

A decorative graphic consisting of a blue horizontal bar with a green-to-blue gradient on the left side, tapering to a point in the center.

## **NHS Pensions - Limited company annual certificate of pensionable income 2016/17**

Guidance notes for the completion of the certificate incorporating frequently asked questions

## Contents

Introduction	1
Who should complete this certificate?	2
What happens after I have completed the certificate?	2
Completing the certificate: Boxes A - Q	3
Calculating your pensionable pay: Boxes 1 - 98	7
Annex A: GP providers pensionable pay	22
Annex B: Out of hours providers with NHS Pension Scheme Employing Authority status during 2016/17	26
Annex C: Frequently asked questions	28
Annex D: Illustration of maximum dividend calculation by shareholder	36
Annex E: Illustration of dividend allocation for a June year end	37
Annex F: Illustration of dividend allocation for a March year end	38
Annex G(i): Example certificate; unbroken 1995/2008 and 2015 service	39
Annex G(ii): Example certificate; broken service between 1995/2008 and 2015	49
Annex H: Tiered rates GP and Non-GP Providers	59

## Introduction

This booklet is issued by NHS Pensions to give guidance on the completion of the Limited Company Annual Certificate of Pensionable Profits 2016/17 (the “Ltd certificate”). The Ltd certificate is subject to changes each year, and these guidance notes are aimed specifically at the 2016/17 certificate only. (copies of guidance notes and frequently asked questions from earlier years are available on the NHS Pensions website).

In completion of the Ltd certificate you must be mindful of the overall requirements, rules, regulations and legislation surrounding the NHS Pension Scheme. The rules of the NHS Pension Scheme are laid down in regulations agreed by Parliament. They are the National Health Service Pension Scheme Regulations 1995 (“NHSPS Regulations”) and subsequent amendments, the National Health Service Pension Scheme Regulations 2008 and subsequent amendments and the National Health Service Pension Scheme Regulations 2015 and subsequent amendments. You can view these on the NHS Pensions website at: [www.nhsbsa.nhs.uk/nhs-pensions](http://www.nhsbsa.nhs.uk/nhs-pensions)

You should also have regard to tax law and Companies Act legislation.

This booklet does not seek to offer definitive guidance in any of these areas of legislation, and specialist professional advice must always be sought in the event of any uncertainties.

Similarly, NHS Pensions cannot offer any specific advice on the completion of the Ltd certificate.

Background information on the NHS Pension Scheme can be found in the current versions of the Member Guide to the NHS Pension Scheme and in employers newsletters which can also be found on [www.nhsbsa.nhs.uk/nhs-pensions](http://www.nhsbsa.nhs.uk/nhs-pensions).

## Purpose of the certificate and levels of contributions

The purpose of the certificate is to calculate a provider's pensionable NHS earnings, the rate of contribution due and the balance of the contributions payable or repayable for the year in respect of that provider's income derived as a shareholder in a company holding a GMS, PMS, SPMS or APMS contract.

Levels of tiered rate contributions charged can be found in the members' hub area of the website under the membership, pay and contributions heading: [www.nhsbsa.nhs.uk/nhs-pensions](http://www.nhsbsa.nhs.uk/nhs-pensions)

**Important note** – members of the 2015 Scheme may have their employee pension tier rate determined by their 'annualised' earnings. Please read the guidance at Annex H to assist you with determining the correct percentage to use.

The certificate can only be completed **after** your 2016/17 personal (and, if applicable, partnership) income tax return has been completed.

## Who should complete this certificate?

From 1 April 2006 dividends received from a company (limited by shares) that qualified to hold a GMS, PMS, SPMS or APMS contract and satisfies the NHS Pension Scheme Employing Authority criteria may be pensioned subject to the dividends being wholly in respect of NHS work.

Where a GMS, PMS, SPMS, or APMS practice/centre operates as a limited company the limited company version of the certificate ("Ltd certificate") must be completed. A shareholder will also have to complete the main 2016/17 GP Provider (and non GP Provider) Certificate of Pensionable Profits if they are also a partner or single hander elsewhere.

A GP provider who is/was a salaried GP (or long term fee based GP) in 2016/17 will also have to complete the Type 2 Practitioner Self Assessment Form to ensure they have paid tiered contributions in 2016/17 at the correct rate.

**Where a contract is held by a limited company and the provider receives a salary from the company, that salary must not be entered in box 3 or box 22 of the main 2016/17 certificate as such a salary will be included in this Ltd certificate instead.**

For guidance on multiple contracts please refer to the notes to box G.

## What happens after I have completed the certificate?

In England the Employing Authority/Commissioning Body is either Primary Care Support England (PCSE) (on behalf of NHS England) or, in Wales, the Local Health Board (LHB).

NHS England has delegated their primary care responsibilities to some Clinical Commissioning Groups (CCGs). These are known as delegated CCGs (dCCGs), however

responsibility for dealing with GP pensions remains with PCSE. References to PCSE should be taken to include delegated CCGs.

PCSE has introduced an online submission system for all GP forms and the 2016/17 certificates can be submitted through the online contact form by post. The website address for PCSE is <https://pcse.england.nhs.uk/contact-us/>

Once you are happy the details contained in the certificate are correct, you should sign the relevant declaration on pages 11 and/or 12, 13, 14 and submit the signed certificate to your PCSE team or, in Wales, the LHB. These are known as Commissioning Bodies.

Please note – although third parties (accountants) may submit the certificates on behalf of their clients using this system, only signed forms will be accepted by pcse. Unsigned forms will be returned.

In Wales, the LHBs remain as the pension administrators and certificates should continue to be submitted to them as previously.

The deadline for submission of the certificate is **28 February 2018**.

## **Completing the certificate: Boxes A - Q**

### **Box A: Your Name**

Enter the shareholder's (i.e. provider's) full name; do not use initials. If your surname has changed in 2016/17 please also provide your previous surname.

### **Box B: National Insurance Number Or Pension Scheme Reference Number**

Enter the shareholder's national insurance number or individual NHS Pension Scheme reference number. This is often known as your 'SD' number and begins with SD followed by two digits representing your year of birth (i.e. 1957 is 57) then six further digits.

### **Box C: Company's Full Name**

Specify the name of the company as it is registered with Companies House.

### **Box D: Company's Employing Authority Code**

The NHS Pension Scheme Employing Authority code is a letter followed by three digits; i.e. A123. Your practice/payroll manager should know this code, however if it is difficult to obtain enter the name of the practice.

### **Box E: Company's Registered Number**

Specify the company's number as it is registered with Companies House.

### **Box F: Type of Contract**

Specify the type of contract that this certificate relates to – GMS, PMS, SPMS or APMS.

### **Box G: Host PCSE or LHB**

GP providers should be aware that their 'commissioning' host may be different from their 'listing' PCSE/LHB.

In respect of a GP provider the host PCSE/LHB is the PCSE/LHB on whose performers list the GP provider is registered (or has been during the year) or the PCSE/LHB with whom the GP provider has a contract. In respect of a non GP provider the host PCSE/LHB is the PCSE/LHB that the non GP provider is (or has been) contracted with.

Where changes of practice and/or PCSE/LHB occur, there will be implications for your ltd certificate and you may need to complete more than one ltd certificate as described below.

Follow these instructions to determine how many ltd certificates you are required to complete:

a) Change of practice, but remain within the same PCSE/LHB.

In this situation, two ltd certificates will be required and the references in boxes D, & F may be different on each.

b) Change of practice, also with a change of PCSE/LHB.

In this situation, two ltd certificates will be required and the references in boxes D, F, & G may be different on each.

The host PCSE/LHB in this instance are the PCSE/LHB on whose performers list you are registered (or contracted with) either before the change in practice or at the year end, depending upon which ltd certificate is being completed.

c) Change of PCSE/LHB (i.e. due to a merger), but remain with the same practice.

In this situation, one ltd certificate only should be completed, with the entry at box G relating to the host PCSE/LHB upon whose performers list you appear at the end of the relevant year (i.e. 31 March 2017).

d) One limited company holds two or more contracts, whether GMS, PMS, SPMS or APMS. Strictly, to ensure compliance with the NHSPS Regulations, separate ltd certificates are required for limited company income (salary and dividends) from each contract. In practical terms, however, it is accepted that, where the number of contracts held by the limited company is exceptionally high, it would be difficult to extract the salary and dividends pertaining to each contract. In these circumstances, please contact NHS Pensions to agree a format for submission of the necessary ltd certificates.

## **Box H: Tax and NHS Pensions Scheme Year End**

This box is pre-filled.

## **Box I: Date You Became A Shareholder**

Where you became a shareholder during the year ended 31 March 2017, enter that date here. If your shareholding merely changed during the year, or you were a shareholder before 1 April 2016, no entry needs to be made.

## **Box J: Date You Ceased To Be A Shareholder**

Where you ceased to be a shareholder of the company, please enter the date of cessation here. Where you left the NHS Pension Scheme, but retained ownership of your shares, such as when you become a deferred member or have disposed and reacquired shares for 24 hour retirement purposes, enter the date of leaving the scheme and describe what has happened at box 94.

## **Box K: Added Years Cap**

Prior to 1 April 2008, members who first joined the Scheme on or after 1 June 1989 were subject to the pensionable earnings cap; i.e. the member could only pension NHS earnings in the NHS Scheme up to a prescribed limit. If a member joined before 1 June 1989 but had a break in pensionable employment of more than a year after 1 June 1989 they were also subject to the cap.

With effect from 1 April 2008, the earnings cap has been removed and mainline employer and tiered employee contributions are to be based upon full NHS pensionable earnings.

**However, if an NHS Pension Scheme member, who was previously subject to the cap, is buying added years under an agreement that started before 1 April 2008, those added years remain subject to the cap. Contributions in respect of the earnings subject to the added years cap are still limited to £150,600 for 2016/17.**

**Any added years agreements starting on or after 1 April 2008, are NOT subject to the earnings cap and contributions will be payable on the full actual NHS pensionable earnings. Do NOT enter "Yes" in box K if this is the case.**

Further information and guidance on the operation of the earnings cap can be found on the NHS Pensions Agency website in the Earnings Cap factsheet, in the employer hub area under practitioner forms.

## **Box L: Provisional Accounts**

Note your 2016/17 personal tax return will not necessarily need to have been completed to enable you to make the entries on your 2016/17 ltd certificate. It will,

however, be beneficial to have done so to cross reference the entries extracted from the company records.

There is no reason why the figures for salary and dividend from two sets of accounts should be provisional as they are taxed on a receipts/paid basis and definite figures will be known for the tax year. The entries on the ltd certificate should not, therefore, be from provisional personal tax return figures.

It is possible, however, that the accounts for the year end falling after 5 April 2016 may not have been prepared by the time you need to submit the limited company certificate. In these circumstances, an estimated figure will be required in box 5a and box L should be ticked. An adjustment to pensionable pay will then be required on your 2017/18 ltd certificate to correct the position.

See also the guidance for box 5B below.

### **Boxes M and N: 2015 Scheme**

Some GPs may have joined the 2015 Scheme in the pension year 2016/17. If so, their tiered contribution rate may be based upon annualised earnings if they have had any breaks or started or retired during the pension year.

If you have moved into the 2015 Scheme in 2016/17, tick box M and enter the relevant date in box N.

Further guidance is available at Annex H and on the NHS Pensions website.

### **Box O**

Tick this box if you are completing the certificate for seniority purposes only.

### **Boxes P & Q**

Box P should be ticked in the following circumstances:

- i) You were a member only of the 1995/2008 Scheme in the scheme year (for whatever duration) and were not a member of the 2015 Scheme, or
- ii) You were a GP member of an NHS Pension Scheme (1995/2008 and/or 2015) on 1 April 2016 and on 31 March 2017 and there was no single break in type 1 and/or type 2 practitioner service exceeding one calendar month (i.e. a break covering the period of the 1<sup>st</sup> of one month to the last day of that month) in between those two dates.

If you have ticked box P, your pensionable pay will be based upon your aggregate practitioner earnings and you should complete the remainder of page 4.

When you cannot tick box P, you will have 2015 Scheme membership with some missing service, which could be before, during or after 2015 Scheme membership. If this is the case, do NOT tick box P or complete page 4, but move on to page 5 and tick box Q.

Annualisation of 2015 earnings will be required in this instance. See the notes to boxes 33 to 45 and Annex D for further information.

## **Calculating your pensionable pay: Boxes 1 - 98**

### **Important notes regarding the following guidance:**

Any comments made for boxes 1A, 2A, 3A etc apply equally to boxes 1B, 2B, 3B etc. Unless otherwise stated, all instructions are relevant to figures for each particular year end being considered. Separate guidance will be provided in specific instances where differences are required.

Pensionable limited company income for the year ended 31 March 2017 is based upon the employment income and dividends received from the company in the tax year 2016/17, i.e. the year ended 5 April 2017. Dividends and salary paid in the 5 days from 1 April 2017 to 5 April 2017 will therefore be included in the 2016/17 pensionable pay.

In looking at the payment of dividends, only legal dividends as per section 830 of the Companies Act 2006 will be considered to be pensionable. Section 830 says that a company may only make distributions out of profits available for the purpose. A final dividend will require full accounts to be prepared to determine whether such a dividend can be paid. A final dividend will be treated as paid when it is declared by ordinary resolution.

It is feasible that the limited company may pay a GP provider a commercial fee, which is an expense within the company, for services or work done over and above that required of him/her by the shareholder agreement. This may be allowable as a deduction in the company accounts in line with HMRC guidance at page BIM38110 of their business income manual. Such income is not income derived as a shareholder of the limited company and plays no part in the certificate to which these notes refer.

It is likely that a type 2 medical practitioners self assessment form will be required for such income, with the appropriate GP SOLO forms having been completed for payments to the GP.

Full accounts do not need to be prepared to pay an interim dividend. This may be authorised by the directors and will be treated as paid when the entry is made in the company records.

Documentation and records should not be backdated to retrospectively declare a dividend.

NHS Pensions confirms that there can be no carry forward of undistributed pensionable dividend income. Only dividends legally paid and declared for an accounting period can be pensionable. Pensionable NHS dividends will be treated as the first slice of dividends paid for the accounting period, to the limit of the maximum pensionable amount of dividend (see more in the notes to box 2 and annex D). Any

dividends paid in excess of the maximum pensionable amount, no matter to what tax year they relate, will not be pensionable.

### **Box 1: Accounting Year End**

Salary and dividends paid in 2016/17 may be paid from two or more accounting year ends. Enter these accounting year ends in boxes 1 and 1A.

For 31 March year ends, enter 31 March 2017 in box 1 and 31 March 2018 in box 1a. The other procedures are exactly the same as for any other year ends.

Where the company only started in 2016/17 and therefore has no accounting period ending in 2016/17, enter the first accounting period end date in both boxes 1 and 1A, with the corresponding total income and non-NHS income figures for that period in both sides of page 1.

