Annual main certificate of pensionable profits 2018/19

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

Contents

Introduction

This booklet is issued by NHS Pensions to give guidance for the completion of the Annual Certificate of Pensionable Profits 2018/19 (the "certificate"). The certificate is subject to change each year, and these guidance notes are aimed specifically at the 2018/19 certificate only. (Copies of guidance notes and frequently asked questions from earlier years are available on our website).

In completion of the 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*

You should also have regard to tax law surrounding the preparation of personal and partnership tax returns.

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

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

Further information about GPs NHS pensions can be found in new 'GP Member Pension Guide' available on the NHS Pensions' website (*www.nhsbsa.nhs.uk/nhs-pensions*) in the Practitioner webpage.

Purpose of the certificate and levels of contribution

The purpose of the certificate is to calculate a provider's pensionable NHS earnings, the level at which pension contributions need to be paid and the contributions due.

Levels of contributions payable can be found in the members' hub area of the website under the membership, pay and contributions heading www.nhsbsa.nhs.uk/nhs-pensions.

More detailed information can also be found in the new GP Member Pension Guide.

Important note – members of the 2015 Scheme have their employee pension tier rate determined by their annualised earnings. Please read the guidance on the NHS Pensions' website and the spreadsheet calculator to assist you with determining the correct percentage to use.

This certificate can only be completed **after** your 2018/19 personal (and, if applicable, partnership) income tax return has been completed.

Who should complete this certificate?

This certificate must be completed by:-

- Individual GP providers (i.e. type 1 medical practitioners) and
- Individual non GP providers

who are either partners in practice or working as a single-hander.

GP Providers

GP providers must 'pension' **all** their NHS GP Practitioner income; that is all practitioner income paid to them by an NHS Pension Scheme (NHSPS) Employing Authority. A GP provider can earn income from a number of different sources. If this is the case, the provider must pension all of their NHS GP practitioner income and cannot opt out of pensioning certain parts of it. A provider may however opt out of pensioning salaried officer posts, such as hospital based clinical assistant posts, but they cannot opt out of pensioning bed fund posts and they cannot pension 'opted out' Officer income by a 'back door route' through the certificate. GP providers will need to have regard to other relevant forms in the completion of this certificate, namely GP SOLO forms and Locum forms A and B.

There is an over-riding requirement that providers must complete **one certificate for each separate contract held**. Therefore, where the same GP provider receives income from more than one GMS/PMS/APMS contract a separate certificate is required for each.

Non GP Providers

Non GP providers are required to complete the certificate. They are treated as "whole time officers" regardless of the hours they work. Non GP providers are only permitted to pension income from one source and will only complete one certificate each year. As a non GP provider/partner in a GP practice, their pensionable pay will be based on their share of profits from the partnership. For the avoidance of doubt, non GP providers cannot 'pension' "SOLO" income.

If a non GP provider earns income from a number of sources they should seek specialist professional advice as to which of their NHS posts should be pensioned.

Please also note the final pay controls applicable to 1995 Section officer members with effect from 1 April 2014, apply to non-GP providers. The FAQs at Annex C provide more information.

A GP who is a type 2 medical practitioner (e.g. salaried GP, practice based long-term fee based GP, or career OOH/GPwSI GP) must complete the Type 2 Medical Practitioner Self-Assessment Form.

A separate certificate must be completed where a provider is a shareholder in a limited company. The 'Limited Company Certificate' has its own separate guidance notes.

What happens after I have completed the certificate?

In England a provider's Employing Authority is NHS England. Primary Care Support England (PCSE) act on behalf of NHS England and are responsible for collecting contributions, certificate processing, etc. PCSE has introduced an online submission system for all GP forms and the 2018/19 certificates must be submitted through that online contact.

In Wales, the Local Health Board (LHB) is the Employing Authority.

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.

The NHSE/PCSE website address is below. In the "type of enquiry" drop down menu, select "GP Pensions" and complete the remaining pages. The certificate attachment may be PDF format or Excel spreadsheet.

