



Equality Analysis

*Increases in employee contributions to the NHS
Pensions Scheme from 1st April 2013*

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Title: Increases in employee contributions to the NHS Pensions Scheme from 1st April 2013

DH Business Plan Action: Working with HM Treasury to deliver changes to the NHS Pension Scheme

The Department of Health and Welsh Assembly Government are working with HM Treasury, other public sector pension schemes and with the current NHS Pension Scheme Governance Group to design and implement changes in employee contributions for the NHS Pension Scheme to deliver commitments made in the 2010 Spending Review. This includes the development of necessary changes in regulations.

What are the intended outcomes of this work?

Expenditure on public service pensions over the last decade has increased by a third to £32bn. The costs of pensions are increasing as people live much longer than previous generations – the average 60 year old is living ten years longer now than they did in the 1970s. More of people's lives are now being spent in retirement – between 40 to 45% of adult life compared with around 30% for pensioners in the 1950s. Pensions are therefore in payment for longer.

These additional costs have generally fallen to the taxpayer to underwrite. The view of the Government is that this is unfair and unaffordable. There needs to be a fairer balance between what employees pay and what other taxpayers contribute towards a public service pension.

The Government therefore asked the Independent Public Service Pensions Commission to consider the case for delivering savings on public service pensions within the current spending review period. The Commission concluded that it would be more effective to increase member contributions rather than alter the level and range of benefits provided by pension schemes. The Government therefore announced in the 2010 Spending Review that public sector workers would be asked to contribute more for their pensions. The Spending Review set out plans for savings of £2.8bn per year (including £1bn planned by the previous Government) to be realised by 2014-15. Each public service pension scheme is required to deliver savings equivalent to an average increase of 3.2% in employee contributions over the same period.

Within this context, the Department of Health including Welsh Government representation, have been working with NHS Employers and Trade Unions on the proposed approach to increasing the level of contributions made by members of the NHS Pension Scheme towards their pension in 2013-14. This has been based on the consultation carried out in 2012/13 and the available opt-out data since April 2012 that has been shared over the past few months with employers, Trade Unions and HMT.

The Government laid out a series of preferred parameters within which individual public service pension schemes developed their approach to achieving the required savings:

- No increases for the lowest paid;
- Additional protection for those earning under £21k (in practice the increase over the three years is intended to be restricted to 0.6% for those earning below £26.5k);
- Maximum increase over the three years of 6% for any member.

Within these parameters, the Department developed a preferred approach that sought to protect the low paid, apply increases progressively and limit the level of opt out that higher contribution rates may generate. In doing so, the Department considered the salary profiles of both the NHS Pension Scheme members and the wider NHS workforce.

The following table presents the Department's preferred approach based on the consultation and available opt-out data.

The revised approach that the Department intends to apply in increasing NHS Pension Scheme member contributions from 1 April 2013 is set out in the Tables 1 and 2 below:

Table 1: Revised proposed increases in contribution rates

Full Time Equivalent pensionable pay	Contribution rate (before tax relief) 2012/13	Contribution rate (before tax relief) 2013/14	Contribution rate increase in 2013/14 (percentage point)
Up to £15,278	5%	5%	0%
£15,279 to £21,175	5%	5.3%	0.3%
£21,176 to £26,557	6.5%	6.8%	0.3%
£26,558 to £48,982	8%	9%	1.0%
£48,983 to £69,931	8.9%	11.3%	2.4%
£69,932 to £110,273	9.9%	12.3%	2.4%
Over £110,273	10.9%	13.3%	2.4%

Table 2: Revised proposed increases in contribution rates net of tax relief

Full-time 2010/11 pay	2012/13 contribution net of tax relief	2013/14 contribution net of tax relief	Contribution increase net of tax relief (percentage point)
£15,000	4%	4%	0%
£20,000	4%	4.24%	0.24%
£25,000	5.2%	5.44%	0.24%
£30,000	6.4%	7.20%	0.80%
£40,000	6.4%	7.20%	0.80%
£60,000	5.34%	6.78%	1.44%
£80,000	5.94%	7.38%	1.44%
£130,000	6.54%	7.98%	1.44%

Who will be affected?

The group affected by this policy are members of the NHS Pension Scheme, earning more than £15,278 full-time equivalent per year from 1 April 2013. The increases range from 0% to 2.4% and after tax relief 0% to 1.44%.

The NHS Pension Scheme is a statutory, occupational scheme; both members and their NHS employers are generally required to pay a contribution to cover the cost of paying benefits.

Membership of the scheme is not compulsory. Persons who are eligible to join the scheme are:

- Staff directly employed by the NHS,
- Self employed General, Dental and Ophthalmic Practitioners,
- General Medical Practice Staff, and
- Staff of organisations that are granted access to the NHS Pension Scheme via a Direction by the Secretary of State, for example, staff working in hospices, social enterprises and other third sector organisations providing health care.

The Scheme currently has approximately 1.3 million active members who pay a range of contributions to the pension scheme according to the level of their whole time equivalent pensionable pay from 5% to 10.9%.

Evidence

What evidence have you considered?

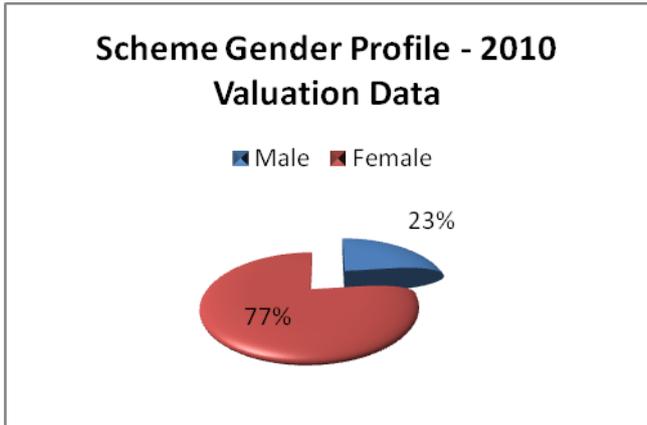
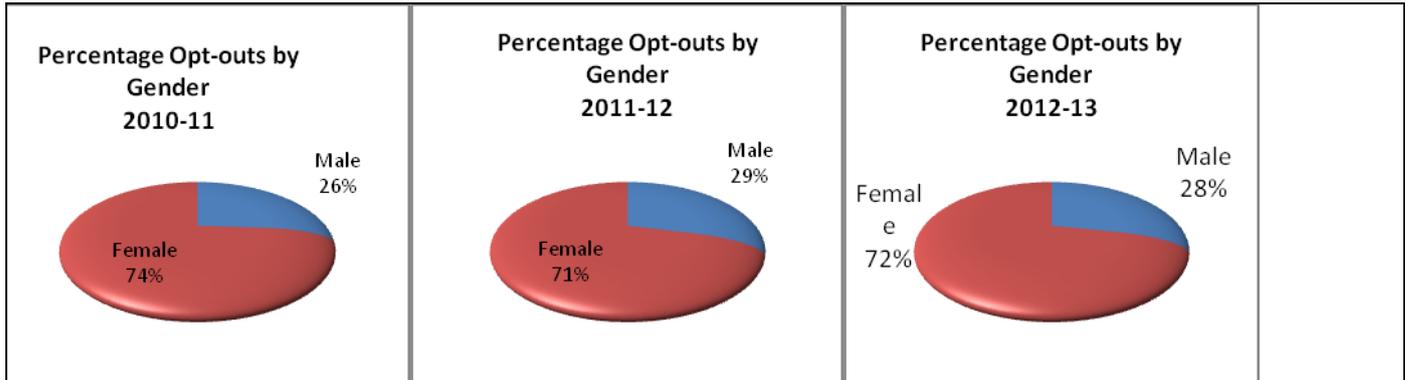
The evidence is based on analysis of the active membership data provided for NHS Pension Scheme valuation as at 31 March 2008 which has been updated in the same way as for valuation purposes to take account of incomplete data.

In addition, the Technical Advisory Group including DH, TUs, NHS Employers and HMT have been reviewing the available opt-out data from ESR and BSA. Data is not available on why people opt-out from the scheme. A full copy of the opt-out reports for data up to October 2012, are attached at Annex A and B. The Governance Group and Technical Advisory Group will continue to monitor the opt-out data as it becomes available.

