

A decorative horizontal bar with a blue gradient, wider at the ends and narrower in the middle.

NHS Pension Scheme member contribution changes

October 2022 requirements

Revised and Updated: 2 November 2023

Contents

October 2022 requirements.....	1
1 Introduction	3
1.1. Purpose	3
1.2. Background	3
1.3. In scope	3
2. Requirements.....	4
2.1. Member contributions to be based on actual earnings – officer posts	4
2.2. Member contributions to be based on actual earnings – practitioner posts	5
2.3. New member contribution tiers and rates – all members.....	6
3. Scenarios	9
3.1 Estimated Annualised Earnings Calculations	14
4. Annex A.....	15
5. Annex B.....	21

1 Introduction

1.1. Purpose

This document provides requirements for the new NHS Pension Scheme member contribution structure. This includes the introduction of new tiers and contribution rates and a move to using actual annual rates of earnings instead of whole time equivalent.

These changes will be implemented in phases with the first phase of changes coming into force on 1 October 2022. The second phase introducing further amendments to the contribution tiers and rates will take place on a date to be confirmed in 2023.

In October 2023 DHSC published a further phase which includes the move to real time rebanding (RTRB), pensionability of overtime for part-time members and change to employer contributions as well as other topics not related to tiered contributions; the removal of a limit on pensionable earnings to whole time hours is not expected until after April 2024. This document will be updated to take account of the result of the consultation in due course.

1.2. Background

From 1 April 2022, all active members of the NHS Pension Scheme, regardless of their age, are now members of the 2015 NHS Pension Scheme. The 1995/2008 Scheme closed on 31 March 2022 and all future accruals from 1 April 2022 are now within the 2015 Scheme.

Members will keep the pension benefits they have accrued in the 1995/2008 Scheme before 1 April 2022 and will be able to access these benefits in the same way and at the same time as they can now.

With all members building up benefits in the career average revalued earnings (CARE) model of the 2015 Scheme from 1 April 2022, the Department of Health and Social Care (DHSC) felt it was an appropriate time to seek views from interested parties to inform changes to member contributions.

A public consultation was launched in October 2021. Following feedback from the consultation, DHSC announced that the proposed implementation date for the first changes to contribution rates and tiers of 1 April 2022 was postponed to until 1 October 2022.

A further public consultation has taken place in May 2023 to increase the pensionable earnings thresholds (the tiers) from 1 April 2023 to align with the 2023-2024 AfC pay deal. The contribution rates remain unchanged. Following feedback from the consultation the thresholds have been rounded up to the nearest pound to ensure that each tier receives the maximum 5% uplift.

1.3. In scope

All staff who are eligible for the NHS Pension Scheme (NHSPS) are within scope of the proposed changes. This includes those NHS workers who are:

- directly employed by the NHS
- medical, dental, and ophthalmic practitioners and trainees. GP registrars and non-GP providers are regarded as officer scheme members
- general medical practice staff: salaried employees of a GP practice, out of hours providers (OOHPs), or alternative provider of medical services (APMS) contractors who are not GPs or non-GP providers
- non-general practice providers and GP registrars
- employees of a Direction Body, including those set up under New Fair Deal or independent providers who have access to the NHS Pension Scheme.

2. Requirements

2.1. Member contributions to be based on actual earnings – officer posts

- 2.1.1. The payroll solution must apply these requirements to each individual employment from 1 October 2022 (aggregation across multiple part-time posts is not yet required but may be included in a later phase of changes).
- 2.1.2. The payroll solution must use the previous scheme years actual pensionable earnings to set the member contribution rate (instead of using whole-time equivalent earnings). If the member did not work a full year the actual earnings should be annualised.
- 2.1.3. The payroll solution must use estimated actual annual pensionable earnings where there is no history of pensionable earnings from the previous scheme year to set the member contributions rate.
- 2.1.4. The payroll solution must use a fixed rate of 6.1% rate for any 'new' bank or locum posts where the annualised earnings cannot be estimated from 1 October 2022, increasing to 6.5% with the introduction of the phase 2 changes in 2023 (Note - This is only for brand new posts as continuing posts should have their contribution rate based on previous year's annualised earnings). If a member with a bank post believes they have overpaid contributions due to being put on a higher contribution rate than their actual pensionable annualised earnings, then the employer must check and if appropriate issue a local return of contributions at the end of the scheme year and adjust the contribution rate for the following year.
- 2.1.5. The payroll solution must use estimated annualised pensionable earnings to set the contribution rate where there has been a change in circumstances in the previous year which has taken them into a different pay band. Circumstances include:
- changes to basic earnings; pay rises, promotions, band progressions, step-downs etc.
 - end of recruitment & retention allowances
 - end of salary protections
 - changes to clinical excellence award
 - changes to discretionary points / commitment award for clinical staff
 - changes to part-time extra hours; as well as planned, long-term changes (those likely to persist for at least 12 months) to allowances such as those arising from moving from day to night duty and long-term changes to shift patterns
 - back dated pay awards

