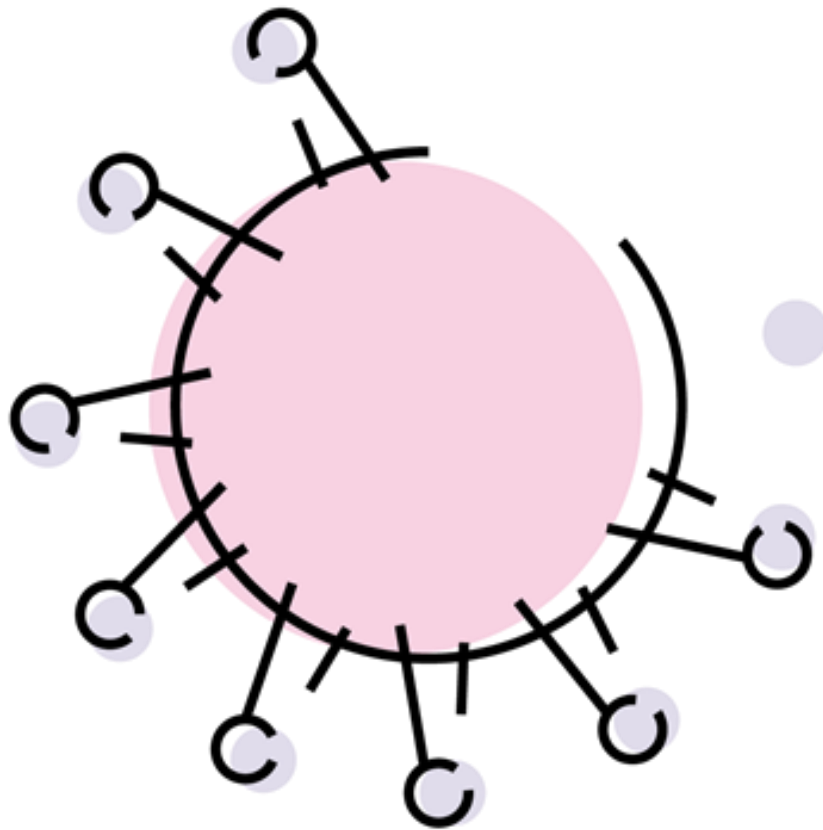


A GP's guide to the NHS pension scheme's death in service benefit

by Krishan Aggarwal Confused about Death in Service benefit? Krishan Aggarwal explains what you are entitled to as a sessional GP.

Location: UK

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I hope you are all keeping well and safe during these difficult times.

I thought it may be prudent to do a blog around the death in service benefit within the NHS pension scheme. This is just one aspect of the life assurance offered through the NHS pension scheme.

What is the NHS pension scheme 'death in service' (DiS)?

The NHS pension scheme offers a relatively generous DiS benefit.

In order to be eligible for it you need to be contributing to the NHS pension scheme.

Broadly, DiS is:

1. A lump sum payment of twice pensionable pay
2. A short-term pension equivalent to six months of pensionable pay
3. A long-term adult dependant's pension where applicable (requires two years scheme membership)
4. A children's pension where applicable.

I have not gone into great detail here to keep the blog simple; however, the exact value of these benefits varies depending on which scheme you are in (1995, 2008, or 2015).

Types of GP - a reminder

1. Type 1 – Principal
2. Type 2 –
 - a. a salaried GP formally employed by a GP surgery, APMS contractor or LHB (Wales)
 - b. a long-term fee-based/self employed GP who works for a GP surgery, APMS contractor or LHB
 - c. a GP who works solely for an OOHs either on an employed or self-employed basis.
3. A sole locum

Who is eligible?

Those that are a Type 1 or Type 2 GP who are in contract are eligible for DiS.

For example, if a GP were to work one day a week as a partner, salaried or OOH GP as long as their contract/SOLO form covered them from 1 April to 31 March the following year, they would be eligible for DiS for the entire year.

What about a sole locum?

'A freelance GP locum is regarded as being in pensionable service if they are at work and paying into the scheme.

For example, if they are contracted to work 9am–5pm Monday to Wednesday they are covered for 'death in pensionable service' benefits from 9am Monday until 5pm Wednesday.

If they die on the Thursday, regardless of whether they were due to return to work the following Monday, they are not regarded as being in pensionable service and are not eligible for "death in pensionable service" benefits.'

