

## Returning to work with LPT after retiring from the NHS pension's scheme

Although we cannot offer you financial advice, people regularly ask us for information on what they can and can't do after they retire.

The aim of this document is to sign post the key documents to help you decide what is applicable to your circumstances and present the key parts of them in one place.

No part of this document is intended as financial advice, and you are strongly recommended to seek independent advice if you are in anyway unsure about your options. We would also recommend that you check on [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions) for the most up to date versions of these guides.

**LPT policy requires you to take a break of two weeks between your retirement and commencement of any new work, whether bank or substantive. This requirement over-rides the information in the information provided about the required break in employment.**

If you are returning after ill health retirement then you need to review the relevant fact sheet provided by NHS Pensions. Click the following link

[www.nhsbsa.nhs.uk/Documents/Pensions/Return to work after ill health retirement factsheet V4.0 07.2013.pdf](http://www.nhsbsa.nhs.uk/Documents/Pensions/Return_to_work_after_ill_health_retirement_factsheet_V4.0_07.2013.pdf)

or type the following into your browser

[www.nhsbsa.nhs.uk/Documents/Pensions/Return to work after ill health retirement factsheet V4.0 07.2013.pdf](http://www.nhsbsa.nhs.uk/Documents/Pensions/Return_to_work_after_ill_health_retirement_factsheet_V4.0_07.2013.pdf)

For a standard return after retirement, NHS Pensions have produced the following fact sheet to help you understand your options. Click the following link

[http://www.nhsbsa.nhs.uk/Documents/Pensions/Returning to work after Retirement factsheet V2.0 07.2013.pdf](http://www.nhsbsa.nhs.uk/Documents/Pensions/Returning_to_work_after_Retirement_factsheet_V2.0_07.2013.pdf)

Or type the following into your browser

[http://www.nhsbsa.nhs.uk/Documents/Pensions/Returning to work after Retirement factsheet V2.0 07.2013.pdf](http://www.nhsbsa.nhs.uk/Documents/Pensions/Returning_to_work_after_Retirement_factsheet_V2.0_07.2013.pdf)

**There is no general ruling that applies to everyone about not working in excess of 18.75 hours after retirement- each individual's circumstances vary and you are**

advised to seek guidance from the Paymaster. Details on how to contract the Paymaster will be provided to you in your Statement of Retirement Benefits, which will be sent to you directly from NHS Pensions (normally sent between 2 weeks prior to retirement and 4 weeks post retirement).

Please note for the first calendar month after you retire though you must not work more than 16 hours a week if you have any pensionable service in the 1995 pensions scheme.

Please note if you decide to return to work, NHS Pensions will pay your lump sum within 30 days of your retirement date. However, your pension will be withheld until our Payroll/Pensions Team have confirmed to NHS Pensions that you are back on the payroll, with details of your new assignment.

With regards to returning to work after retirement, the key sections are:

*If I return to NHS employment after retirement will my benefits be affected?*

In the NHS Pension Scheme if you are over the normal retirement age (60 for 1995 Section members and 65 for 2008 Section members), then your pension will not be affected if you return to work in the NHS.

Your benefits will also not be affected if you are in receipt of benefits under the 'new style' redundancy arrangements. The rationale behind this exception is that;

1. there are no increases to pensionable service through the new style redundancy arrangements and,
2. you will have funded the unreduced element of your pension using some or all of your redundancy compensation lump sum.

In all other types of retirement your pension may be affected. More information and worked examples can be found in the Retirement Booklet available in the Pension Scheme forms section available here:

<http://www.nhsbsa.nhs.uk/4117.aspx> The pages from this booklet are reproduced below for your reference.

Dependant on your earnings at the end of each financial year, your employer (or you) may be asked how much you were paid during the year from 1 April to 31 March. This will be compared with your earnings margin and the pension you received for the year. If you have been retired for less than a full year any monies earned prior to retirement will not be included.

Comparing your pay against your earnings margin will show whether you were paid more or less than expected during the year. The amount of pension that you are paid may be adjusted in order to avoid an overpayment or shortfall of pension during the coming year.

If you have been paid too much pension for the year you will have to pay the overpayment back. If your pension has been underpaid, arrears will be paid to you to make up the shortfall. Your pension payment will be reviewed immediately if your expected pay for the year changes due to:

- a pay rise
- a change in your grade
- a change in the number of hours you work
- a backdated award that increases your pay from the day your NHS work started
- a change in your surgery partnership share (medical and dental practitioners only).

#### If your pay and/or hours vary

Our paying agents will let you know the amount you can earn without affecting your pension payments. Because your pay/hours vary it is difficult to forecast whether your pension will be affected, so a half yearly check on your pay will be carried out. You will be notified how much pay you can receive each half year before the payment of your pension maybe affected. This figure is called your half yearly earnings margin.

Your employer (or you) will be asked how much you were paid during the half year. This will be compared with your half yearly earnings margin. This is done so that overpayments of pension can be avoided wherever possible.

At the end of each financial year your pay for the whole year will be compared with your Annual Earnings Margin (your half yearly earnings margin x 2). This has the effect of 'spreading' your pay evenly across the whole year. This could mean that if you have repaid pension because you were overpaid in one half of the year but have been below your earnings margin in the other, you may receive some pension back. In some circumstances however, it could mean that there has been a further overpayment of pension which you will have to repay.

The amount of pension you are paid each year may be adjusted in order to avoid an overpayment or shortfall of pension during the coming year.

## What changes should I tell the paying agent about?

The pension you are entitled to while you are working may change if you have:

- an increase in your pay
- a pay rise backdated to when you started work, or carried on working, in the NHS
- a change in the conditions of your work (including promotion)
- a change in the number of hours you work
- a change in your partnership share (medical and dental practitioners only).

### Important

Failure to notify any change in your pay or hours whilst re-employed in the NHS may result in an overpayment which you will be required to pay back.

