

## NHS Pensions: Direction Employers Guide

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### 1. What is a direction?

A direction is a legal document drawn up in accordance with Section 7 of the Superannuation (Miscellaneous Provisions) Act 1967, under which the Secretary of State approves, subject to certain restrictions, the payment of contributions by people employed outside the National Health Service. Section 7(2) covers the majority of existing directions.

As a general rule a direction will provide cover under the NHS Pension Scheme Regulations with the exception of those regulations relating to redundancy. A direction does not normally provide access to the NHS (Injury Benefits) Regulations or the NHS (Compensation for Premature Retirement) Regulations.

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### 2. Who can apply for a direction?

The Secretary of State will normally only consider a direction where the employer fulfils certain criteria e.g. provides NHS related services and is from the voluntary sector/not-for-profit. These generally include:

- Social enterprises
- Hospices
- Care in the community services
- University medical schools
- Institutes involved in research

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### 3. How to make an application for a direction

To make a request for a direction you will need to supply the answers to the questions in the [Initial Application Details](#) document. Employers should then send the answers and supporting documentation by post or by e-mail to NHS Pensions (Fleetwood): -

Scheme Compliance Unit  
NHS Pensions (Room 118)  
Hesketh House  
200-220 Broadway  
Fleetwood  
Lancashire  
FY7 8LG

E-Mail:- [Steve.Blakey@nhspa.gov.uk](mailto:Steve.Blakey@nhspa.gov.uk)  
or  
[Claire.Lloyd@nhspa.gov.uk](mailto:Claire.Lloyd@nhspa.gov.uk)

If a direction is granted, the employer will receive a copy of the official direction along with a general guide to assist with administration of the NHS Pension Scheme.

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### 4. How long does the application process take?

It is not uncommon for the process to take up to 3 months from the date the application is received by NHS Pensions (Fleetwood).

NHS Pensions (Fleetwood) are required to refer each application to the Department of Health who act on behalf of the Secretary of State in such matters.

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### 5. What are the current contribution rates?

Both the employer and employee must pay pension contributions. The employer's rate is currently 14%.

From April 2008 the employee's contribution rates changed to tiered rates based on their pensionable pay. There are four rates of member contribution ranging from 5% of pensionable pay for the lowest earners to 8.5% of pensionable pay for the highest. The thresholds at which the rates change are linked to nationally agreed pay rates at set levels on salaries equivalent to someone working full time.

The contribution rates are notified to employers before the start of each financial year in the form of Technical Newsletters issued by NHS Pensions (Fleetwood).

Further information regarding the calculation of the contribution rate for employees can be found on our [website](#)

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## 6. Who can contribute to the NHS Pension Scheme under a direction?

As it is not an automatic right for ex-NHS employees to remain in the NHS Pension Scheme, registered Direction Employers should, in the first instance, check the terms of their official direction(s), as previously issued by NHS Pensions (Fleetwood), as this sets out the criteria for access.

This is because directions can be **open**: available to eligible new recruits to the organisation; or **closed**: available to those involved in a transfer from the NHS to an employer on a particular day, or limited to particular jobs or individuals.

**Access to the NHS Pension Scheme is only available to employees who fully satisfy the criteria detailed in a direction document.**

If the Direction Employer is satisfied that an employee meets the criteria and is eligible to contribute to the NHS Pension Scheme, they may apply to NHS Pensions (Fleetwood), using Form [SD65](#) along with Form [SS10](#).

These forms should be made available to the employee at the earliest opportunity, as they must make an application to contribute to the NHS Pension Scheme within 3 months of the date of commencement of the relevant employment.

NHS Pensions (Fleetwood) will then confirm to the Direction Employer in writing whether or not the employee can contribute to the NHS Pension Scheme.

An eligible employee may only commence contributions to the NHS Pension Scheme in accordance with the effective date as detailed in the relevant direction document.

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## 7. Scheme benefits not available under a direction

A direction is limited in that it gives employees access to pension benefits, life assurance and family benefits etc. but does not give access to other benefits which would incur employer's financial liability, for example, an early retirement pension due to redundancy or a permanent injury benefit.

Employees who contribute to the NHS Pension Scheme under a direction are not normally covered by the separate but related NHS (Compensation for Premature Retirement) Regulations or the NHS (Injury Benefits) Regulations. Employers may wish to seek their own legal and actuarial advice in respect of any obligations they may have in this regard.

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## 8. NHS Pensions (Fleetwood) contact details

For general scheme enquires you can contact the NHS Pensions Helpline on the following telephone numbers: -

**0845 421 4000** member helpline and  
**0845 610 1119** employer helpline

or

**By email:**

[Employers@pensionsagency.nhs.uk](mailto:Employers@pensionsagency.nhs.uk) - For your general employer queries

[Datacleanse@pensionsagency.nhs.uk](mailto:Datacleanse@pensionsagency.nhs.uk) - For your data cleanse queries

**Contact Address:**

NHS Pensions  
Hesketh House  
200-220 Broadway  
Fleetwood  
Lancashire  
FY7 8LG

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## 9. Other sources of information

Department of Health officials have previously drafted guidance with regard to transfers of staff from the NHS. This can be viewed [here](#).