Gender - the analysis has focused on the impact of Year 1 contributions

It is possible to break down the number of members who opt-out by gender. As shown by the pie charts, the distribution of opt-outs mirrors the gender split of scheme membership more widely.

	2010-11	2011-12	2012-13 (part year)
Gender	Number of members	Number of members	Number of members
Male	6,493	7,075	2,487
Female	18,363	17,262	6,280
Total	24,856	24,337	8,767



Analysis by part-time/full-time status - the analysis has focused on the impact of Year 1 contributions

	Number of members		
	2010-11	2011-12	2012-13 (part year)
Part Time	10,961	10,203	3,895
Whole time	13,723	13,593	4,787
Unknown	172	541	85
Total	24,856	24,337	8,767

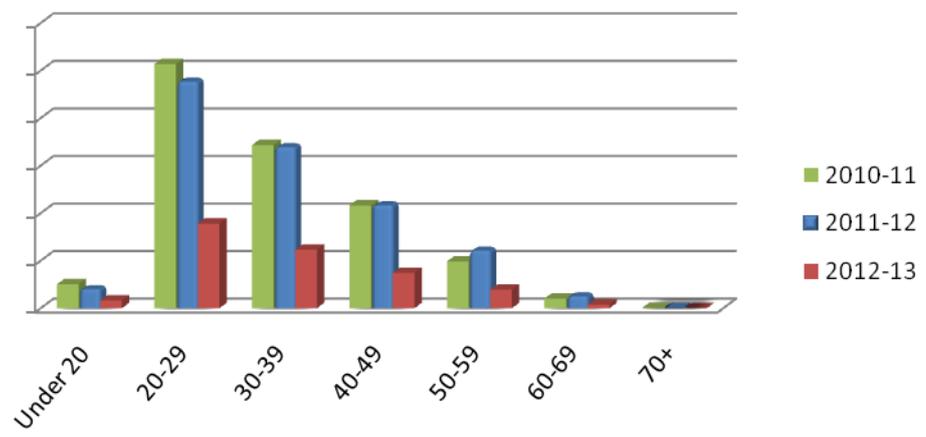
Age – the analysis has focused on the impact of Year 1 contributions.

It is possible to break down the number of members who opt-out by age. In this example the members who opted-out have been broken down into eight age ranges. Statistical averages are also provided. This shows a similar trend and distribution to previous years.

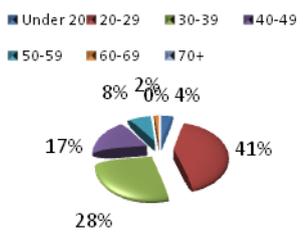
	2010-11	2011-12	2012-13(part year)
Age	Number of members	Number of members	Number of members
Under 20	1,010	798	328
20-29	10,273	9,528	3,559
30-39	6,867	6,769	2,461
40-49	4,324	4,321	1,481
50-59	1,968	2,417	781
60-64	406	495	156
70+	8	9	1
Total	24,856	24,337	8,767

Mean Age	33	34	34
Mode Age	23	23	24

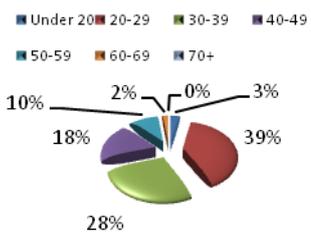
Number of Opt-outs by Age



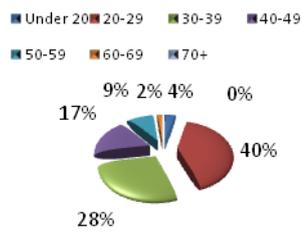
Percentage Opt-outs by Age 2010-11



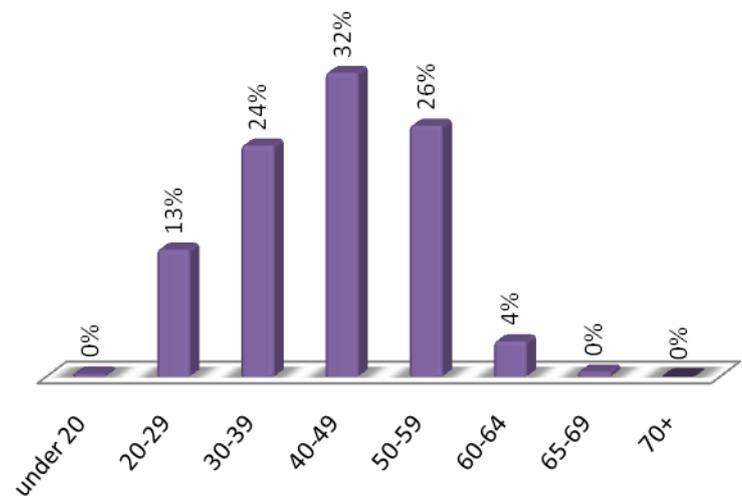
Percentage Opt-outs by Age 2011-12



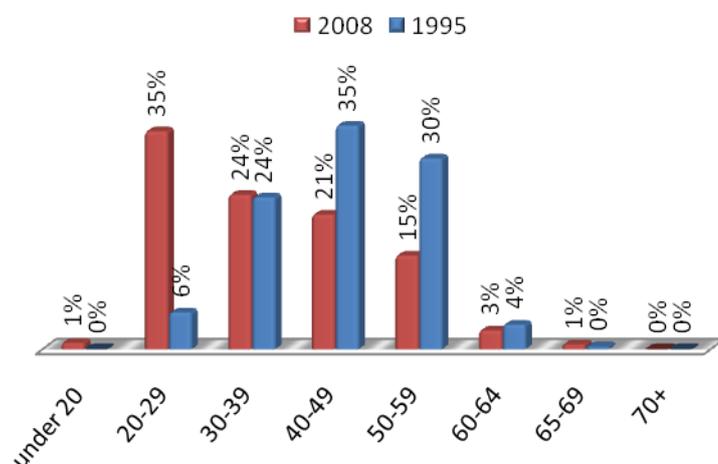
Percentage Opt-outs by Age 2012-13



Scheme Age Profile - 2010 Valuation Data



Section Age Profile - 2010 Valuation Data



Race, Disability, Sexual Orientation, Religion or Belief, Gender reassignment (including transgender)

Contributions to the NHS Pension Scheme are based on salary or level of pensionable earnings. We do not consider that the proposal to increase contributions raises any specific equality issues for members in relation to their race, disability, sexual orientation, religion or belief, or gender reassignment.

Available data on the impact of the year 1 increases to date are -:

Opt out by Disability

Section	Number of members		
	2010-11	2011-12	2012-13 Part-year
ESR Response - see DISABILITY table	0	1	0
Learning Disability / Difficulty	16	13	5
Long-Standing Illness	15	16	7
Mental Health condition	8	9	7
No	5,079	4,797	1,817
Not Declared	1,289	1,286	391
Other	14	10	3
Physical Impairment	6	5	3
Sensory Impairment	5	4	3
Unknown	18,287	18,070	6,484
Yes - unspecified	137	126	47
	24,856	24,337	8,767

Opt out by Ethnicity

Section	Number of members		
	2010-11	2011-12	2012-13 Part year
Any other	107	128	42
Asian	1,203	1,250	402
Black	882	829	307
Chinese	55	70	23

Filipino	92	71	20
Japanese	3	1	0
Malaysian	8	8	2
Mixed	190	187	81
Not specified	2,522	2,401	844
Other	19	20	8
Unknown	11,730	11,532	4,352
White	8,043	7,838	2,686
	24,856	24,337	8,767

Opt out by Sexual Orientation

Section	Number of members		
	2010-11	2011-12	2012-13 Part year
Bisexual	41	35	12
Gay	68	56	17
Heterosexual	5,297	5,145	1,876
Lesbian	30	33	14
Not Disclosed	1,157	1,207	329
Unknown	18,263	17,861	6,519
	24,856	24,337	8,767

Opt out by Employer Type

	Number of members		
	2010-11	2011-12	2012-13 Part year
PCT-LHB	4,597	2,862	654
Trust	8,547	8,406	3,247
Foundation Trust	9,919	10,990	4,140
Directions	322	120	19
SHA & Arms Length	607	609	167
Section 22 of the Health & Social Care	1	4	0
Section 31 of The Health Act 1999	4	4	0
CIC	11	73	21
Community Health	66	386	211
GP Practice's	569	542	222
Unknown	213	341	86
	24,856	24,337	8,767

Pregnancy, Maternity and Carers

Contributions to the NHS Pension Scheme are based on salary or level of pensionable earnings. We do not consider that the proposal to increase contributions raises any specific equality issues in relation to pregnancy, maternity or carers. The issue of part-time working is relevant here, and is considered fully in section above.

