

**CONSULTATION RESPONSE - NHS PENSION SCHEME CHANGES TO MEMBERS  
CONTRIBUTIONS FROM 1 APRIL 2022**

- 1. Do you agree or disagree that the member contribution rate should be based on actual annual rates of pay instead of members' notional whole time equivalent pay? If you disagree or don't know how to answer, please explain why.**

The RCN agrees that member contribution rates should be based on actual pay. Our members who are employed on a part time basis are most in favour of this proposal.

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

These changes impact members in different ways and as such we can neither agree nor disagree. Our members whose contributions will decrease are approving of this proposal but equally we have members whose contributions will increase at a time when they can ill afford it.

It is those members in the middle of the structure where most discontent lies. They have advised us that with impending increased national insurance contributions, energy and other cost of living expenses, an increase to their pension contributions would be sufficient to force them to leave the scheme in its entirety as they simply can't afford it.

- 3. Do you agree or disagree that the thresholds for the member contribution tiers should be increased in line with Agenda for Change pay awards? If you disagree or don't know how to answer, please explain why.**

Although the RCN agrees in principle, coupled with the real wage pay cuts our members have experienced during the last 12 years, they are mistrustful that this will deliver protection in practice.

Our members report finding themselves in pension arrears because of the Agenda for Change 2021/22 pay award as it was delayed and although increasing the contribution tiers in line with future awards will go some way to addressing this problem, there will always be some members who face cliff edges and a worse financial position as a result.

Also, Agenda for Change pay awards are routinely delayed and backdated. Any increase in line with Agenda for Change should occur at the date of payment not the 1 April by default.

- 4. 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.**

Again, these changes impact our members in different ways and as such, we can neither agree nor disagree. We also understand the structure will be implemented over 1 and not 2 years between April 2022 and April 2023.

Members who will experience a decrease in contributions are content for the changes to be actioned immediately, whereas those who will be required to increase their contributions would prefer this was phased to enable them to accurately financial plan.

- 5. Do you agree or disagree that the proposed draft amending regulations deliver the policy objectives of implementing the first phase of changes to the tiered contribution rate structure and the assessment of a tiered rate using actual annual rate of pensionable pay for part-time members rather than notional whole time equivalent? If you disagree or don't know how to answer, please explain why.**

We have no comment to make on the proposed regulations.

- 6. Are there any further considerations and evidence that you think the department should take into account when assessing any equality issues arising as a result of the proposed changes?**

Our members have expressed their dissatisfaction on the perceived inequality in respect of those at the top of the structure who will experience a decrease in contributions.

Although many of our members agree those at the bottom of the structure should be subsidised as they are the lowest earners, they don't accept those at the top should experience a reduction.

Our members on bands 5-7 will experience the largest financial detriment and they are also concerned the pay gap between the bands is now ever increasing.

Finally, it should be noted, there is a higher proportion of men in the highest bands who will be advantaged by this proposal.

We would urge the Government to continually review the equality impact of these regulations if implemented.

Royal College of Nursing  
7 January 2022