### **Box 2: Share Of Total Income**

The figure in box 2 should be your share of the company's total medical related (NHS and non-NHS) income as calculated for, say, shareholder 1 in annex D.

Annex E (June year end) and annex F (March year end) provide diagrammatic illustrations of how the dividends in respect of these different accounting years would be pensionable on the ltd certificate based upon dividend figures as per Annex D.

NHS Pension Scheme regulations allow for pooling of certain outside appointment income. Examples of this may include CCG positions, appraisal income or salaried hospital appointments.

The figure in box 2, (step 1 from annex D) for the company's total income and non-NHS income, must exclude GP SOLO or NHS GP locum income (recorded on locum forms A or B) paid to the limited company. Such income is generally deemed to be private income with superannuation contributions already deducted and should **not** be paid into the company.

Should such income be paid to the company and pooled with other income, it should be paid gross **plus** the employer contribution.

Where GP SOLO income (e.g. some CCG, appraisal, appointment income) has been paid into a company's bank account net, i.e. after the deduction of SOLO superannuation contributions. This income should **not** form part of the company's income.

Similarly, employment income is also private income and should be retained privately. The administrative practice (HMRC Employment Income Manual EIM03000 to EIM03004, also Business Income Manual BIM40350 to BIM40360 and Extra Statutory Concession A37) of including certain employment professional fees as professional fees within the trading income rules does not apply, other than in very restrictive circumstances, to receipts by a limited company. Any salaried appointments that have traditionally been paid into a partnership and pooled

between partners should not be paid into a limited company. Where the shareholders' agreement stipulates that such salaried appointment income is pooled between shareholders, that income should not appear in the company accounts. Effect may be given to the 'pooling' by allocating additional salary or dividends to the non-salary-earning shareholders appropriately.

### **Box 3 – Non-NHS Income**

State your share of the amount in box 2 that was in respect of non-NHS medical related work. This includes private income, insurance reports and medicals, etc.

### **Box 4 - NHS Income**

Box 4 will state the company's total NHS income and must not include SOLO, GP locum, or employed NHS income. Box 4 must not include any private income.

### **Box 5 – NHS Income Ratio**

The figure in box 5 is the NHS income/non-NHS income ratio for the purposes of calculating the element of company salary and dividends that are 'NHS pensionable'. It is recognised that the accounts for the year end falling **after** 5 April 2017 may not have been prepared by the deadline for submission of this certificate. Where this is the case, no entries are required at boxes 1A, 2A, 3A and 4A and an estimated figure only is required at box 5A. You should use your knowledge of your affairs to make a best estimate for the ratio that is entered in box 5A.

Alternatively, if the ratio of NHS to total income for the accounts to which box 5A relates is expected to be in line with those for box 5, then it is acceptable to utilise the same percentage in box 5A.

Where a different percentage is used, please describe in box 94 how this has been determined.

Where an estimated figure was used in box 5A of the 2015/16 ltd certificate, then an adjustment is required to the pensionable pay in 2016/17. Further entries will be required at box 82 onwards, and then boxes 10 and 19 as a result.

Where an estimated percentage figure has been utilised in box 5A for 2016/17, then correcting figures will be required on the 2017/18 ltd certificate.

### **Box 6 – Accounting Year End**

These boxes must reflect the company year ends from boxes 1 and 1A.

### **Box 7 – Salary Received**

You must enter your gross limited company salary, i.e. before the deduction of tax and National Insurance, paid in the year 2016/17 that relates to the accounts referred to at box 6 above. Such a company salary should not have had superannuation deducted at source as it is the purpose of this certificate to collect

this superannuation. Where, however, such a salary has incorrectly been pensioned through the payroll, the salary gross of tax, NIC and superannuation should be entered in box 7 and the contributions deducted entered in boxes 56 to 59 and 73 to 76.

Where personal expenses have been incurred and are claimed on the employment pages of your tax return at boxes 17 to 20, enter in box 7 the net figure after the deduction of these expenses. This is a different approach to the calculation of officer pensionable pay, but is required by NHSPS Regulations for GPs and non GP providers.

### **Box 8 – NHS Element Of Salary Received**

The purpose of box 8 is to calculate what element of your company salary is in respect of NHS income.

### **Box 9 – Total Pensionable Salary for 2016/17**

The purpose of box 9 is to total the two elements of pensionable salary paid by the company that falls into 2016/17.

### **Box 10 – Adjustment For 2016/17 Pensionable Salary**

The figure in box 10 is the result of the calculations on page 7 and is used to amend the pensionable salary figure for 2016/17 to compensate for over/under statement of the 2015/16 figure.

### **Box 11 – Adjusted Total Pensionable Salary for 2016/17**

This provides the total pensionable salary figure for 2016/17.

### **Box 12 – Share Of Profit After Tax**

The narrative beside box 12 on the certificate states that pensionable dividends will be treated as the first slice of dividends paid for the accounting period. In order to determine the maximum pensionable dividend you must first determine the company's overall income, expenses and corporation tax and hypothetically allocate these to each shareholder to whom dividends have been paid during the company's accounting year.

The company income, expenses and corporation tax are allocated in the ratio of the scheme member's personal dividend income for the year to the total dividends paid in that year. In this way each shareholder is apportioned at box 12 a maximum theoretical share of profit after tax. On no account should brought forward undistributed profits from earlier years be included in this calculation. See annex D for an illustration.

### **Box 13 – Maximum Potential NHS Pensionable Dividend**

This maximum theoretical dividend from box 12 is then apportioned between the maximum **potential NHS dividend** and the remaining non-NHS dividend. See annex E and F for an illustration.

#### **Box 14 – Net Dividend Received**

This reflects the actual net dividend paid in respect of the respective accounting years at boxes 6 and 6A above. This is the full dividend paid as per the company accounts.

#### **Box 15 – Maximum Actual Pensionable Dividend**

Box 15 is the lower of 1) the maximum potential NHS dividend from box 13 and 2) the actual dividend paid from box 14.

#### **Box 16 – Dividend Paid Before 6 April 2016**

NHS dividends are deemed to be the first slice of dividend payments made. Box 16 is therefore the amount of total dividend relating to the accounting year in box 6 that was paid before 6 April 2016. This figure also represents how much of the box 15 maximum pensionable dividend was used up by the pre 6 April 2016 dividends.

#### **Box 16A – Dividend Paid Before 6 April 2017**

Box 16A is the total amount of dividends paid before 6 April 2017 but in the company accounting year end shown in box 6A. As pensionable dividends are deemed to be the first slice of dividends paid, all of these will be pensionable in 2016/17, provided they don't exceed the maximum level of pensionable dividends per box 15A.

#### **Box 17 – NHS Pensionable Dividend For 2016/17**

Box 17 is the result of subtracting box 16 from box 15. This is the amount of dividends paid after 6 April 2016 and in respect of the accounting year shown in box 6 which are pensionable. If the company has made a loss in the accounting year the figure in box 15 could be nil, therefore by subtracting box 16 a negative result may arise. Where this is the case the figure in box 17 should be restricted to nil.

#### **Box 17A – Lower Of Boxes 16A And 15A**

Box 17A is the lower of boxes 16A and 15A. This reflects the actual pensionable dividend for 2016/17 that relates to the accounting year end shown in box 6A.

#### **Box 18 – Pensionable Dividend For 2016/17**

The purpose of box 18 is to total the two elements of pensionable dividend paid by the company that fall into the year ended 5 April 2017.

#### **Box 19 – Adjustment For 2016/17 Pensionable Dividend**

The figure in box 19 is the result of the calculations on page 7 and is used to amend the pensionable dividend figure for 2016/17 to compensate for over/under statement of the 2015/16 figure.

### **Box 20 – Total Pensionable Dividend For 2016/17**

This provides the total pensionable dividend figure for 2016/17.

### **Box 21 - Total Pensionable Pay For 2016/17**

Box 21 totals the pensionable salary and pensionable dividend for 2016/17. This is your total limited company pensionable pay for 2016/17.

### **Box 22 – Pensionable Pay For Added Years Purposes**

Also see notes to box K. Only enter a figure in this box if you are capped **just** for added years purposes. From 1 April 2008 a cap does not apply to mainstream pensionable pay.

The figure in this box would normally be the earnings cap relevant to 2016/17 (£150,600).

However, care should be taken when entering a figure here if you also have income pensioned separately (e.g. salaried appointments or GP locum income) or pensionable income derived from a GMS/PMS contract. Under these circumstances the correct amount may not be the full value of the cap as an amount of the cap may have been allocated against these other sources.

Where the cap applies to your added years contract, your **total** NHS pensionable income from **all** NHS sources in the year ending 31 March 2017 cannot exceed £150,600.

**NHS Pensions cannot advise on the application of the cap to any particular source of NHS income.**

**Professional assistance should always be sought on this issue from an appropriately qualified Independent Financial Adviser.**

### **Box 23 – Seniority For 2016/17 From Each Accounting Year End**

Seniority payments (if applicable) have to be separately identifiable in the certificate in accordance with the Statement of Financial Entitlements mainly for the purposes of the calculation of average adjusted superannuable income.

The figures in these boxes should be the amount of seniority received by the company for you in the company accounts in the year ended 31 March 2017. No adjustment should be made for employer superannuation contributions.

Where the company accounting year end is not 31 March, each box will reflect one, two or three quarters of the seniority paid to the company for you in the year ended

31 March 2017. Seniority payments are made in the practice statements of June, September, December and March. If the accounting year end were, for example, 30 June, box 23 would contain the seniority payment for June 2016 from the accounts for the year ended 30 June 2016 and box 23A would contain the seniority payments for the three quarters ended 30 September 2016, 31 December 2016 and 31 March 2017 from the accounts for the year ended 30 June 2017.

### **Box 24 - Total Seniority**

This is the sum of the four quarters of seniority for the year ended 31 March 2017.

### **Box 24A – Excluded Income For Seniority Purposes**

The Department of Health have confirmed what constitutes superannuable income for seniority purposes. This includes mainstream GP income from GMS, PMS, APMS practice, out of hours, GP with Special Interest income, CCG income etc. Specifically excluded, however, are income from honorary board posts, salaried clinical positions (other than bed fund posts) and salaried community medical officer posts.

The purpose of box 24A is to identify any amounts that the PCSE/LHB may have to deduct from the pensionable pay declared at box 21 that are not relevant for pensionable pay for seniority purposes.

Usually no entry should be required in this box on the Ltd certificate because any excluded income is generally in the form of a salaried PAYE position and would therefore be personal income that appears on an individual's personal tax return and would not be paid into a limited company. However, this box is present on the certificate, to enable the exclusion of a shareholder's share of excluded income paid to the company that may have been paid on a fee basis.

### **Box P and boxes 25 - 32 – Establishing Tier Rates For Employee Contributions**

Employee contributions in 2016/17 range from 5% to 14.5% as stated on page 4 of the certificate. These tiered rates are absolute and should not be time apportioned for anyone who is a member of the 1995/2008 scheme for less than 12 months.

The purpose of these boxes is to determine the employee tiered rate that is to apply to practitioner pensionable pay for 2016/17 and which appears in boxes 48 and 65.

Tick Box P if you have been in an NHS Pension Scheme throughout the year, or at least were a member from the start of the year to leaving prior to the end of the year and not returning

#### **i. GP Providers**

The tier rate payable in 2016/17 may be determined differently to previous years, depending upon the Provider's circumstances, when they have moved to the 2015 Scheme. Previous aggregation rules for assessing tiered levels may not be appropriate in 2016/17. Different rates may apply to 1995 (or 2008) pensionable pay

than to 2015 pensionable pay, and having different 'annualised' sources of 2015 pensionable pay may mean higher rates apply.

Where a GP Provider is a member of the 1995/2008 Scheme only in 2016/17, their tiered rate is based upon their total NHS GP income even if they have had breaks.

Where a GP is a member of the 2015 Scheme during year 2016/17 and they have had no breaks in service (i.e. a seamless transfer from 1995/2008 or a complete year of 2015 membership) their tiered rate is based upon their total NHS GP income (i.e. the sum of 1995/2008 and 2015).

Where a GP Provider is a member of the 2015 Scheme during the year 2016/17 and there has been a break at some point, 'annualisation' of 2015 Scheme GP income may need to occur.

For the purposes of assessing whether to tick box P, distinction needs to be made between 'breaks' in service and 'gaps' in service. For the purposes of this certificate;

- i) A break in service relates to missing service at some point between membership on 1 April 2016 and membership on 31 March 2017. Where any such break is less than a calendar month (see notes to box P), service is deemed to be continuous and box P and page 4 should be completed. Although unlikely, should a member be out of the scheme from the 2<sup>nd</sup> to the 27<sup>th</sup> in every month of the scheme year, as a calendar month has not elapsed the membership is considered continuous from 1 April 2016 to 31 March 2017. At the extreme, it may therefore be feasible to have only 53 days actual membership in the year, but no annualisation occurs as membership is continuous.
- ii) A break in service may also relate to missing service at some point between membership on 1 April 2016 and on 31 March 2017, but where the break is greater than one calendar month. In this instance type 1 2015 practitioner income is annualised. Type 2 income and annualised locum income will also then be added to this. In this instance, do NOT tick box P and complete page 4, but tick box Q and complete page 5.
- iii) A gap in service is taken to mean non-membership on either 1 April 2106 or 31 March 2017 or any period between leaving the 1995/2008 Scheme and joining the 2015 Scheme. In this instance, annualisation of the type 1 2015 practitioner income will occur, regardless of the length of the 'gaps' in service. It may be noted from this that annualisation must occur when there are 364 days of actual 2015 membership and no previous 1995/2008 service. Where there is a gap in service of this nature, do NOT complete page 4 but tick box Q and complete page 5.

Where ii) or iii) above are the case, 2015 income is annualised as below and any 1995/2008 pensionable income is allocated its own tier by reference to the aggregate income in that scheme. This may consequently a different rate to that for the 2015 Scheme.

In assessing the tiered rate, GP Providers must account for all their global NHS GP pensionable income. This includes:

- Type 1 (principal) practitioner income/certified profits
- Type 2 (assistant) practitioner income
- Pensionable GP locum (practitioner) income (i.e. 90% of the gross)
- SOLO income (i.e. OOH, appraisal, CCG etc)
- Salaried bed fund posts, which are treated as practitioner positions
- Pensionable pay from the limited company certificate of pensionable profits

Income from PAYE salaried officer (i.e. clinical assistant/hospital) posts should be excluded from the aggregation above and should be allocated a contribution tier separately according to the rules governing officers within the scheme in 2016/17. Salaried bed fund posts are, however, considered to be practitioner positions and should be included.

Members should refer to Annex H and the accompanying examples.

## ii. Non GP Providers

Non GP providers can only pension income from one source and therefore tiered allocation will be based on their pensionable earnings from that single source.

