



February to April 2016

**Pharmacists' Defence Association Response to
The Draft Health and Personal Social Services (Superannuation),
Health and Social Care (Pension Schemes) (Amendment)
Regulations (Northern Ireland) 2016**

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About the Pharmacists' Defence Association

The Pharmacists' Defence Association (PDA) is a not-for-profit organisation which aims to act upon and support the needs of individual pharmacists and, when necessary, defend their reputation. It currently has more than 25,000 individual members. The PDA Union was inaugurated in May 2008 and achieved independent certification in 2011.

The primary aims of the PDA are to:

- Support pharmacists in their legal, practice and employment needs
- Represent the individual or collective concerns of pharmacists in the most appropriate manner
- Proactively seek to influence the professional, practice and employment agenda to support members
- Lead and support initiatives designed to improve the knowledge and skills of pharmacists in managing risk and safe practices, so improving patient care
- Work with like-minded organisations to further improve the membership benefits to individual pharmacists
- Provide insurance cover to safeguard and defend the reputation of the individual pharmacist

Executive Summary

The Department of Health, Social Services and Public Safety (DHSSPS) in Northern Ireland has published for consultation a draft Statutory Rule entitled: 'The Health and Personal Social Services (Superannuation), Health and Social Care (Pension Schemes) (Amendment) Regulations (Northern Ireland) 2016.'

The Northern Ireland General Practice Committee (NIGPC) has established GP Federations across Northern Ireland (NI).

According to the consultation documents, a GP Federation is a group of GP Practices that has formed to create a 'not for profit' company for the purposes of delivering healthcare services. The federations are expected to focus on working across the local health and social care community, in collaboration with a wide number of agencies, in seeking to design and implement healthcare strategies and ways of delivering care. GP Federations aim to generate income from their work through a combination of government funding and income from their direct provision of health care services.

Health and Social Care (HSC) is the title of the integrated group of services in Northern Ireland covering all aspects of the promotion and improvement of health and wellbeing and the full range of health and personal social services.

The HSC Pension Scheme regulations do not currently provide access to the pension scheme for employees of GP Federations. The Department and the HSC Board have taken steps to allow GP Federation employees to have access to the HSC Pension Scheme in order to remove a barrier to GP Federations in recruiting professionals such as pharmacists.

Eligible staff who join the HSC Pension Scheme will become 'Officer' members of the scheme and treated for pension purposes in the same way as GP Practice and Out of Hours Provider (OOH) staff.

All of the Scheme's provisions will apply except for the entitlement to benefits on redundancy or early retirement in the interests of efficiency and benefits under the Injury Benefit Scheme.

Our recommendations are:

- The Department of Health, Social Services and Public Safety Northern Ireland should provide written assurances to individuals with existing HSC pension schemes that their pension terms and conditions will remain unchanged as a result of becoming a GP federation employee.
- The definition of a GP Federation should be extended to allow pharmacists to be appointed as member directors with access to an HSC pension scheme.
- The Department of Health, Social Services and Public Safety Northern Ireland should make clear the circumstances under which GP Federations in Northern Ireland will be treated as an employing authority and the circumstances under which they will not.

Consultation Response

The PDA welcomes the changes outlined in the consultation document.

We have received further advice from the DHSSPSNI that:

- The current HSC pension scheme, commenced in 2015, does not feature the concepts of ‘officer’ or ‘practitioner’. Previously, separate ‘officer’ and ‘practitioner’ HSC pension schemes were operated; employees of GP practices under those schemes typically had access to the ‘officer’ scheme. As such, references to the term ‘officer’ within the consultation document were intended a reference to the fact that it is employees of GP federations who will now be given access to the HSC pensions scheme.
- Individuals who, under the proposed changes to legislation, become eligible for access to the HSC pension scheme as GP federation employees but who are already enrolled in an existing HSC pension scheme will be entitled to continue to accrue pensionable service with their new employer (the GP Federation). They will not be entitled to redundancy / ‘early retirement in the interests of efficiency’.
- The consultation document states ‘*The regulations are likely to have retrospective effect so that eligible staff will have access to the scheme from the date they were first employed by a GP Federation.*’ In practice this means that if an individual is employed by a GP federation before the regulations / legislative changes take effect, the individual will be able to backdate their membership to the point at which they became a GP federation employee and will be able to make and receive retrospective pension contributions to that effect.
- Employees of GP practices are not (and have never been under the previous ‘officer’ pension scheme) entitled to benefits on redundancy or early retirement in the interests of efficiency. For this reason, employees of GP federations will not be entitled to those benefits. Pension scheme members can take their benefits early but on a reduced basis (VER) – this has always been the case for any scheme member – but the retirements not permitted are redundancy and early retirement in the interests of efficiency. Both of these types of retirement have employer costs – the cost of a VER retirement is met by the scheme member.

- The Injury Benefit Scheme is no longer in operation and the stipulations within it must now form part of employment terms and conditions rather than being an entitlement administered by the government. However, any staff who were eligible for the Injury Benefit scheme, before it ended in May 2013, can still apply for an injury Benefit award under those old provisions providing the Injury was sustained before May 2013.

We make the following recommendations in respect of the changes.

Existing HSC Pension Scheme Members

Individuals who are existing HSC pension scheme members may wish to continue to contribute to their existing scheme and to accrue pensionable service when they accept employment with a GP federation.

Recommendation

The Department of Health, Social Services and Public Safety Northern Ireland should provide written assurances to individuals with existing HSC pension schemes that their pension terms and conditions will remain unchanged as a result of becoming a GP federation employee.

GP Federation Board Members

The draft statutory rules (*'The Health and Personal Social Services (Superannuation), Health and Social Care (Pension Schemes) (Amendment) Regulations (Northern Ireland) 2016'*) define a GP federation as 'a community interest company limited by guarantee, all the members of which are fully registered persons within the meaning of section 55 of the Medical Act 1983() and whose names are included in the medical performers list'. The primary medical performers list does not include pharmacists. This definition, although it applies only in respect of the pension arrangements for GP federations, appears to preclude a pharmacist ever becoming a 'member' of a GP federation (one of its directors). The board of directors of a federation will not just make clinical decisions; it will also make financial, logistic, administrative and other decisions.

The PDA understands that the above wording for the statutory rules was provided by the Northern Ireland General Practitioners Committee and is dismayed that healthcare professionals (other than GPs) would be precluded from becoming a GP federation director / member. The PDA would like to see pharmacists able to become GP federation members with access to an HSC pension if they did so.

Recommendation

The definition of a GP Federation should be extended to allow pharmacists to be appointed as member directors with access to an HSC pension scheme.

GP Federations as Employing Authorities

The draft statutory rule will amend regulation 2 of the Health and Personal Social Services (Superannuation) Regulations (Northern Ireland) 1995, adding the text 'a GP Federation which the Department agrees to treat as an employing authority for the purposes of the section of the scheme'. The wording suggests that there are certain conditions which need to be met in order for a GP federation to be treated as an employing authority and certain conditions in which it would not be treated as such.

Recommendation

The Department of Health, Social Services and Public Safety Northern Ireland should make clear the circumstances under which GP Federations in Northern Ireland will be treated as an employing authority and the circumstances under which they will not.

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