

## NHS Pension Scheme via STAFFflow and TempRE

For all PAYE direct engagement assignments via STAFFflow and TempRE, all **eligible** temporary workers are contractually entitled to membership of the NHS Pension Scheme and therefore will be auto-enrolled into the scheme automatically.

Once a direct engagement is confirmed on STAFFflow or TempRE, all temporary workers are required to complete a pension questionnaire to determine their eligibility to join the NHS Pension Scheme and if eligible, whether or not they wish to remain in or opt out of the scheme.

If ineligible, the worker may be eligible to join the NEST pension scheme which is a separate scheme to the NHS Pension Scheme. If eligible for NEST pension, worker's will be advised of this whilst completing their pension choices.

### Opting in to the NHS Pension Scheme

To opt in to the NHS Pension Scheme, a temporary worker must be eligible and are therefore required to complete an eligibility questionnaire. If the worker is eligible to join the NHSPS, they shall then be taken to an NHS Pension Choices screen where they can choose to opt in to the scheme.

### Enrolment/Auto-enrolment into the NHSPS – Rate reduction and pension contributions

On a worker's contract there are two rates. The higher rate is that of a worker who has provided us with an SD502 and opted out or is ineligible to join the scheme. The lower rate is that of an eligible employee who has opted in or has been auto enrolled. The lower rate is 11.2% lower and contributions are taken from this lower rate.

The NHS Pension Scheme is an employee benefit normally only available to substantive (permanent) Staff. To make this benefit available to temporary staff working through Direct Engagement, the worker's rate is reduced to bring the employer cost in line with that of a permanent member of staff (agency workers get paid more than substantive staff).

The worker will then contribute a percentage of their gross pay (at the reduced hourly rate) into their pension scheme. The percentage of the employee's pension contribution is dependant on the worker's reduced hourly rate. Please see the breakdown of the reduced rates boundaries and the corresponding employee pension contribution rates opposite.

Reduced Rate		Opt in Rate %
£0.00	£7.42	5%
£7.43	£10.28	5.60%
£10.29	£12.90	7.10%
£12.91	£23.79	9.30%
£23.80	£33.96	12.50%
£33.97	£53.55	13.50%
£53.56	Or Above	14.50%

### Enrolment/Auto-enrolment into the NHSPS – Employer and employee pension contributions

Whilst the worker's employee pension contribution percentage is variable dependant on the worker's hourly rate, the trust/health board's employer pension contribution is always 14.3%

of the gross pay. On the worker's payslip this shall appear as 14.38% of the worker's gross pay as this includes the NHS Pensions Agency's 0.08% admin fee .

Worker's payslips will detail the employee and employer pension contributions. Employee pension contributions are detailed on the left-hand side of the payslip under the 'Description' column. Employer pension contributions are detailed on the right-hand side of the worker's payslip under the 'Deductions' column. Employer pension contributions appear on the payslip purely for the worker's reference and have not been deducted from the worker's pay nor will they be included in the total deductions on the payslip.

### **Opting out of the NHS Pension Scheme**

If a worker would like to opt out of the NHSPS, workers can indicate this choice on the NHS Pension Choices questionnaire on the system. To opt out of the pension scheme, workers are also required to complete and return a valid NHS Pension Opt Out (SD502) form to TempRE/STAFFflow. We are unable to opt workers out of the scheme without a valid form and are required to auto-enrol all workers, regardless of their choice, until this form is received.

Whilst completing their questionnaire, workers are provided with a 'Hold Pay' tick box which will allow for them to request for their payments to be withheld from the payroll until their SD502 form has been received. Withholding the worker's timesheets from the payroll until received is optional and removes the risk of auto-enrolment in the scheme. Once the form has been received, we shall be able to process the timesheet in the next available payroll.

### **Opting out of the NHSPS – SD502 Form**

SD502 forms can be downloaded from the NHS Pensions Agency website - <https://www.nhsbsa.nhs.uk/>

To opt out of the scheme, SD502 forms should be emailed to [helpdesk@Liaisonfs.com](mailto:helpdesk@Liaisonfs.com) prior to the first timesheet being processed. Forms can also be faxed or emailed to the helpdesk and these details are provided to workers when completing their online pension questionnaire.

Workers should ensure that the form is signed and dated correctly for the relevant assignment and the employer is listed as the name of the trust/health board rather than the agency or STAFFflow/TempRE.

Workers who are ineligible are not required to return an opt out form as they are ineligible for enrolment/auto-enrolment into the scheme.

### **Pension Refunds**

Should a worker enrol/auto-enrol into the NHSPS and wish to have their pension contributions refunded, dependant on the worker's circumstances they may be eligible to receive this via an SD502 or RF12 refund form.

### **SD502 Form**

If a worker has been enrolled into the pension scheme, whether they have opted in or have been auto-enrolled awaiting an SD502 form, workers have 30 days from the start date of their assignment or contract sent date (whichever is latest) to send an SD502 form back to

STAFFflow/TempRE in order to be successfully opted out and receive a refund of any contributions paid.

Please note that if a worker has been made a leaver on the system and issued with a P45 (i.e. their assignment has finished and they no longer have open timesheets) within this 30 day period they will be ineligible for a refund via the SD502 form.

If the worker is eligible for a refund of their pension contributions via the SD502 form, they shall also be eligible for a refund of the rate reduction of 11.2%.

### **RF12 Refund Form**

If a worker is ineligible for a refund via the SD502 form, workers may be eligible for a refund of their pension contributions via an RF12 refund form. Workers should contact the NHS Pensions Agency directly on 0300 330 1346 to discuss their eligibility for an RF12 refund and what this would entail prior to sending the form to Liaison.

The RF12 entitles the worker to a refund of Employee Contributions from all employments (not just work carried out through STAFFflow/TempRE)

Workers would not be entitled to a refund of the rate reduction via the RF12 form - this is because although the worker is refunded their employees contributions, the NHS trust/health board are not refunded their contributions into the worker's scheme. The NHS Pensions Agency use Employer Contributions to cover the cost of the death in service benefits that the member was covered for during their membership. To then pay the worker the difference in rate would inflate the cost to the trust/health board outside of the agreed framework rates, as it would cost them the agreed charge rate plus the 14.3% pension contribution they have made.