### **Important note – GP Locum work and employed practitioner posts**

Where it transpires that, following assessment and allocation to a tier, the incorrect percentage of employee contributions have been paid on 2016/17 GP Locum income through forms A & B, salaried practitioner or bed fund posts, the GP must contact PCSE/LHB to correct any arrears/apply for a refund. Any arrears or refunds in respect of such contributions are outside the scope of this certificate. Please refer to the notes on the Type 2 Medical Practitioner Self Assessment Form and GP Locum form B for further information.

In the rare circumstance the organisation no longer exists and there are tier adjustments to the contributions, please contact NHS Pensions for further advice using the following email address: [nhsbsa.practitioners@nhs.net](mailto:nhsbsa.practitioners@nhs.net)

### **Boxes 32A and 32B**

It is also necessary to determine the pensionable pay separately where one will have membership in two different schemes in the year. Pensionable pay will have to be allocated to the correct scheme record. For limited company pensionable pay, this will involve a time apportionment of the figure from box 21. Despite the fact that it will be possible to identify the pay dates of salary/dividend, and thus allocate actual pay to certain periods and schemes, NHS Pensions has taken a pragmatic approach and will time apportion all limited company income round the transition date to the 2015 Scheme.

### **Box Q and boxes 33 to 45: Contribution Tiered Rates Continued**

If you have ticked Box Q, please use the information here, above and provided in Annex D, to complete boxes 33 to 45. This possibly entails apportioning income between schemes, together with the 'annualisation' of 2015 income. These boxes are being completed as the tier rate for each scheme is assessed differently. Boxes 33A to 44A, where applicable, will all have income relating to the period when 1995/2008 membership ceased. Similarly, boxes 33B to 44B will only contain income from the date of joining the 2015 scheme.

It will be necessary to apportion main practice income from box 21 between boxes 33A and 33B, on a daily basis, dependent upon the date the 2015 Scheme was entered. Do not include the days of any gap between moving from 1995/2008 to 2015; use the actual days of service. This will also need to occur for type 1 income from other type 1 certificates. The same date of transition will apply for each, so the same days are to be used. Similarly, locum income (annualised where necessary in the 2015 Scheme) will need to be placed into the correct scheme in boxes 39 and 41.

Please note – in a change of approach from 2015/16, when entering concurrent GP Solo income in to boxes 42A and 42B, annualisation does not apply to them. The actual earnings are included here, apportioned between schemes. Although it may be possible to identify GP Solo income specifically to each period, NHS Pension has taken a pragmatic approach and will time apportion Solo income too.

Please follow the explanations and examples in Annex D to assist you in completing these boxes. Most situations will be straightforward, but locum income and service gaps and breaks can pose particular problems.

In 2016/17 the GP certificates annualise type 1 2015 income together. There may, for instance, be type 1 GP partnership income in the period 1 April 2016 to 31 August 2016 and type 1 GP limited company pensionable income for the period 1 July 2016 to 31 March 2017. There is type 1 practitioner income throughout the 2016/17 scheme year in this instance, and therefore the tiered rate applicable would be the aggregate of the two type 1 income sources. In this example the combined service is 427 days (153 days partnership and 274 days limited company), but for practitioner purposes this is limited to a maximum of 365 in box 60.

Similarly, even where the total of type 1 service is less than 365 days, the annualisation should only be performed using actual days of membership without counting overlapping periods. For instance, type 1 GP partnership in the period 1 June 2016 to 31 August 2016 (92 days) and type 1 limited company from 1 August 2016 to 31 December 2016 (153 days) will only be annualised using 214 days in box 38 and therefore not double counting the overlapping August days.

Boxes 33B to 38 total all of the type 1 positions together for the scheme and annualises the sum by reference to the actual membership in days to a maximum of 365. Box 39 then adds in locum income, annualised as per the guidance in Annex D where appropriate, and adds on non-annualised ad-hoc type 2 income. Box 44B consequently provides the total annualised and ad-hoc income for the 2015 Scheme

tiered rate and box 44A provides the actual aggregate income used for the 1995/2008 tiered rate.

The above figures determine the rates generated in boxes 45A and 45B for the respective schemes.

### **Boxes 48-51 and 65-68: Contribution Rates**

These boxes state the percentages at which the varying classes of contribution are paid.

### **Tiered Employee Contributions:**

Please see the notes above and the guidance at Annex H regarding the calculation of the appropriate tier.

### **Added Years**

No new added years contracts should have been commenced after 31 March 2009.

### **Money Purchase AVCs**

The figure in box 50A is your provisional NHSPS money purchase AVCs if you have a NHS money purchase AVC contract with the Prudential, Standard Life, or Equitable Life. This is generally based on a percentage of your pensionable pay however can be a fixed amount. Where it is a fixed amount, the annual amount should be entered in box 50B rather than box 50A. The amount in box 50B should then be copied into box 54.

Do not enter details in respect of any free standing AVC's.

### **Additional Pension Purchase**

Where an additional pension contract exists in 2016/17, it will be necessary to enter the contributions due in box 50C for the period from 1 April 2016, or commencement if later, to 31 March 2017.

Contributions for additional pension can be made either by a single lump sum or regular monthly payments. For single lump sum payments made during 2016/17 enter this sum in box 50C. Where payments are made monthly, enter the monthly amount multiplied by the number of whole months paid during the year ended 31 March 2017.

### **Early Retirement Reduction Buy Out (ERRBO)**

Where an ERRBO agreement exists in 2016/17 it will be necessary to enter the contributions due in box 67D for the period from 1 April 2016.

Where your agreement has been completed in 2016/17, an apportioned percentage for the days to the end of the contract should be calculated.

If you terminated or suspended your ERRBO agreement during 2016/17 any ERRBO contributions that you have paid during 2016/17 should have been returned for this year only. Please enter zero in boxes 67D.

### **Employer Contributions**

Employer contributions are 14.3% for 2016/17.

Where a limited company is providing GMS, PMS, sPMS, or APMS services, the NHS Pension Scheme employer contributions must be treated as an expense of the company.

### **Boxes 52-55 and 69-72 - Contributions Due**

Multiply the pensionable pay figure from box 32A or 32B, or 33A or 33B (or, if the cap applies for your added years purchase, an apportioned amount of the figure from box 22) by the relevant percentage figure from boxes 48 to 51 (65-68).

Where you have an NHS money purchase AVC paid as a fixed amount, the figure in box 54 (71) will match that in box 50B (67B).

Where you have an additional pension contract, the figure in box 54 (71) will match that in box 50C (67C).

Where you have a combination of arrangements under money purchase percentages/fixed amounts and additional pension purchase, the amount at box 54 (71) will reflect the total amount due for all such arrangements.

### **Boxes 56-59 and 73-76 – Contributions Already Paid**

These boxes must state the company based contributions already paid that relate to 2016/17 (i.e. not including payments made in respect of a previous year) for the particular scheme alone that the page relates to.

These figures should include payments already made to PCSE/LHB or deducted from your global sum or contract price payment 'on account' throughout the year by PCSE/LHB.

It should be emphasised that there is no link between the figures in these boxes and the level of contributions which are claimed for tax relief. The entry in these boxes will relate to those contributions made in respect of 2016/17 that were paid or deducted by PCSE/LHB before this certificate is submitted.

Boxes 56-59 (73-76) should not include any deductions from outside salaried appointments, locum income, GP SOLO income, appraisal income or any other privately earned amounts. Where the shareholder agreement determines that such income, although performed by a shareholder personally, should be pooled among all shareholders, the earning shareholder should be considered to have retained

those fees as private income and the remaining shareholders allocated additional salary or dividend to ensure they receive their entitlement.

The exception to the preceding paragraph is where a shareholder salary is paid by this limited company that has superannuation incorrectly deducted at source. Where this has occurred, the deductions (employee, employer and added years) should all be included in boxes 56-59 (73-76).

Clearly, where a member has transitioned from the 1995/2008 Scheme to the 2015 Scheme, the contributions relating to each will need time apportioning around the transition date, with those relating to 1995/2008 being entered in 56-59 and those to 2015 in 73-76.

### **Boxes 60-64 and 77-81 – Contributions Due Less Contributions Paid**

These are the balance of contributions to be paid/ (or refunded).

### **Boxes 82 - 93 – Prior Year Adjustment**

Where an estimated figure was included at box 5A of the 2015/16 Ltd certificate, an adjustment is required to ensure that the correct amount of income has been pensioned. These boxes calculate how much that adjustment needs to be.

It is possible that the adjustment may be negative and that the 2016/17 pensionable pay will be reduced as a result. Downwards adjustments of this nature may, in circumstances such as cessation and leaving the practice, mean that overall pensionable pay is negative. Where this occurs, it is necessary to go back and amend the previous year's certificate with the correct figures in the right hand side and submit to the PCSE/LHB. A nil return will then need submitting for 2016/17.

### **Boxes 82 and 82A – Accounting Year End**

Both of these boxes will be the accounting year end that falls in 2016/17 for which estimated figures were included on the 2015/16 certificate.

### **Boxes 83 and 83A - Comparison of NHS Income Ratio**

These boxes compare the estimated NHS income ratio from the 2015/16 certificate to the actual NHS income ratio from this 2016/17 certificate.

Box 83 will be the estimated figure from box 5A of the 2015/16 certificate.

Box 83A is the actual figure from box 5A of the 2016/17 certificate.

### **Boxes 84 and 84A - Salary Received in 2015/16**

These figures will be the same as they reflect the actual salary paid prior to 6 April 2016 that relate to the accounts ending after that date.

Both boxes 84 and 84A will be the salary from box 7A of the 2015/16 certificate.

### **Boxes 85 and 85A – NHS Salary**

The results at boxes 85 and 85A respectively will reflect the estimated pensionable salary from the 2015/16 certificate for the accounts ending in 2016/17 and the actual figure for this period from finalised accounts.

### **Box 86 - Adjustment Required For 2015/16 Pensionable Salary**

Box 86 is the result of subtracting box 85 from 85A and reflects the adjustment necessary to the 2016/17 pensionable salary at box 10 of this certificate to correct the estimate used in 2015/16.

### **Boxes 87 and 87A – Comparison Of Profit After Tax**

Box 87 and 87A will show the theoretical entitlement to profit after tax.

Box 87 will be the estimated entitlement as per box 12A of the 2015/16 certificate.

Box 87A will be the actual entitlement as per box 12A of the 2016/17 certificate.

### **Boxes 88 and 88A - Maximum Potential Pensionable Dividend**

Multiplying the potential after tax entitlement by the NHS income ratio produces the estimated maximum potential pensionable dividend and the actual maximum potential pensionable dividend.

### **Boxes 89 and 89A - Net Dividend Received**

Clearly the pensioned dividend may not exceed the actual dividend paid. The actual dividend paid for the accounting year is therefore entered here for the purposes of comparison and box 90 below.

Box 89 should match box 14A of the 2015/16 certificate, which may have been provisional.

Box 89A will match box 14 of the 2016/17 certificate.

It is probable that box 89 will also match boxes 14 and 89A.

### **Boxes 90 and 90A – Maximum Actual Pensionable Dividend**

Box 90 and 90A are the maximum actual pensionable dividends for the above accounting year end.

### **Boxes 91 and 91A – Dividend Paid Before 5 April 2016**

The purposes of boxes 82 to 93 are to amend an incorrect position in 2015/16 on the 2016/17 certificate.

Boxes 91 and 91A therefore identify the element of dividends paid in respect of the accounting year that were paid in 2015/16.

Box 91 will reflect the entry at box 16A of the 2015/16 certificate, which may have been provisional.

Box 91A will be the entry from box 16 on page 3 of the 2016/17 certificate.

It is probable also that box 91 will be the same figure as boxes 16 and 91A.

### **Boxes 92 and 92A – NHS Pensionable Dividend for 2015/16 For The Accounting Year Ending 2016/17**

Boxes 92 and 92A produce the estimated and actual NHS pensioned dividend for the above accounting year.

### **Box 93 – Adjustment To Pensionable Dividend For 2016/17**

By subtracting box 92 from box 92A, the necessary adjustment to the 2016/17 pensioned dividend is arrived at and should be copied to box 19. The number may be negative and will therefore reduce the 2016/17 pensionable dividend.

### **Box 94 – Notes To The Certificate**

White space to add any additional information deemed helpful to understanding the figures in the certificate and in particular re boxes 32A and 32B or 33A and 33B.

### **Boxes 95 to 98: Agent details**

As noted earlier in these notes, there is a new procedure for submitting certificates of pensionable profits for 2016/17. There is a PCSE online submission form through which attachments of certificates can be made. Where the member includes details in these boxes, the declarations have been amended to include authorisation for PCSE to contact the agent regarding any queries.

### **Declaration pages**

The GP or non GP Provider should sign and date the declaration on page 9 and/or 10 of the ltd certificate and submit to PCSE/LHB for processing, providing the summarised information at the bottom of the form as specified.

## **Annex A**

### **GP Providers Pensionable Pay 2016/17**

GP providers (i.e. type1/Principal Practitioners) pensionable income is listed below and is subject to the payments being net of expenses. The fees must be in respect of NHS primary medical services and be paid directly to the GP (or practice) by PCSE, an LHB, or Out of Hours Provider (that qualifies as a NHSPS Employing Authority).

#### **GP providers must pension income in respect of the following;**

Additional services

Adoption and fostering work (collaborative services)

APMS (where they are the contract holder)

Appraisal work

Blue (disabled) badge scheme (collaborative services)

Board and advisory work; i.e. non clinical NHS work including appraisals and CCG Board work

Case conference and other meetings arranged by Social Services (collaborative services)

Certificates to enable chronically disabled/blind persons to obtain telephones (collaborative services)

Certification services

Clinical Commissioning Groups (CCGs) payments directly from CCGs are pensionable from April 2013. See FAQs for further details.

Collaborative services (in accordance with section 26(4) of the 1977 Health Act)

Commissioned services

Contract price (PMS)

Dispensing

Dispensing services (i.e. the provision of drugs, medicines, and appliances).

Educating medical students or GPs in a practice (The fees must come directly from the Commissioning Body/EA and not a medical school or university)

Enhanced services (direct, local, or national)

Essential services

Family planning (Commissioned services)

Food poisoning notifications (Commissioned services)

General/Personal Dental Services

General Ophthalmic Services

Global sum (GMS)

GMS (where they are the contract holder)

GP Locum work (This work must always be recorded on GP Locum forms A, & B which can be downloaded from the NHS Pensions website. It must never be recorded on form SOLO or paid (as pooled pensionable income) into the practice accounts. A GP provider cannot record locum work in their own practice i.e internal locum work, on Locum forms A & B)

GPwSI (GPs with special interests) work (Commissioned services)

Health Education England payments directly to individual GPs or practices

IT

Lecture fees (Commissioned services)

Local authority work in England in respect of collaborative services, section 75 work and local enhanced services

Marriage difficulty sessions (Commissioned services)

Medical certificates (as listed in the GMS Contracts Regulations)

NHS Standard Contract income (where the GP is the contract holder)

Out Of Hours work for an LHB, Trust, or an OOHP that is an Employing Authority.

