

TO:
All chief executives of primary care trusts

CC:
All chief executives of local authorities

Gateway reference number 17531

17 May 2012

Dear Colleague,

PUBLIC HEALTH TRANSFER TO LOCAL GOVERNMENT – TREATMENT OF PENSIONS

Royal Assent to the Health and Social Care Act means that some key decisions that have been pending can now begin to be communicated.

We know that one of the most important workforce issues in relation to the transfer of public health staff to local authorities concerns the treatment of staff pensions – especially for existing staff. When we published the Public Health HR Concordat in November 2011, we highlighted this as an outstanding issue.

It is long-standing Department of Health policy that staff should receive pension protection when they are compulsorily transferred, based on the Fair Deal principles. The Local Government Association (LGA) was asked to consider whether this would be appropriate for those staff in public health functions that are expected to transfer to local government in 2013.

The LGA has taken the view that staff who have access to the NHS Pension Scheme on 31 March 2013 should retain access to the NHS scheme on transfer.

We are pleased to have agreed this joint position specifically in relation to transfers of staff performing public health functions from primary care trusts to local authorities. The decision provides reassurance for staff transferring, is the simplest to administer and bears the least burden on the public purse as transfer costs to the Local Government Pension Scheme will not be necessary.

Again, specifically in relation to the transfer of public health staff from primary care trusts to local government, decisions on the provision of pensions for new starters and for staff who move between posts after 1 April 2013 are more complex. To support constructive discussions on the options and implications we have set up a small working group, including trade unions, LGA and NHS Employers, Department of Health, Department for Communities and Local Government and HM Treasury, to look at this issue further.

We will keep you informed in relation to the further detail and decisions of pension arrangements, but felt that it would be helpful to all concerned to communicate this initial decision at the earliest opportunity.

Yours sincerely



Professor Dame Sally C Davies
Chief Medical Officer
Chief Scientific Adviser



Carolyn Downs
Chief Executive,
Local Government Association