Other identified groups

Contributions to the NHS Pension Scheme are based on salary or level of pensionable earnings. NHS paycales (i.e. Agenda for Change) are applied uniformly across all participating NHS employers nationally, underpinned by Job Evaluation for Agenda for Change and VSMs, and equally to all staff in

similar grades. As such we do not consider that the requirement to contribute to the NHS Pension Scheme as a condition of membership, nor the proposal to increase such contributions, impacts negatively on staff from different socio-economic groups or with a differing residency status.

Engagement and involvement

Was this work subject to the requirements of the cross-government [Code of Practice on Consultation](#)? No

How have you engaged stakeholders in gathering evidence or testing the evidence available?

Following the announcement in Spending Review 2010, that public service employees would need to make increased contributions to Public Service Pension Schemes, in year 1 (2012/13) we carried out a public consultation and a further regulatory consultation. We have since then continued to discuss both the effect of year 1 and the proposals for year 2 (2013/2014), with the NHS Pension Scheme Governance Group and the Technical Advisory Group. The Governance Group and Technical Advisory Group consists of a Management Side containing representatives of NHS Organisations, a Staff Side consisting of representatives of the recognised NHS trade unions, the Department of Health, the Government Actuary's Department (advising DH), and First Actuarial, an independent actuary providing independent actuarial advice to the governance group as a whole. These groups have seen the available opt-out data.

In addition, HMT have received the opt-out reports.

How have you engaged stakeholders in testing the policy or programme proposals?

The Technical Advisory Group have discussed monthly opt-out data from April 2012 through to August 2012, and they will continue to monitor this data. The combination of both reports using the available ESR data and the BSA data provides strong evidence that the opt-out rates are as expected – 0.3% in year one.

For each engagement activity, please state who was involved, how and when they were engaged, and the key outputs:

- Regular meetings with Technical Advisory Group and Governance Group – secretariat by NHS Employers. They were engaged on a monthly basis and provided the reports from both available BSA and ESR data on the opt-out position.
- NHS BSA – developing the reports and input into Governance Groups
- HMT – provided with monthly reports
- Pension ESG – DH managed group that includes NHS BSA, NHS Employer and ESR representation

Summary of Analysis

From the available data in the ESR and BSA reports at Annex A and B – there is an overall estimated reduction in scheme membership of around 0.3% across the whole workforce since the analysis commenced. There is no evidence of a particular negative outcome from the year 1 opt-out data towards any particular group.

Impact of proposals on eliminating discrimination, harassment and victimisation, advancing equality of opportunity, or promoting good relations between groups

Pension benefits received from the NHS Pension Scheme are the result of contributions paid into the scheme based on a member's salary or level of pensionable earnings, however increases are currently distributed progressively, in line with HMT parameters, with the higher paid paying proportionately more. This is fair because in final salary pension schemes, higher earners derive more benefit per pound contributed over the course of their career than those on lower incomes. The principles that might apply for a career average scheme going forward, are being discussed further by the Governance and Technical Advisory Groups, but these discussions will need to recognise that for some time there will remain to be a final salary link and the need to manage opt-out potential particularly for the low paid and new starters.

What is the overall impact?

The NHS Pension Scheme is open to all NHS staff to join unless they are already in receipt of NHS pension benefits. The above analysis demonstrates the expectation is that increasing contributions does not give rise to equality issues, and the available data backs that up. HM Treasury estimated that the rate of staff opting out of public service pension schemes is expected to increase by up to one percent of paybill over the three years - as a result of the proposed increase in contributions. From the available data the conclusion that can be drawn from the information to date is that there appears to be an overall estimated reduction in scheme membership of around 0.3% across the whole workforce, as compared to previous years data. This is consistent with an overall HMT three year predicted figure. The benefits of NHS Pension Scheme membership and return on investment per pound contributed remain significant in comparison to commercially available alternatives and should remain attractive to staff.

In order to fulfil the disclosure requirements, similar to the position for year 1 contributions, all staff will receive a payslip leaflet outlining the position, once the regulatory consultation has concluded.

Addressing the impact on equalities

We do not consider that the current operation of the NHS Pension Scheme gives rises to any impact on equalities. In considering the impact of the proposed contribution increases, the evidence examined does not indicate any gaps or opportunities upon which to take action. We have searched for independent research evidence on any differential impact of public pension reforms, based on socio-economic status, and also in respect of excluded or marginalised groups, but have failed to identify any.

For the record

Name of person who carried out this assessment:

Julie Badon

Date assessment completed:

November 2012

Name of responsible Director/Director General:

Nic Greenfield, Director of NHS Pay, Pensions & Employee Relations

Date assessment was signed:

WORKFORCE DATA ANALYSIS TEAM - NHS PENSION SCHEME OPT-OUT REPORT

OCTOBER 2012 (JULY DATA)

1. Introduction

This paper summarises the latest opt out information provided by the DH's Workforce Data Analysis Team (WDAT). The information is presented in the manner previously shared at TAG / Scheme Specific Discussion meetings and builds on the previous opt out data previously shared. It does so by providing the **July 2012 data** and comparing this data with both the June 2012 and the initial October 2011 results. The caveats previously detailed surrounding the accuracy of this information remain and its value appears to be in highlighting trends rather than providing accurate quantifications of scheme opt outs.

2. Findings from Updated Information

The tables that follow each of the Headcount and FTE analyses aim to illustrate the changes to potential scheme opt outs. There remains a potential reduction of 0.1% to scheme membership levels since the last (June data) report with an overall estimated reduction in scheme membership of around 0.3% across the whole workforce since the analysis commenced in October.

Estimated Percentage of Staff with Pension: FTEs by Staff Group and Agenda for Change Band

	Staff with pension FTEs by Agenda for Change Band (October 2011)														Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC		
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	93%	93%
Qualified nursing	-	-	-	-	85%	90%	94%	95%	96%	97%	-	-	-	55%	88%
Unqualified Nursing, HCA and Support	66%	77%	82%	86%	82%	-	-	-	-	-	-	-	-	59%	77%
ST&Ts	-	78%	81%	84%	87%	92%	94%	95%	97%	96%	97%	-	-	65%	89%
Admin & Clerical	56%	75%	80%	83%	84%	88%	90%	93%	95%	-	-	-	-	58%	81%
Maintenance & works	-	80%	89%	92%	93%	-	-	-	-	-	-	-	-	-	89%
Ambulance Staff	-	-	92%	95%	96%	98%	98%	-	-	-	-	-	-	-	95%
Managers	-	-	-	-	-	88%	91%	94%	96%	96%	98%	97%	90%	-	94%
All Non-Medical	65%	77%	81%	85%	86%	90%	93%	95%	96%	96%	97%	97%	67%	-	85%
All	65%	77%	81%	85%	86%	90%	93%	95%	96%	96%	97%	97%	89%	86%	

October 2011		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	93%
85%	92%	55%
77%	86%	59%
84%	93%	65%
80%	89%	58%
89%	94%	-
95%	98%	-
86%	94%	90%
81%	92%	67%
81%	92%	89%