PCO administered funds

PMS (where the GP is the contract/agreement holder)

Practice Based Commissioning (PBC) (Only if paid direct to a GP, or GMS/PMS practice, by PCSE/LHB)

Premises (e.g. cost or notional rent)

Prime Minister's Challenge Fund (where the GP holds an existing APMS/PMS/GMS contract)

Priority housing reports requested by local authorities, (Collaborative services)

Prisoners' healthcare (fees in respect of prisoners' healthcare are pensionable subject to PCSE/LHB paying the fees directly to the GP/practice)

QOF (quality and outcomes framework)

Regional/AT sessions (commissioned services)

'Section 12' or mental health work (Collaborative services)

Seniority payments

Sessional work commissioned by family planning clinics (Collaborative services)

Social services reports (Collaborative services)

SPMS (Specialist Personal Medical Services)

Trainers grant

**GP Providers must not pension fees paid to them or their practice by the following:**

A Direction Body (i.e. a hospice)

DWP

A GP Federation \*

An Independent Provider \*

A Local Authority

A Local Medical Committee

A medical school

The Ministry of Defence

NHS Pensions (in respect of NHS ill health pension or Injury Benefit Scheme medical reports)

Police

Prisoners' healthcare - fees paid to a GP or their practice by an organisation that is not a NHSPS Employing Authority in respect of the national 'Drug Intervention Programme', private fees (i.e. travel vaccination fees not funded by the NHS), and cremation fees.

Fees paid to a GP by a hospital under an 'honorary contract' or under a service level agreement are not generally pensionable, however contact NHS Pensions for further guidance. An exception to this is where a GP is paid a fee by a hospital trust for a commissioned service (e.g. lecture fees), this remains pensionable.

Funds that a practice may inherit from another business, by virtue of acquiring that business, and that are drawn down later as a salary or dividends are not pensionable in the NHS Pension Scheme.

GP Providers cannot pension income they receive from another GMS/PMS/APMS surgery under a sub-contracting arrangement.

\*The rules in respect of Independent Providers and Federation changed from 1 April 2016.

### **Non-GP Providers (NGPP)**

Non-GP Providers can only pension income in respect of one GMS/PMS/APMS contract even though they may be party to several contracts.

Where a practice has a mixture of GP and non-GP partners, the non-GP partner pensionable income cannot exceed the GP partner pensionable income if they are all equal share partners.

## **Annex B**

### **Out Of Hours Providers with NHS Pension Scheme Employing Authority (“EA”) Status During 2016/17**

Badger Healthcare Ltd (W229)  
Banes Emergency Medical Services (W314)  
BARDOC (W107)  
BEDOC (Bedford On Call) (W206)  
Birmingham & District GP Emergency Room Ltd (W215)  
BRISDOC Healthcare Services Ltd (W316)  
Cambridgeshire Doctors On Call Ltd (W222)  
Core Care Links Ltd (W118)  
Cornwall Health Ltd (W319)  
Chorley Medics Ltd (W110)  
CUEDOC Ltd (Choc) (W101)  
Derbyshire Health United Ltd (W225)  
Devon Doctors Ltd (W303)  
East Berkshire Primary Care OOHs Services (W306)  
East Lancs Medical Services (ELMS) Ltd (W117)  
Fylde Coast Medical Services (NW) Ltd (W103)  
GOTODOC Ltd (W106)  
Herts Urgent Care Ltd (W227)  
Integrated Care 24 LTD (W313)  
Invicta Health Community Interest Company (W318)  
Local Care Direct (W112)  
London Central West Unscheduled Care Collaborative (W213)

M-DOC LTD (W208)  
Mastercall OOHs Services (EA Code W108)  
NEMS Community Benefits Service Ltd (W202)  
North Hants Urgent Care (W304)  
Out of Hours West Lancashire CIC Ltd (W102)  
Partnership Of East London Co-Operatives (PELC) Ltd (W216)  
Preston Primary Care Centre (W119)  
Principal Medical Ltd (W226)  
Shropshire Doctors' Co-operative Ltd (W201)  
SOUTH DOC Services Ltd (W223)  
St Helens Rota (W115)  
Urgent Care 24 Ltd (W113)

## **Annex C**

### **Frequently Asked Questions**

#### **General**

**Q. Do you have details of Primary Care Support England (PCSE)?**

A. Details of PCSE can be found on the PCSE website at:

<http://pcse.england.nhs.uk>

**Q. What happens if I don't complete the certificate?**

A. It is a mandatory requirement under the NHSPS Regulations and the SFE (Statement of Financial Entitlement) that Providers must complete the Certificate. Non-completion may therefore have an effect on your future NHS pension and benefits and may also affect your current and future seniority entitlements. Not completing the Certificate may have a detrimental effect on your (and your dependants') NHS pension benefits. The Statement of Financial Entitlements also states that monthly contractual payments may be withheld if a provider fails to complete the certificate.

**Q. Why do I have to complete the certificate on an annual basis?**

A. A provider's pensionable pay is based on their NHS income, less expenses. Therefore the only way to measure a provider's pensionable pay is for them to complete an individual certificate.

**Q. Who is a GP Provider's or non-GP Provider's NHSPS Employing Authority (EA)?**

A. In Wales it is the Local Health Board (LHB). In England it is NHS England who devolved local responsibility to PCSE.

**Q. Are GP shareholders eligible for seniority payments?**

A. Much depends on the contract. GP shareholders should seek clarification from their PCSE/LHB.

**Q. I am a GP partner and also legally own a share in an APMS practice/centre that operates as a company limited by shares. However, this share is held in trust on behalf of the practice/partnership. Who can pension income received from the company?**

A. If the company is a classic APMS Contractor in NHS pension terms (i.e. an APMS Employing Authority) only you can superannuate your APMS income by completing the limited company version of the Certificate. If, under the partnership agreement, you distribute the income to your practice colleagues they cannot pension it. For more information please contact [nhsbsa.practitioners@nhs.uk](mailto:nhsbsa.practitioners@nhs.uk)

**Q. Where should the Certificate be sent after it has been validated?**

A. PCSE or the LHB keeps the original. The Provider (or their accountant) must retain a copy. From 2016/17 PCSE use their online contact form to submit certificates. Please see the early part of the guidance notes for details of this.

## General Status Questions

**Q. I have retired from my provider post; do I still have to complete the certificate?**

A. Yes, if you were in 'pensionable employment' during 2016/17.

You may also voluntarily complete the certificate solely for the purposes of establishing your entitlement to the seniority allowance even if you were not an active Scheme member in 2016/17.

**Q. I am a non GP Provider; do I still complete the certificate?**

A. Yes. Every non GP provider must complete the certificate annually. As non GP providers are classed by the Scheme as 'whole-time officers' (regardless of the hours they work) they can only be 'pensionable' in one practice/centre and therefore are only required to complete one certificate. By virtue of the fact that non GP providers are classed as whole-time they must decide, after seeking expert advice, which of their NHS posts should be pensionable.

**Q. I am a GP provider in two or more separate practices/centres; do I need to complete two certificates?**

A. Yes, even if the practices are located within the same PCSE/LHB boundary.

**Q. I am a GP provider; do I have to complete more than one certificate if I had more than one host PCSE team or LHB in the same year?**

- A. If you relocated during the year then you must complete a certificate in respect of each practice. However, if your host PCSE/LHB changed due to a PCSE/LHB merger (but you did not change practices) only one certificate is required. If you moved from England or Wales to Scotland (or Northern Ireland) you will need to complete one certificate in respect of England/Wales and another in respect of Scotland (or Northern Ireland)

**Q. I am a salaried GP (i.e. a performer) directly employed (i.e. under PAYE) by a practice, LHB, or SPMS/APMS provider; do I have to complete a certificate?**

- A. Yes, you are legally required to complete a Type 2 Self Assessment Form at the end of the pension year 2016/17. This is to ensure you have paid the correct rate of tiered contributions. This form is on the NHS Pensions website.

**Q. My GMS/PMS/APMS practice converted from being a partnership to a limited company on the 1st of October 2016, how does this affect the certificate?**

- A. Each GP (and non GP) provider must complete 2 certificates, the main certificate covering the period 01/04/2016 to 30/09/2016 and the limited company certificate covering the period 01/10/2016 to 31/03/2017.

**Q. I am a GP with my own ltd co practice however, for tax reasons, have separately set up another ltd co as a vehicle for my fringe NHS (i.e. locum, OOHs) income to flow through. Is this pensionable?**

- A. No. If you have set up a limited company yourself (i.e. as an individual) that is a separate legal entity to your practice any income that is paid to you cannot be pensionable. This is because the unique limited company that you have set up does not qualify under the Regulations as an Employing Authority or as an individual member.

## **Accountancy Related Questions**

**Q. Am I subject to 'pension overlap' when dealing with pensionable pay from a limited company?**

- A. No. Pension overlap only arises in a self-employed or partnership situation where the accounts are not drawn up to a 31 March or 5 April year end. In a limited company the pensionable income derived is from salary and/or dividends paid in the tax year. As the income is based upon the tax year, no overlap period is created.

**Q. How are redress monies in respect of interest rate hedging products treated on the certificate?**

- A. The basic redress (which represents the refund of excess payments for the hedging product), the 8% compensatory interest and any consequential loss

claim should be excluded from all income, corporation tax and profit figures used for the limited company certificate (there is no need to exclude dividends paid from redress monies).

This treatment may result in GP shareholders not being compensated for past restrictions to NHS pensionable dividend and salary as a result of product costs. You may therefore need to consider if a consequential loss claim is appropriate.

## **NHS Pensionable Income (Dividends & Salary)**

### **Q. What is classed as NHS pensionable pay in 2016/17?**

A. Please see Annex A .

### **Q. I am a GP shareholder; do I have to pension all of my NHS GP work?**

A. Yes, you must pension all of your eligible NHS GP (practitioner) income; you cannot opt out of pensioning certain parts of practitioner income. As far as the limited company practice/centre is concerned you must pension all the income you draw down. Any income (profits) retained in the business are not pensionable even if you take this (reserved) income in the future.

You can opt out of pensioning salaried officer posts such as hospital based clinical assistant or community posts however you cannot opt out of pensioning bed fund posts.

### **Q. How should a GP shareholder pension OOHs income?**

A. A GP shareholder may find it helpful for their SOLO income to be paid into their personal account rather than the practice/centre account. This should make it easier if the OOH has to collect arrears of employee tiered contributions because it did not apply the correct tiered rate in the first instance.

### **Q. I am a GP provider. Can I pension income as a GP provider through my own practice earned from working for another practice that I may (or may not) be involved in as a partner or shareholder?**

A. No. This is strictly forbidden under the NHS Pension Regulations.

### **Q. I am a GP provider, can I pension work as a GP locum in my own practice(s)?**

A. If you work internal locums in your own practice you cannot use locum A and B forms to pension this income. You must however pension this income on your GP provider certificate of pensionable profit as either part of your partnership share of profits or self-employed income.

### **Q. Is medical school income pensionable?**

A. No. Although some medical schools are granted special Scheme 'Direction'

Status, any fees paid to a GP (or practice) by a medical school are not 'pensionable'. Only salaried employees of an open 'Directions body' may join the Scheme.

**22. Q. Is the trainers grant pensionable?**

A. Yes. The trainers grant received by training GPs/GP practices is pensionable. The income received is deemed to include the 14.3% employer contributions. The employer contributions are then stripped out in the adjustment between boxes 33 and 34.

**Q. Is prison work pensionable?**

A. Yes, however only if the fees are being paid directly to the GP/practice by the PCSELHB.

**Q. How should CCG income be pensioned?**

A. Pension treatment depends whether the post is a formal employment (contract of service) or a fee based arrangement (contract for services/service level agreement).

All formal employment posts are officer posts in the NHS Pension scheme. These employees must be set up on the CCGs payroll with pension contributions deducted at source and paid to NHS Pensions.

All income earned under fee based arrangements is pensionable but the CCG must not create an officer post.

For pension purposes the treatment of fee based arrangements depends whether the fees are paid to an individual GP or to a practice.

Where the CCG pays fees to an individual GPs the CCG must complete a SOLO form and forward the form and all contributions to PCSE.

Where fees have been paid to a practice (rather than a specific GP) the CCG must include the 14.3% employer contributions within the fee paid to the practice and make it clear it has done so. This income will be pensioned on the GP provider certificate.

A GP who works for a CCG under a limited company arrangement cannot pension their CCG income.

CCG arrangements do not apply to GPs working in Wales.

**Q. Is local authority income pensionable?**

A. With effect from 1 April 2013 payments made by a local authority (under The Health and Social Care Act 2012) to a GP partner, single-hander or GP practice

in England in respect of collaborative services, section 75 work and local enhanced services are pensionable income.

Where the fee based payment has been made to an individual GP in England the local authority must complete a SOLO form and send this to PCSE with all contributions due. I.e. the GP will have received a fee net of superannuation.

Where the fee has been paid to a practice the local authority should have made it clear that the fee includes the employer contribution element. These fees should be treated as pensionable income on the GP provider certificate.

This does not apply to GPs working in Wales.

**Q. I perform GP OOHs work for an NHS Trust/Foundation Trust who are the local out of hours provider; is it pensionable?**

- A. Yes. If you work under a contract for services (self-employed) arrangement the Trust must superannuate the income by completing form SOLO. As an alternative to the SOLO if you are a GP Provider you may agree to have the fees paid directly into your practice account however, the 14.3% employer contributions must be included.

If you are formally employed (i.e, contract of service) by an NHS Trust/Foundation Trust to perform OOHs they must put you into the NHSPS as an officer.

**Q. The GP (and non GP) providers (i.e. shareholders) draw down their profits as a combination of salary and dividends. Are the dividends pensionable?**

- A. Where a practice is a limited company, any dividends taken are pensionable subject to them being solely in respect of NHS work and in the year 2016/17. Any income retained in the business can never be pensioned.

**Q. Are the gross dividends or the net dividends pensionable?**

- A. It is the net dividends that are actually drawn down in 2016/17 and that relate to 2016/17 that are pensionable.

**Q. Are all the net dividends and salary pensionable?**

- A. No, only those that are drawn down at the time and are wholly attributable to GMS, PMS, or APMS.

**Q. Are dividends pensionable if they are held in reserve and taken in a future year?**

- A. No. There are no provisions in the NHSPS Regulations to pension reserves. It is only the NHS net dividends that are actually taken in the relevant year that are pensionable.

**Q. Is a capital distribution of 2016/17 funds pensionable?**

- A. No. Only income in the form of dividends and salary taken are pensionable and they must only relate to year 2016/17 profits.

**Q. What happens when there are sources of non-NHS income in the company accounts?**

- A. That element of non-NHS income must be stripped out of the dividend and salary so that it is not pensioned.

**Q. How is the non-NHS income stripped out of a salary?**

- A. Simply by applying the percentage of NHS income to total income from the company accounts year end falling into the tax year 2016/17 to the salary taken in that tax year.