- 2.1.6. Following the yearly publication of the finalised member contributions table, uplifted in-line with the annual AfC pay award for England, the payroll solution must re-band all member contribution rates. Rates from the updated member contributions table should be assigned based on the member's annualised pensionable earnings at that point.
- 2.1.7. The payroll solution must reassess a member's contribution rate where there has been a change in the previous scheme years pensionable earnings, which results in the member being in a different contribution tier. The member's pensionable earnings must be calculated from the date the material change occurred and the earnings annualised to establish the correct rate (excluding any disallowed days).
- 2.1.8. The payroll solution must reassess a member's contribution rate where a member's pensionable earnings change to a new tier within a scheme year, moving the member into a different pensionable earnings band, a new contribution rate must be applied from the start of the next payroll period.
- 2.1.9. The payroll solution must include unsocial hours payments in the calculation of member's pensionable earnings. This includes taking into account any changes (increases or decreases) for members working unsocial hours. Where a member's work pattern results in changes to their in-year estimated annualised earnings, moving them into a different pensionable earnings band, a new contribution rate must be applied from the start of the next payroll period following the change in hours.
- 2.1.10. The payroll solution must include any extra hours worked by a part-time member (within WTE and paid at the standard rate) in the calculation of member's pensionable earnings. This includes taking into account any changes as a result of the member varying the amount of additional part time hours worked or ceasing to work additional part time hours. Where a member's work pattern results in changes to their in-year estimated annualised earnings moving the member into a different pensionable earnings band, a new contribution rate must be applied from the start of the next pay period following the change in hours.
- 2.1.11. The payroll solution must continue to ensure that a member's earnings are only pensionable up to their notional whole-time hours for their role (including any unsocial hours payments etc). Any pensionable earnings over a member's whole time equivalent including any additional/extra hours, bonuses and expenses continue to be non-pensionable.

NOTE: See scenarios 1-5 in section 3 for determining an officer member's contribution rate

2.2. Member contributions to be based on actual earnings – practitioner posts

- 2.2.1. The payroll solution must continue to base the contribution rate on in-year, annualised pay, as is currently the process.
- 2.2.2. The payroll solution for the scheme year 2022/23 must calculate contributions for practitioners on two different rates. The member will total their annual pay and will pay the appropriate current contribution rate on the proportion of their total annual pay earned in the period 1 April 2022 – 30 September 2022, and the appropriate phase 1

contribution rate on the proportion of their annual pay earned between 1 October 2022 and 31 March 2023.

- 2.2.3. The payroll solution must continue to calculate if any return of contributions or further contribution payments are required at the end of the scheme year, following the current process.
- 2.2.4. The payroll solution must set a separate contribution rate for any practitioners who also have an officer post as detailed in the requirements in section 2.1.

NOTE: See scenario 6 in section 3 for determining a practitioner member's contribution rate

Information about practitioner members –

Further information on practitioner income and practitioner contribution rates can be found in annexes A and B at the end of this document.

More information regarding annualising and the setting of tier rates for practitioners can be found in the guidance notes that accompany the practitioner forms and certificates and also the GP Pension Guide and Guide for NHS general dental practitioners. These can be found on our [Information for practitioners and non-GP providers webpage](#) on the Member Hub of the NHS Pensions website

Please note that non-GP providers are classed as 'officers' for pension purposes.

2.3. New member contribution tiers and rates – all members

- 2.3.1. The payroll solution must use the new contribution tiers and rates that will be phased in over a two-year period from 1 October 2022.

Note - *While there might be differences between the AfC pay award in England and the AfC pay award applicable to Wales, the tier thresholds have been increased to align with the AfC pay award for England. This is consistent with the rationale that it is the pay award that applies to the single largest cohort of NHS staff who are eligible to join the NHS Pension Scheme. This is consistent with how the tier thresholds were uplifted last year.*

- 2.3.2. Phase 2 is expected in late 2023, thresholds and rates will be confirmed in due course.

Table 1a: Phase 1 Thresholds and Contribution Rates from 1 October 2022 to 31 March 2023

Tier	Pensionable earnings	Contribution rate from 1 October 2022 until 31 March 2023
1	£0 to £13,246.99	5.1%
2	£13,247.00 to £16,831.99	5.7%
3	£16,832.00 to £22,878.99	6.1%
4	£22,879.00 to £23,948.99	6.8%
5	£23,949.00 to £28,223.99	7.7%
6	£28,224.00 to £29,179.99	8.8%
7	£29,180.00 to £43,805.99	9.8%
8	£43,806.00 to £49,245.99	10%
9	£49,246.00 to £56,163.99	11.6%
10	£56,164.00 to £72,030.99	12.5%
11	£72,031 and above	13.5%

Table 2b: Phase 1 Revised thresholds from 1 April 2023

Tier	Pensionable earnings *	Contribution rate from 1 April 2023 until the introduction of phase 2 (TBC)
1	Up to £13,246.99	5.1%
2	£13,247.00 to £17,673.99	5.7%
3	£17,674.00 to £24,022.99	6.1%
4	£24,023.00 to £25,146.99	6.8%
5	£25,147.00 to £29,635.99	7.7%
6	£29,636.00 to £30,638.99	8.8%
7	£30,639.00 to £45,996.99	9.8%
8	£45,997.00 to £51,708.99	10%
9	£51,709.00 to £58,972.99	11.6%
10	£58,973.00 to £75,632.99	12.5%
11	£75,633.00 to and above	13.5%

*until there is a change in the AfC pay scales in England.

3. Scenarios

These scenarios relate to the rules to be implemented as part of the first phase of changes only.

Table 3: Scenarios

<p>Scenario 1</p>	<p>Members with no change in earnings</p> <ul style="list-style-type: none"> ○ A member is in full-time employment with pensionable earnings of £36,400. On 1 October 2022, the member will be re-banded and their rate will be set on their annualised pensionable earnings (in this case, £36,400). From 1st October 2022, the member's contribution rate will therefore be 9.8%. At the beginning of the 2023/24 scheme year, the member's contribution rate will be based on their pensionable earnings from the previous scheme year, assuming there hasn't been a permanent change in circumstance. ○ A member is in part-time employment with annual pensionable earnings of £20,000. From 1st October 2022, the member's contribution rate will be based on their annualised pensionable earnings of £20,000, rather than their notional whole-time equivalent. The member's contribution rate will therefore be 6.1%. At the beginning of the 2023/24 scheme year, the member's contribution rate will be based on their pensionable earnings from the previous scheme year, assuming there hasn't been a permanent change in circumstance.
<p>Scenario 2</p>	<p>Bank staff</p> <ul style="list-style-type: none"> ○ A bank staff member worked three days a week during the 2021/22 scheme year, on an annual salary of £20,000. They continue within this role into the 2022/23 scheme year and continue with the same working pattern. The member's rate from 1 October 2022 (for the rest of scheme year 2022/23) is based on their pensionable earnings received in 2021/22 and their rate will therefore be 6.1%. ○ A bank employee starts a pensionable post on 1st October 2022. The member's employer expects that the member will work four days a week for 9 months with estimated annualised earnings of £25,000. The member's contribution rate will be based on their annualised earnings of £25,000 so their contribution rate, following the introduction of phase 1 changes, will be 7.7%. If the member's annualised earnings can't be estimated, their employer will manually set their contribution rate at 6.1%.

