

Initial Application Details for a Section 7(2) Direction

To make a request for a Direction please provide a response to the following questions *(please indicate if any question is not applicable)*:

- 1) Name and company number of the organisation that has been awarded the contract for services – please supply a copy of the latest accounts together with the Memorandum and Articles of Association for this organisation.
- 2) Is the organisation in the voluntary sector and not for profit? (If applicable, please provide registered charity number)
- 3) Method of funding for the organisation
- 4) Details of any links with the NHS or other public sector services
- 5) The names, national insurance numbers and job titles of the staff being transferred ***(if sending this information by email please password protect)***
- 6) Where are the staffs being transferred from – please supply title of ‘current’ employer and a contact name and address so that we can correspond with them directly
- 7) Will the members of staff continue to care for patients they currently care for within the NHS?
- 8) Confirmation of the method of patient referral
- 9) The date the transfer will take place
- 10) Is the transfer covered by TUPE?
- 11) Who awarded the contract for this service? Please provide a contact name and address with regard to the commissioner of this service
- 12) The reason for the transfer and details of the service being transferred
- 13) Explanation of the work that is carried out by the staff who are due to transfer (or a copy of relevant job descriptions)

- 14) Do the employees require any health related qualifications in order to perform the duties of their employment? If yes, please detail
- 15) If applicable, how would any profits from the service / contract be distributed?
- 16) Type of contract for service awarded to the organisation e.g. contract for community services
- 17) Is this application in respect of the delivery of services through a social enterprise by way of the '*right to request*'
- 18) Any other considerations that you feel are relevant

Having set out the information which we require in order to consider an application, for a Section 7(2) direction, we would like to take this opportunity of providing you with a little more information about the scope of Section 7(2) direction cover.

Important information about a Section 7(2) direction and the NHS Pension Scheme

In circumstances where a Section 7(2) direction is authorised, access to the NHS Pension Scheme is only available to an employee who fully satisfies the criteria detailed in the official direction document. Alternative pension arrangements would need to be made for other members of staff who are employed or recruited separately.

The NHS Pension Scheme is contracted-out of the State Pension Scheme and employees should be informed that they would be contracted-out of the State Pension Scheme during their scheme membership. Advice about the appropriate National Insurance contributions can be obtained from HM Revenue & Customs.

The benefit provisions available under a Section 7(2) direction will be those covered by the normal contributions paid by employers (currently 14%) and employees. This means that the relevant provisions of the National Health Service Pension Scheme Regulations will apply apart from Regulations E3 (early retirement pension (redundancy etc additional provisions)), E3A (early retirement pension (termination of employment by employing authority)), E3B (early retirement pension (redundancy etc notifications)), E3C (early retirement pension (special classes)), and E3D (continuing entitlement to an E1 or E5 pension) of the 1995 Regulations & Regulation 2.D.11 (early retirement on termination of employment by employing authority) of the 2008 Regulations.

We should advise that a Section 7(2) direction would not provide access to the NHS (Compensation for Premature Retirement) Regulations or the NHS (Injury Benefits) Regulations.

On a separate note, we should advise that income paid directly to a general practitioner by an organisation that has a section 7(2) direction is not pensionable in the NHS Pension Scheme.

Finally we should like to make you aware that in circumstances where an application for a section 7(2) direction is authorised, forms SD65 and SS10 would need to be completed in respect of each eligible employee who wished to contribute to the NHS Pension Scheme.

Please send your answers to: Scheme Compliance Unit
NHS Pensions (Room 118)
Hesketh House
200-220 Broadway
Fleetwood
Lancashire
FY7 8LG

E-Mail:- Steve.Blakey@nhspa.gov.uk

or

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