



## **Pension Direction Status Factsheet**

Viapath LLP, Viapath Analytics and Viapath Services (the Viapath Entities) have all been granted pension direction status in respect of the current RoE employees transferring from GSTT and KCH.

### **1. What is New Fair Deal?**

In October 2013 the Government made an announcement regarding the extension of the 'Fair Deal for Staff Pensions' – this is commonly referred to as the New Fair Deal.

One of the key principles of the New Fair Deal is that if staff are compulsorily transferred from the public sector to an independent provider of public services, the staff retain access to their current employer's pension arrangements.

This means that under New Fair Deal staff that are transferred from GSTT or KCH to one of the Viapath Entities will retain access to the NHS Pension Scheme.

### **2. What is a pension direction?**

Pension directions have been introduced by the Government to implement the New Fair Deal in relation to the NHS Pension Scheme.

Independent providers of public services, such as the Viapath Entities, can apply for a pension direction. This status allows the eligible employees of that entity who have transferred from the public sector to retain eligibility for the NHS Pension Scheme.

The Viapath Entities have been granted pension directions so that staff which transfer to them from GSTT or KCH on 1 January 2015 can retain access to the NHS Pension Scheme on their current terms.

### **3. Who is eligible for membership of the NHS Pension Scheme under a pension direction?**

The whole-time or part-time employees named in a pension direction will be eligible for membership of the NHS Pension Scheme provided that they were eligible to be a member of the NHS Pension Scheme in the 12 months before 1 January 2015 and their minimum engagement time on the transferred NHS function amounts to more than 50% of their employed time for their new employer.

This 'more than 50% condition' does not have to be met on any one day or week but must be met overall in respect of any complete scheme year. Where employment with the employer is for less than a scheme year, the 'more than 50% condition' must be met overall in respect of the part year.

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If an employee ceases to work on the transferred NHS function, but moves to other NHS work for that employer, they also remain eligible for the NHS Pension Scheme on the above basis.

In the event that RoE staff transfer, all staff that are transferred from KCH and GSTT on 1 January 2015 will be spending at least 50% of their time on NHS work.

#### **4. What impact does direction status have on my benefits under the NHS Pension Scheme?**

NHS Pensions have confirmed that from 1 January 2015 all eligible staff will retain all of the benefits they were entitled to under the NHS Pension Scheme before that date, and will continue to build up benefits as they would have done had they remained in NHS employment.

For example, the conditions for eligibility for early retirement benefits will be unaffected.

Your benefits will form a single entitlement - benefits are not built up in different 'pots' depending on whether they were earned whilst employed by the NHS or by a Viapath Entity.

Your benefits will continue to be administered in accordance with the rules and legislation that apply to the NHS Pension Scheme.

The relevant Viapath Entity will become your "employing authority" under the rules of the NHS Pension Scheme. This means that, for example, they will pay the employer's contributions payable in respect of your membership of the NHS Pension Scheme and will perform all the functions of an "employing authority" as set out in the rules and legislation.

Under the pension direction you can remain a member of the NHS Pension Scheme as long as you remain employed by the relevant Viapath entity and are eligible for membership (see section 3 above). If you later transfer back to the employment of the NHS your entitlement to be a member of the NHS Pension Scheme at that point would not be adversely impacted by the direction status.

Neither the NHS Injury Benefit Scheme nor the NHS Injury Allowance are part of the NHS Pension Scheme. If you have a contractual entitlement to these benefits on 1 January 2015 the Viapath Entities will ensure you are provided with equivalent benefits should the need arise.



## **5. Do I need to do anything in relation to the pension direction?**

The Viapath Entities are required to enrol all eligible staff into the NHS Pension Scheme with effect from 1 January 2015. This means that:

- All staff which transfer from KCH and GSTT who are already in the NHS Pension Scheme will automatically remain in the NHS Pension Scheme on 1 January 2015; and
- Any staff who transfer from KCH and GSTT who are eligible for, but not currently members of, the NHS Pension Scheme will automatically be put into the NHS Pension Scheme on 1 January 2015.

## **6. Can I opt out of the NHS Pension Scheme?**

An eligible employee can opt out of the NHS Pensions Scheme if they wish. Further guidance regarding opting out can be viewed at the following address:

<http://www.nhsbsa.nhs.uk/Pensions/3395.aspx>

## **7. If I opt out of the NHS Pension Scheme can I opt back in again?**

If an employee opts out, they can subsequently opt back into the NHS Pension Scheme provided that they continue to satisfy the criteria set out above (i.e. they are spending 50% or more of their time on NHS Work for relevant Viapath Entity).

## **8. Are there different kinds of pension direction status?**

Pension directions can be 'open' or 'closed'. A closed direction is limited to a specific list of employees who have transferred from the public sector. An open direction is not limited to a specific list of employees, but is open to all of the direction employer's staff.

Pension directions under New Fair Deal are 'closed' documents – i.e. they are restricted to those staff listed in the document who have transferred from the public sector and who are eligible for membership of the NHS Pension Scheme.

The Viapath Entities' pension directions are therefore closed directions that relate only to those staff transferring from GSTT and KCH who are eligible for membership of the NHS Pension Scheme.



## 9. Where can I get more information?

There are many published Questions and Answers regarding pension direction status. To look at these, please go to the portal (GSTT/KCH/Viapath).

If you want specific information about your membership of the NHS Pension Scheme (e.g. an estimate of pension benefits) you can request this information by completing the online enquiry form at the following link:

[https://www.nhspa.gov.uk/PDWeb/contact/contact\\_us.cfm](https://www.nhspa.gov.uk/PDWeb/contact/contact_us.cfm)

**Please note that your entitlement to pension benefits is determined in accordance with the rules and legislation governing the NHS Pension Scheme from time to time. This can be changed by the Government following appropriate consultation and is outside the Viapath Entities' control.**