	Staff with pension FTEs by Agenda for Change Band (June 2012)														Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC		
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	92%	92%
Qualified nursing	-	-	-	-	85%	90%	94%	96%	97%	98%	-	-	-	61%	88%
Unqualified Nursing, HCA and Support	65%	77%	82%	86%	85%	-	-	-	-	-	-	-	-	61%	77%
ST&Ts	-	78%	81%	83%	87%	91%	94%	96%	97%	97%	98%	-	-	68%	89%
Admin & Clerical	54%	75%	79%	84%	84%	87%	90%	92%	95%	-	-	-	-	60%	81%
Maintenance & works	-	82%	89%	92%	90%	-	-	-	-	-	-	-	-	-	89%
Ambulance Staff	-	-	92%	95%	96%	99%	97%	-	-	-	-	-	-	-	95%
Managers	-	-	-	-	-	89%	91%	94%	95%	96%	97%	96%	90%	-	93%
All Non-Medical	65%	76%	81%	85%	85%	90%	93%	95%	96%	96%	97%	96%	68%	-	85%
All	65%	76%	81%	85%	85%	90%	93%	95%	96%	96%	97%	96%	89%	86%	

June 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	92%
85%	92%	61%
77%	89%	61%
83%	93%	68%
80%	89%	60%
89%	94%	-
95%	98%	-
83%	94%	90%
81%	92%	68%
81%	92%	89%

	Staff with pension FTEs by Agenda for Change Band (July 2012)														Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC		
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	91%	91%
Qualified nursing	-	-	-	-	85%	90%	94%	95%	96%	98%	-	-	-	61%	88%
Unqualified Nursing, HCA and Support	65%	77%	82%	85%	86%	-	-	-	-	-	-	-	-	58%	77%
ST&Ts	-	77%	81%	83%	87%	91%	94%	96%	97%	97%	97%	-	-	66%	89%
Admin & Clerical	54%	75%	79%	84%	84%	88%	89%	92%	95%	-	-	-	-	59%	81%
Maintenance & works	-	79%	88%	91%	92%	-	-	-	-	-	-	-	-	-	89%
Ambulance Staff	-	-	92%	96%	96%	96%	98%	-	-	-	-	-	-	-	95%
Managers	-	-	-	-	-	88%	91%	94%	95%	97%	97%	95%	89%	-	93%
All Non-Medical	65%	76%	81%	85%	86%	90%	93%	95%	96%	97%	97%	95%	67%	-	85%
All	65%	76%	81%	85%	86%	90%	93%	95%	96%	97%	97%	95%	88%	86%	

July 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	91%
85%	92%	61%
77%	89%	58%
83%	93%	66%
80%	89%	59%
88%	93%	-
95%	97%	-
84%	94%	89%
81%	92%	67%
81%	92%	88%

Note: '-' indicates groups with fewer than 500 staff.

Note: numbers highlighted in grey background indicates groups with fewer than 5,000 staff.

	FTE points increase between June 2012 and July 2012														Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC		
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.6%	-0.6%
Qualified nursing	-	-	-	-	0.2%	-0.1%	-0.0%	-0.2%	-0.8%	-0.3%	-	-	-	0.2%	0.0%
Unqualified Nursing, HCA and Support	0.1%	0.1%	0.4%	-0.7%	0.5%	-	-	-	-	-	-	-	-	-2.6%	0.1%
ST&Ts	-	-0.4%	-0.1%	-0.2%	0.2%	0.0%	-0.2%	-0.2%	0.2%	0.6%	-0.8%	-	-	-2.0%	-0.1%
Admin & Clerical	-0.0%	-0.0%	0.1%	0.0%	-0.2%	0.1%	-0.6%	-0.6%	-0.0%	-	-	-	-	-1.1%	-0.1%
Maintenance & works	-	-2.8%	-0.4%	-0.9%	1.3%	-	-	-	-	-	-	-	-	-	-0.7%
Ambulance Staff	-	-	0.5%	1.3%	0.2%	-2.4%	0.4%	-	-	-	-	-	-	-	0.0%
Managers	-	-	-	-	-	-1.1%	0.0%	0.1%	-0.5%	0.9%	0.4%	-0.6%	-0.4%	0.0%	
All Non-Medical	0.1%	-0.0%	0.2%	-0.1%	0.2%	-0.1%	-0.1%	-0.2%	-0.3%	0.5%	-0.1%	-0.8%	-1.1%	-0.0%	
All	0.1%	-0.0%	0.2%	-0.1%	0.1%	-0.1%	-0.1%	-0.1%	-0.3%	0.5%	-0.0%	-0.8%	-0.7%	-0.1%	

June 2012 and July 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	-0.6%
0.2%	-0.1%	0.2%
0.1%	0.2%	-2.6%
-0.0%	-0.1%	-2.0%
-0.0%	-0.2%	-1.1%
-0.7%	-0.9%	-
0.4%	-1.8%	-
1.1%	0.0%	-0.4%
0.1%	-0.1%	-1.1%
0.1%	-0.1%	-0.7%

	FTE points increase between October 2011 and July 2012														Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC		
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	-1.5%	-1.5%
Qualified nursing	-	-	-	-	0.2%	-0.3%	0.0%	0.1%	-0.4%	0.5%	-	-	-	5.8%	0.0%
Unqualified Nursing, HCA and Support	-0.3%	-0.3%	0.3%	-1.3%	3.2%	-	-	-	-	-	-	-	-	-1.0%	-0.2%
ST&Ts	-	-0.5%	-0.4%	-0.5%	-0.3%	-0.3%	-0.1%	0.0%	0.5%	1.0%	-0.3%	-	-	0.7%	-0.2%
Admin & Clerical	-1.4%	-0.3%	-0.3%	0.2%	-0.7%	-0.1%	-1.1%	-1.2%	0.6%	-	-	-	-	0.7%	-0.2%
Maintenance & works	-	-1.5%	-1.0%	-0.7%	-0.8%	-	-	-	-	-	-	-	-	-	-0.8%
Ambulance Staff	-	-	0.1%	1.7%	0.1%	-1.2%	-0.4%	-	-	-	-	-	-	-	0.0%
Managers	-	-	-	-	-	-0.6%	0.3%	-0.3%	-0.9%	0.2%	-0.4%	-2.3%	-1.3%	-0.4%	
All Non-Medical	-0.3%	-0.3%	-0.0%	-0.0%	0.0%	-0.3%	-0.1%	-0.2%	-0.3%	0.3%	-0.5%	-2.1%	0.6%	-0.1%	
All	-0.3%	-0.3%	-0.0%	-0.0%	0.0%	-0.3%	-0.1%	-0.1%	-0.3%	0.3%	-0.5%	-2.1%	-1.3%	-0.3%	

October 2011 and July 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	-1.5%
0.2%	-0.2%	5.8%
-0.1%	3.0%	-1.0%
-0.4%	-0.1%	0.7%
-0.2%	-0.5%	0.7%
-0.9%	-0.5%	-
0.3%	-1.0%	-
-1.3%	-0.2%	-1.3%
-0.1%	-0.2%	0.6%
-0.1%	-0.2%	-1.3%

Estimated Percentage of Staff with Pension: Headcounts by Staff Group and Agenda for Change Band

	Staff with pension Headcounts by Agenda for Change Band (October 2011)													Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC	
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	91%	91%
Qualified nursing	-	-	-	-	84%	89%	93%	94%	96%	97%	-	-	57%	87%
Unqualified Nursing, HCA and Support	63%	76%	81%	86%	82%	83%	-	-	-	-	-	-	58%	75%
ST&Ts	-	77%	81%	83%	87%	91%	93%	95%	96%	94%	95%	-	66%	88%
Admin & Clerical	56%	74%	79%	83%	84%	87%	90%	93%	94%	-	-	-	58%	80%
Maintenance & works	-	78%	89%	91%	92%	-	-	-	-	-	-	-	-	88%
Ambulance Staff	-	-	91%	94%	95%	97%	97%	-	-	-	-	-	-	94%
Managers	-	-	-	-	-	88%	90%	93%	95%	96%	97%	97%	89%	93%
All Non-Medical	63%	75%	80%	84%	85%	89%	93%	94%	95%	95%	97%	96%	66%	84%
All	63%	75%	80%	84%	85%	89%	93%	94%	95%	95%	97%	96%	88%	85%

October 2011		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	91%
84%	91%	57%
75%	85%	58%
83%	93%	66%
79%	89%	58%
87%	93%	-
94%	97%	-
85%	94%	89%
80%	91%	66%
80%	91%	88%

