Dear Chancellor,

Re: Pension reform within the 2019 Spring Statement

I write ahead of the 2019 Spring Statement and on behalf of the BMA to once again highlight the significant impact of current pensions policies, including the lifetime allowance (LTA) and tapered annual allowance (AA), on the NHS workforce. I ask that you include reform of these punitive pension taxation policies within the Spring Statement. We believe that such reform will improve recruitment and retention across the NHS workforce, and support doctors to continue to deliver care to patients throughout their working lives.

This is an issue that the BMA has repeatedly raised with you and members of the Government. Most recently the Chair of the BMA Consultants Committee, on 10th January 2019, wrote to outline how these policies are impacting on consultants, leading to them leaving the NHS pension scheme, retiring earlier or being disincentivised from talking on additional duties.

We are deeply concerned that doctors across all branches of practice, working across the NHS, are facing the dilemma of incurring a disproportionate and ever-expanding pensions tax bill or cutting short their service to the NHS, reducing hours or turning down additional work, much of which is carried out to reduce waiting times and ever-growing clinical lists. This can only be to the detriment of patient services. At a time when the NHS is in the midst of a workforce crisis and recruitment and retention are an NHS priority, we are calling for government to look again the use of such counteractive and punishing pension taxation policies.

It is not just the BMA and doctors calling for reform, but also firefighters and the police force. These taxation policies are intended to hit high earners but, in reality, they are also targeting middle earners who work hard for decades to provide expert care and dedication to the public.

I look forward to the Spring Statement and hope you will use this opportunity to announce pension taxation reform to better recognise and promote the tireless work of public sector workers, including doctors and NHS workers.

Yours sincerely,

Dr Chaand Nagpaul CBE
BMA council chair