

## NHS Pensions - Auto enrolment employer FAQs

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### 1. Sources of information

Q Where can I obtain further information and advice about automatic enrolment and my obligations as an NHS employer?

A The following organisations provide comprehensive guidance for employers:  
 The Pensions Regulator (TPR): [www.thepensionsregulator.gov.uk/](http://www.thepensionsregulator.gov.uk/)  
 NHS Employers (NHSE): [www.nhsemployers.org](http://www.nhsemployers.org)

### 2. Staging

Q When will my staging date happen/how do I find out about my staging date?

A The Pensions Regulator has provided a timeline for the allocation of staging dates for employers, according to the size of their PAYE scheme as at April 2012. The staging date timeline can be found on their website at: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

Q I haven't received confirmation from The Pensions Regulator about my staging date?

A The Pensions Regulator will write to each employer, usually the most senior named person they hold for that employer, about 18 months before the employer's staging date. You can check your staging date on The Pensions Regulator's website at: <http://www.thepensionsregulator.gov.uk/employers/tools/staging-date.aspx> or contact The Pensions Regulator at: <http://www.thepensionsregulator.gov.uk/contact-us.aspx>

where you can also nominate a person to receive The Pensions Regulators communications.

Q Does my staging date change if I choose to postpone enrolment?

A No. The staging date allocated to employers will not change for any reason.

Q Do I have to inform NHS Pensions about my staging date?

A No.

Q What if I have a shared payroll service or third party payroll arrangement? Do all employers that use this service have the same staging date?

A No. Each employer is allocated their own staging date according to the size of their PAYE scheme as at April 2012.

Q What is the 1995/2008 NHS Pension Scheme Registry Number?

A The 1995/2008 NHS Pension Scheme Registry Number is 10085760.

Q What is the 2015 NHS Pension Scheme Registry Number?

A The 2015 NHS Pension Scheme Registry Number is 12011004.

Q If I auto enrol employees into both NHS Pension Schemes, what do I have to tell The Pensions Regulator?

A You must confirm how many employees you have enrolled into each NHS Pension Scheme using the reference numbers quoted above.

Q What is the Employer Pension Scheme Reference (EPSR)?

A. This is the four digit EA code given to each NHS employer and this should be quoted as the EPSR number.

### **3. Enrolling eligible workers into the NHS Pension Scheme**

Q Can NHS Pensions tell me which employees I should auto-enrol into the NHS Pension Scheme?

A No. The employer must check each employee to establish if they are paying contributions to the NHS Pension Scheme, and if not establish if they can rejoin the NHS Pension Scheme. If they are not eligible to join the NHS Pension Scheme, the

employer must establish if the employee is eligible to join an alternative qualifying pension scheme.

Q Do we need to assess employees for auto enrolment if they opted out before our staging date?

A Yes, all employees must be assessed at the staging date.

Q Do I have to auto enrol all my eligible jobholders on the staging or re-enrolment date?

A Yes. All eligible jobholders must be enrolled at the same time on your staging or re-enrolment date.

You should continue to monitor the status of any ineligible jobholders to identify their possible eligibility for auto enrolment following the staging date.

Q What if an eligible jobholder opted out of the Scheme before our staging date?

A If the employee opted out more than 12 months before the staging date they must be auto enrolled on the staging date.

If the employee opted out less than 12 months before the staging date the employer has the option whether to auto enrol them on the staging date. Where decisions need to be made in these circumstances, it is important that employers apply fair and consistent criteria that does not discriminate between individual members or different types of member.

Q Do I need to issue a Member Guide each time I auto enrol an employee?

A Yes. The normal Scheme joiner procedure applies.

Q Do I need to set up a pension record for auto enrolled members straight away or can I wait and see if they opt out within a month?

A Yes. The normal Scheme joiner procedure applies.

Q Do we have to auto enrol employees who are currently on sick or maternity leave?

A Employees that are absent from work, for any reason, on the staging or re-enrolment date who are not a member of the NHS Pension Scheme are not eligible to rejoin the NHS Pension Scheme but they must still be assessed for auto-enrolment.

Subject to the level of sick or maternity pay etc. the employee is receiving, they may be enrolled with an alternative qualifying scheme at the staging date.

On the employees return to work they must be enrolled into the NHS Pension Scheme if they meet the normal criteria.

Q Does automatic enrolment apply to workers with Lifetime Allowance protection from HMRC?