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.

https://pcse.england.nhs.uk/contact-us/

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 2020.**

Completing the certificate: Boxes A - T

Box A: Your Name

Write your full name; do not use initials. If your surname has changed in 2018/19 please also provide your previous surname.

Box B: Type of Contract

Specify the type of contract this certificate relates to, as in some cases, a provider may hold more than one contract to provide medical services.

Box C: National Insurance Number (1), Pension Scheme SD Reference Number (2) and GMC registration number (3)

Enter your national insurance number, your individual NHSPS reference number and your GMC registration number, if applicable.
The NHSPS reference number is often known as your 'SD' number and has eight digits

Your national insurance number is also available from the front page of your income tax return.

Your GMC reference number is also required and can be obtained from the GMC's website.

It is important to complete all these details as their absence can cause delays in the processing of your certificate.

Box D: Practice Reference Number and Pension Scheme Employing Authority Code

Your GP practice reference number is the unique reference number allocated to you by PCSE or the LHB; if not known please state 'not known'. The NHSPS Employing Authority code is a letter followed by three digits; i.e. A123. Your practice/payroll manager should know this code, however if not known please state 'not known'.

Box E: Host PCSE or LHB

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

If you have moved practice during the year, or there have been area changes to your commissioning body (PCSE/dCCG/LHB), you may be required to complete more than one certificate for 2018/19.

More than one certificate will be required in the following circumstances:-

You have changed practice during the year, but have remained within the same dCCG/LHB.

In this situation, two certificates will be required and the reference in box D will be different on each.

b) You have changed practice but have also moved to a different Commissioning Body/PCSE/dCCG/LHB.

In this situation, two certificates will be required and the references in boxes D and E will be different on each.

It is acceptable in both situations (a) and (b) to account for personal expenses, personal capital allowances and any private fee income assessed on the self-employment pages of your income tax return on a pro-rata basis should specific calculations relating to each time period not be available.

If a change of Commissioning Body occurs as a result of a practice merger, but you remain with the same practice, only one certificate should be completed and the relevant entry in box E will be the Commissioning Body at the end of the year.

Box F: Practice Accounting Year End

The appropriate 'year-end' will be the accounting year end which falls into the tax year 2018/19 (the year ended 5 April 2019), for example 30 June 2018, 31 October 2018 or 31 March 2019. This is the accounting year which forms the basis for the entries contained in your 2018/19 income tax return.

Your practice accountant will be able to provide this information.

Box G: Private Fees Year End

Many providers earn private fees which are not paid in to the practice's accounts. These fees will be separately accounted for on your income tax return.

The accounting year end for your private fee income may differ from your practice's accounting year end. For example, your practice year end may be 30 June 2018, but your private fees may be accounted for on your 2018/19 income tax return for the year ended 5 April 2019. Alternatively, your private fees accounting year end may be the same as your practice's accounting year end i.e. 30 June 2018.

Either method is entirely acceptable.
If your accountant completes your income tax return, you should ask them which year-end should be entered in box G.

Box H: Date of Commencement

Where you have commenced as a partner or as a single-hander in 2018/19 you should enter the date here.

If the date in box F and/or G is not 31 March, you will need to have regard to the overlap rules in determining taxable and pensionable pay. The overlap rules work in exactly the same way for income tax and pensionable pay.

You should consult an appropriately qualified accountant who will be able to assist you with these calculations. Alternatively you will find detailed guidance on the overlap provisions in an earlier year's certificate guidance notes at www.nhsbsa.nhs.uk/nhs-pensions.

Box I: Date of Retirement

Where you have left or retired from a practice in 2018/19 enter the date you have either:-

- left the practice where you were a partner or single-hander, (i.e. moved to another practice or became salaried elsewhere), or
- taken 24 hour retirement,
- opted out of the pension scheme, or
- left the practice and taken your pension.

