 31 March 2012 and would she have qualified for Tapered Enrolment? - nuvos and no.

As Sandie did not qualify for Tapered Enrolment in both schemes on 1 April 2012 she will join alpha on 1 April 2015.

To find out if Sandie keeps her final salary link:

Did Sandie accrue pension rights in her former scheme? – Yes.

Did Sandie transfer her NHS pension rights to nuvos? - Yes.

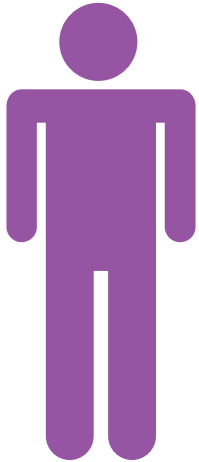
As Sandie transferred her pension rights to nuvos she retains a final salary link.

If Oliver and Sandie had left their pension rights with NHS they would have lost their final salary link.





Colin



Colin was working as a teacher on 1 April 2012.

As his Normal Pension Age was 60 in The Teachers' Pension Scheme and he was 52 on 1 April 2012 he qualified for full protection.

Colin joined DWP in August 2013.

To find out if Colin retains his full protection the test is:

Did Colin accrue pension rights in his former scheme? – Yes.

Has Colin taken those pension rights? - No.

Did Colin qualify for full protection in his former scheme? - Yes.

What scheme would Colin have been enrolled in if he had joined the Civil Service pension arrangements on 31 March 2012 and would he have qualified for full protection? - nuvos and no.

Would Colin have qualified for Tapered Enrolment if he had joined nuvos on 31 March 2012? - Yes.

Colin no longer qualifies for full protection but will join alpha on his Tapered Enrolment end date. Unless he opts to go to alpha on 1 April 2015 because he is eligible for Tapered Enrolment and will take part in the Options Exercise.

To find out if Colin keeps his final salary link:

Did Colin accrue pension rights in his former scheme? – Yes.

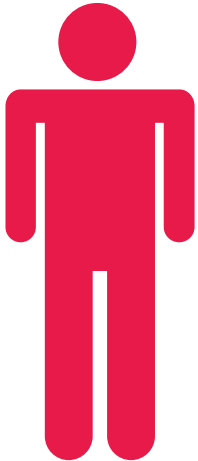
Did Colin transfer his pension rights to nuvos? - Yes.

As Colin transferred his pension rights to nuvos he retains a final salary link. If Colin had not transferred his pension rights in nuvos he would have lost his final salary link.





Peter



Peter was a police officer with a Normal Pension Age of 55.

He was aged 47 on 1 April 2012 so qualified for full protection in the Police Pension Scheme.

Peter joined the Home Office in April 2013.

To find out if Peter keeps his full protection the test is:

Did Peter accrue pension rights in his former scheme? – Yes.

Has Peter taken those pension rights? - No.

Did Peter qualify for full protection in his former scheme? - Yes.

What scheme would Peter have been enrolled in if he had joined the Civil Service pension arrangements on 31 March 2012 and would he have qualified for full protection? - nuvos and no.

Would Peter have qualified for Tapered Enrolment if he had joined nuvos on 31 March 2012? - No.

Peter no longer qualifies for full protection. He also does not qualify for Tapered Enrolment so he will join alpha on 1 April 2015.

To find out if Peter keeps his final salary link:

Did Peter accrue pension rights in his former scheme? – Yes.

Did Peter transfer his pension rights to nuvos? - no.

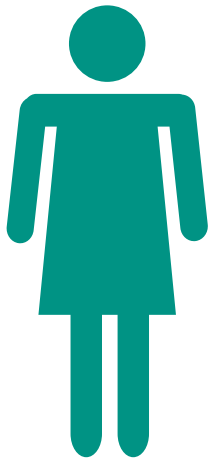
As Peter did not transfer his pension rights into nuvos he has lost his final salary link.

If Peter had transferred his pension rights to nuvos he would have retained his final salary link.





Julie



Julie was a local government employee with a Normal Pension Age of 65. As she was 52 years old on 1 April 2012 she did not qualify for full protection in the LGPS.

Neither did she qualify for any Tapered Enrolment in LGPS as that scheme does not provide Tapered Enrolment.

Julie left the LGPS in September 2014 with a deferred award. Julie joined HM Treasury and the Civil Service pension arrangements in October 2014.

She did not transfer her LGPS benefits into the Civil Service pension arrangements.

To find out if Julie qualifies for tapered protection the test is:

Did Julie accrue pension rights in her former scheme? – Yes.

Has Julie taken those pension rights? - No.

Did Julie qualify for tapered protection in her former scheme? - No.

What scheme would Julie have been enrolled in if she had joined the Civil Service pension arrangements on 31 March 2012 and would she have qualified for tapered protection? - nuvos and yes.

Julie does not qualify for tapered protection because she did not qualify for tapered protection in the LGPS.

To find out if Julie keeps her final salary link:

Did Julie accrue pension rights in her former scheme? – Yes.

Did Julie transfer her pension rights to nuvos? - no.

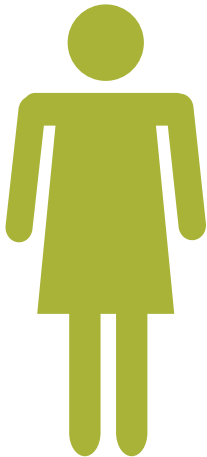
As Julie did not transfer her pension rights into nuvos she has lost her final salary link.

If Julie had transferred her pension rights to nuvos she would have retained her final salary link.





Wendy



Wendy was a teacher with a Normal Pension Age of 60 in the Teachers' Pension Scheme. As she was 49 and 7 months on 1 April 2012 she qualified for Tapered Enrolment. Her Tapered Enrolment end date is June 2021.

Wendy left the Teachers Scheme in August 2014 with a deferred award. Wendy went to work for Lloyds.

Wendy joined MoD and the Civil Service pension arrangements on 1 August 2020 before her Tapered Enrolment End Date. Her break in public service was 6 years. This is a disqualifying break. This means she no longer qualifies for Tapered Enrolment. Wendy will join alpha when MoD employ her.

Version 1, issued September 2014

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www.civilservicepensionscheme.org.uk/employers/the-2015-changes



Annex B - Public Service Pension History



Have you been a member of another Public Service pension scheme before joining the Civil Service scheme?

Name:			Staff Number:			Employer:		
Please complete a new row for every period of pension scheme membership, even if you have two separate periods of membership at the same employer.								
Who was your employer for the period in question?	What pension scheme were you in for the period in question? If you were not in your employer's pension scheme please state.	Pension scheme membership start date.	Pension scheme membership end date.	Pension scheme membership number.	Did you receive a refund of contributions for this period of membership when you left? Y/N.	Are you being paid this pension? Y/N.	Has this pension been transferred to another pension provider? Y/N.	If transferred, which provider was it transferred to?

Can we contact your previous employer to confirm these details?	
Signed:	
Date:	