	Staff with pension Headcounts by Agenda for Change Band (June 2012)													Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC	
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	91%	91%
Qualified nursing	-	-	-	-	84%	89%	93%	94%	95%	96%	-	-	63%	87%
Unqualified Nursing, HCA and Support	62%	75%	80%	85%	83%	83%	-	-	-	-	-	-	60%	75%
ST&Ts	-	77%	80%	83%	86%	91%	93%	95%	95%	95%	95%	-	68%	88%
Admin & Clerical	55%	74%	79%	83%	83%	87%	90%	92%	95%	-	-	-	60%	80%
Maintenance & works	-	79%	88%	90%	92%	-	-	-	-	-	-	-	-	87%
Ambulance Staff	-	80%	90%	94%	95%	97%	97%	-	-	-	-	-	-	94%
Managers	-	-	-	-	84%	87%	90%	93%	94%	96%	97%	96%	88%	93%
All Non-Medical	62%	75%	80%	84%	85%	89%	93%	94%	95%	95%	96%	95%	68%	84%
All	62%	75%	80%	84%	85%	89%	93%	94%	95%	95%	96%	95%	88%	84%

June 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	91%
84%	90%	63%
75%	85%	60%
82%	93%	68%
79%	89%	60%
87%	92%	-
93%	97%	-
83%	93%	88%
80%	91%	68%
80%	91%	88%

	Staff with pension Headcounts by Agenda for Change Band (July 2012)													Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9	Non AfC	
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	91%	91%
Qualified nursing	-	-	-	-	84%	89%	93%	94%	95%	96%	-	-	63%	87%
Unqualified Nursing, HCA and Support	62%	75%	80%	85%	84%	84%	-	-	-	-	-	-	59%	75%
ST&Ts	-	76%	80%	83%	86%	91%	93%	95%	96%	95%	95%	-	68%	88%
Admin & Clerical	55%	74%	79%	83%	83%	87%	89%	92%	95%	-	-	-	59%	80%
Maintenance & works	-	79%	88%	90%	92%	-	-	-	-	-	-	-	-	87%
Ambulance Staff	-	80%	90%	94%	95%	97%	97%	-	-	-	-	-	-	94%
Managers	-	-	-	-	84%	87%	90%	93%	94%	96%	97%	96%	87%	92%
All Non-Medical	62%	75%	80%	84%	85%	89%	92%	94%	95%	95%	96%	95%	67%	84%
All	62%	75%	80%	84%	85%	89%	92%	94%	95%	95%	96%	95%	87%	84%

July 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	91%
84%	90%	63%
75%	86%	59%
82%	92%	68%
79%	89%	59%
87%	92%	-
93%	97%	-
83%	93%	87%
80%	91%	67%
80%	91%	87%

Note: '-' indicates groups with fewer than 500 staff.

Note: numbers highlighted in grey background indicates groups with fewer than 5,000 staff.

	Headcount points increase between June 2012 and July 2012													Non AfC	Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9			
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.1%	-0.1%
Qualified nursing	-	-	-	-	-0.1%	-0.1%	-0.0%	-0.1%	0.0%	-0.4%	-	-	-	-0.2%	-0.1%
Unqualified Nursing, HCA and Support	-0.1%	0.0%	-0.0%	-0.1%	0.3%	1.1%	-	-	-	-	-	-	-	-0.4%	-0.0%
ST&Ts	-	-0.1%	0.0%	-0.0%	-0.1%	-0.1%	-0.1%	-0.1%	0.1%	-0.0%	-0.1%	-	-	-0.1%	-0.1%
Admin & Clerical	0.0%	-0.0%	0.1%	-0.0%	-0.0%	-0.0%	-0.1%	-0.2%	0.1%	-	-	-	-	-0.3%	-0.0%
Maintenance & works	-	-0.2%	-0.6%	-0.2%	-0.2%	-	-	-	-	-	-	-	-	-	-0.1%
Ambulance Staff	-	-0.5%	-0.2%	-0.1%	0.0%	-0.1%	-0.1%	-	-	-	-	-	-	-	-0.1%
Managers	-	-	-	-	0.2%	-0.3%	-0.0%	0.0%	-0.2%	0.0%	-0.1%	-0.2%	-0.2%	-0.2%	-0.1%
All Non-Medical	-0.1%	-0.0%	0.0%	-0.0%	-0.1%	-0.1%	-0.0%	-0.1%	-0.0%	-0.0%	-0.0%	-0.2%	-0.2%	-0.2%	-0.0%
All	-0.1%	-0.0%	0.0%	-0.0%	-0.1%	-0.1%	-0.0%	-0.1%	-0.0%	-0.0%	0.0%	-0.2%	-0.1%	-0.1%	-0.1%

June 2012 and July 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	-0.1%
-0.1%	-0.1%	-0.2%
-0.0%	0.6%	-0.4%
-0.1%	-0.1%	-0.1%
-0.0%	-0.1%	-0.3%
-0.3%	0.1%	-
-0.1%	-0.1%	-
-0.1%	-0.0%	-0.2%
-0.0%	-0.1%	-0.2%
-0.0%	-0.1%	-0.1%

	Headcount points increase between October 2011 and July 2012													Non AfC	Total
	1	2	3	4	5	6	7	8a	8b	8c	8d	9			
Doctors	-	-	-	-	-	-	-	-	-	-	-	-	-	-0.6%	-0.6%
Qualified nursing	-	-	-	-	-0.2%	-0.3%	-0.3%	-0.3%	-0.1%	-0.7%	-	-	-	5.5%	-0.3%
Unqualified Nursing, HCA and Support	-0.4%	-0.3%	-0.2%	-0.6%	1.1%	1.7%	-	-	-	-	-	-	-	1.3%	-0.3%
ST&Ts	-	-0.3%	-0.2%	-0.5%	-1.0%	-0.4%	-0.1%	-0.3%	-0.1%	0.6%	-0.6%	-	-	1.8%	-0.4%
Admin & Clerical	-1.4%	-0.2%	-0.1%	-0.1%	-0.6%	-0.4%	-0.6%	-0.6%	0.7%	-	-	-	-	1.1%	-0.2%
Maintenance & works	-	0.3%	-1.0%	-1.2%	-0.1%	-	-	-	-	-	-	-	-	-	-0.7%
Ambulance Staff	-	-	-0.5%	-0.4%	-0.2%	-0.2%	-0.5%	-	-	-	-	-	-	-	-0.3%
Managers	-	-	-	-	-	-0.9%	0.0%	-0.4%	-0.9%	-0.2%	-0.4%	-0.9%	-1.2%	-1.2%	-0.5%
All Non-Medical	-0.5%	-0.3%	-0.2%	-0.3%	-0.4%	-0.3%	-0.2%	-0.3%	-0.4%	-0.1%	-0.5%	-1.3%	1.5%	-0.3%	-0.3%
All	-0.5%	-0.3%	-0.2%	-0.3%	-0.4%	-0.3%	-0.2%	-0.3%	-0.4%	-0.1%	-0.5%	-1.3%	-0.4%	-0.3%	-0.3%

October 2011 and July 2012		
AfC 1 - 5	AfC 6 - 9	Non AfC
-	-	-0.6%
-0.3%	-0.3%	5.5%
-0.3%	0.6%	1.3%
-0.6%	-0.3%	1.8%
-0.2%	-0.4%	1.1%
-0.7%	-0.5%	-
-0.4%	-0.2%	-
-1.7%	-0.4%	-1.2%
-0.3%	-0.3%	1.5%
-0.3%	-0.3%	-0.4%

Increased Employee Contributions Opt-out Management Information

16 Oct 2012

Contents

1.	Purpose	18
2.	Background and scope	18
3.	Context	18
4.	Timeliness of reports.....	19
5.	Opt-out Forms Received	21
6.	Opt-out Analysis	22
6.1.	Opt-out and joiners by month.....	22
6.2.	Opt-out by age	23
6.3.	Opt-out by gender.....	9
6.4.	Opt-out by scheme section	26
6.5.	Opt-out by disability, ethnicity	28
	Opt-out by sexual orientation Employer group Whole time / Part Time.....	28
6.6.	Scheme active membership.....	28

The purpose of this document is to demonstrate management information available about those members who opt-out of the NHS Pension Scheme.

