

Rt Hon Jeremy Hunt MP

House of Commons
London
SW1A 0AA

11 July 2019

Dear Jeremy

I write regarding the impact of current pension taxation, on the working hours and retention of doctors in the NHS and the wider impact on the delivery of NHS services to patients across the UK.

We are seeing worrying and increasing evidence of the impact that pension taxation is having on the NHS. This week NHS Providers have expressed their concern regarding workforce capacity within the NHS, specifically the inability to find consultants to undertake additional shifts. Our survey of over 4,000 consultants, revealed that over 60% intended to retire at or before the age of 60, with more than half citing the pensions taxation issues as the reason for this. GP's are similarly impacted resulting in a fall in whole time equivalent GP numbers at a time when the government has committed to recruit 5000 new GPs. This worrying trend is coupled with a subsequent increase in patient waiting times for GP appointments.

Following Mr Johnson's recent comments, we have pointed out that in addition to the problems created by the lifetime allowance the current workforce issues in the NHS are being exacerbated by problems with the annual allowance and tapered annual allowance. Given your in-depth understanding of the NHS following your time as health secretary, we ask you make a commitment to reform the lifetime allowance and to address the punitive impact caused by the annual allowance and the tapered annual allowance should you become the next Prime Minister.

We believe that the only long-term solution to address this adverse impact on workforce capacity is to remove the annual allowance and tapered annual allowance in defined benefit schemes such as the NHS pension scheme.

However, recognising the urgency of the situation the BMA has been suggesting for many months that mitigations need to be implemented swiftly in order to stabilise the workforce. Crucial to this is the recycling of the employer pension contribution back to the employee if they have been forced to leave the scheme by this punitive tax. Recycling of the employer pension contribution on any part of pay that was previously pensionable is also essential for any new flexible 'partial pension' option to have any chance of stabilising the situation. This is something that is commonplace in the commercial sector and it is essential that recycling of these employer's contributions is included as part of the planned consultation by the DHSC on this issue.



You will appreciate that doctors will be the very first to consider the potential impact on health services across the UK and on the patients we serve. We are deeply concerned about significant reductions in capacity within the NHS and hope that the new Prime Minister will secure a workable solution for patients, doctors and the wider health service.

I would be very happy to meet with you to discuss these issues in more detail.

Yours sincerely,

A handwritten signature in black ink, consisting of the first name 'Chaand' and the last name 'Nagpaul' written in a cursive style.

Dr Chaand Nagpaul CBE
Chair, BMA Council