A Yes. If an employee has previously opted out of NHS Pension Scheme then they must be assessed under automatic enrolment rules subject to the exceptions to employer duties – see [Employer duties and defining the workforce](#) on TPR's website.

The exception allows employers who have reasonable grounds to believe that the employee has Lifetime Allowance protection from HMRC gives the employer the option not to auto enrol that employee. TPR confirms that sight of the protection certificate would give reasonable grounds to believe that relevant protection applies.

If an employee with Lifetime Allowance protection is enrolled then to comply with HMRC rules, employees with Enhanced or Fixed Protection may wish to avoid accruing further benefits in the NHS Pension Scheme in order retain their protection and may want to opt out again having taken independent financial advice. If they do they must follow the normal opt out procedure and complete another SD502 opt out form.

Q What is the position when an employee has two jobs with the same employer?

A It is for the employer to decide how multiple employments are assessed for auto enrolment purposes.

Worked examples of multiple employment scenarios can be found on the NHS Employers website.

Q What is the position when an employee has two jobs with different employers?

A If an employee has more than one job with two or more NHS employers (with separate PAYE references) each employer is required to assess the worker under automatic enrolment legislation.

Q Can agency workers be enrolled in the NHS Pension Scheme?

A No. Normal NHS Pension Scheme eligibility criteria apply.

Agency workers are, however, covered by the new arrangements and either the Agency or the NHS employer where the employee is working must comply with automatic enrolment rules.

Q What do I do about employees on secondment?

A If a worker is on secondment to another organisation, they retain the terms and conditions of their originating employer and the originating employer is responsible for automatically enrolling the worker.

Q Qualifying Earnings – are they the same as Pensionable Pay?

A No. Qualifying Earnings include salary, wages, commission, bonuses, overtime, statutory sick pay, statutory maternity, paternity and adoption pay.

Q Can I delay automatic enrolment from my staging date using the transitional period that is available for defined benefit schemes?

A Yes but the transitional period only applies to existing eligible jobholders and does not apply to new joiners.

Please refer to TPR website or the NHS Employers website for more information.

#### **4. Enrolling non-eligible workers into other qualifying pension schemes**

Q Can the employer or the employee choose to auto enrol an eligible NHS Pension Scheme employee in an alternative pension scheme?

A No. The NHS Pension Scheme is the default pension scheme for auto-enrolment purposes.

Q In what circumstances should I enrol a worker into an Alternative Qualifying Pension Scheme (AQPS), rather than the NHS Pension Scheme?

A Employers should only consider an alternative qualifying pension scheme for those employees who are not eligible to join the NHS Pension Scheme

Q Where can I find out more information about NEST?

A NEST (the National Employment Savings Trust) is a workplace pension scheme that has been set up to help employers meet their auto enrolment obligations. It is open to employers of any size.

For more information, see their website: [www.nestpensions.org.uk](http://www.nestpensions.org.uk)

Q Do I have to undertake a procurement exercise to select an Alternative Qualifying Pension Scheme?

A Yes. Please refer to TPR's website for more information.

Q My employee is already paying into a personal pension arrangement. Do I still need to assess them for auto enrolment?

A Yes. Auto enrolment duties still apply and the employee should be enrolled in a qualifying workplace pension scheme.

The NHS Pension Scheme is the default pension scheme for NHS employees, provided they satisfy the Scheme's eligibility criteria.

Q Should employers pay the same level of contributions to an alternative qualifying pension scheme as they do to NHS Pension Scheme?

A The statutory minimum pension contributions have been set by law but employers can pay higher contributions, if they wish.

## **5. ESR / Data Maintenance**

Q Can NHS Pensions delay the processing of my ESR joiner notifications that were sent on my staging date (because we anticipate that many employees will opt out again)?

A No. If the member opts out of the NHS Pension Scheme within the opt out period and a local refund is paid, the contribution should be set to £0.00 for the ESR leaver notification to delete the joiner details successfully.

## **6. Opting out / Form SD502**

Q How does an employee opt out of the NHS Pension Scheme?

A They must complete and sign the form SD502 and return this to their employer.

A request to opt out that is made by letter, email or made verbally will not be accepted.

Q Can I provide SD502 opt out form to my employees in any way?

A No. Under the auto enrolment rules, employers are not allowed to provide scheme opt out form to their employees, once the staging date has passed. This includes third party payroll providers.

Q How do employees obtain a SD502 form?

