



Executive Summary

Meeting:	Nominations & Remuneration Committee	Date:	
Report Title:	Pension Restructuring Payment Scheme	Agenda Item:	
Author:	Chief People Officer		
Executive Lead:	Chief Executive		

Purpose of Report

Information	Approval	Assurance	Assurance Papers only:	Is the assurance positive / negative / both?		
				Positive	Negative	

Alignment with our Strategic Priorities

High Quality	People	Systems & Partners	
Responsive	Improving & Innovating	Resources	

Risk Register Mapping

BAF2 Sustainable Workforce		
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Executive Summary

It has come to our attention that in order to ensure cost neutrality to the Trust in relation to the pension restructuring payment, we will need to amend our guidance to advise participants in the scheme that payments will be adjusted as pensionable pay changes. This change will be put in place retrospectively from 1st April 2022.

There are 8 members of staff who have taken up the scheme since we reintroduced it for the 22/23 financial year and 7 members of staff who had continued with the scheme since it was previously introduced in 2019/2020.

It is intended that we will write to all members of staff to advise them that the PRP will now be adjusted if pensionable pay changes. As the changes are to be put in place retrospectively from 1st April 2022, this will mean that eight staff will require payment of arrears and in one case this will mean that we will need to recover overpayment

The guidance will therefore change

From

This will be the sum equivalent to the Employers contribution into the NHS Pension Scheme that would have been paid on the salary before opting out. This will be net of Employers National Insurance contributions, ensuring cost neutrality to the NHS. The PRP will be paid as a monthly supplement to the salary.

To

The Trust will consider applications from individual staff who meet a set of criteria to access a payment in lieu of the employer contributions to the NHS Pension Scheme on their behalf. If approved at the Trust's discretion payment will be made at the Trust's employer pension contribution rate, which is currently 14.3% of pensionable pay, less employer deductions (such as employer's national insurance) on this payment. All

payments will be subject to relevant deductions including tax and employees national insurance where appropriate. Payments will be adjusted as pensionable pay changes. The PRP will be paid as a monthly supplement to the salary.

The change is highlighted in yellow in the guidance.

Key Recommendations

The Remuneration Committee is asked to note this change to the guidance and approve its implementation to backdated to 1 April 2022.

FOI REF 388-2225