Every employee who is eligible to join the NHS Pension Scheme is automatically enrolled and becomes a member unless they opt-out. A member may opt-out of the NHS Pension Scheme at any time.

NHSBSA Pensions is currently able to produce very little management information about those employees who opt-out of the NHS Pension Scheme within the first pay period of employment and therefore never become members. This is largely due to the fact that the form to opt-out (SD502) only records the decision to opt-out and this is the only information received by NHSBSA Pensions for employees who opt-out on commencement of employment. The information concerning this group is therefore currently restricted to the volume of opt-out forms received.

NHSBSA Pensions does not collect or hold any information concerning a member's reason for opting-out.

Where an employee opts-out of the NHS Pension Scheme after the first pay period they become a member of the NHS Pension Scheme. NHSBSA Pensions therefore holds much more reportable information about this group. The management information in this sample paper concerns members who opted-out of the NHS Pension Scheme during the reporting period 1st April 2011 to 30th April 2012. The management information in this paper reflects the state of NHS Pension Scheme data on 10th May 2012.

In order to put the opt-out management information into context, some management information about the scheme membership is included. Whilst the management information about opt-out is useful in its own right it is important to view it in the context of the scheme to aid correct interpretation of the data. For example the opt-out information shows the majority of members who opt-out fall into two job types and therefore one may conclude that the high incidence of opt-out may be due to job type. However, when viewed in context of the scheme it can be seen that the opt-outs correlate to the scheme job type profile and a higher number of opt-outs would be expected in the job types with the higher population of members.

The information in 5 Opt out Forms Received is generally available within one week of the end of the previous month. No further analysis is carried out on these forms and it is most important to note that the figures show only the numbers of forms received by the NHSBSA in each month. Many of those forms will have been signed in earlier months; the NHSBSA has no control over when employers submit these. Nevertheless, the report is an indicator of the level of opt-out activity. (Note that historical information is held for several years. This will be provided as soon as it has been extracted.)

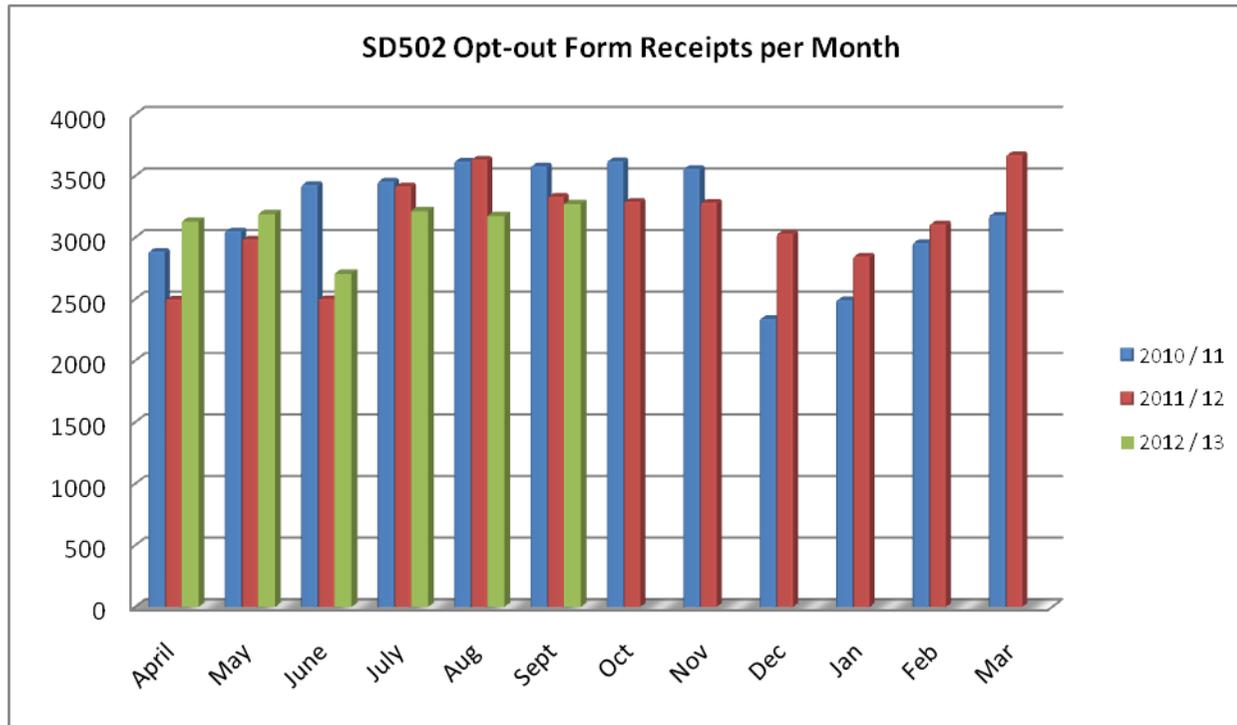
Every person who opts out of the NHS pension scheme *must* complete one of these forms, so these figures are a true record of the total number of opt-outs, including those in the first pay period. This is particularly significant because those who opt out in the first pay period, in other words before receiving their first pay, do not appear on the NHSBSA database as a scheme member. Therefore these people do not appear in any of the other analyses.

The analyses in 6 Opt out Analysis show only scheme members who have opted out and exclude new employees who opted out in their first pay period. The information is submitted by employers through ESR or Pensions Online and the time lag for receipt is up to six weeks. This is outside NHSBSA control. Additionally, many opt-outs are processed retrospectively by employers, meaning that the true number for a given month will only be known some time later.

For example, people opting out of the scheme in April 2012 might have their paperwork processed by their employers in April, May or June. The opt-out paperwork, ESR or Pensions Online notification could arrive at the NHSBSA in April, May, June or July. Assuming that reports are generated every month, the numbers of opt-outs shown for April will increase each time. The picture will become progressively more complete, but we would not expect to see a fuller picture for April until July or even August.

SD 502 Throughput of receipts per month into Comms Centre

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total for year	Mean
2010 / 11	2886	3051	3428	3455	3617	3578	3620	3559	2339	2491	2955	3179	38158	3180
2011 / 12	2497	2985	2501	3416	3633	3332	3291	3283	3031	2846	3108	3670	37593	3133
2012 / 13	3129	3190	2707	3215	3175	3271							18687	3115