**Q. But where the accounting year-end is not March, the percentage applied to the salary will not have been calculated upon the income for the period the salary was earned?**

- A. That is correct. However, for the ease of application, a straightforward method has been implemented.

**Q. What happens when an existing company has undistributed reserves brought forward from a time before an NHS contract was entered into?**

- A. Undistributed reserves are not pensionable.

**Q. What happens if I dispose of, or acquire shares?**

- A. The working of the certificate will not be affected as the pensionable pay follows your entitlement regardless of the level. Your entitlement to dividends decreases or increases appropriately.

**Q. If, once I have actually received a 2016/17 dividend payment, I decide to reinvest some of that money back into the company, will this affect my pensionable pay?**

- A. So long as you have actually been paid a net NHS dividend that relates solely to year 2016/17 it is pensionable. What you do with that money thereafter is up to you.

**Q. What are the tax implications regarding the pensioning of dividends?**

- A. NHS Pensions cannot provide financial or tax advice. Please consult HMRC or your accountant.

**Other Information**

**Q. What are the rules regarding claiming NHS pension benefits?**

- A. A GP shareholder (provider) and non GP shareholder (provider) must terminate any involvement in the contract in order to claim their pension. This means they must cease to be a shareholder for at least 24 hours.

A GP provider (or non GP provider) who is the sole shareholder must completely terminate their contract with NHS England or the LHB and must resign from any other NHS posts eg hospital posts. If they are one of a number of shareholders they must give up their shares, however the actual contract can remain intact.

**Q. What is deemed pensionable sick pay?**

- A. GPs who suffer a genuine loss of pensionable income as a result of long term illness may qualify for deemed pensionable sick pay to be credited to their pension records however they must proactively apply for this by contacting NHS Pensions.

**Annex D - see the guidance notes in respect of box 2 of the limited company certificate.**  
**Establishment of maximum individual NHS dividend entitlement per accounting period**  
**Limited company certificate - shareholder breakdown**

Accounts year ended	30/06/2016	Shareholder 1	Shareholder 2	Shareholder 3	Shareholder 4	Shareholder 5
Total non-NHS income	78,000	17,808	17,808	13,356	17,808	11,219
Total NHS income	860,000	196,347	196,347	147,260	196,347	123,699
	938,000	214,155	214,155	160,616	214,155	134,918
<b>Less</b> Total expenses	(500,000)	(114,155)	(114,155)	(85,616)	(114,155)	(71,918)
Profits chargeable to corporation tax	438,000	100,000	100,000	75,000	100,000	63,000
<b>Less</b> Corporation tax	(87,600)	(20,000)	(20,000)	(15,000)	(20,000)	(12,600)
Distributable profit	350,400	80,000	80,000	60,000	80,000	50,400
Dividends paid:						
Shareholder 1	(80,000)					
Shareholder 2	(80,000)					
Shareholder 3	(60,000)					
Shareholder 4	(80,000)					
Shareholder 5	(50,400)	(80,000)	(80,000)	(60,000)	(80,000)	(50,400)
Retained funds	-	-	-	-	-	-

**Step 1 - from the company accounts for each year stipulated, determine the full amount of non-NHS income, NHS income and expenses, then include the actual corporation tax payable. This determines the overall distributable profit for the accounting period.**

**Step 2 - allocate the non-NHS income, NHS income, expenses and corporation tax to each shareholder using the ratio of that shareholder's dividend paid to the total dividend paid, i.e. for shareholder 1 for 30/06/2016 the company's total income, expenditure and corporation tax allocated to him/her by the ratio: 80,000 / 350,400, being that necessary for box 12 of the 2016 certificate and 75,000 / 360,000, being for box 12A of the 2017 certificate.**

Accounts year ended	30/06/2017	Shareholder 1	Shareholder 2	Shareholder 3	Shareholder 4	Shareholder 5
Total non-NHS income	90,000	22,500	22,500	15,000	18,000	12,000
Total NHS income	860,000	215,000	215,000	143,333	172,000	114,667
	950,000	237,500	237,500	158,333	190,000	126,667
<b>Less</b> Total expenses	(500,000)	(125,000)	(125,000)	(83,333)	(100,000)	(66,667)
Profits chargeable to corporation tax	450,000	112,500	112,500	75,000	90,000	60,000
<b>Less</b> Corporation tax	(90,000)	(22,500)	(22,500)	(15,000)	(18,000)	(12,000)
Distributable profit	360,000	90,000	90,000	60,000	72,000	48,000
Dividends paid:						
Shareholder 1	(75,000)					
Shareholder 2	(75,000)					
Shareholder 3	(50,000)					
Shareholder 4	(60,000)					
Shareholder 5	(40,000)	(75,000)	(75,000)	(50,000)	(60,000)	(40,000)
Retained funds	60,000	15,000	15,000	10,000	12,000	8,000



Annex F - see the guidance notes in respect of box 2 of the limited company certificate.  
 Establishment of principle of pensionable dividend income "drawn down"  
 Limited company certificate - schematic of method of individual first slicing  
 31 March year end

Shareholder 1	31/03/2017		31/03/2018
Non-NHS income	17,808		22,500
NHS income	196,347		215,000
<b>Total</b>	<b>214,155</b>		<b>237,500</b>
<b>Less</b> Expenses	<b>(114,155)</b>		<b>(125,000)</b>
Profits chargeable to corporation tax	100,000		112,500
<b>Less</b> Corporation tax	<b>(20,000)</b>		<b>(22,500)</b>
Distributable profit	80,000	Maximum pensionable x	90,000
Dividends paid and declared	<b>(80,000)</b> Box 14		<b>(75,000)</b> Box 14A
Retained funds	0	=	15,000
			Maximum pensionable x
			215,000
			237,500
			=
			81,474
			Box 13A

  

Dividends paid	05/04/2016	01/04/2016	31/08/2016	30/11/2016	03/03/2017	05/04/2017	05/04/2017	31/07/2017	31/10/2017	28/02/2018	31/03/2018
Interim re 2017	20,000					Final re 2017	20,000				
Interim re 2017			15,000			Interim re 2018		10,000			
Interim re 2017				10,000		Interim re 2018			5,000		
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**Business Services Authority**

**GP Provider (or non-GP Provider) Shareholder of a Qualifying Limited Company Certificate of Pensionable Income for 2016/17**

To be completed by all GP (and non-GP) providers who are shareholders in a limited company that holds a GMS, PMS, APMS or SPMS contract and is a Scheme Employing Authority

The main 2016/17 Certificate and/or Type 2 Certificate may also need to be completed if not all of your pensionable earnings derive from this one company contract.

NOT to be completed by a salaried GP employed by a limited company who is not a shareholder.

Provider's full name		<b>Box A</b>
Provider's NI number or Pension Scheme ref no.		<b>B</b>
Company's full name		<b>C</b>
Company's employing authority code		<b>D</b>
Company's registration number		<b>E</b>
Type of contract, i.e. GMS, PMS, APMS, SPMS etc		<b>F</b>
Host (i.e. commissioning) PCSE/LHB		<b>G</b>
NHS Pension Scheme year end, to which the pensionable income at box 21 relates.	31/03/2017	<b>H</b>
Date during 2016/17 that the pension scheme member became a shareholder		<b>I</b>
Date during 2016/17 that the pension scheme member ceased to be a shareholder, opted out or retired from the NHS Pension Scheme.		<b>J</b>
Tick if earnings cap applies to your added years purchase	<input type="checkbox"/>	<b>K</b>
Tick this box if figures in this certificate are estimated or from provisional accounts	<input type="checkbox"/>	<b>L</b>
Tick this box if you have entered the 2015 NHS pension scheme	<input checked="" type="checkbox"/>	<b>M</b>
If box M is ticked please provide the date of entering the 2015 scheme	01/08/2016	<b>N</b>
Tick this box if the certificate is for seniority purposes only	<input type="checkbox"/>	<b>O</b>
Please refer to the 'Limited Company Guidance And Completion Notes' when completing this schedule.		

<b>Calculation of the company's NHS income ratio</b>					
For each of the company year ends from which salary and dividends were paid in the tax year 2016/17, the particular ratio of NHS income needs to be calculated.					
Accounting year ended	30/06/2016	1	30/06/2017	1A	
State your theoretical share of the company's total NHS and non-NHS income (not adjusted for tax purposes) excluding shareholders' income that has been pensioned separately.	214,155.00	2	237,500.00	2A	
State the amount of income included in Box 2 above relating to non-NHS income.	17,808.00	3	22,500.00	3A	
Deduct the non-NHS income stated in Box 3 from the income stated in Box 2. This is your theoretical entitlement to the company's NHS income.	196,347.00	4	215,000.00	4A	
NHS income ratio (Box 4 ÷ Box 2 x 100) *	91.68%	5	90.53%	5A	
<b>Important Note</b>					
* Where a provisional ratio was used at box 5A of the 2015/16 certificate, please consult the guidance regarding necessary adjustments, complete page 7 and enter the adjustments at boxes 10 and 19.					
* Where the accounts for the year end falling after 5 April 2017 have not been either prepared or finalised, it will be necessary to use an estimated percentage at box 5A. You should use your knowledge of your own affairs to determine this percentage, but it is acceptable to rely on the figure from box 5. Where the figure is estimated, tick box L above and, if not using the figure from box 5, explain at box 94 how you have arrived at the figure in box 5A.					
<b>Calculation of pensionable profits paid as salary</b>					
Accounting year ended	30/06/2016	6	30/06/2017	6A	
For each company year end, enter the element of salary received in 2016/17. The sum of boxes 7 and 7A will therefore reflect the entry at box 1 of the employment page of your 2016/17 tax return (see below).	4,000.00	7	4,200.00	7A	
Multiply the figure in box 7 by the figure in box 5.	3,667.38	8	3,802.11	8A	
Add box 8 and 8A. This equals your pensionable salary for 2016/17.			7,469.49	9	
Enter the adjustment to pensionable salary for 2015/16, from box 86 on page 7.			80.82	10	
Add box 9 to box 10. This is your total pensionable salary for 2016/17.			7,550.30	11	
<b>Calculation of pensionable profits paid as dividends</b>					
Enter your theoretical share of the profit after tax, but before dividends paid, in respect of each accounting year end to which dividends paid in 2016/17 relate, based upon the ratio indicated in the guidance notes.	80,000.00	12	90,000.00	12A	
Multiply the figure in box 12 by the figure in box 5. This is your maximum potential pensionable dividend for the respective accounting year end.	73,347.62	13	81,473.68	13A	

Enter your total net dividend received in respect of each accounting year above.	80,000.00	14	75,000.00	14A
Enter the smaller of boxes 13 and 14. This is your maximum <b>actual</b> pensionable dividend for each accounting period.	73,347.62	15	75,000.00	15A
For the accounting year ending in 2016/17, enter the amount of your dividend that was paid before 6 April 2016 (this cannot exceed box 14 and should match box 16A of the	45,000.00	16		
For the accounting year ending in 2016/17, subtract box 16 from box 15. This is your NHS pensionable dividend for 2016/17 for the accounting year end that falls in 2016/17 (cannot be negative)	28,347.62	17		
For the accounting year ending after 2016/17, enter the amount of dividend paid before 6 April 2017 (cannot be more than box 14A). This figure will carry forward to box 16 of the 2017/18 Limited Company Certificate.			40,000.00	16A
Enter the lower of box 15A and 16A. This is your NHS pensionable dividend for 2016/17 for the accounting year ending after 2016/17.			40,000.00	17A
Add boxes 17 & 17A. This is your pensionable dividend for 2016/17.			68,347.62	18
Enter the adjustment to pensionable dividend for 2015/16, see box 93 on page 7.			0.00	19
Add box 18 to 19. This is your total pensionable dividend.			68,347.62	20
<b>NHS pensionable pay</b>				
Add the figures in boxes 11 and 20 together and enter the total in box 21. This is your total limited company pensionable pay for 2016/17.			75,897.93	21
<b>NHS pensionable pay for added years purposes</b>				
Enter the amount of pensionable pay for added years purposes for 2016/17. Whilst this defaults to the prescribed full value for the year (£150,600 if capped), where there is income pensioned elsewhere it may be that the amount in box 22 should be reduced.				22
<b>Seniority</b>				
Enter the seniority for the respective year end that was paid to the company for you in 2016/17. Depending on the year end of the company accounts, either entry may reflect one, two, three or all four of the quarterly seniority payments received for you on the practice statements of June, September and December 2016 and March 2017.	4,500.00	23	1,500.00	23A
Add box 23 to 23A. This is your total seniority payment for the year ended 31 March 2017.			6,000.00	24
Enter the amount of excluded income included in box 21 above from honorary board posts, salaried clinical posts or salaried community medical officer posts (please see notes to this box, but the entry is likely to be nil).				24A

<b>2016/17 Tax Return Check Boxes</b>	
<u>Employment</u>	
Employment box 7 above	4,000.00
Employment box 7A above	4,200.00
Total employment to cross reference to box 1 of the tax return employment pages	8,200.00
<u>Dividends</u>	
30 June 2016 dividends per box 14 above	80,000.00
30 June 2016 dividends paid in 2015/16	-45,000.00
30 June 2017 dividends paid in 2016/17	40,000.00
Total dividends to cross reference to box 3 of the tax return	75,000.00

### **Tier rates for employee contributions - no Annualisation**

Please tick box P if the annualisation rules do not apply to your 2015 scheme income and your pensionable pay is, therefore, determined by the aggregate of your 2016/17 income. Should annualisation apply to you in 2016/17, please leave box P and this page blank and proceed to page 5. Please consult the guidance notes for further information on annualised earnings.

Apply tier rate below	<input checked="" type="checkbox"/>	<b>P</b>		
Pensionable pay from box 21	75,897.93	<b>25</b>	Up to £15,431.99	5.0%
<b>Add:</b> Locum income pensioned separately		<b>26</b>	£15,432.00 up to £21,477.99	5.6%
<b>Add:</b> Type 2 practitioner pensionable pay already pensioned at source.		<b>27</b>	£21,478.00 up to £26,823.99	7.1%
<b>Add:</b> The pensionable amount of other salaried income treated as practitioner pay (eg hospital bed fund posts).		<b>28</b>	£26,824.00 up to £47,845.99	9.3%
<b>Add:</b> Pensionable GP SOLO income.		<b>29</b>	£47,846.00 up to £70,630.99	12.5%
<b>Add:</b> Pensionable practitioner income from the Type 1 Practitioner Certificate of Pensionable Profit.		<b>30</b>	£70,631.00 up to £111,376.99	13.5%
<b>Add:</b> Any other pensionable practitioner pay not included above; eg other type 1 practitioner certificate.		<b>31</b>	£111,377.00 and over	14.5%
<b>This is your gross practitioner pay for the determination of the tier rate.</b>	75,897.93	<b>32</b>		

Where you have ticked box M above and entered a date in box N on page 1 please apportion your practitioner and GP Solo income around that date. The guidance notes offer assistance.

