

# CONSULTATION RESPONSE FORM

## *NHS Pension Scheme (Scotland): Proposed changes to member contributions from 1 October 2023 and miscellaneous amendments*

### 1. Name/Organisation

Organisation Name

Royal College of Nursing

Title

Surname

Forename

### 2. Postal Address

RCN Scotland

42 South Oswald Road

Edinburgh

Postcode **EH9 2HH** Phone

Email

3. Permissions - I am responding as... (please complete either sections (a), (b) and (d) or sections (c) and (d):

**Individual or Group/Organisation**

(a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please state yes or no: \_\_

(b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please state yes to one of the following:

Yes, make my response, name and address all available .....

or

Yes, make my response available, but not my name and address .....

or

Yes, make my response and name available, but not my address .....

(c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please state yes or no: .....yes.....

(d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please state yes or no: .....yes.....

## ABOUT YOU

I am responding ...

- as a scheme member
- on behalf of an Employer Organisation
- x  on behalf of a Trade Union/Staff Association
- other (please specify)

What is your gender?

- I am female x
- I am male

I am employed as...

- an administrator
- a Dentist
- a Doctor
- a General Practitioner
- a junior Doctor
- a manager
- a nurse
- I'm retired
  
- x  other (please specify) Trade Union Officer

What is your working pattern?

- I work part-time
- I work full- time x
- Not applicable

## CONSULTATION COMMENTS

Please use this space to provide any comments.

1. The Royal College of Nursing (RCN) is the world's largest professional organisation and trade union for nursing staff, with members in the NHS, independent and third sectors. RCN Scotland promotes patient and nursing interests by campaigning on issues that affect members, shaping national health policies, representing members on practice and employment issues and development opportunities. With around 40,000 members in Scotland, the RCN is the voice of nursing and as such a key stakeholder in shaping the outcomes of this consultation on pensions.

2. The RCN welcomes the opportunity to respond to the Public Pension Agency's (SPPA) consultation on proposed changes to members' contributions to the NHS pension scheme from 1 October 2023. Our submission is based upon the views of RCN members, who expressed these by e-mail and during four dedicated RCN engagement events in July/August 2023. The engagement events were led by Senior Officer Ros Shaw and supported by Philip Coghill Lead for Pay, Terms and Conditions. The RCN is grateful to both for sharing their expertise in order to inform RCN members and members for contributing to the discussion, sharing their views and thereby informing this consultation response.

**Question 1** - Do you agree or disagree that the proposed member contribution structure should be phased over 2 years? If you disagree or don't know how to answer, please explain why.

**Comments:**

There was a lack of consensus over phasing in the previous consultation document in 2022, hence the reason it is part of this consultation.

Our members have spoken of the additional financial burden of any contribution increases and noted there is some limited help with phasing however it is very limited. Our members main concern is with the proposed contribution structure which we will address in the second question.

The RCN agrees with this proposal which offers some very limited protection for our members. We understand the structure will be implemented over 1 and not 2 years between October 2023 and October 2024. But our members have indicated a longer period of phasing with the contributions increased uplifted 1 more even steps would provide further relief

**Question 2** - Do you agree or disagree with the proposed member contribution structure set out in this consultation document? If you disagree or don't know how to answer, please explain why.

Comments:

In light of member feedback, the RCN disagrees with the proposed contribution structure.

As a point of principle, the RCN does not support the general approach of expecting lower-paid members of the SPPA(S) pension scheme to pay proportionately more whilst higher earners will see their contribution rates reduce. The RCN is also very clear that they do not understand the logic of increasing so significantly the contribution rates for our registered nurse members. Whilst we understand that some members may see a small reduction in contribution rates due to being part time, even in the examples provided by SPPA a part time Band 5 staff nurse will be contributing more than they do currently, while a part time consultant will see a reduction in their contribution rate of over £100 per month. This just does not feel fair to our members.

Some RCN members will see their contributions increase at a time when its affordability becomes a real issue due to the impact of comparatively high inflation rates, escalating utility costs, increasing cost of living expenses more broadly and the negative consequences of a pay award that amounts to a real-terms pay cut. Consequently, there is a real danger of members deciding that they can no longer afford to pay into the SPPA(S) pension scheme and will therefore consider or simply be leaving.