Use box 98 (the explanatory information box) to confirm the dates and circumstances of your departure, including the type of retirement (full or 24 hour) that you are taking and the details of any new practice or other organisation you may be joining (if known) as either a partner or an employed position.

Once again if you are retiring or leaving a practice, you may be affected by the overlap rules. You should consult an appropriately qualified accountant who will be able to assist you with these calculations.

If you have taken full or 24-hour retirement or opted out in 2018/19, you must complete a certificate for the period that you were a pensionable provider. Where a GP returns to practice following 24-hour retirement or has opted out but continues to work they may then wish to complete a second certificate for the entire year solely for seniority purposes. If a certificate has been completed solely for seniority purposes this should be made clear in box 98.

In subsequent years members who have taken retirement or opted out but continue to be providers may wish to voluntarily complete an annual certificate for the purposes of calculating their entitlement to seniority.

Full details about retiring from the NHS Pension Scheme (including taking 24-hour retirement) are available from our website at www.nhsbsa.nhs.uk/nhs-pensions.

Box J: Added Years Cap

Prior to 1 April 2008 members who first joined the NHS Pension Scheme on or after the 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 employee and employer contributions are based upon full NHS pensionable earnings.

However, if an NHS Pension Scheme member who had previously been 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 those earnings subject to the added years cap are still limited to £160,800 for 2018/19. (See the earning cap fact sheet available on our website).

Any added years agreements starting on or after 1 April 2008 are **not** subject to the earnings cap and contributions are payable on the full actual NHS pensionable earnings. Do **not** enter “YES” in Box J if this is the case.

Please also refer to the guidance notes for completion of box 38c and beware that manual entries may be required in allocating the cap, particularly where a member has 1995/2008 and 2015 earnings. Show the allocation and provide further information as a note in box 98.

Further information and guidance on the operation of the earnings cap can be found on www.nhsbsa.nhs.uk/nhs-pensions and also in a factsheet; Earnings Cap factsheet, in the employers’ hub area of the website under practitioner forms.

Box K: Provisional Tax Returns

There are circumstances where it will be necessary to use provisional information on your income tax return, such as in your first year of self-employment or when joining a new practice. If you have completed a provisional tax return for 2018/19, you should enter “Yes” in this box.

When an amended income tax return is submitted, a corresponding amended certificate should be completed and submitted to your Commissioning Body, even though the submission date of the amended certificate is after the deadline for filing.

Boxes L and M

Some GPs may have joined the 2015 Scheme on or after 1 April 2015. If so, their tiered contribution rate may be based upon annualised earnings. For 2018/19 we have produced new guidance and a spreadsheet calculator to enable the tiered rate to be calculated for the 2015 membership. Annualisation should not apply where membership is seamless throughout the year, even when the member has moved into the 2015 scheme.

A different method of annualisation has been implemented in 2018/19 that may also be utilised for earlier years, which can consequently be amended. Application forms to do this are available on our website.

If you have moved into the 2015 Scheme in 2018/19, tick box L and enter the relevant date in box M.

Box N

Some GPs may not be members of the NHS Pension Scheme (opted out, 24 hour retirement etc), but continue to be partners in practice with an entitlement to seniority. If this is the case, tick box N and complete the certificate to calculate the level of notional pensionable pay. This is required to determine whether the member is entitled to the full level of seniority or whether earnings are below the levels where entitlement may be reduced. Percentage figures in 64 to 67 and 81 to 84 (and their equivalents in later boxes) should all be overridden to zero.

Boxes O & P (page 11)

Box O should be ticked in the following circumstances:

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

You were a GP member of an NHS Pension Scheme (1995/2008 and/or 2015) on 1 April 2018 and on 31 March 2019 and there was no applicable break between those two dates. We have produced new guidance concerning continuous service and applicable breaks. Please consult our website for further details and worked examples.

If you have ticked box O, your pensionable pay will be based upon your aggregate practitioner earnings and you should complete the remainder of page 6.