	<b>1995/2008</b>		<b>2015</b>	
Pensionable pay from box 21 apportioned between schemes	25,368.63	<b>32A</b>	50,529.30	<b>32B</b>



**Determination of the tiered employee contribution rate to be applied to all practitioner pay for 2016/17. Where income has been pensioned separately, you must contact the relevant employing authority to arrange any adjustment**

**Calculation of NHS Pension Scheme Contributions for 1995/2008 schemes**

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid	
Employee pension contributions*	13.50%	48	3,424.76	52	2,892.96	56	531.80	60
Added years pension contributions*	0.00%	49	-	53		57	-	61
Money Purchase AVC%*	0.00%	50A		54		58		62
Money Purchase amount*	0	50B	-				-	
Additional pension amount*	0	50C						
Employer pension contributions	14.3%	51	3,627.71	55	3,064.29	59	563.42	63
Total amount of contributions (over)/under paid for the year							1,095.22	64

Boxes 52 to 55 include the amount of pensionable pay in box 32A (or 33A) multiplied by the relevant % in box 48 to 51 above.

Boxes 56 to 59 include the contributions already paid and recorded by the PCSE/LHB for 2016/17 in respect of company income.

\* You must enter zero or the actual percentage in boxes 48, 49 & 50A, and zero or the actual amount in boxes 50B & 50C.

\* See boxes 25 to 45 above and the accompanying notes regarding the employee tier rate to be used.

**Calculation of NHS Pension Scheme Contributions for the 2015 scheme**

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid	
Employee pension contributions*	13.50%	65	6,821.45	69	5,785.71	73	1,035.74	77
Added years pension contributions*	0.00%	66	-	70		74	-	78
Money Purchase AVC%*	0.00%	67A		71		75		79
Money Purchase amount*	0	67B	-				-	
Additional pension amount*	0	67C						
ERRBO amount	0	67D						
Employer pension contributions	14.3%	68	7,225.68	72	6,128.57	76	1,097.11	80
Total amount of contributions (over)/under paid for the year							2,132.85	81

Boxes 69 to 72 include the amount of pensionable pay in box 32B (or 33B) multiplied by the relevant % in box 65 to 68 above.

Boxes 73 to 76 include the contributions already paid and recorded by the PCSE/LHB for 2016/17 in respect of company income.

\* You must enter zero or the actual percentage in boxes 65, 66 & 67A, and zero or the actual amount in boxes 67B, 67C & 67D.

\* See pages 4 and 5 and the accompanying notes regarding the employee tier rate to be used.

**2015/16 Adjustments**

If estimated figures have been used in the 2015/16 certificate, for profits from accounts ending in the 2016/17 tax year, the correct ratio of NHS income needs to be calculated and an adjustment needs to be made to the pensionable pay.

Accounting year ended	30/06/2016	82	30/06/2016	82A
	Estimate from 2015/16		Actual from final accounts	
Enter the estimated and actual NHS income ratio (box 5A, from the 2015/16 certificate and box 5 from this certificate)	90.53%	83	91.68%	83A
<b>Calculation of pensionable profits paid as salary</b>				
In each box enter the element of salary received in 2016/17 (box 7A from the 2015/16 certificate)	7,000.00	84	7,000.00	84A
Multiply the figure in box 84 by the figure in box 83.	6,337.10	85	6,417.92	85A
Subtract box 85 from 85A. This is the adjustment to your pensionable salary for 2016/17.			80.82	86
<b>Calculation of maximum potential pensionable dividend</b>				
Enter your estimated and actual theoretical share of the profits after tax, but before dividends (box 12A from 2015/16 and 12 of this certificate respectively).	81,000.00	87	80,000.00	87A
Multiply the figure in box 87 by the figure in box 83. This is your maximum <b>potential</b> pensionable dividend.	73,329.30	88	73,347.62	88A
Enter your total net dividend received in respect of the above accounting year.	80,000.00	89	80,000.00	89A
Enter the smaller of boxes 88 and 89. This is your maximum <b>actual</b> pensionable dividend.	73,329.30	90	73,347.62	90A
Of the figure in box 89, enter the amount of dividend paid before 6 April 2016.	45,000.00	91	45,000.00	91A
Enter the lower of box of 90 and 91. This is your NHS pensionable dividend for 2015/16 for the accounting year ending in 2016/17.	45,000.00	92	45,000.00	92A
Subtract box 92 from 92A. This is the adjustment to your pensionable dividend for 2016/17.			0.00	93

<b>Additional Information</b>		
Use this page to provide any additional information and calculations		<b>94</b>
<p><b>If you cannot use the standard or alternative non-NHS expense calculations explain your own method of non-NHS expense calculation here.</b></p> <p><b>Also use this box to provide any other information that may assist the processing of this certificate, including notes about retirement, 24 hour retirement, seniority, added years capped income etc.</b></p>		
<p>If you have an agent who completes your certificate you may provide their details below to enable communication:</p>		
Agent name	<input type="text"/>	<b>95</b>
Address	<input type="text"/>	<b>96</b>
Office telephone number	<input type="text"/>	<b>97</b>
E-mail address	<input type="text"/>	<b>98</b>

## 1995/2008 Scheme Pensionable Profits

### Declaration of NHS pensionable profits in respect of GMS, PMS, SPMS or APMS income from a limited company for 2016/17

Provider's name				-
Company's full name				-
NI number or pension scheme ref no	-	Company NHSPA EAC		0
Pensionable profit	<b>25,368.63</b>	Pensionable profit for added years		<b>25,368.63</b>

You must send the certificate to the PCSE/LHB as soon as possible and NO LATER THAN 28th February 2018. If you give false information you may be liable to investigation and prosecution.

"I confirm that information provided on this Certificate is correct, is consistent with my HMRC tax return and the accounts filed to Companies House, my declared NHS pensionable pay does not include non-NHS (i.e. private) income, and that I shall pay all contributions due."

Where agent details have been included on page 10, I hereby give my consent for PCSE to contact my agent regarding the information provided in this certificate

GP (or non-GP Provider's)		Date
---------------------------	--	------

#### Total contributions

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid	
Employee pension contributions	13.50%	48	3,424.76	52	2,892.96	56	531.80	60
Added years pension contributions	0.00%	49	-	53	-	57	-	61
Money Purchase AVC%	0.00%	50A		54		58		62
Money Purchase amount	0	50B	-		-		-	
Additional pension amount	0	50C						
Employer pension contributions	14.3%	51	3,627.71	55	3,064.29	59	563.42	63
Total amount of contributions (over)/under paid for the year							1,095.22	64

#### PCSE/LHB Agreement

I have checked the figures shown in boxes 21, 22 and 24 of this certificate and I am satisfied that they appear consistent with the relevant NHS work and income that this PCSE/LHB is aware of and confirm that they have been used to confirm, record and pay over to NHS Pensions the appropriate NHS Pension Scheme contributions for the year to which this certificate relates.

PCSE/LHB authorised signature		Date
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An electronic spreadsheet version of the Certificate is only acceptable with page 9 being completed with the provider's signature. Unsigned forms will be returned.

## 2015 Scheme Pensionable Profits

### Declaration of NHS pensionable profits in respect of GMS, PMS, SPMS or APMS income from a limited company for 2016/17

Provider's name				-
Company's full name				-
NI number or pension scheme ref no	-	Company NHSPA EAC		0
Pensionable profit	50,529.30	Pensionable profit for added years		50,529.30

You must send the certificate to the PCSE/LHB as soon as possible and NO LATER THAN 28th February 2018. If you give false information you may be liable to investigation and prosecution.

"I confirm that information provided on this Certificate is correct, is consistent with my HMRC tax return and the accounts filed to Companies House, my declared NHS pensionable pay does not include non-NHS (i.e. private) income, and that I shall pay all contributions due."

Where agent details have been included on page 10, I hereby give my consent for PCSE to contact my agent regarding the information provided in this certificate

GP (or non-GP Provider's)		Date	
---------------------------	--	------	--

#### Total contributions

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid		
Employee pension contributions	13.50%	65	6,821.45	69	5,785.71	73	1,035.74	77	
Added years pension contributions	0.00%	66	-	70	-	74	-	78	
Money Purchase AVC%	0.00%	67A		71		75		79	
Money Purchase amount	0	67B	-		-		-		
Additional pension amount	0	67C							
ERRBO amount	0	67D							
Employer pension contributions	14.3%	68	7,225.68	72	6,128.57	76	1,097.11	80	
Total amount of contributions (over)/under paid for the year								2,132.85	81

#### PCSE/LHB Agreement

I have checked the figures shown in boxes 21, 22 and 24 of this certificate and I am satisfied that they appear consistent with the relevant NHS work and income that this PCSE/LHB is aware of and confirm that they have been used to confirm, record and pay over to NHS Pensions the appropriate NHS Pension Scheme contributions for the year to which this certificate relates.

PCSE/LHB authorised signature		Date	
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An electronic spreadsheet version of the Certificate is only acceptable with page 10 being completed with the provider's signature. Unsigned forms will be returned.



## Business Services Authority

### GP Provider (or non-GP Provider) Shareholder of a Qualifying Limited Company Certificate of Pensionable Income for 2016/17

To be completed by all GP (and non-GP) providers who are shareholders in a limited company that holds a GMS, PMS, APMS or SPMS contract and is a Scheme Employing Authority

The main 2016/17 Certificate and/or Type 2 Certificate may also need to be completed if not all of your pensionable earnings derive from this one company contract.

NOT to be completed by a salaried GP employed by a limited company who is not a shareholder.

Provider's full name		Box A
Provider's NI number or Pension Scheme ref no.		B
Company's full name		C
Company's employing authority code		D
Company's registration number		E
Type of contract, i.e. GMS, PMS, APMS, SPMS etc		F
Host (i.e. commissioning) PCSE/LHB		G
NHS Pension Scheme year end, to which the pensionable income at box 21 relates.	31/03/2017	H
Date during 2016/17 that the pension scheme member became a shareholder		I
Date during 2016/17 that the pension scheme member ceased to be a shareholder, opted out or retired from the NHS Pension Scheme.		J
Tick if earnings cap applies to your added years purchase	<input type="checkbox"/>	K
Tick this box if figures in this certificate are estimated or from provisional accounts	<input type="checkbox"/>	L
Tick this box if you have entered the 2015 NHS pension scheme	<input checked="" type="checkbox"/>	M
If box M is ticked please provide the date of entering the 2015 scheme	01/08/2016	N
Tick this box if the certificate is for seniority purposes only	<input type="checkbox"/>	O
Please refer to the 'Limited Company Guidance And Completion Notes' when completing this schedule.		

<b>Calculation of the company's NHS income ratio</b>					
For each of the company year ends from which salary and dividends were paid in the tax year 2016/17, the particular ratio of NHS income needs to be calculated.					
Accounting year ended	30/06/2016	1	30/06/2017	1A	
State your theoretical share of the company's total NHS and non-NHS income ( <u>not</u> adjusted for tax purposes) excluding shareholders' income that has been pensioned separately.	214,155.00	2	237,500.00	2A	
State the amount of income included in Box 2 above relating to non-NHS income.	17,808.00	3	22,500.00	3A	
Deduct the non-NHS income stated in Box 3 from the income stated in Box 2. This is your theoretical entitlement to the company's NHS income.	196,347.00	4	215,000.00	4A	
NHS income ratio (Box 4 ÷ Box 2 x 100) *	91.68%	5	90.53%	5A	
<b>Important Note</b>					
* Where a provisional ratio was used at box 5A of the 2015/16 certificate, please consult the guidance regarding necessary adjustments, complete page 7 and enter the adjustments at boxes 10 and 19.					
* Where the accounts for the year end falling after 5 April 2017 have not been either prepared or finalised, it will be necessary to use an estimated percentage at box 5A. You should use your knowledge of your own affairs to determine this percentage, but it is acceptable to rely on the figure from box 5. Where the figure is estimated, tick box L above and, if not using the figure from box 5, explain at box 94 how you have arrived at the figure in box 5A.					
<b>Calculation of pensionable profits paid as salary</b>					
Accounting year ended	30/06/2016	6	30/06/2017	6A	
For each company year end, enter the element of salary received in 2016/17. The sum of boxes 7 and 7A will therefore reflect the entry at box 1 of the employment page of your 2016/17 tax return (see below).	4,000.00	7	4,200.00	7A	
Multiply the figure in box 7 by the figure in box 5.	3,667.38	8	3,802.11	8A	
Add box 8 and 8A. This equals your pensionable salary for 2016/17.			7,469.49	9	
Enter the adjustment to pensionable salary for 2015/16, from box 86 on page 7.			80.82	10	
Add box 9 to box 10. This is your total pensionable salary for 2016/17.			7,550.30	11	
<b>Calculation of pensionable profits paid as dividends</b>					
Enter your theoretical share of the profit after tax, but before dividends paid, in respect of each accounting year end to which dividends paid in 2016/17 relate, based upon the ratio indicated in the guidance notes.	80,000.00	12	90,000.00	12A	
Multiply the figure in box 12 by the figure in box 5. This is your maximum <b>potential</b> pensionable dividend for the respective accounting year end.	73,347.62	13	81,473.68	13A	

Enter your total net dividend received in respect of each accounting year above.	80,000.00	14	75,000.00	14A
Enter the smaller of boxes 13 and 14. This is your maximum <b>actual</b> pensionable dividend for each accounting period.	73,347.62	15	75,000.00	15A
For the accounting year ending in 2016/17, enter the amount of your dividend that was paid before 6 April 2016 (this cannot exceed box 14 and should match box 16A of the	45,000.00	16		
For the accounting year ending in 2016/17, subtract box 16 from box 15. This is your NHS pensionable dividend for 2016/17 for the accounting year end that falls in 2016/17 (cannot be negative)	28,347.62	17		
For the accounting year ending after 2016/17, enter the amount of dividend paid before 6 April 2017 (cannot be more than box 14A). This figure will carry forward to box 16 of the 2017/18 Limited Company Certificate.			40,000.00	16A
Enter the lower of box 15A and 16A. This is your NHS pensionable dividend for 2016/17 for the accounting year ending after 2016/17.			40,000.00	17A
Add boxes 17 & 17A. This is your pensionable dividend for 2016/17.			68,347.62	18
Enter the adjustment to pensionable dividend for 2015/16, see box 93 on page 7.			0.00	19
Add box 18 to 19. This is your total pensionable dividend.			68,347.62	20
<b>NHS pensionable pay</b>				
Add the figures in boxes 11 and 20 together and enter the total in box 21. This is your total limited company pensionable pay for 2016/17.			75,897.93	21
<b>NHS pensionable pay for added years purposes</b>				
Enter the amount of pensionable pay for added years purposes for 2016/17. Whilst this defaults to the prescribed full value for the year (£150,600 if capped), where there is income pensioned elsewhere it may be that the amount in box 22 should be reduced.				22
<b>Seniority</b>				
Enter the seniority for the respective year end that was paid to the company for you in 2016/17. Depending on the year end of the company accounts, either entry may reflect one, two, three or all four of the quarterly seniority payments received for you on the practice statements of June, September and December 2016 and March 2017.	4,500.00	23	1,500.00	23A
Add box 23 to 23A. This is your total seniority payment for the year ended 31 March 2017.			6,000.00	24
Enter the amount of excluded income included in box 21 above from honorary board posts, salaried clinical posts or salaried community medical officer posts (please see notes to this box, but the entry is likely to be nil).				24A

**2016/17 Tax Return Check Boxes**
Employment

Employment box 7 above	4,000.00
Employment box 7A above	4,200.00
<b>Total employment to cross reference to box 1 of the tax return employment pages</b>	<b>8,200.00</b>

Dividends

30 June 2016 dividends per box 14 above	80,000.00
30 June 2016 dividends paid in 2015/16	-45,000.00
30 June 2017 dividends paid in 2016/17	40,000.00
<b>Total dividends to cross reference to box 3 of the tax return</b>	<b>75,000.00</b>

**Tier rates for employee contributions - no Annualisation**

Please tick box P if the annualisation rules do not apply to your 2015 scheme income and your pensionable pay is, therefore, determined by the aggregate of your 2016/17 income. Should annualisation apply to you in 2016/17, please leave box P and this page blank and proceed to page 5. Please consult the guidance notes for further information on annualised earnings.

