



Government  
Actuary's  
Department

## **We are GAD**

### **Professional, reliable and trusted**

We're financial risk professionals and modelling experts. Our skills can help government in complex areas around long-term risk and uncertainty. We apply these specialist skills in insurance, investment, modelling, quality assurance, pensions and social security.

We're proud to be accredited under the Institute and Faculty of Actuaries' Quality Assurance Scheme, a voluntary accreditation scheme which recognises organisations' commitment to quality actuarial work.

### **Staff transfers**

We provide advice to public sector bodies on the pension aspects of any projects where the pension arrangements of the staff are to be changed such as:

- staff transfers within the public service
- expiring contracts which are re-tendered or where services are brought back in-house
- ongoing contracts which are amended mid-term

### **How we can help you**

We can provide advice and guidance at all stages of a staff transfer exercise including:

- giving strategic advice on business cases and optimal pension solutions
- producing broad comparability assessments
- advising on potential bulk transfer shortfall costs
- assisting on communications with staff
- liaising with pensions administrators, lawyers and other advisers
- finalising pension transfer arrangements



# Case study: NHS Supply Chain contract

## Protecting pensions on TUPE transfer

GAD provided advice to Supply Chain Co-ordination Limited (SCCL), the limited company set up by government to manage the NHS Supply Chain service. The NHS Supply Chain contract was let in 2006 to DHL (Excel Europe).

At that time around 2,000 public sector staff transferred to the private sector under TUPE – the Transfer of Undertakings (Protection of Employment) regulations which protect workers' rights.

When the DHL contract expired in March 2019, some 550 of the original public sector staff were transferred to other private sector employers, also under TUPE. So, GAD advised SCCL on:

- pension aspects of the re-let of the NHS Supply Chain contract
- alternative pension arrangements to meet Fair Deal requirements for staff who could not re-join the relevant public service pension scheme
- the bulk transfer option to be offered to members

# Case study: Defra reorganisation

## GAD advised on implementing government policy

We provided advice and assistance when around 1,000 Environment Agency staff transferred to the Department for Environment, Food and Rural Affairs (Defra) in November 2017 to centralise the corporate services functions of both organisations in Defra. This transfer was covered by the Cabinet Office policy on staff transfers in the public sector. This policy protects pension arrangements for staff who are compulsorily transferred to other public sector employers.

### Future benefits

GAD advised Defra on several, complex areas around the protection of members' future benefits. After a detailed assessment, we provided certification confirming the new pension arrangements were 'broadly comparable' to those the staff were entitled to prior to the transfer. We helped with communications including input for webinars, informing people about the pension transfer.

### Transfer of past benefits

We provided advice in respect of the bulk transfer exercise to be offered to the transferred staff, including estimates and analysis of the financial implications to Defra. Once the bulk transfer terms had been agreed, we provided further support and calculations. This related to the benefits members would receive in the Civil Service pension arrangements if they decided to take part in the bulk transfer exercise including the issuance of the member option packs.

### Contact us

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