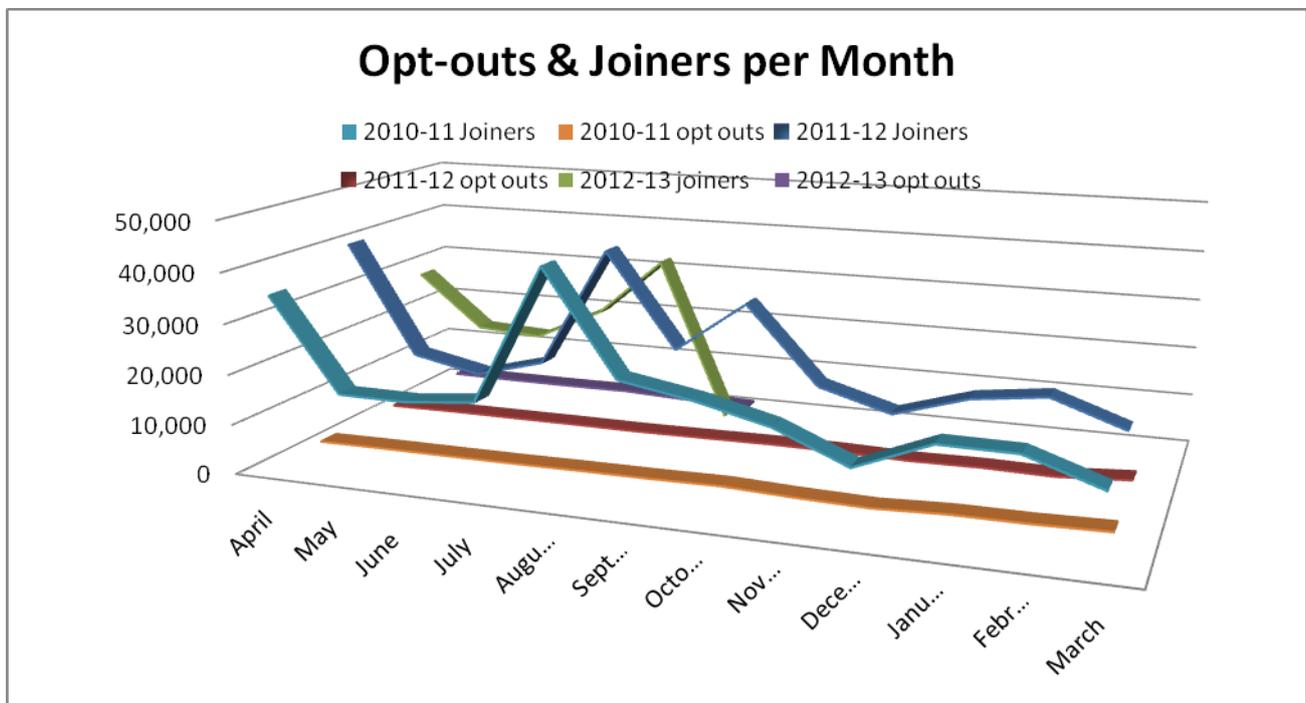


The SD502 is the form which everyone who wishes to opt out of the NHS pension scheme must sign. The employer subsequently submits it to the NHSBSA. No analysis is carried out other than a count of the number of forms received each month. The forms are filed in case there is a subsequent enquiry or disagreement over the member's status. The figures for any given month are available within the first week of the following month. For example, April 2012 figures will be available by about 7 May 2012. This report will give the earliest possible indication of a change in the pattern of opt-out activity. Figures are available going back several years.

6.1. Opt-out and joiners by month

It is possible to break down the number of members who opt-out by month. The number of joiners reflects the number of joiner events and it should be noted that one member may have more than one joiner event in the reporting period.

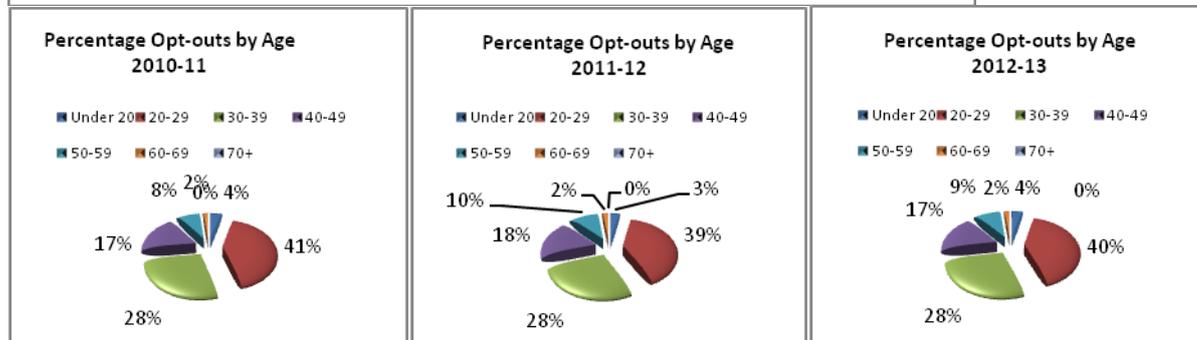
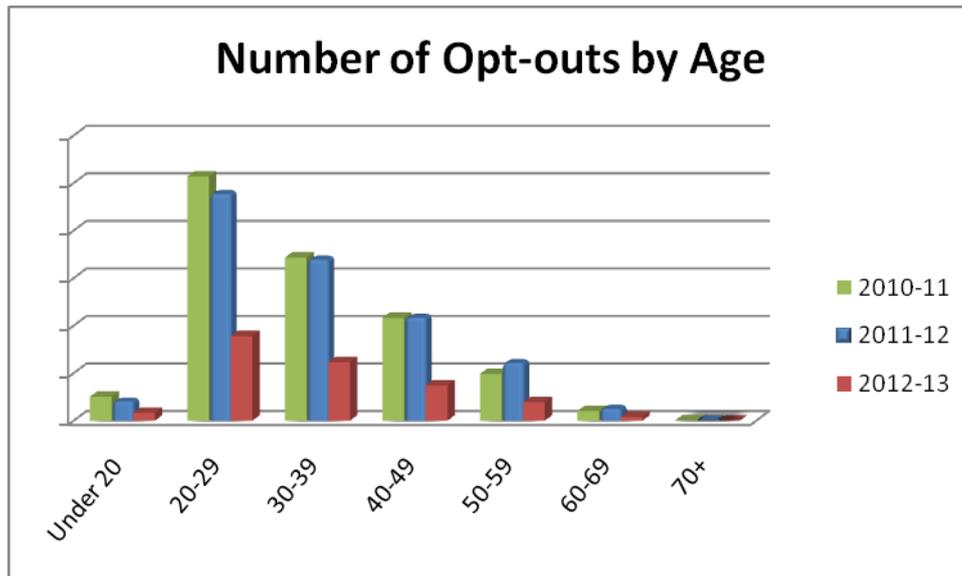
Month	2010-11		2011-12		2012-13	
	Number of members opting out	Number of joiners	Number of members opting out	Number of joiners	Number of members opting out	Number of joiners
April	1,953	35,332	1,824	40,204	1,885	28,394
May	2,042	17,017	1,965	18,044	1,719	17,403
June	2,047	16,908	1,953	15,215	1,668	16,583
July	2,073	18,248	1,961	18,798	1,721	23,025
August	2,187	44,751	1,897	42,385	1,134	34,848
September	2,227	25,162	2,036	23,978	640	2,619
October	2,404	22,772	2,187	34,079		
November	1,854	19,392	2,148	19,266		
December	1,513	13,608	1,829	15,283		
January	2,083	19,368	2,031	19,594		
February	2,085	19,228	1,781	21,339		
March	2,388	14,428	2,725	16,443		
Total	24,856	266,214	24,337	284,628	8,767	122,872
Mean	2,071	22,185	2,028	23,719		



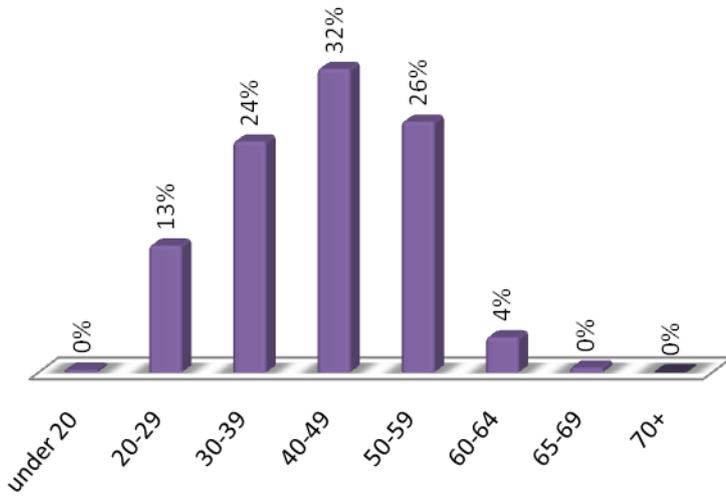
6.2. Opt-out by age

It is possible to break down the number of members who opt-out by age. In this example the members who opted-out have been broken down into eight age ranges. Statistical averages are also provided.

