

Cost and Contributions Factsheet

What pension contributions will I pay in 2009/10? – A factsheet for all NHS Pension Scheme members (excluding Practitioners and Non-GP Providers*)



All NHS Pension Scheme members will have their pension contribution rates reassessed for the Scheme year 2009/10. The table below shows the tiered contribution rates that will be applied to the pensionable pay of all members (excluding Practitioners and Non-GP Providers) from 1 April 2009.

Contribution Tier	Pensionable Pay	Contribution Rate
1	Up to £20,709	5%
2	£20,710 - £68,392	6.5%
3	£68,393 - £107,846	7.5%
4	£107,847+	8.5%

(The contribution rate paid by employers remains at 14%).

Key Points for members

- Your contribution rate at the start of 2009/10 will be based on your (whole-time equivalent (WTE) rate) of pensionable pay received during the 2008/09 Scheme year unless your circumstances have changed.
- If you only started to contribute to the Scheme part way through 2008/09, the pensionable pay used to set your rate in 2009/10 will be based upon the pensionable pay you received in 2008/9 scaled to an annual WTE equivalent length. Please remember this only affects people who started a new pensionable employment/re-employment, who joined the Scheme for the first time, or re-joined the Scheme after a break in membership, part way through 2008/09.
- If you change employers, receive a promotion etc on or after 1 April 2009; your contribution rate will be reassessed based on the remainder of your 2009/10 annualised WTE pensionable pay.
- Once your rate is set for 2009/10 it is generally 'fixed' unless you are promoted, take on extra duties, or are permanently moving from night to day duty. Fluctuations in part time



hours will not change your contribution rate as the rate is always set on a full year, full time equivalent pay basis.

- If you are classed as a manual worker your rate in 2008/09 was 5%. However, from 1 April 2009 you will now pay the rate determined by your pensionable pay as shown in the table above. For example, a manual worker who received pensionable pay of £22,000 in 2008/9 will pay a 6.5% tiered contribution rate from 1 April 2009.
- If you are part-time then the full time equivalent pay for your job will be used to assign you to the correct contribution rate. For example, if you earn £12,000 working half the standard time then the full time equivalent 'pensionable pay' would be £24,000. You will pay 6.5% contributions on your actual pensionable pay of £12,000.
- The pensionable pay that your rate is set on will include all pensionable allowances. If you work part-time both your pensionable allowances and your basic pensionable pay will be scaled to the full time equivalent.
- Normal pay increases will not affect the contribution rate that you pay during the 2009/10 Scheme year as a new contribution table with higher pay thresholds will be issued, and applied, from the effective date of any general pay increase.
- The contribution rate is applied to all of your pay. For example, if you are a consultant earning £130k you will pay 8.5% on the full £130k.
- If you have multiple employment contracts a separate contribution rate will be set for each contract based on the full time equivalent pensionable pay for each job.
- More detailed guidance on arrangements for the scheme year 2010/11 onwards will be issued nearer the time.

Right to Appeal: If you think you are paying the wrong rate of contribution, for example because a change in unsocial hours is temporary rather than permanent, please write stating your reasons, to your employer's payroll department who will then consider your position and correct the rate where this is appropriate.