Scenario 3	New employment within the scheme year <ul style="list-style-type: none"><li data-bbox="384 219 1428 472">○ A member joined the scheme on 1 January 2023 for the first time with a full-time post based on an annual salary of £45,000. Therefore, they will be expecting to earn a total of £11,095.89 during the remainder of the scheme year. Based on this, their annualised pensionable earnings for the year will be calculated as $(£11,095.89 / 90 \text{ days}) \times 365 \text{ days} = £45,000$. Therefore, the member's contribution rate will be 10%.
-------------------	--

Scenario 4

Member with a change in earnings

- A member is in full-time employment on a salary of £55,000. On 1st March 2023, they received a pay rise of £5,000, taking their salary to £60,000 per annum. Their contribution rate from 1st October 2022 until 31st March 2023 is based on the member's annualised pensionable earnings of £55,000 and will therefore be 11.6%. From 1st April 2023, their contribution rate is based on their new pensionable earnings of £60,000 and will be 12.5%.
- On 1st October 2022, a member is in part-time employment and their actual annualised pensionable earnings are £40,000. Consequently, from 1st October, their contribution rate is 9.8%. However, the member reduces their hours, from 1st January 2023, to annualised pensionable earnings equal to £24,000 and therefore pays contributions based on the rate of 7.7% from 1st February 2023.
- On 1st November 2022 a member goes on reduced pay e.g. due to half pay sick leave, reduced maternity leave, paternity leave etc. The member was on an actual annual salary of £40,000 paying a contribution rate of 9.8%; their pay reduces to £20,000 and their contribution rate reduces to 6.1% from 1st December 2022. On return to actual pay of £40,000 their contribution rate returns to 9.8% the following month.
- On 1st October 2022, a member works part-time and earns an annual salary of £23,945. The member's contribution rate is 6.8%. However, in November, the member works additional hours, which are treated as pensionable (and do not mean that the member's hours exceed their WTE) . As there has been a change in the member's pensionable earnings, the employer must re-calculate their annualised pay. The employer calculates that the member's annualised pay is £24,245 and moves the member into a new contribution tier (7.7%) from December. The member doesn't work any additional hours in December so again, the employer recalculates the member's annualised pensionable earnings (now £23,945) and assigns the relevant contribution rate (6.8%), which takes effect in the next payroll period (January).
- On 1st October 2022, a member is employed part-time, working 20 hours per week with a monthly salary of £2,000 (annual salary of £24,000). Currently, the member's contribution rate is 7.7%. In November, the member worked additional hours and received £4,000, resulting in 40 hours of work per week exceeding their AfC WTE of 37.5 hours.

Although the member earned £4,000 in November, their pension contributions were based on pensionable earnings of £3,750 (excluding the non-pensionable hours of 2.5 per week, 10 hours per month). Therefore, the member would pay 7.7% on £3,750 in November.

	<p>Due to the change in the member's pensionable earnings in November, the employer had to re-calculate the annualised pensionable earnings. The contribution rate for December was calculated as: $(£24,000 / 12 \text{ mths}) + (£1750 \times 12 \text{ mths}) = £45,000$, and the member was moved into a new contribution tier (10%) which was applied on their pensionable earnings from December.</p> <p>In December, the member did not work any additional hours, and the employer recalculated their annualised pensionable earnings, which was now £24,000. The employer then assigned the relevant contribution rate (7.7%), which will take effect from January, the next payroll period.</p>
<p>Scenario 5</p>	<p>Member with multiple, concurrent, part-time employments</p> <ul style="list-style-type: none"> ○ A member has two pensionable employments, each with an annual salary of £20,000. Both employments are with the same employer and run concurrently. Each employment should be treated separately; the correct contribution rate for the member is 6.1% for each position. ○ A member has two pensionable employments across two different employing authorities and has pensionable earnings of £15,000 for both posts. These two roles are treated as separate posts. Therefore, the member receives two separate rates for each posts (both 5.7%).

Scenario 6

Practitioner

- At the end of the 2022/23 scheme year, a type 1 GP practitioner calculates that they have earned £115,000 in pensionable profits over the year. As they are a type 1 practitioner, they cannot accurately identify when their pensionable profits were earned within the year and therefore the following calculations will need to be applied.

The member's pensionable earnings for the period 1 April 2022 to 30 September 2022 are £57,657.53 based on $\frac{£115,000}{365 \times 183}$ days. This is annualised to determine the applicable contribution rate, $\frac{£57,657.53}{183 \times 365} = £114,999.99$. The rate is 14.5%. Therefore, the contribution for this relevant period is £8,314.63.

For 1 October 2022 – 31 March 2023, the pensionable earnings were $\frac{£115,000}{365} \times 182$ days = £57,342.47. This is annualised to determine the applicable contribution rate, $\frac{£57,342.47}{182 \times 365} = £115,000.01$. The rate is 13.5%. Therefore, the contribution for this relevant period is £7,741.23.

The member will pay £16,055.86 in contributions for the scheme year 2022/23.