Apply tier rate below		<input type="checkbox"/> <b>P</b>		
Pensionable pay from box 21	75,897.93	<b>25</b>	Up to £15,431.99	5.0%
<b>Add:</b> Locum income pensioned separately		<b>26</b>	£15,432.00 up to £21,477.99	5.6%
<b>Add:</b> Type 2 practitioner pensionable pay already pensioned at source.		<b>27</b>	£21,478.00 up to £26,823.99	7.1%
<b>Add:</b> The pensionable amount of other salaried income treated as practitioner pay (eg hospital bed fund posts).		<b>28</b>	£26,824.00 up to £47,845.99	9.3%
<b>Add:</b> Pensionable GP SOLO income.		<b>29</b>	£47,846.00 up to £70,630.99	12.5%
<b>Add:</b> Pensionable practitioner income from the Type 1 Practitioner Certificate of Pensionable Profit.		<b>30</b>	£70,631.00 up to £111,376.99	13.5%
<b>Add:</b> Any other pensionable practitioner pay not included above; eg other type 1 practitioner certificate.		<b>31</b>	£111,377.00 and over	14.5%
<b>This is your gross practitioner pay for the determination of the tier rate.</b>	75,897.93	<b>32</b>		

Where you have ticked box M above and entered a date in box N on page 1 please apportion your practitioner and GP Solo income around that date. The guidance notes offer assistance.

	1995/2008		2015	
Pensionable pay from box 21 apportioned between schemes	0.00	<b>32A</b>		<b>32B</b>

**Tier rates for employee contributions - with Annualisation**

Please tick box Q if the annualisation rules do apply to your 2015 scheme income and your pensionable pay is, therefore, determined by the annualised 2016/17 income. Please consult the guidance notes for further information on annualised earnings.

	<input checked="" type="checkbox"/>	<b>Q</b>	
	<b>1995/2008</b>		<b>2015</b>
Pensionable pay from box 21 apportioned between schemes	19,227.82	<b>33A</b>	56,670.11 <b>33B</b>
<b>Add:</b> Pensionable practitioner income from the Type 1 Certificate of pensionable profit		<b>34A</b>	<b>34B</b>
<b>Add:</b> Any other pensionable practitioner pay not included above; eg other Type 1 or company certificate		<b>35A</b>	<b>35B</b>
<b>Total Type 1 income for annualisation</b>			56,670.11 <b>36</b>
Increase by 365 days divided by the Type 1 days you have worked in the 2015 scheme for the year ended 31 March 2017 (include all Type 1 posts)	365 243	<b>37</b>	85,121.77 <b>38</b>
Add the annualised aggregate of your locum income, calculated separately where necessary as per the guidance notes			<b>39</b>
<b>Total annualised 2015 pensionable profits.</b>			85,121.77 <b>40</b>
<b>Add:</b> Locum income pensioned separately		<b>41</b>	
<b>Add:</b> GP Solo income for the year		<b>42A</b>	<b>42B</b>
<b>Add:</b> Type 2 practitioner pensionable pay already pensioned at source, including bed fund posts		<b>43A</b>	<b>43B</b>
<b>Total income for tier rate purposes</b>	19,227.82	<b>44A</b>	85,121.77 <b>44B</b>
<b>Tier rate for 1995/2008 scheme income</b>	5.6%	<b>45A</b>	
<b>Tier rate for 2015 scheme income</b>			13.5% <b>45B</b>

**Determination of the tiered employee contribution rate to be applied to all practitioner pay for 2016/17. Where income has been pensioned separately, you must contact the relevant employing authority to arrange any adjustment**

**Calculation of NHS Pension Scheme Contributions for 1995/2008 schemes**

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid	
Employee pension contributions*	5.60%	<b>48</b>	1,076.75	<b>52</b>	2,892.86	<b>56</b>	- 1,816.11	<b>60</b>
Added years pension contributions*	0.00%	<b>49</b>	-	<b>53</b>		<b>57</b>	-	<b>61</b>
Money Purchase AVC%*	0.00%	<b>50A</b>		<b>54</b>		<b>58</b>		<b>62</b>
Money Purchase amount*	0	<b>50B</b>	-				-	
Additional pension amount*	0	<b>50C</b>						
Employer pension contributions	14.3%	<b>51</b>	2,749.57	<b>55</b>	3,064.29	<b>59</b>	- 314.72	<b>63</b>
Total amount of contributions (over)/under paid for the year							- 2,130.83	<b>64</b>

Boxes 52 to 55 include the amount of pensionable pay in box 32A (or 33A) multiplied by the relevant % in box 48 to 51 above.

Boxes 56 to 59 include the contributions already paid and recorded by the PCSE/LHB for 2016/17 in respect of company income.

\* You must enter zero or the actual percentage in boxes 48, 49 & 50A, and zero or the actual amount in boxes 50B & 50C.

\* See boxes 25 to 45 above and the accompanying notes regarding the employee tier rate to be used.

**Calculation of NHS Pension Scheme Contributions for the 2015 scheme**

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid	
Employee pension contributions*	13.50%	<b>65</b>	7,650.46	<b>69</b>	5,785.71	<b>73</b>	1,864.75	<b>77</b>
Added years pension contributions*	0.00%	<b>66</b>	-	<b>70</b>		<b>74</b>	-	<b>78</b>
Money Purchase AVC%*	0.00%	<b>67A</b>		<b>71</b>		<b>75</b>		<b>79</b>
Money Purchase amount*	0	<b>67B</b>	-				-	
Additional pension amount*	0	<b>67C</b>						
ERRBO amount	0	<b>67D</b>						
Employer pension contributions	14.3%	<b>68</b>	8,103.82	<b>72</b>	6,128.57	<b>76</b>	1,975.25	<b>80</b>
Total amount of contributions (over)/under paid for the year							3,840.00	<b>81</b>

Boxes 69 to 72 include the amount of pensionable pay in box 32B (or 33B) multiplied by the relevant % in box 65 to 68 above.

Boxes 73 to 76 include the contributions already paid and recorded by the PCSE/LHB for 2016/17 in respect of company income.

\* You must enter zero or the actual percentage in boxes 65, 66 & 67A, and zero or the actual amount in boxes 67B, 67C & 67D.

\* See pages 4 and 5 and the accompanying notes regarding the employee tier rate to be used.

<b>2015/16 Adjustments</b>					
If estimated figures have been used in the 2015/16 certificate, for profits from accounts ending in the 2016/17 tax year, the correct ratio of NHS income needs to be calculated and an adjustment needs to be made to the pensionable pay.					
Accounting year ended	30/06/2016	82	30/06/2016	82A	
	Estimate from 2015/16		Actual from final accounts		
Enter the estimated and actual NHS income ratio (box 5A, from the 2015/16 certificate and box 5 from this certificate)	90.53%	83	91.68%	83A	
<b>Calculation of pensionable profits paid as salary</b>					
In each box enter the element of salary received in 2016/17 (box 7A from the 2015/16 certificate)	7,000.00	84	7,000.00	84A	
Multiply the figure in box 84 by the figure in box 83.	6,337.10	85	6,417.92	85A	
Subtract box 85 from 85A. This is the adjustment to your pensionable salary for 2016/17.			80.82	86	
<b>Calculation of maximum potential pensionable dividend</b>					
Enter your estimated and actual theoretical share of the profits after tax, but before dividends (box 12A from 2015/16 and 12 of this certificate respectively).	81,000.00	87	80,000.00	87A	
Multiply the figure in box 87 by the figure in box 83. This is your maximum <b>potential</b> pensionable dividend.	73,329.30	88	73,347.62	88A	
Enter your total net dividend received in respect of the above accounting year.	80,000.00	89	80,000.00	89A	
Enter the smaller of boxes 88 and 89. This is your maximum <b>actual</b> pensionable dividend.	73,329.30	90	73,347.62	90A	
Of the figure in box 89, enter the amount of dividend paid before 6 April 2016.	45,000.00	91	45,000.00	91A	
Enter the lower of box of 90 and 91. This is your NHS pensionable dividend for 2015/16 for the accounting year ending in 2016/17.	45,000.00	92	45,000.00	92A	
Subtract box 92 from 92A. This is the adjustment to your pensionable dividend for 2016/17.			0.00	93	

**Additional Information**

Use this page to provide any additional information and calculations

**94**

**If you cannot use the standard or alternative non-NHS expense calculations explain your own method of non-NHS expense calculation here.**

**Also use this box to provide any other information that may assist the processing of this certificate, including notes about retirement, 24 hour retirement, seniority, added years capped income etc.**

If you have an agent who completes your certificate you may provide their details below to enable communication:

Agent name

**95**

Address

**96**

Office telephone number

**97**

E-mail address

**98**

## 1995/2008 Scheme Pensionable Profits

### Declaration of NHS pensionable profits in respect of GMS, PMS, SPMS or APMS income from a limited company for 2016/17

Provider's name				-
Company's full name				-
NI number or pension scheme ref no	-	Company NHSPA EAC		0
Pensionable profit	19,227.82	Pensionable profit for added years		19,227.82

You must send the certificate to the PCSE/LHB as soon as possible and NO LATER THAN 28th February 2018. If you give false information you may be liable to investigation and prosecution.

"I confirm that information provided on this Certificate is correct, is consistent with my HMRC tax return and the accounts filed to Companies House, my declared NHS pensionable pay does not include non-NHS (i.e. private) income, and that I shall pay all contributions due."

Where agent details have been included on page 10, I hereby give my consent for PCSE to contact my agent regarding the information provided in this certificate

GP (or non-GP Provider's)		Date
---------------------------	--	------

#### Total contributions

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid		
Employee pension contributions	5.60%	48	1,076.75	52	2,892.86	56	1,816.11	60	
Added years pension contributions	0.00%	49	-	53	-	57	-	61	
Money Purchase AVC%	0.00%	50A		54		58		62	
Money Purchase amount	0	50B	-		-		-		
Additional pension amount	0	50C							
Employer pension contributions	14.3%	51	2,749.57	55	3,064.29	59	314.72	63	
Total amount of contributions (over)/under paid for the year								2,130.83	64

#### PCSE/LHB Agreement

I have checked the figures shown in boxes 21, 22 and 24 of this certificate and I am satisfied that they appear consistent with the relevant NHS work and income that this PCSE/LHB is aware of and confirm that they have been used to confirm, record and pay over to NHS Pensions the appropriate NHS Pension Scheme contributions for the year to which this certificate relates.

PCSE/LHB authorised signature		Date
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An electronic spreadsheet version of the Certificate is only acceptable with page 9 being completed with the provider's signature. Unsigned forms will be returned.

## 2015 Scheme Pensionable Profits

### Declaration of NHS pensionable profits in respect of GMS, PMS, SPMS or APMS income from a limited company for 2016/17

Provider's name				-
Company's full name				-
NI number or pension scheme ref no	-	Company NHSPA EAC		0
Pensionable profit	56,670.11	Pensionable profit for added years		56,670.11

You must send the certificate to the PCSE/LHB as soon as possible and NO LATER THAN 28th February 2018. If you give false information you may be liable to investigation and prosecution.

"I confirm that information provided on this Certificate is correct, is consistent with my HMRC tax return and the accounts filed to Companies House, my declared NHS pensionable pay does not include non-NHS (i.e. private) income, and that I shall pay all contributions due."

Where agent details have been included on page 10, I hereby give my consent for PCSE to contact my agent regarding the information provided in this certificate

GP (or non-GP Provider's)		Date	
---------------------------	--	------	--

#### Total contributions

	Relevant %		Contributions due		Contributions already paid		Contributions due less contributions paid		
Employee pension contributions	13.50%	65	7,650.46	69	5,785.71	73	1,864.75	77	
Added years pension contributions	0.00%	66	-	70	-	74	-	78	
Money Purchase AVC%	0.00%	67A		71		75		79	
Money Purchase amount	0	67B	-		-		-		
Additional pension amount	0	67C							
ERRBO amount	0	67D							
Employer pension contributions	14.3%	68	8,103.82	72	6,128.57	76	1,975.25	80	
Total amount of contributions (over)/under paid for the year								3,840.00	81

#### PCSE/LHB Agreement

I have checked the figures shown in boxes 21, 22 and 24 of this certificate and I am satisfied that they appear consistent with the relevant NHS work and income that this PCSE/LHB is aware of and confirm that they have been used to confirm, record and pay over to NHS Pensions the appropriate NHS Pension Scheme contributions for the year to which this certificate relates.

PCSE/LHB authorised signature		Date	
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Annex H

**Tiered rates & annualising rules for GPs and non-GP Providers**

**The rates**

Table A outlines the NHS Pension Scheme (NHSPS) tiered employee contribution rates from 1 April 2016 to 31 March 2017 for GP Providers and non-GP Providers (and also for salaried GPs, and freelance GP locums).

Table A

TIER	TOTAL GP/NON-GP PROVIDER PENSIONABLE PAY IN 2016/17	2016/17 CONTRIBUTION RATE
1	Up to £15,431.99	5%
2	£15,432.00 to £21,477.99	5.6%
3	£21,478.00 to £26,823.99	7.1%
4	£26,824.00 to £47,845.99	9.3%
5	£47,846.00 to £70,630.99	12.5%
6	£70,631.00 to £111,376.99	13.5%
7	£111,377.00 and over	14.5%

NHS Pensions has worked with the BMA to produce further guidance on the annualisation of 2015 pensionable income. This should be read in conjunction with the above note and this Annex to give further examples, particularly with regard to Locum positions. The BMA guidance can be found at the following website address:

<https://www.bma.org.uk/advice/employment/pensions/annualising-of-2015-scheme-contributions>

One tiered rate applies throughout 2016/17 where a GP Provider/non-GP Provider:

- Remained a member of the 1995 or 2008 NHSPS throughout 2016/17 irrespective of if they had breaks in GP membership; one rate, no annualising.

