



Health and Social Care Committee

House of Commons London SW1A 0AA

Tel: 020 7219 6182 Fax 020 7219 5171 Email: hscocom@parliament.uk

Website: www.parliament.uk/hscocom Twitter: [@CommonsHealth](https://twitter.com/ CommonsHealth)

From Rt Hon. Jeremy Hunt MP

5 March 2020

Simon Stevens
Chief Executive, NHS England

Letter by Email to

Dear Simon,

I am writing regarding the current interim solution for NHS consultants.

As you are aware, the tapered annual allowance on pensions, introduced in 2016, has meant that it has not been in some consultants' best interests to take on extra working hours, as this has resulted in a tax charge as a result of exceeding their annual allowance. I note that NHSE&I has developed an interim solution to this issue, in the form of the NHS Annual Allowance Policy 2019/20, allowing clinicians to be have the charge paid by the NHS Pension Scheme and having this fully compensated in retirement via their current NHS employer.

I am writing as a result of correspondence from a clinical academic currently employed by a university but participating in the NHS Pension Scheme. It is our understanding that the offer from NHSE&I does apply to clinical academics, but we have been informed that some universities are not participating in the scheme due to a lack of clear and definitive assurances from NHSE&I that they would be reimbursed at the clinical academic's retirement. In addition, other options recommended by NHSE&I, such as recycling pension contributions, have not been made universally available to university employed medical academics. Correspondence with the BMA has also identified such situations.

I am writing, therefore, to ask that you outline the steps that NHSE&I are taking to provide definitive assurances to universities that the solution proposed for this year will be effectively administered for clinical academics. In addition, I would ask that you outline what NHSE&I are doing in order to encourage universities to make other mitigating options available to medical staff employed by them but working in the NHS and enrolled in the NHS Pension Scheme. As a key part of the NHS workforce, it is essential that clinical academics do not unintentionally lose out in the application of such an interim solution.

Yours sincerely,

Jeremy Hunt MP
Chair of the Health and Social Care Committee



Office of the NHS Chief Executive
Skipton House
80 London Road
London SE1 6LH

Rt Hon Jeremy Hunt MP

By email to: _____

10th March 2020

Geary

Dear Mr ~~Hunt~~,

Thank you for your letter dated 5th March 2020.

The interim solution for the 2019/20 annual allowance pension tax for eligible clinicians is available to clinical academics employed by Universities. We have drafted a letter and FAQs which can be shared with relevant universities and their eligible clinical staff which will be sent out imminently. We have been working closely with the University and College Employers Association (UCEA) to ensure that the letter is clear, can be easily actioned by universities, and is supported by their membership organisation.

Our aim has been to ensure that minimal administrative burden is placed upon employing universities in either setting up the offer, or the longer-term administration. The administration of the solution will be undertaken by the NHS Business Services Authority (NHS BSA) as they already hold the relevant information for members of the NHS Pension Scheme.

The implications of the annual allowance and the impact upon clinicians is being considered, I understand, within the forthcoming Budget.

Yours sincerely, *and best wishes,*

Simon

Simon Stevens
NHS CEO