- For type 1 practitioner members who do not work the entire scheme year, the same formulas will need to be applied however, the calculations will need to be adjusted based on the number of days the member works.

For example, a member who joins the NHS Pension Scheme on 1 August 2022 and earns a total of £80,000 in pensionable profits between 1 August 2022 and 31 March 2022 would need to calculate the amount that they earned in each relevant period and then work out the rates applicable to each set of earnings.

The member's pensionable earnings for the period 1 August 2022 to 30 September 2022 were $\frac{£80,000}{243} \times 61 = £20,082.30$. These pensionable earnings will then need to be annualised to determine the contribution rate. The member's annualised earnings for this period were $\frac{£20,082.30}{61} \times 365 = £120,164.58$. Therefore, the member would pay member contributions at a rate of 14.5% on £20,082.30 = £2,911.93.

The member's pensionable earnings for the period 1 October 2022 to 31 March 2023 were $\frac{£80,000}{243} \times 182 = £59,917.70$. These pensionable earnings will then need to be annualised to determine the contribution rate. The member's annualised earnings for this period were $\frac{£59,917.70}{182} \times 365 = £120,164.62$. Therefore, the member

	<p>would pay member contributions at a rate of 13.5% on £59,917.70 = £8,088.89.</p> <p>The member will pay £11,000.82 for the scheme year 2022/23 (£2,911.93 + £8,088.89).</p>
--	--

3.1 Estimated Annualised Earnings Calculations

3.1.1 Mid-Year re-assessment due to a change in earnings or starting a new post

$$\frac{\text{£Actual Pensionable earnings} \times 365}{\text{Number of days in period}} = \text{£Annualised pay}$$

Number of days in period .

If a member's pay needs to be annualised as they have started part way through the year, then you will need to estimate the pensionable earnings that will be received from the date of commencement to the end of the scheme year, multiply by 365 and divide by the number of days in that period.

If a members pay needs to be annualised as they have had a change in their earnings, then you will need to estimate the pensionable earnings that will be received from the date of the change to the end of the scheme year, multiply by 365 and divide by the number of days in the period.

3.1.2 Re-assessment of earnings on a monthly basis

$$\left[\frac{\text{£Actual Annual Pensionable earnings}}{12(\text{mths})} \right] + \text{£Additional monthly Pensionable earnings} \times 12 (\text{months}) = \text{£Annualised pay}$$

If a member's pay fluctuates each month due to additional part time hours or unsociable hours worked you will need to re-calculate the estimated annualised pay on a monthly basis to establish the correct contribution rate for the next pay period. In this scenario you will first calculate the basic monthly pensionable earnings by dividing the annual pensionable earnings by 12. You will then need to add any additional pensionable earnings from that month to the figure and multiply by 12 to establish the annualised rate of pay.

4. Annex A

NHS Pension Scheme Regulations 2015: Schedule 10 – Practitioner Income

Medical practitioner

2. (1) This paragraph applies if a member:

(a) is a medical practitioner or a non-GP provider; and

(b) is not in receipt of salary, wages, fees or other regular payments in respect of M's employment by virtue of the application of these regulations to M as mentioned in column 3 of the Table in regulation 27(1).

(2) M's practitioner income is:

(a) the sum of the amounts described in Cases 1 to 5; minus

(b) an amount on account of practice expenses.

CASE 1

Income derived by M from each of the following;

(a) a GMS contract;

(b) a PMS agreement;

(c) an APMS contract;

(d) payments from, or to, a practitioner who is a GMS practice, a PMS practice or an APMS contractor in respect of the performance of:

(i) certification services;

(ii) commissioned services; or

(iii) collaborative services;

(e) engagement by the National Health Service Commissioning Board or a Local Health Board to assist in the provision of primary medical services under:

(i) in the case of England, section 83(2) of the 2006 Act ([10](#)); or

(ii) in the case of Wales, section 41(2) of the 2006 (Wales) Act;

(f) the provision of locum services;

(g) payments made to M by an OOH provider or other employing authority providing OOH services in respect of the performance of:

- (i) primary medical services;
 - (ii) commissioned services;
 - (iii) collaborative services;
 - (iv) NHS 111 services; or
 - (v) certification services.
- (h) payments made to M by an employing authority in respect of M's provision of—
- (i) primary dental services;
 - (ii) general ophthalmic services;
 - (iii) pharmaceutical services;
 - (iv) dispensing services;
- (i) practice-based work carried out in educating or training or organising the education or training of, medical students or practitioners;
- (j) sums paid in respect of the provision of primary medical services where M is engaged by a Clinical Commissioning Group to assist in the provision of the services;
- (k) sums paid in respect of the provision of services under an NHS standard contract;
- (l) sums paid in respect of a contract entered into by a local authority pursuant to its functions under the 2006 Act relating to the improvement and protection of public health and which the scheme manager agrees to treat as a qualifying contract for these purposes.

CASE 2

Charges collected from patients in respect of services mentioned in Case 1 subparagraph (d) which M is authorised by or under an enactment to retain. This does not include charges authorised by regulations made:

- (a) in relation to England, under section 185(1) of the 2006 Act;
- (b) in relation to Wales, under 133(1) of the 2006 (Wales) Act.

CASE 3

Sums paid to M out of a fund determined by reference to the number of beds in a hospital.

CASE 4

Allowances and other sums paid in respect of Board and advisory work. This does not include payments made to cover expenses.

CASE 5

Payments in respect of health-related functions exercised under section 75 of the 2006 Act.

Dental practitioner

3. (1) This paragraph applies if a member (M) is a dental practitioner.