- Transitioned from the 1995/2008 NHSPS to the 2015 NHSPS during 2016/17 and the transition was seamless; i.e. there were no breaks in GP membership during 2016/17; one rate, no annualising.
- Joined the NHS for the first time on 1 April 2016 and became a member of the 2015 NHSPS; one rate, however annualising may occur if any singular breaks in GP membership exceed one calendar month or the GP left the scheme before the end of the pension year.

A GP Provider/non-GP Provider may be subject to two different tiered rates in 2016/17 if they transitioned from the 1995/2008 NHSPS to the 2015 NHSPS on or after 1 April 2016 however there was a break in membership between leaving the 1995/2008 and joining the 2015..

*A GP with 2015 Scheme membership during 2016/17 who did not work a full year may be subject to the annualising rules outlined below.*

### **GP Providers that were not subject to the annualising rules in 2016/17**

GP Providers who were not subject to the annualising rules in 2016/17 are as follows:

- A GP Provider member of the 1995 or 2008 Scheme during 2016/17. Their tiered contribution rate is based on their actual (i.e. total/aggregate) GP pensionable income even if they had breaks during 2016/17 or if they retired or opted out before 31 March 2017.
- A GP Provider member of the 1995 or 2008 Scheme up to 31 March 2016 who joined the 2015 Scheme on 1 April 2016; i.e. transition member. If they had continuous 2015 Scheme GP membership throughout 2016/17 (i.e. no singular breaks exceeding one calendar month) their tiered rate is based on their actual (i.e. total/aggregate) GP income.
- A tapered GP Provider member of the 1995 or 2008 Scheme who joined (i.e. switched to) the 2015 Scheme during 2016/17. If they had continuous 1995/2008 membership and, with no gap inbetween, continuous 2015 Scheme GP membership (i.e. no singular breaks exceeding one calendar month) their tiered rate is based on their actual (i.e. total/aggregate) GP income.
- A GP Provider (with no previous 1995/2008 membership) who was a member of the 2015 Scheme on 1 April 2016 and had continuous GP membership up to 31 March 2017 or had no singular breaks during 2016/17 exceeding one calendar month. Their tiered rate is based on their actual GP pensionable income.

### **GP Providers that were subject to the annualising rules in 2016/17**

GP Providers who were subject to the annualising rules in 2016/17 are summarised below:

- A GP Provider transition member (i.e. a member of the 1995/2008 Scheme(s) up to 31 March 2016 who joined the 2015 Scheme on 1 April 2016) who had at least one single break in 2015 NHSPS GP membership during 2016/17 exceeding one calendar month. Their 2015 tiered rate is based on their 2016/17 annualised GP income.
- A GP Provider tapered member (i.e. member of the 1995/2008 Scheme who joined the 2015 Scheme on or after 01 April 2016) who had breaks in their 2015 GP membership exceeding one calendar month. They are subject to two tiered contribution rates in 2016/17. The rate for

their 1995/2008 GP income is based on their actual 1995/2008 GP income. Their 2015 Scheme rate income is based on their annualised 2015 GP income using the full 365 days to 'scale up' by the actual days of membership in the 2015 scheme, excluding any break of whatever duration.

- A GP Provider who was already a member of the 2015 Scheme on 1 April 2016, or who joined it on that day, and had singular breaks in GP membership during 2016/17 exceeding one calendar month. Their tiered contribution rate is based on their 2016/17 annualised GP income.
- A GP Provider who joined the 2015 Scheme on or after 2 April 2016. Their tiered contribution rate is based on their 2016/17 annualised GP income irrespective if any future breaks in GP membership did not exceed one calendar month.
- A GP Provider who was already a member of the 2015 Scheme on 1 April 2016, or who joined it on that day, and left the 2015 Scheme before 31 March 2017, irrespective of any breaks of whatever period, will have a tiered contribution rate based on their 2016/17 annualised GP income, scaling up by 365 days over the actual days of membership.

### **How to annualise GP Provider pensionable pay in 2016/17**

The method used to annualise GP Provider pensionable income in order to establish the 2016/17 tiered rate is as follows:

2015 Scheme surgery pensionable income in 2016/17 ÷ 2015 Scheme membership (calendar days of actual membership not including breaks or gaps of whatever duration) in 2016/17 x 365 days.

Where a GP Provider also has SOLO income add the actual SOLO income to the annualised surgery income; the SOLO income is not annualised even if it is irregular.

Where a tapered GP Provider joined the 2015 Scheme on or after 1 April 2016, and the transition was not seamless, only use their 2015 Scheme pensionable income, exclude their 1995 or 2008 Scheme GP Provider pensionable income.

Where a tapered GP Provider joined the 2015 Scheme after 1 April 2016, with no previous 1995/2008 income in the same year, their 2015 Scheme pensionable income is annualised by 365 days.

Table B outlines the basic GP Provider rules.

Table B

GP PROVIDER IN 2016/17	2016/17 TIERED CONTRIBUTION RATE RULES
Fully protected 1995 GP Provider	Rate based on actual surgery pensionable income + actual SOLO income
Fully protected 2008 GP Provider	Rate based on actual surgery pensionable income + actual SOLO income
Transition 1995/2015 GP Provider – no breaks	Rate based on actual surgery pensionable income + actual SOLO income
Transition 2008/2015 GP Provider – no breaks	Rate based on actual surgery pensionable income + actual SOLO income
Tapered 1995/2015 GP Provider – no breaks	Rate based on actual surgery pensionable income + actual SOLO income
Tapered 2008/2015 GP Provider – no breaks	Rate based on actual surgery pensionable income + actual SOLO income
Transition 1995/2015 GP Provider – singular break exceeding 1 calendar month in 2016/17	Rate based on <b>annualised</b> surgery income + actual SOLO income
Transition 2008/2015 GP Provider – singular break exceeding 1 calendar month in 2016/17	Rate based on <b>annualised</b> surgery income + actual SOLO income
Tapered 1995/2015 GP Provider – break between leaving 1995 and joining 2015 or after joining 2015	Two rates 1995 Section rate based on actual surgery and SOLO 1995 pensionable income 2015 Scheme rate based on <b>annualised</b> 2015 surgery pensionable income + 2015 actual SOLO income
Tapered 2008/2015 GP Provider – break between leaving 2008 and joining 2015 or after	Two rates 2008 Section rate based on actual surgery and SOLO 2008 pensionable income

joining 2015	2015 Scheme rate based on <b>annualised</b> 2015 surgery pensionable income + 2015 actual SOLO income
2015 Scheme GP Provider – continuous pensionable service from 01/04/2016 to 31/03/2017	Rate based on the actual surgery pensionable income + actual SOLO income
2015 Scheme GP Provider – singular break exceeding 1 calendar month in 2016/17	Rate based on <b>annualised</b> surgery pensionable income + actual SOLO income
2015 Scheme GP Provider – member on 01/04/2016 however membership ceased before 31/03/2017	Rate based on <b>annualised</b> surgery pensionable income + actual SOLO income
2015 Scheme GP Provider – member on or after 02/04/2016 and continuous up to 31/03/2017	Rate based on <b>annualised</b> surgery pensionable income + actual SOLO income

Where a GP Provider is subject to the annualising rule their 'ad hoc' (i.e. SOLO) income is not annualised. Their actual SOLO income is added to their annualised GP surgery income to arrive at the tiered rate.

### **Non-GP Providers**

Non-GP Providers have always been subject to their tiered employee contribution rate being based on their annualised pensionable earnings regardless of if they are members of the 1995 Section, 2008 Section, or 2015 Scheme.

They can only pension income in respect of one GMS/PMS/APMS contract even if they are involved in several.

### **How to annualise non-GP Provider pensionable pay in 2016/17**

The method used to annualise non-GP Provider pensionable income in order to establish the tiered rate is as follows:

2015 Scheme surgery pensionable income in 2016/17 ÷ 2015 Scheme membership (calendar days) in 2016/17 x 365 days.

Where a tapered non-GP Provider joined the 2015 Scheme on or after 1 April 2016 only use their 2015 Scheme pensionable income, exclude their 1995 or 2008 Scheme non-GP Provider pensionable income.

Where a tapered non-GP Provider joined the 2015 Scheme on or after 1 April 2016 their 2015 Scheme pensionable income is annualised by 365 days.

Table C outlines the basic non-GP Provider rules.

Table C

NON-GP PROVIDER IN 2016/17	2016/17 TIERED CONTRIBUTION RATE RULES
Non-GP Provider (1995, 2008, or 2015 member) with continuous NHSPS membership from 01/04/2016 to 31/03/2017	Rate based on their actual surgery pensionable income
Non-GP Provider (1995, 2008, or 2015 member) with singular breaks during 2016/17 exceeding 1 calendar month	Rate based on their <b>annualised</b> surgery pensionable income
Non-GP Provider 2015 Scheme membership commenced on 01/04/2016 and ceased before 31/03/2017	Rate based on their <b>annualised</b> surgery pensionable income
Non-GP Provider 2015 Scheme membership commenced on or after 02/04/2016 and was continuous up to 31/03/2017	Rate based on their <b>annualised</b> surgery pensionable income
Non-GP Provider 2015 Scheme membership commenced on or after 02/04/2016 and ceased before 31/03/2017	Rate based on their <b>annualised</b> surgery pensionable income

## **Examples**

The following examples illustrate several 2016/17 annualising scenarios.

**Example 1:** Dr A, a GP Provider, had continuous NHS Pension Scheme GP membership throughout 2016/17 (1 April 2016 to 31 March 2017).

*Dr A's tiered rate is based on their actual surgery pensionable income plus any actual SOLO income regardless of which Scheme they are in.*

**Example 2:** Dr B, a fully protected 1995 or 2008 GP Provider, had breaks in GP membership during 2016/17, or left before 31 March 2017 with pensionable pay in total of £96,000 from all practitioner sources.

*Dr B's tiered rate is based on their actual surgery pensionable income of £96,000.*

**Example 3:** Dr C, a transition GP Provider who joined the 2015 Scheme on 1 April 2016, had a break in 2015 Scheme GP membership during 2016/17 that did not exceed one calendar month and total 2015 pensionable earnings of £102,000.

*Dr C's tiered rate is based on their actual surgery pensionable income of £102,000 plus any actual SOLO income.*

**Example 4:** Dr D, a transition GP Provider who joined the 2015 Scheme on 1 April 2016, had a break in 2015 Scheme GP membership during 2016/17 of 40 days that exceeded one calendar month. The practice pensionable earnings for the period worked was £99,500 and there were £8,000 of SOLO earnings.

*Dr D's tiered rate is based on their annualised surgery pensionable income plus any actual SOLO income. Practice pay is annualised  $£99,500 \times 365/325 = £111,746$  plus £8,000 SOLO gives £119,746 of total annualised earnings for the purpose of the tier.*

**Example 5:** Dr E, a transition GP Provider who joined the 2015 Scheme on 1 June 2016, having been in the 1995 Scheme in all days prior to this, left prior to 28 February 2017. 1995 earnings for 1 April 2016 to 31 May 2016 were £42,000 and 2015 practice income for the period 1 June 2016 to 28 February 2017 was £88,000.

*Although Dr E did not have any breaks, as there was no membership on 31 March 2017 the tiered rate is based on their annualised surgery pensionable income. The 1995 tiered rate is based up the actual of £42,000, with the 2015 on annualised income of  $£88,000 \times 365/273 = £117,656$ .*

**Example 6:** Dr F, a tapered GP Provider, joined the 2015 Scheme on 1 April 2016 and had no individual breaks in 2015 Scheme GP membership exceeding one calendar month up to 31 March 2017.

*Dr F's tiered rate is based on their actual surgery pensionable income plus any actual SOLO income.*

**Example 7:** Dr G, a GP Provider who had not been in an NHS pension scheme before, joined the 2015 Scheme on 1 June 2016 and left 31 July 2016 with earnings for the two months of £23,000. GP SOLO income of £45,000 was earned in the period 1 January 2017 to 31 March 2017.

*Dr G's 2015 Scheme tiered rate from 1 June 2016 to 31 July 2016 is based on their annualised 2015 Scheme surgery income scaled up by 365 days, plus their actual SOLO income. Practice income £23,000 x 365/61 = £137,623 + £45,000 SOLO = £182,623 for allocating the tiered rate.*

**Example 8:** Dr H, a GP Provider, was a 2015 Scheme member throughout 2016/17 and had no individual breaks exceeding one calendar month.

*As Dr H was a 2015 Scheme member from 1 April 2016 to 31 March 2017 their tiered rate is based on their actual surgery pensionable income plus actual SOLO income.*

**Example 9:** Mrs I, a non-GP Provider, joined the 2015 Scheme on 2 April 2016, having not previously been in an NHS scheme, and worked continuously up to 31 March 2017, earning £54,000.

*Mrs I's tiered rate is based on her annualised surgery pensionable income. £54,000 x 365/364 = £54,148 for assessing the tiered rate for 2016/17.*

**Example 10:** With no previous NHS service, Dr J, a GP Provider, joined the 2015 Scheme as a GP partner on 1 June 2016 and left on 30 March 2017 earning £79,000. Dr J was also a shareholder in a GP Limited Company practice from 1 May 2016 to 31 October 2016, earning pensionable earnings of £19,000. Dr J also earned GP SOLO income of £11,000 in the period 1 July 2016 to 31 July 2016.

*Dr J's tiered rate is based on their annualised surgery pensionable income plus actual SOLO. Total Type 1 practitioner income is £98,000, with total membership of 303 days for the partnership and 184 days for the limited company, making a total of 487 days. There were, however, 153 overlapping (1 June 2016 to 31 October 2016), so these are removed from the annualisation and the calculation is, £98,000 x 365/334 = £107,096 + £11,000 SOLO = £118,096 for the tier assessment.*

**Example 11:** Dr L, GP Provider, was a 2015 Scheme member throughout 2016/17 (no breaks), earning £109,000 from practice and also performed pensionable freelance GP locum work in other surgeries at least once every three months, earning £12,000 from these position.

*Dr L's tiered rate is based on their actual surgery pensionable income plus actual freelance GP locum pensionable income. £121,000 is therefore used for the tier.*

**Example 12:** Dr M, GP Provider, was a 2015 Scheme member throughout 2016/17 (no breaks) and also performed irregular pensionable freelance GP locum work in other surgeries that were not at least once every three months. The practice partnership income was £107,000, whilst the irregular Locum income was £2,500 over 5 days.

*Dr M's tiered rate is based on their actual surgery pensionable income plus annualised freelance GP locum pensionable income. Annualised Locum income is £2,500 x 365/5 = £182,500 plus partnership income of £107,000 gives £289,500 for the purposes of setting the tier.*