When you cannot tick box O, 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 no **not** tick box O or complete page 6, but move on to page 7 and tick box P. Annualisation of 2015 earnings will be required in this instance. For 2018/19 we have produced new guidance and a spreadsheet calculator to assist with the calculation of the 2015 pension tier. Please consult our website for further information.

A different method of annualisation has been implemented in 2018/19 that may also be utilised for earlier years, which can consequently be amended. Application forms to do this are available on our website.

Boxes Q & R (1995/2008) AND S & T (2015) (page 13)

Please see the special notes to box 32 regarding these boxes.

Calculating your pensionable earnings: Boxes 1-119

Box 1: Provider's Share of Partnership Income

The figure in box 1 should be your share of total medical related **income** derived from the appropriate partnership accounts.

This figure should allow for any prior shares of income allocated to you, for example seniority, property income, medical examination fees, appraisals etc.

Single handers should enter "Nil" in this box and proceed to box 2.

Tax adjustments to income (such as bank interest received, non-taxable income and certain legacies and bequests etc.) should be excluded.

Special note – salaried appointments/SOLO income

Pooled Salary Income

GP providers often share income from their employed positions with their fellow partners in their practices. This is known as "pooled" income.

A GP provider who is a partner in a practice can have this income taxed in one of two ways:-

By the "statutory" method

This is where the pooled salaried position paid into the practice has been deducted for tax purposes on the partnership computation and taxed on the employment pages of the individual's tax return.

By the "concessionary" method

This is where the pooled salaried position has been treated as self-employed (i.e. partnership) income in accordance with HMRC Guidance noted at www.hmrc.gov.uk/manuals/eimanual/EIM03000.htm and subsequent pages.

Care should be taken when preparing accounts, tax calculations and the certificate because pooled income may need to be grossed up for employer contributions to ensure sufficient earnings are pensioned.

SOLO Income

Income declared on a GP SOLO form should be included gross.

If a provider has pooled any superannuable fee based income this **cannot** be declared on a GP SOLO form. This income should be included on the certificate as gross income plus employer contributions.

Please refer to the FAQs for specific guidance on CCG posts.

Box 2: Single Handed Provider/Self-Employed Income

Box 2 is for single-handers to declare their GMS, PMS, APMS and sPMS income, private income and reimbursements.

Box 2 is also for GP partners who have private fees that are not included in the partnership tax return but which are reported separately on the self-employment pages of their individual income tax return. This box will include GP SOLO income on a fee paid basis (i.e. not an employed position) and locum income.

If you are a partner in practice with private fee income that is fed into the partnership tax return, and not reported on the self-employment pages of your personal return, there should be no entry in this box as the income will be included in box 1 above.

Box 3: Income from Employment Pages of Income Tax Return

Box 3 must include all salaried income where the GP provider is in receipt of a P60. This includes salaried employment income (e.g. clinical assistant, community medical officer, salaried GP, and bed fund posts) where income is subject to PAYE, regardless of whether tax or national insurance has actually been deducted. Also include any income that is recorded in box C of the GP SOLO form where the PCSE/dCCG/LHB/OOHP has paid it under PAYE.

Where you receive a P60 in respect of a salaried position, but that income is pooled in the partnership (i.e. the “concessionary method” as described in the guidance to box 1), you **should not** include this income in box 3.

If however, your salaried income has been treated as employment income on your income tax return this figure **should** be included in box 3 (i.e. the “statutory method” as described in the guidance to box 1).

Where a figure is to be included in box 3, it will equate to the figure in box 1 of the employment pages of the income tax return i.e. taxable salary **excluding** any grossing up for employer superannuation contributions.

Do **not** include a salary received from a limited company that holds a GMS, PMS, sPMS or APMS contract. The pensioning of such salaries will be dealt with through the separate certificate for limited companies.

Box 4: Other Medical Related Income

Box 4 must include any ad hoc private work (e.g. university or medical school) and any fee based NHS work that was not salaried and is not included in boxes 1, 2 or 3 above. This may include income before a deduction for expenses reported at box 16 of page TR3 of your main tax return.