(2) M's practitioner income for a scheme year is found by applying the following formula:

$$((GPI - BP) \times SSP + NRBP) - NMI$$

Where:

GPI is the income derived from a GDS contract or PDS agreement:

(i) including charges collected from patients which are required to be set off against payments under the contract or agreement by virtue of directions given —

(aa) in relation to England, under section 94, 103 or 109 of the 2006 Act([11](#)); or

(bb) in relation to Wales, under section 52, 60 or 66 of the 2006 (Wales) Act([12](#)); but

(ii) not including—

(aa) charges collected from patients which are not required to be so set off;

(bb) income received by a practitioner to whom regulation 19 or paragraph 1 of Schedule 4 applies;

(cc) income received by M in respect of the performance of services under a GDS contract or a PDS agreement to which M's employer is not a party;

BP is the value of the following payments made in the scheme year by the National Health Service Commissioning Board or a Local Health Board where the Board is a party to the contract or agreement:

(i) monthly seniority payments;

(ii) adoption leave, maternity leave, parental leave or paternity leave payments;

(iii) sickness leave payments;

(iv) reimbursement of the salary of a foundation trainee;

(v) reimbursement of the national insurance contributions of a foundation trainee;

(vi) reimbursement of non-domestic rates;

SSP is the average percentage (as determined by the Secretary of State) of dental practitioner values accounted for by practice expenses;

NRBP is the value of the following payments made in the scheme year by the National Health Service Commissioning Board or a Local Health Board where the Board is a party to the contract or agreement:

(i) monthly seniority payments;

(ii) adoption leave, maternity leave, parental leave or paternity leave payments;

(iii) sickness leave payments;

NMI is the amount of payments made to a dental practitioner who:

(i) performs services for the practice for the purposes of the contract or agreement; and

(ii) in relation to the performance of the services, does not belong to any of groups A to C in regulation 27(1).

(3) The pensionable earnings ceiling in relation to the contract or agreement is amount found by applying the formula:

$$(GPI - BP) \times SSP$$

where GPI, BP and SSP have the same meaning as in sub-paragraph (2).

(4) Income received by M in consequence of M belonging to any of groups A to C in regulation 27(1) is practitioner income, but is not subject to the pensionable earning ceiling.

(5) Sub-paragraph (6) applies if M is in concurrent employment in any of the following capacities:

(a) by being employed or engaged as mentioned in any of groups A to C in that regulation;

(b) with a local authority or university;

(c) as a civil servant;

(d) in any other employment that the Secretary of State in any particular case allows.

(6) Practitioner income does not include any amounts for which M is required to account to the employer as a term or condition of the employment.

Allocation of practice income

4. (1) Sub-paragraph (2) applies if a member:

(a) is a medical practitioner or a non-GP provider; and

(b) is in partnership with one or more medical practitioners.

(2) The pensionable earnings of each partner in the partnership are calculated:

(a) by aggregating the pensionable earnings of each partner; and

(b) by dividing the total equally by the number of partners.

(3) Sub-paragraph (2)(a) includes an amount that would constitute pensionable earnings of a partner who is not a member of this scheme.

(4) If the partners do not share equally in the partnership profits, they may elect that each partner's pensionable earnings must correspond to each partner's share of the partnership profits.

Partners' NHS employment earnings

5. (1) This paragraph applies if a medical practitioner (M) practising in a partnership also has earnings in respect of NHS employment other than as a partner in the partnership (NHS earnings).

(2) The partners may elect that:

(a) M's pensionable earnings, as determined in accordance with paragraph 4, must be reduced by the amount of M's NHS earnings; and

(b) the pensionable earnings of each of them (including M) are increased in proportion to their respective share of the partnership profits.

Paragraph 4 and 5 election and calculation

6. (1) This paragraph applies to an election as mentioned in paragraph 4(4) or 5(2).

(2) The partners must exercise the election by giving notice in writing to their host Board in accordance with sub-paragraph (3).

(3) A notice under this sub-paragraph must:

- (a) be signed by all of the partners;
 - (b) state as a fraction each partner's share in the partnership profits; and
 - (c) state the name of the host Board on whose list every practitioner in the partnership is included.
- (4) A notice relating to an election under paragraph 5(2) must also in respect of every partner who is in NHS employment:
- (a) state the name of the employing authority;
 - (b) state the pensionable earnings received in respect of the employment;
 - (c) include an undertaking to give the host Board notice in writing at the end of each scheme year of the pensionable earnings received in respect of the employment in the scheme year.
- (5) A notice under this paragraph takes effect;
- (a) on the date agreed between the partners and the host Board, or
 - (b) failing such agreement, on the date specified by the Secretary of State.
- (6) A notice under this paragraph;
- (a) may be cancelled or amended by a subsequent such notice;
 - (b) continues in effect until cancelled or, if earlier, there is a change in the partnership.
- (7) Calculations for the purposes of paragraphs 4(2) and 5(2) must be carried out by the host Board.

Locum practitioner

7. (1) This paragraph applies if a member is a locum medical practitioner.

(2) The member's practitioner income is:

- (a) all fees and other payments made to the member in respect of the provision of locum services (excluding payments made to cover expenses or for overtime); minus

(b) such expenses as are deductible in accordance with guidance laid down by the Secretary of State.

(3) In this paragraph, references to the provision of locum services, in relation to a practitioner, are to Board and advisory work performed for the National Health Service Commissioning Board or a Local Health Board, and;

(a) primary medical services;

(b) commissioned services;

(c) collaborative services;

(d) health-related functions exercised under section 75 of the 2006 Act;

(e) pharmaceutical services;

(f) dispensing services;

(g) NHS 111 services;

(h) services performed for a GMS practice, PMS practice or APMS contractor pursuant to the NHS standard contract or a contract entered into by a local authority pursuant to its functions under the 2006 Act relating to the improvement and protection of public health and which the Secretary of State agrees to treat as a qualifying contract for these purposes;

(i) performed by a practitioner engaged by an employing authority under a contract for services to deputise for a registered medical practitioner or to temporarily assist in the provision of such services.