A The form is available on NHS Pensions website and printed out.

Q My employee has no personal access to the internet or a printer. Can they use our 'on site' facilities to obtain a SD502 form?

A Yes. You can make a PC and a printer available to employees for this purpose, provided they complete the download and printing processes themselves.

Alternatively, members may telephone the NHS Pensions Member Helpline to request a copy of the form SD502.

Q What do I do with the original SD502 once I've finished with it?

A Once you have completed your actions, please pass the original SD502 form to NHS Pensions and retain a copy of the form for your records.

Q When can an employee opt out?

A An employee can opt out at any time after being enrolled. Under automatic enrolment rules they cannot opt out until they have been automatically enrolled as an eligible jobholder. They cannot sign and date the opt out form until the day, or after the day, they are automatically enrolled or the date on which they have received the automatic enrolment information (whichever is later).

Q Do I have to deduct contributions before someone can opt out?

A Contributions have to be collected from pensionable pay in the normal way. The deduction of contributions has not changed because of auto-enrolment.

## **7. Refunds**

Q When can a local refund be made by the employer?

A Please refer to the latest version of the SD502 opt out form and the SD502 completion notes. This explains the circumstances in which a local refund can be paid.

Q In what circumstances can the employer retain the employer's contribution?

A An employer may only retain their employer contribution where a local refund has been made.

Q When must a refund be processed by NHS Pensions?

A Please refer to the SD502 opt out form and the SD502 completion notes. This explains the circumstances in which a refund is to be paid locally or by NHS Pensions on receipt of the refund application form RF12.

Where the refund is made by NHS Pensions, the employer contributions will not be refunded.

Q How does a member claim a refund from NHS Pensions?

A The normal refund procedures apply – form RF12 must be completed.

Q What if the member is auto enrolled then leaves NHS employment before opting out?

A The normal Scheme rules apply. According to the length of membership in the Scheme, a member may have accrued additional benefits that can be preserved or they may be entitled to a refund of contributions.

## **8. Cyclic re-enrolment**

Q Is the NHS Pension Scheme a qualifying scheme for cyclic re-enrolment?

A Yes. Confirmation of the Pension Scheme Registry numbers for the NHS Pension Scheme are provided earlier in this document.

Q When is my cyclic re-enrolment date?

A The cyclic re-enrolment date is three years from your staging date.

Q Can I postpone my cyclic re-enrolment date?

A No.

Q Can I choose the cyclic re-enrolment date?

A Employers can choose their re-enrolment date within a 6 month window starting and finishing 3 months before or after the third anniversary of your staging date.

Q Is this date the same for all employers?

A The cyclic re-enrolment date is specific to that employer.

Q For cyclic re-enrolment when does membership of the Scheme start?

A Membership of the NHS Pension Scheme commences on the employers cyclic re-enrolment date.

Q Which employees does cyclic re-enrolment apply?



A Cyclic re-enrolment applies to eligible jobholders who have already had an automatic enrolment date with the employer – detailed information can be found in TPR’s guidance: Automatic re-enrolment: Putting workers back into pension scheme membership.

Q Do I have to inform employees of cyclic re-enrolment?

A Yes.

Q Do I have to enrol or re-enrol a worker that has already opted out?

A Under automatic enrolment legislation, employers must enrol all eligible workers not currently in a pension scheme on their staging date. They must re-enrol eligible jobholders three years after the initial staging date and then at every three year interval thereafter. This is known as ‘Cyclical Automatic Re-enrolment’.

Once a worker has been enrolled as an eligible jobholder and subsequently opts out, they no longer need to be monitored by the employer, but will need to be re-enrolled on the Cyclic Automatic Re-enrolment date.

Q Do I have a choice of where to cyclically re-enrol employees?

A No. All eligible employees who are to be re-enrolled must be auto re-enrolled into the NHS Pension Scheme provided they meet eligibility criteria of the NHS Pension Scheme.

Any employees who do cannot join the NHS Pension Scheme must be auto re-enrolled into an alternative qualifying pension scheme.

Q Do I have to provide any information to TPR?

A Yes. TPR require confirmation of the outcome of cyclic re-enrolment.

If you do not have any eligible employees to re-enrol you **must** inform TPR of this on the day before the third anniversary of your first declaration of compliance.

If you have any eligible employees then you **must** inform TPR within two calendar months of the cyclic automatic re-enrolment date.