



Employer Pensions Notice

EPN 214

Pension Choices for fixed term appointees who are given an extension of contract, or become permanent

Audience This Notice will be of particular interest to:

- HR Managers and advisors who have responsibility for recruitment and appointments

Action

- Identify any fixed term appointees (FTAs) whose contract has been renewed, changed to permanent, or extended and who have been incorrectly put into nuvos
- Write to any affected individuals (using the standard letter at Annex A to this EPN)
- Instruct your APAC to convert any affected individuals' membership from nuvos to premium

Timing Immediate

Background

1. EPN 184 told you about the pension choices for casuals and fixed term appointees (FTA) who are already employed and are to be offered an extension of contract or a permanent position (without a break in employment) at some point after 30 July 2007.
2. The EPN set out what action you should take in a number of different scenarios. Unfortunately, the guidance set out under 'scenario 4' was incorrect.
3. The purpose of this EPN is to tell you about the correct procedure to follow for this scenario and advise you what action you need to take in order to put any affected individuals into the correct pension scheme. A revised version of EPN 184 has been issued at the same time as this notice, showing the action you must take in respect of any future cases like this.



Who is affected?

4. The only people affected by this issue are those who:
 - were in post as a FTA on 30 July 2007;
 - were eligible to join **premium** but chose not to (i.e. opted out);
 - did not open a **partnership** pension account;
 - had their appointment extended, renewed or made permanent (without a break between employments, or with a break of no more than 28 days) on or after 30 July 2007; and
 - have been put into **nuvos**.

5. EPN 184 'scenario 4' originally advised that such people should be treated as new entrants and be able to join either **nuvos** or **partnership**. In fact, their opting out decision should still apply and you must treat them as not covered by the Civil Service pension arrangements until or unless they decide to opt back into **premium** or open a **partnership** account. They are not eligible to join **nuvos**.

Corrective action

6. You will need to:
 - i) identify any staff affected by this issue (see paragraph 4);
 - ii) write to them using the standard letter text at Annex A to this EPN, giving them the choice of:
 - a. remaining opted out of the Civil Service pension arrangements;
 - b. opting back into **premium**; or
 - c. opening a **partnership** account from a current date; and
 - iii) once you have heard back from the member, instruct your APAC to take the necessary action.

Reference This document refers to EPN 184 (Rev).

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

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

01256 846414

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

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

Pension choices for fixed term appointees who are given an extension of contract of become permanent

EPN214

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

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Letter to send to previous fixed term appointees whose contract has been renewed, changed to permanent or extended and who have incorrectly been put into **nuvos**

Civil Service pensions arrangements

When you were originally engaged on a fixed term appointment, you had the option of joining the Civil Service pension arrangements and joining the **premium** pension scheme, or opening a **partnership** pension account. In fact, you opted to do neither.

When your contract was [extended/renewed/made permanent] on [insert date], we advised you that you could join the new **nuvos** pension scheme, or open a **partnership** pension account. You [were defaulted into **nuvos**/opted to join **nuvos**].

I am sorry to tell you that this was incorrect.

As you had previously opted out of **premium** during your current period of continuous employment covered by the Civil Service pension arrangements, you were only able to opt back into **premium** or open a **partnership** pension account. You were not able to join **nuvos** as it is only available to people whose current period of continuous employment began on or after 30 July 2007.

You now have three options available to you. You may:

- 1) choose to remain opted out of all the Civil Service pension arrangements, in which case the contributions you have made to **nuvos** so far will be refunded to you;
- 2) opt back into **premium**, effective from [insert date contract was extended, renewed, made permanent]. The contribution rate in **premium** is the same as in **nuvos**, so you would not have to pay anything extra; or
- 3) open a **partnership** pension account effective from a **current** date (this option cannot be backdated as the option was made available to you when your contract was [extended/renewed/made permanent]). Your contributions to **nuvos** would be refunded to you. You can choose what contributions, if any, you wish to make to your **partnership** account.

To help you decide, please see the '**premium** pension scheme' and '**partnership** pension account' booklets. Alternatively, you could read the booklet 'Pension Choices: **premium** or **partnership**' (this booklet is aimed at new entrants but it highlights the choices available to you). These booklets are available on the Civil Service Pensions' website (www.civilservice-pensions.gov.uk/website), or you can request copies of these from your pensions administrator [insert name and address of APAC].

When you have decided what you wish to do, please complete the attached form to tell us of your choice, and return it to [insert name and address of employer contact]. If we do not hear from you within **3 months of the date of this letter**, we will assume you have chosen **option**

1, and you will remain opted out of the Civil Service pension arrangements. You will still be eligible to join **premium** or **partnership** at a later date.

CIVIL SERVICE PENSION CHOICE

Please tick
one box

<p>I do not wish to join any of the Civil Service pension arrangements and I want to receive a refund of the pension contributions I have made to nuvos. I understand the potential benefits in premium that I am giving up, including:</p> <ul style="list-style-type: none"> • an index-linked retirement pension payable from my pension age, based on my final pensionable earnings and my reckonable service; • widow's/widower's/civil partner's/partner's pension; • death benefits, including a tax-free lump sum of three times my pensionable earnings; • the right to buy added pension; • children's pensions; and • ill-health retirement benefits. 	
<p>I wish to opt back into premium, effective from [insert date contract was extended, renewed, made permanent]</p>	
<p>I wish to receive a refund of the pension contributions I have made to nuvos, and open a partnership pension account* with _____ (name of provider) effective from a current date. I wish to make monthly contributions of _____% of my earnings. I enclose a completed application form from my chosen provider.</p>	

* If you wish to open a **partnership** pension account, you will need to arrange this direct with the relevant provider. Please contact the pension providers to get their information pack, which include an application form. The providers are:

Standard Life 0800 33 3309
 Scottish Widows 0800 838 312
 TUC/Prudential 0845 078 6666

See the booklet 'partnership pension account' for information on making your choice.

NAME..... DATE.....

SIGNED.....