5. Annex B

NHS Pension Scheme Regulations 2015: Schedule 12 – Practitioner Contribution Payments

PART 1 Accounts

Medical practitioners and non-GP providers

1.—(1) This paragraph applies to a member (M) who belongs to group D in regulation 27(1) by virtue of being—

(a) a medical practitioner; or

(b) a non-GP provider.

(2) In respect of each scheme year M must provide each relevant host Board with a certificate of M's pensionable earnings based on—

(a) the accounts drawn up in accordance with generally accepted accounting practice by the practice of which M is a member; and

(b) the return that M has made to HMRC in respect of M's earnings for the year.

(3) The certificate must be provided before the end of the period of one month starting on the date when the return was required to be submitted to HMRC.

Medical practitioners not members of a practice

2.—(1) This paragraph applies to a member (M) who—

(a) belongs to any of groups A to C in regulation 27(1) in relation to the provision of services; or

(b) is a locum practitioner. (2) In respect of each scheme year, M must provide each relevant host Board with a certificate of M's pensionable earnings based on—

(a) the payments M receives from employing authorities for practitioner services; and

(b) the return that M has made to HMRC in respect of M's earnings for the year.

(3) The certificate must be provided before the end of the period of one month starting on the date when the return was required to be submitted to HMRC.

Dentists

3.—(1) Not later than 1 month after the end of each scheme year, a host Board must give to each GDS or PDS contractor with which the host Board is a party to a GDS contract or a PDS agreement, a notice which sets out, in accordance with the Board's records—

(a) the amount of the pensionable earnings ceiling; and

(b) the amount of the pensionable earnings the contractor has paid to every dental practitioner who belongs to group D in regulation 27(1) (a group D dentist) who has performed services under the contract or agreement during that year.

(2) A notice under sub-paragraph (1) is referred to as an annual reconciliation notice.

(3) Not later than 1 month after the end of each scheme year, a host Board must give to each group D dentist a notice which sets out the amount of pensionable earnings each practitioner has been paid for that scheme year as indicated in the Board's records ("a performer's notice").

(4) Not later than the end of the period of 3 months following the end of each scheme year the GDS or PDS contractor must return the annual reconciliation notice to the host Board stating—

(a) that the amounts referred to in sub-paragraph (1) are correct or, where either or both of those amounts are incorrectly shown in the notice, the correct figure or figures;

(b) in the case of a group D dentist whose earnings, during the period covered by the annual reconciliation notice, are not pensionable because they fall within the element BP in the formula in paragraph 3(2) of Schedule 10, the earnings that would otherwise have been pensionable if that formula did not apply;

(c) the amount of any monthly seniority payments, maternity leave payments, paternity leave payments, adoption leave payments, parental leave payments or sickness leave payments paid under the contract or agreement during the scheme year;

(d) whether each group D dentist who performed services under the contract or agreement referred to in sub-paragraph (1) was given the opportunity to verify the pensionable earnings declared for the dentist in the annual reconciliation notice; and

(e) the name and dentist's reference number of any group D dentist who—

(i) failed to verify; or

(ii) disagrees with, the amounts declared for the dentist in the annual reconciliation notice and, where paragraph (ii) applies, the reason for the disagreement.

(5) Not later than the end of the period of 3 months following the end of each scheme year, each group D dentist who performed services under the contract or agreement referred to in subparagraph (1) must return the performers' notice to the host Board, stating—

(a) that the dentist was (or was not, as the case may be) in pensionable employment for the period covered by the performer's notice;

(b) that the dentist was (or was not, as the case may be) directly employed by the contractor referred to in sub-paragraph (1) during the period covered by the performer's notice;

(c) in the case of a practitioner, who was in pensionable employment during the period covered by the notice, the pensionable earnings the dentist received under the contract or agreement during that period;

(d) in the case of a practitioner whose earnings, during the period covered by the performer's notice, fell within the element BP in the formula in paragraph 3(2) of Schedule 10, the earnings that would otherwise have been pensionable if that formula did not apply;

(e) the amount of any monthly seniority payments, maternity leave payments, paternity leave payments, adoption leave payments, parental leave payments or sickness leave payments received by the dentist under the contract or agreement during the scheme year; and

(f) whether the practitioner and contractor have together verified that any amounts the practitioner has declared in respect of paragraph (c), (d) or (e) above are the same as the 146 equivalent amounts declared in the annual reconciliation notice referred to in sub paragraph (4).

(6) Not later than the end of the period of 3 months following the end of each scheme year, a dental practitioner who does not belong to group D must provide the host Board with whom the practitioner's employer has entered into a GDS contract or a PDS agreement, with a notice of the practitioner's pensionable earnings based on—

(a) the payments the practitioner has received from the practitioner's employer for practitioner services provided under the contract or agreement during that year; and

(b) the pensionable earnings the practitioner has received as a dental practitioner during that year by virtue of belonging to group A or B in regulation 27(1).

(7) The host Board may, in exceptional circumstances, and with the agreement of the scheme manager, arrange or agree a different time limit for the issue and return of the certificates, notices or statements referred to in sub-paragraphs (1) to (6) and may, if a material particular has changed, accept a replacement.

(8) An annual reconciliation notice is invalid if—

(a) it contains information that the host Board's records show is inaccurate or misleading in a material particular;

(b) it is not received within the specified time limit;

(c) the total of the amounts specified in it in respect of each group D dentist that performed services under the contract or agreement referred to in sub-paragraph (1) is greater than the aggregate of the pensionable earnings ceiling referred to in that sub-paragraph and the amount referred to in sub-paragraph (4)(c);

(d) it is incomplete in any material particular; or

(e) one or more of the practitioners referred to in it did not, for whatever reason, verify the earnings figure the contractor has declared for them.