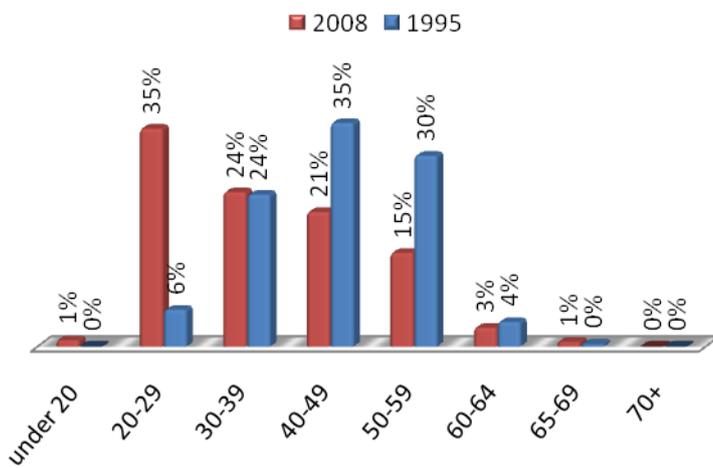
	2010-11	2011-12	2012-13
Age	Number of members	Number of members	Number of members
Under 20	1,010	798	328
20-29	10,273	9,528	3,559
30-39	6,867	6,769	2,461
40-49	4,324	4,321	1,481
50-59	1,968	2,417	781
60-64	406	495	156
70+	8	9	1
Total	24,856	24,337	8,767
Mean Age	33	34	34
Mode Age	23	23	24



Scheme Age Profile - 2010 Valuation Data



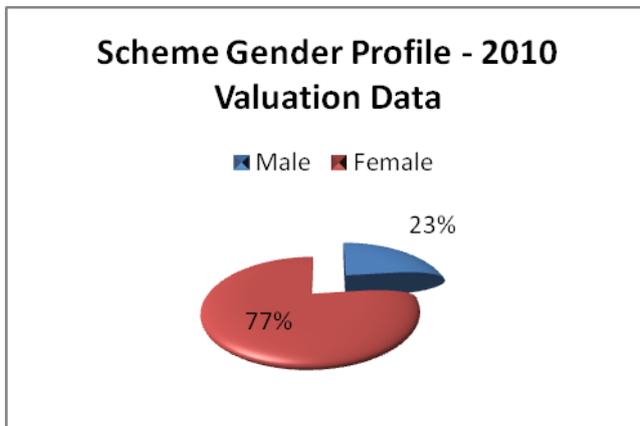
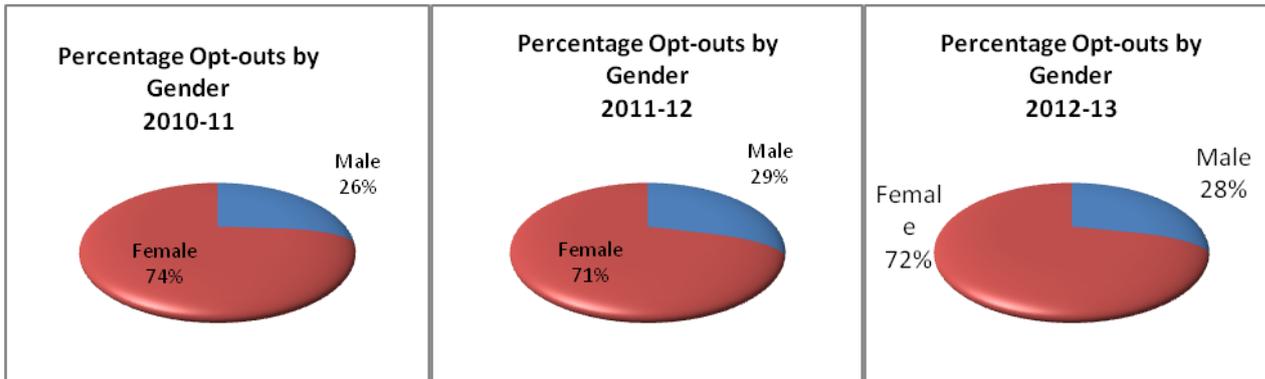
Section Age Profile - 2010 Valuation Data



6.3. Opt-out by gender

It is possible to break down the number of members who opt-out by gender.

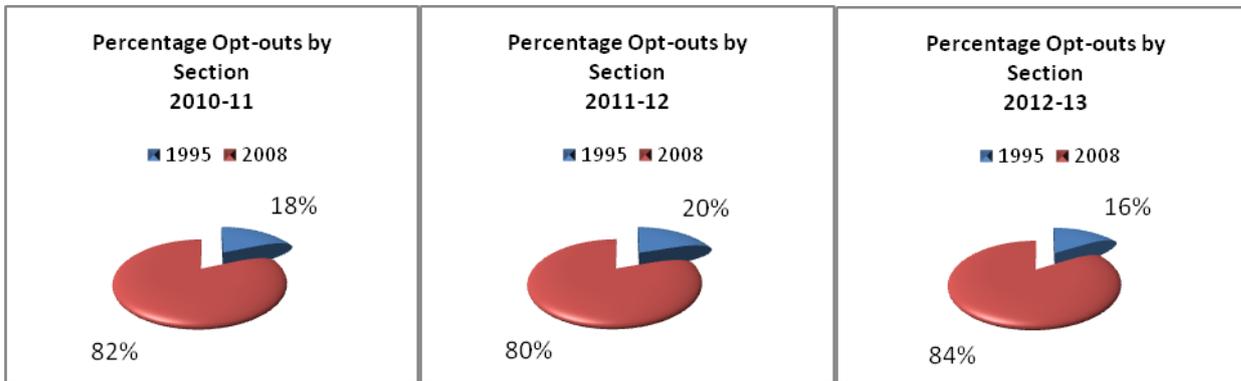
	2010-11	2011-12	2012-13
Gender	Number of members	Number of members	Number of members
Male	6,493	7,075	2,487
Female	18,363	17,262	6,280
Total	24,856	24,337	8,767



6.4. Opt-out by scheme section

It is possible to break down the number of members who opt-out by scheme section.

	2010-11	2011-12	2012-13
Section	Number of members	Number of members	Number of members
1995	4,593	4,845	1,364
2008	20,263	19,492	7,403
Total	24,856	24,337	8,767



Relating the members who opt-out to the active membership (see 6.5) it is possible to estimate the percentage of active members who opt-out.

	% of active members who opt-out
1995 Section	0.50
2008 Section	5.74
Scheme	1.85

6.5 Opt out by disability, ethnicity, sexual orientation, employer type and Whole Time / Part time status.

Opt out by Disability			
	Number of members		
Section	2010-11	2011-12	2012-13
ESR Response - see DISABILITY	0	1	0
Learning Disability / Difficulty	16	13	5
Long-Standing Illness	15	16	7
Mental Health condition	8	9	7
No	5,079	4,797	1,817
Not Declared	1,289	1,286	391
Other	14	10	3
Physical Impairment	6	5	3
Sensory Impairment	5	4	3
Unknown	18,287	18,070	6,484
Yes - unspecified	137	126	47
	24,856	24,337	8,767

Opt out by Ethnicity			
	Number of members		
Section	2010-11	2011-12	2012-13
Any other	107	128	42
Asian	1,203	1,250	402
Black	882	829	307
Chinese	55	70	23
Filipino	92	71	20
Japanese	3	1	0
Malaysian	8	8	2
Mixed	190	187	81
Not specified	2,522	2,401	844
Other	19	20	8
Unknown	11,730	11,532	4,352
White	8,043	7,838	2,686
	24,856	24,337	8,767

Opt out by Sexual Orientation

Section	Number of members		
	2010-11	2011-12	2012-13
Bisexual	41	35	12
Gay	68	56	17
Heterosexual	5,297	5,145	1,876
Lesbian	30	33	14
Not Disclosed	1,157	1,207	329
Unknown	18,263	17,861	6,519
	24,856	24,337	8,767

Opt out by Employer Type

	Number of members		
	2010-11	2011-12	2012-13
PCT-LHB	4,597	2,862	654
Trust	8,547	8,406	3,247
Foundation Trust	9,919	10,990	4,140
Directions	322	120	19
SHA & Arms Length	607	609	167
Section 22 of the Health & Social	1	4	0
Section 31 of The Health Act 1999	4	4	0
CIC	11	73	21
Community Health	66	386	211
GP Practice's	569	542	222
Unknown	213	341	86
	24,856	24,337	8,767

Opt out by Whole Time / Part time status

	Number of members		
	2010-11	2011-12	2012-13
Part Time	10,961	10,203	3,895
Whole time	13,723	13,593	4,787
Unknown	172	541	85
	24,856	24,337	8,767

6.6 Scheme active membership – 2010 Valuation Data

Members are defined as active if they are engaged in NHS employment and paying contributions to the scheme. The scheme active membership represents the total members who could potentially opt-out.

	Number of active members
1995 Section	966,777
2008 Section	338,435
Scheme	1,305,212