One member advised us:

*"I had to opt out of the scheme a few years ago and was thinking of returning to it. This change to contributions means I can't afford to come back into the scheme now."*

Under a FOI request we have received the following data – unfortunately data for nursing and midwifery is unable to be filtered. However, it can be seen from this data that opt outs have increased significantly.

Year individual Opted out	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of Individuals Opted out	2406	2328	3272	2046	2101	4541

At our engagement events members were very clear in their views that they believe they are being penalised at the expense of higher earners. This response was prevalent within our registered nurse bands.

A band 5 registered nurse at the maximum of the scale (bearing in mind this is the grade for the biggest group of our members and the grade they receive on

graduation) will now be asked to pay 10.5 % this October going up to 10.6% next October 2024. Whilst we understand that the yield has not been met and that there are costs associated with moving to Actual Pay it appears to our members that they are paying over the 9.8% yield to allow higher earners to reduce their contributions. This is on top of higher earners already benefitting from taxation changes.

Meanwhile our band 6 and 7 nurses (our more experienced members) will see themselves on point 3 of a Band 6 salary and point 1 of a band 7 salary being asked to contribute 11% this October, going up to 11.4% in October 2024. These nurses were very clear that this will result in members not bothering to further their career.

As one of our members A Clinical Nurse Specialist said to us via email:

*“There is absolutely no incentive to go for promotion, and this will not encourage staff to stay within the NHS. To be honest I would not encourage anyone to come and work within the NHS, as much as I love my job and think I am incredibly privileged to be doing the role I do, I am beyond scunnered with how we are being treated. The NHS can not survive without experienced staff and i think this is just a step too far for senior nurses.”*

Other Band 6/7 members said :

*“for a middle grade nurse to be paying higher contribution rates seems ridiculous. People like us with invaluable skills and experience have little incentive to stay in NHS. Feel like this middle group is being targeted to subsidise both the lower and the higher earners - the burden needs to be spread out more.”*

*“This will really push Band 7 nurses who are thinking of retiring to retire early. We will loose experienced staff if this goes through.”*

*“We already struggle to get people interested in promoted posts with more responsibility for very little financial recompense and they will then lose out on pension contributions too.”*

*“I don't mind paying for lower earners but I'm upset that when going from band 6 to 7 after a lot of work (and having to fight to be recognized as working at band 7) that higher earners pay less!”*

*“Senior Charge Nurses lose pay when they start their role and now you are going to take even more from us”*

The RCN agrees with this and believes that the proposed member contribution structure is likely to affect the recruitment and retention of staff. In line with members' feedback, proposed changes may have several adverse consequences by

- a) speeding up the process of staff, already thinking about retiring, to do this sooner than they would otherwise to retain their current benefits,
- b) discouraging staff to take up promotions to avoid cliff edges from moving into a different tier,
- c) increasing number of staff reducing their hours to benefit from possibly lower

contributions, and

d) the risk of members leaving the scheme and therefore jeopardising its sustainability in the long-term

**Question 3** - Do you agree or disagree that the annual increase in contribution tier thresholds should be based on the average uplift in AfC pay. If you disagree or don't know how to answer, please explain why.

Comments:

Increasing the contribution tier boundaries in line with the annual Agenda for Change pay award should help reduce the possibility of members incurring a reduction in take-home pay as a result of crossing tiers because of the pay award. The RCN notes and concurs with the view that this should be conducted in parallel with the annual Agenda for Change pay award.

**Question 4** - Do you agree or disagree with the miscellaneous scheme amendments as proposed in this consultation. If you disagree or don't know how to answer, please explain why.

Comments:

The RCN has no comment to make on the proposed draft amending regulations.

**Question 5** - Do you agree or disagree that the proposed draft amending regulations deliver the policy objectives set out in the consultation? If you disagree or don't know how to answer, please explain why.

Comments:

The RCN has no comments to make with regard to whether the policy objectives are met in the draft amending regulations

Please e-mail your response to [SPPAPolicy@gov.scot](mailto:SPPAPolicy@gov.scot) or send via mail to:

NHSPS Consultation (2022 Amendments (No. 3))  
SPPA Policy  
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Galashiels  
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The closing date for receipt of comments is **Tuesday 15 August 2023**.