WHO SHOULD READ:  HR and Payroll managers  
                         Direction Bodies  
                         GP Practice managers  
                         Practitioner Services Division  
                         Dental Payments  
                         Pension administration staff  

ACTION:  To read and circulate as appropriate  

SUBJECT: 1. Authorised break including career breaks  
          2. Confirm the position for submission of contributions  
          3. Reminder of deadline for members to apply for protection of pay for pension purposes following ending of NRRP  

The purpose of this circular is to:  
• clarify the pensionable position of members during an authorised break (including career break)  
• confirm the position for submission of contributions to SPPA  
• remind employers to advise employees affected by the loss of NRRP that they must apply for protection of pay for pension purposes by 31 March 2013  

1. Authorised breaks  

The NHS scheme provides for members of both the 1995 and 2008 sections (excluding locum practitioners) who are on an authorised break (including a career break), to choose to continue to pay contributions towards membership for a limited period. This is provided that their contract of employment is retained.  

From 1 April 2013, members who choose to continue to pay contributions to the scheme can do so for a period of six months. During this period, contributions also remain payable by the employer. The member can choose to extend the period for a further 18 months. However, if this option is taken, the member would be responsible for payment of both employee and employer contributions. Please note that contributions must be paid for the first six months to allow the member the option to extend for a further 18 months if required.  

2. Submission of contributions  

Contributions should be submitted by employers in the same way each month as for all other active members. These should not be paid as arrears on return to work. The employer should make arrangements with the member before the leave begins, to collect the contributions due and pay promptly to SPPA.
It is not compulsory for a member to continue to pay contributions during an authorised break. If a member chooses not to continue with their membership of the scheme, employers must submit leaver information to SPPA in the normal way.

3. Ending of National Recruitment and Retention Premia (NRRP)

SPPA circular 2012/05 advised employers that, following the decision that National Recruitment and Retention Premia (NRRP) should cease from 31 March 2011, members who were affected could apply to have their higher level of pay protected for pension purposes.

You should remind members who have suffered a drop in pensionable pay due to the withdrawal of NRRP that if they wish to apply to SPPA for protection of pay for pension purposes, they have until 31 March 2013. Members must apply using form “VPP” available at www.sppa.gov.uk. The form must be submitted to SPPA via their employer.

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4 March 2013

Contact information:

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