Source: NHS Pensions

What are the benefits for a locum when not in service?

From the example above, if the GP were to die on the Thursday when they were not in service they would receive the lesser death in deferment benefit. This would be:

1. A lump sum payment of up to three times the accrued pension (depending on scheme, 1995/2008/2015)
2. No short-term pension
3. A long-term adult dependant's pension where applicable (same as DiS)
4. A children's pension where applicable (same as DiS).

The difference between twice pensionable pay and up to three times the individuals' accrued pension is significant.

A GP in their late 20s will have a relatively small amount of accrued pension at this stage, yet their pensionable pay can be potentially much larger.

Possible solutions

Are there any mechanisms by which someone who does not have DiS can achieve it

Well... yes. Here are three workarounds.

Option 1:

If a GP were to pick up an OOH session, they become a Type 2 GP. As long as this role is pensionable and the SOLO form is completed for the whole year, then the GP would be eligible for DiS. A suggestion would be doing at least one hour in April and the following March to ensure the SOLO form spans the whole year.

This will also remove the effect of annualisation.

Option 2:

If you locum for a practice on a particular day you would normally complete the Locum A form to state that you have worked the single day.

However, if the practice may need to contact you and you would need to make yourself available either by phone or email for the next week, you can include those additional planned days on your Locum A form.

You may wish to include this in your fee for the original day, at no extra cost to the practice. The advantage would be that the practice may be able to contact you to discuss a patient you have seen and you would receive DiS cover for the period that the locum A form covers. You should agree this in advance with the practice in case the worst happens.

This can also help reduce the impact of annualisation.

Where a GP (including a freelance GP locum) has passed away and therefore cannot complete their pension forms, their legal personal representatives must complete the forms. NHS BSA would obviously assist with the delicate process.

Option 3:

As per the Type 2 definition above, if you were to locum at a particular practice for a long period you and the practice may regard you as a Type 2 GP and administer your pension contributions for you as they would for a salaried GP.

This will also remove the effect of annualisation if you work a full year.

What about federations?

In respect of GP federations, they can be set up as an APMS Employing Authority or an Independent Provider Employing Authority. Either way, you are able to pension your income either through Locum A & B forms if it is an APMS Employing Authority or as an Officer Scheme member if it is an Independent Provider Employing Authority.

Nominations

You can nominate someone to receive the adult dependant's pension and lump sum on death benefit if you die.

You can also cancel or change a previous nomination.

You do not need to make a nomination if you are:

1. married, including same sex marriage
2. in a civil partnership
3. or a nominated qualifying partner (see below).

The majority that continue in the scheme will need to complete a DB2 or PN1 form. [Access forms here](#).

According to NHS Pensions, a nominated qualifying partner must meet the following conditions at the date of the member's death and have existed for a continuous period of at least two years:

1. neither person has a legal partner ie a spouse or registered civil partner
2. they are not related to each other in a way which would prevent marriage or registered civil partnership
3. they are living together in an exclusive relationship as if they were husband and wife or civil partners
4. one partner is financially dependent on the other or they are financially interdependent on each other.

What is the BMA doing?

The sessional GPs committee and the pensions committee have been raising the iniquitous situation regarding DiS for some time now.

Last year, the BMA led a High Court challenge regarding a situation where a GP locum died on a non-working day and was not eligible for DiS. Unfortunately, we were unsuccessful.

The BMA continues to lobby both the Department of Health and Social Care and the chancellor.

In the current pandemic, we are calling for all doctors to receive DiS and to remove the stipulation that you must be a member of the scheme for a minimum of two years for all the benefits.

In Scotland, the government has made a commitment to establish a scheme which provides a death in service lump sum and survivor's benefits to all staff directly employed by NHS Scotland boards, including NHS bank and NHS locum staff. Details of the scheme are awaited.

The Government compensation scheme

In England, the Government has announced a lump sum of £60,000 to be paid to the dependants of those frontline healthcare workers who died having contracted the coronavirus.

This payment comes nowhere near DiS.

The £60,000 is outside of the NHS Pension Scheme, and is separate and in addition to any payment received from the NHS Pension Scheme. Find out more [about the scheme](#), from NHS BSA.

I hope that you find these updates helpful. As always, if there is anything specific that you would like me to cover, please let me know by emailing sessionalgps.gpc@bma.org.uk or the [BMA pensions department](#) for specific queries.

Keep safe, and thank you for taking the time to read my blog.