Do **not** include pensionable income derived from a limited company. Whilst the provider's salary and dividend income from such a source may be pensionable, this will be dealt with through the separate limited company certificate.

Box 5: Income Pensioned Separately

Box 5 is the income stated in boxes 1, 2, 3, or 4 of the certificate which has already been 'pensioned'. This is likely to be NHS income from GP Locum work (the full amount before 10% reduction for notional expenses) and pensionable income from salaried NHS work (i.e. clinical assistant, hospital practitioner, salaried GP, bed fund and CCG officer posts). This will also include any salaried income pensioned through the University Superannuation Scheme.

Fee based (self-employed) income that has had superannuation paid upon it and recorded on the GP SOLO form should NOT be included in box 5. Solely for the purpose of the certificate this income is not regarded as being 'pensioned separately'.

Note that this box should only include income included in boxes 2, 3 and 4 that has been pensioned separately. No entry should be made in this box in respect of salaried appointments that have been pooled in the practice. However, where the salaried position has been recorded on the employment pages of the individual's income return (i.e. the "statutory" method) you will be required to enter here the amount included in box 3 that relates to pooled income. See the guidance to box 1.

Box 6: Total Medical NHS and Non NHS Income

Box 6 is the total NHS and non-NHS income, which has not already been pensioned elsewhere, for the purposes of this certificate.

Box 7: Share of Partnership Non-NHS Income

The figure in box 7 should be your share of non-NHS income from the practice accounts e.g. clinical trials, insurance medicals, DWP medicals, private patients, police work, medical school and university income paid direct from the school/university, medico legal reports, etc.

Box 7 will also include external locum income not already pensioned on Locum A and B forms e.g. locum work carried out on behalf of practices other than the one in which you are a partner.

Box 8: Single Handed Provider and Self-Employed Non-NHS Income

The figure in box 8 should be the non NHS income reported through your self-employment pages; clinical trials, insurance medicals, DWP medicals, private patients, police work, medical school income paid direct from the school, medico legal reports, etc.

Box 8 will also include external locum income not previously pensioned on Locum A and B forms.

For income from an Out Of Hours Provider ("OOHP) to be pensionable, the OOHP needs to be a NHSPS Employing Authority. A list of OOHPs that are Employing Authorities can be found in Annex B. Please refer to this list to determine if OOHs income is pensionable.

Box 9: Non NHS Medical Related Employment Income

This figure should be the non-NHS income reported on the employment pages of your tax return.

Box 10: Non NHS Medical Related Income Declared Elsewhere on Income Tax Return

Box 10 must include any non NHS ad hoc private fee work and fee based medical related work that was not salaried and is not included in boxes 7, 8 or 9 above. This may include income reported at box 16 of page TR3 of your main tax return.

Box 11: Non NHS Income Pensioned Separately

It will be rare to have an entry here, as there are few types of non NHS income that will already be pensioned separately. One example, however, would be university income received direct and already pensioned through the University Superannuation Scheme.

Box 12: Total Non NHS Income

Box 12 is your total non NHS income that has not already been pensioned.

Box 13: Ratio of Non NHS Income to Total Medical Related Income

Box 13 provides the ratio to determine the percentage of expenses attributable to non NHS income under the standard and alternative methods of calculation. See notes to boxes 39, 40 to 45 and 98.

Box 14: Partnership Expenses

Box 14 must state your share of all of the practice partnership expenses derived from the practice accounts, e.g. staff salaries, administrative expenses, drugs etc. Exclude expenses that are disallowed for tax purposes; e.g. depreciation, entertaining, etc. Capital allowances claimed on practice assets such as computer equipment and furniture should be included.

Where personal expenses and capital allowances have been claimed and fed through the partnership tax return for tax reporting purposes, they should be included in box 14 after adjustment for private use.

Box 15: Single Handed Provider/Self-Employed Expenses

This will include a single hander's total expenses, adjusted for tax purposes.