(9) Where a host Board has received an annual reconciliation notice which is valid for some or all of the practitioners listed in it, the amounts notified to that employing authority for the scheme year to which the notice relates will, subject to paragraph 10, be the pensionable earnings for those practitioners.

(10) Where a host Board has received an annual reconciliation notice which is invalid for some or all of the practitioners listed in it, the pensionable earnings for those practitioners for the scheme year to which the notice relates will be—

(a) zero, where the host Board's records show that value or the authority is unable to estimate the value of the practitioner's pensionable earnings; or

(b) the figure that the host Board estimates will represent that practitioner's share of the aggregate of the pensionable earnings ceiling referred to in sub-paragraph (1) and the amount referred to in sub-paragraph (4)(c) ("the maximum amount"), less the difference between—

(i) the maximum amount, and

(ii) the total of the monthly amounts in respect of which estimated contributions to this scheme under regulation 31 (contributions by members) were paid on account during the scheme year to which the earnings relate.

(11) If the total mentioned in paragraph (ii) of sub-paragraph (10)(b) is greater than the maximum amount, no amount is to be deducted pursuant to sub-paragraph (10).

Information to be provided to scheme manager 4.

4.—(1) In respect of each scheme year, each employing authority and GDS or PDS contractor must provide the scheme manager and host Board with a statement of estimated pensionable earnings in respect of—

- (a) a non-GP provider that is a GMS practice, a PMS practice or an APMS contractor who assists in the provision of NHS services provided by that GMS practice, a PMS practice or an APMS contractor;
- (b) a medical practitioner who performs medical services as, or on behalf of, the practice or contractor;
- (c) a medical practitioner employed by the practice or contractor; (d) a dental practitioner who performs services under a GDS contract or a PDS agreement, or (e) a dental practitioner employed or engaged to perform services under a GDS contract or a PDS agreement.

(2) In respect of each scheme year, each employing authority and GDS or PDS contractor must, in respect of medical or dental practitioners employed or engaged by the practice or contractor, provide the scheme manager with an end-of-year statement of—

- (a) pensionable earnings;
- (b) contributions to this scheme made under regulation 31 (contributions: practitioners and non-GP providers) and the modifications to that regulation referred to regulations 38 and 39;
- (c) contributions to this scheme made under regulation 33 (contributions by employing authorities); and
- (d) pensionable earnings deemed in accordance with regulation 28 (pensionable earnings: break in service).

(3) The scheme manager and host Board must be provided with—

- (a) the statement referred to in sub-paragraph (1) at least one month before the beginning of the scheme year;
- (b) the statement referred to in sub-paragraph (2) no later than 3 months after the end of the scheme year.

(4) A host Board must, before the end of the period of 13 months after the end of a scheme year, forward to the scheme manager in respect of the scheme year a copy of the records the Board maintains in respect of—

- (a) all contributions to this scheme made under regulation 31 in respect of medical practitioners and non-GP providers; and
- (b) their pensionable earnings.

Failure of member to comply with this Schedule.

5.—(1) If, in respect of a scheme year, a practitioner or non-GP provider has failed to comply with the requirements of whichever of paragraphs 1 to 3 applies to the member, the member's pensionable earnings for the scheme year are zero. This is subject to sub-paragraphs (2) and (3).

(2) If, in respect of a scheme year, the employing authority of a practitioner or non-GP provider member is in possession of a figure representing all or part of the member's pensionable earnings for that year, the scheme manager may treat that figure as the amount of the member's pensionable earnings for the year where—

(a) the member has failed to comply with the requirements of whichever of paragraphs 1, 2 or 3 applies to the member, and

(b) a benefit in respect of the member's service as a practitioner or non-GP provider is payable to, or in respect of the member, under these Regulations.

(3) If, in respect of a scheme year, a practitioner or non-GP provider (the member)—

(a) dies without complying with the requirements of whichever of paragraphs 1, 2 or 3 applies to the member; or

(b) is, in the opinion of the scheme manager, unable to look after the member's own affairs by reason of illness or lack of capacity within the meaning of the Mental Capacity Act 2005(a), the scheme manager may require the member's personal representatives or person (or persons) duly authorised to act on the member's behalf to provide the relevant certificate, notice or statement within the period specified in sub-paragraph (4).

(4) The period is—

(a) that referred to in whichever of paragraph 1, 2 or 3 was or is applicable to the member; or

(b) such other period as the scheme manager permits.

Certificates, notices and statements

6. The certificates, notices and statements referred to in this Schedule—

(a) must be in such form as the scheme manager from time to time requires;

(b) may be provided to the scheme manager in such manner as the scheme manager from time-to-time permits.

PART 2 Payment arrangements

Medical practitioners and non-GP providers

7.—(1) Where a medical practitioner or a non-GP provider (the member) is engaged under a contract of service or for services by an employing authority or is a partner or shareholder in an employing authority that is not an OOH provider, the authority must—

(a) deduct contributions payable under regulation 30 or 31 (as the case may be) from any pensionable earnings it pays to the member; and

(b) where it is not also the host Board, pay those contributions to that Board.

(2) Subject to sub-paragraph (7), where a medical practitioner or a non-GP provider is—

(a) an employing authority which is a GMS practice, a PMS practice or an APMS contractor; or

(b) a shareholder or partner in such an employing authority, the employing authority must pay contributions under regulation 33 to the host Board.

(3) Where a medical practitioner or a non-GP provider is a shareholder or partner in more than one employing authority referred to in sub-paragraph (2)—

(a) in the case of a medical practitioner, each such employing authority must pay contributions under regulation 33 on any pensionable earnings it pays to the practitioner or, as the case may be, on the practitioner's share of the partnership profits, to the host Board;

(b) in the case of a non-GP provider, the employing authority to which regulation 27(3)(b) applies must pay contributions under regulation 33 on any pensionable earnings it pays to the non-GP provider or, as the case may be, on the non-GP provider's share of the partnership profits, to the host Board.