For providers in partnership, box 15 will include the tax adjusted personal expenses and capital allowances that are **not** set against profits in the partnership tax return but are set against private fee income declared on the self-employment pages of the personal return.

In 2017/18 HMRC introduced a Trading Allowance of £1,000.00 that it may be possible to claim against self-employed income. NHS Pensions have confirmed that this is not an allowable expense for pension calculation purposes. Only actual expenses incurred may be allowable in the pensionable pay calculation. It is possible, therefore, that in this case tax return entries and what is included in the certificate will not match. Where a figure is included for the Trading Allowance at box 16.1 of the self-employment (full) pages (box 10.1 of the short pages), the entries to include in box 15 of your certificate are what the self-employed page box numbers referred to on the certificate would have been had the Trading Allowance not been claimed.

Box 16: Employment Expenses

Box 16 will include the tax relievable expenses entered on the employment pages in respect of employment income. Expenses set against employment income earned prior to commencing or after ceasing as a provider should **not** be included.

Box 17: Other Medical Related Expenses

Includes tax relievable expenses included, or set against income declared, elsewhere on your tax return; e.g. at box 17 of page TR3 of your main tax return.

Box 18: Qualifying Loan Interest

Box 18 is interest payable on your share of a loan held personally for professional purposes not already declared in boxes 14 to 17, and will usually reflect the entry made at box 5 under ‘Other tax reliefs’ on page 2 of the additional information pages of your tax return.

Box 19: Total Expenses

These are your total expenses incurred in respect of **all** your income for the purposes of this certificate.

Box 20: Partnership Taxable Profit

This figure will reflect your share of taxable partnership profit (box 1 less box 14) and should correspond to box 8 of the partnership pages of your income tax return.

Box 21: Single Handed Provider/Self Employed Taxable Profit

This figure will reflect taxable single hander or private fee based self-employed profit (box 2 less box 15) and should correspond to box 31 of the self-employed (short) pages or box 64 of the self-employment (full) pages of your tax return, subject to any adjustment made for the Trading Allowance.

Box 22: Net Taxable Employed Pay

This figure will be your taxable employment pay (box 3 less box 16) and will reflect Box 1 less the total of boxes 17, 18, 19 and 20 from the employment pages of your income tax return.

Box 23: Other Net Medical Related Profit

Will be your taxable medical related profit declared elsewhere on your tax return.

Box 24: Total Taxable Profit

Is the total of boxes 20 to 23.

Box 25: Qualifying Loan Interest

See comments re box 18.

Box 26: Income Pensioned Separately Included In Box 24

This total needs to include any elements of income included in boxes 20 to 23 which have been pensioned at source.

This box will include:-

Salaried appointments net of expenses (included in box 22)
Locum income pensioned on Locum A and B forms (included in boxes 20 and/or 21)

This box will **exclude** GP SOLO income

Where salaried appointments have been pooled (also see guidance on boxes 1, 3 and 5) it will be necessary to include the GP provider's taxable pay i.e. the figure as noted on their P60 **plus** employee and added years contributions, and any employer's contributions where the practice's accounts have been grossed up. (For the avoidance of doubt this figure will **not** be just the provider's share of the pooled salaried income).

Where salaried income has not been pooled, or the "statutory" method has been used for pooled salaried income, the income will have been recorded on the employment pages of the individual provider's income tax return. The relevant figure will be the figure at box 22.

It should be noted that box 26 will not necessarily be equal to box 5 as a result of any pooled income. See guidance notes to box 5.

Box 27: Total non NHS Income

The figure to be stated in box 27 is the figure in box 12.

Box 28: Any Pensionable NHS GP Income

Box 28 should include any 'ad hoc' NHS income (inclusive of employer contributions) not already declared on this certificate and not already 'pensioned elsewhere'.

Box 29: Non NHS Expenses

See the notes in respect of boxes 39, 40 to 45, and 98.