(4) Where sub-paragraph (1) applies (but sub-paragraph (2) does not) and the employing authority referred to in sub-paragraph (1)—

(a) is not the host Board, the authority must pay contributions under regulation 33 to the host Board;

(b) is the host Board, that Board must pay contributions under regulation 33 to the Scheme manager in respect of any pensionable earnings it pays to the scheme manager.

(5) Where a practitioner (other than a locum practitioner) is engaged under a contract of service or for services by an employing authority, that authority must—

(a) deduct contributions under regulation 31 from any pensionable earnings it pays to the practitioner; and

(b) in the case of a medical practitioner who belongs to group A or B in regulation 27(1), where it is not also the host Board, pay those contributions to that Board.

(6) Where sub-paragraph (5) applies, if the employing authority—

(a) is not the host Board, the authority must pay contributions under regulation 33 to the host Board;

(b) is the host Board, the Board must pay contributions payable under regulation 33 or deducted under regulation 30(5) or 31(7) to the scheme manager in respect of any pensionable earnings it pays to the practitioner.

(7) A locum practitioner must pay to the host Board—

(a) contributions under regulation 31; and

(b) an amount equal to payments received from the employing authority in respect of its contributions under regulation 33.

(8) Sub-paragraph (9) applies where, as regards a medical practitioner, an employing authority—

(a) is not the host Board, and it is a function of the employing authority to provide the host Board with a record of any—

(i) pensionable earnings paid by it to a practitioner;

(ii) contributions deducted by it in accordance with sub-paragraph (1) or (5), not later than the 7th day of the month following the month in which the earnings were paid;

(b) is the host Board that has deducted contributions in accordance with sub-paragraph (1) or (5) and is liable to pay contributions under regulation 33 in respect of any pensionable earnings it pays to a practitioner.

(9) It is a function of the host Board to maintain a record of—

(a) the matters referred to in sub-paragraph (8)(a)(i) and (ii);

(b) contributions paid to it by a medical practitioner; and

(c) contributions paid to it by a locum practitioner.

(10) It is a function of the host Board to pay the contributions—

(a) paid to it by a medical practitioner or locum practitioner;

(b) paid to it by another employing authority; and

(c) it is liable to pay by virtue of sub-paragraphs (4)(b) and (6)(b), in accordance with the provisions of this paragraph, to the scheme manager not later than the 19th day of the month following the month in which the earnings were paid.

Dentists

8.—(1) A dental practitioner who belongs to group D for the purposes of regulation 27(1) must pay contributions under regulation 31 in respect of pensionable earnings that relate to a particular GDS contract or PDS agreement to the employing authority that is a party to that GDS contract or PDS agreement.

(2) The host Board must pay the contributions under regulation 33 that are payable in respect of the pensionable earnings mentioned in sub-paragraph (1). (3) In the case of a dental practitioner who is a foundation trainee—

(a) the GDS or PDS contractor that employs the practitioner must deduct contributions under regulation 30 from any pensionable earnings the contractor pays to the practitioner and must pay the contributions to the employing authority that is a party to the contractor's GDS contract or PDS agreement;

(b) the host Board must pay the contributions under regulation 33 that are payable in respect of the pensionable earnings.

(4) In the case of a dental practitioner who—

(a) does not fall within sub-paragraph (1); and

(b) is not a foundation trainee, the employing authority with which the practitioner has a contract for services from which the practitioner's pensionable earnings are derived must pay the contributions under regulation 33 that are payable in respect of the pensionable earnings.

(5) Contributions under regulation 30 or 31 that are required to be paid to a host Board by or in respect of a dental practitioner in accordance with this paragraph must be paid to the Board not later than—

(a) the 7th day of the month following the month to which the earnings relate, or

(b) if the contributions are in respect of earnings derived from a PDS agreement and the monthly payment date in respect of that agreement is not the first working day of the month following the month to which the earnings relate, the 7th day after the date on which the earnings to which the contributions relate were paid.

(6) Sub-paragraph (7) applies to a host Board—

(a) to which contributions under regulation 30 or 31 are paid in respect of a dental practitioner in accordance with this paragraph;

(b) which is liable to pay contributions under regulation 33 in respect of a dental practitioner.

(7) The host Board must forward or pay the contributions to the scheme manager not later than the 12th day after the date on which, by virtue of sub-paragraph (5), it is due—

(a) to receive the contributions under regulation 30 or 31, or

(b) in the case of contributions under regulation 33, the related contributions under regulation 30 or 31.

Payment of contributions to host Board

9. Contributions which are required to be paid to the host Board in accordance with this Schedule must be paid to the Board not later than the 7th day of the month following the month in which the earnings were paid.

Recovery of unpaid contributions

10.—(1) Sub-paragraph (2) applies where, despite this Schedule—

(a) a practitioner, locum practitioner or non-GP provider has failed to pay contributions under regulation 30 or 31;

(b) a practitioner or non-GP provider has failed to pay contributions under regulation 33;

or

(c) an employing authority has failed to deduct contributions under regulation 30.

(2) The scheme manager may recover the amount of any unpaid contributions— (a) where an employing authority has ceased to exist and paragraph

(a) of sub-paragraph (1) applies, by adding the amount of those unpaid contributions to the amount of contributions under regulation 30 or 31 the practitioner or non-GP provider in question is due to pay to the host Board; or

(b) by deduction from any payment of a benefit to, or in respect of, the member entitled to that benefit: such a deduction must be to the member's advantage and is subject to the member's consent.

(3) If sub-paragraph (2)(a) applies, the practitioner or non-GP provider must record the amount of the unpaid contributions in a certificate referred to in Part 1 of this Schedule.

(4) This paragraph does not affect any other method of recovery the scheme manager may have.