Box 30: Non Standard Method of Apportionment

This box should be ticked if the standard method of non-NHS expense allocation is not being used. See the notes in respect of boxes 39, 40 to 45, and 98.

Box 31:

This is your total pensionable pay inclusive of GP SOLO income prior to adjustment for employer contributions.

Box 32: GP SOLO Income

Box 32 is the total of all income, from whatever source, declared in box C of the GP SOLO forms for the accounting year that falls in 2018/19. Reference should also be made to guidance notes referring to pooled income in box 1.

Special note – GP SOLO income

Where a GP provider has performed SOLO work, the SOLO employer should have deducted employee contributions at the correct rate taking account of the GP provider's global practitioner pensionable income. Where the correct rate has been applied the GP provider should enter 'Yes' in box R on pages 11 and 13 (1995/2008 scheme) and/or box T on pages 12 and 14 (2015 scheme) as appropriate. This indicates no adjustment is required and therefore no action necessary through the SOLO 'employer' (e.g. OOHP) or practice.

Where a GP provider has performed SOLO work and the SOLO 'employer' has **not** collected tiered employee contributions at the correct rate the GP provider should enter 'Yes' in box R on pages 11 and 13 (1995/2008 scheme) and/or box T on pages 12 and 14 (2015 scheme) as appropriate and arrange to pay the arrears of SOLO contributions directly to the relevant SOLO 'employer'.

The GP provider must ensure that their SOLO income is apportioned to each relevant SOLO 'employer' and send a copy of pages 13 and/or 14 to each relevant SOLO 'employer' to assist with the payment. NHS Pensions recognises that in some circumstances it is impractical for arrears of SOLO contributions to be collected by the relevant SOLO 'employer'. Therefore, in these circumstances, the GP provider may pay the arrears through the certificate. In this case they should enter 'Yes' in box Q and/or S on pages 11 to 14 of the certificate.

The GP provider must inform the SOLO 'employer' that they have paid any arrears through this certificate.

SOLO income should be recorded in the month to which the payment relates i.e. the month the work was done.

Contributions made monthly in arrears should be accounted for as creditors in the practice accounts. This enables reconciliation of boxes 32, 37 and 47 of the certificate to the payment system for SOLO income accounted for to a 31 March year end. (This would also enable the use of annual SOLO forms). Where the figures do not reconcile, the PCSE or LHB are entitled to query this with the GP/accountant.

If SOLO income has not been accounted for to a March year end, the PCSE or LHBs will not be able to reconcile figures from the payment system to Boxes 32, 37 and 47 of the certificate.

Whilst reconciliation is not possible, this method of accounting for SOLO income is acceptable and correct. This may result in an under or over payment of contributions due to timing differences. These under or over payments will be shown in box 97 or 97a and should be adjusted for as indicated on the certificate.

Boxes 33 and 34

The figure calculated in box 33 is the pensionable income after extracting GP SOLO income. This is necessary as the treatment of the employer contribution in practice income and GP SOLO income is different. Whilst the GP SOLO income received does not include the employer contribution, practice income is assumed to be gross of 14.38% employer contributions. Box 33 therefore reflects practice pensionable income inclusive of the employer contribution and must therefore be reduced to the net amount of actual pensionable pay; the fraction of 100/114.38 is applied to box 33 and produces your pensionable pay in respect of your practice income.
Although all PMS practices are legally required to pay over contributions within statutory deadlines, in some PMS practices there may be a different arrangement in respect of collecting and paying the employer contributions. If this is the case, then the reduction to box 33 will **not** be required. In the event of uncertainty, PMS practices are advised to check if they are affected, and seek the advice of an appropriately qualified accountant.

Boxes 35, 35a, 35b and 35c: Pension Overlap Boxes

The entries here will reflect any pension overlap figures calculated as a result of changes in accounting reference dates or cessation or retirement. For detailed guidance you should refer to the previous guidance notes on overlap relief on www.nhsbsa.nhs.uk/nhs-pensions or to your accountant. There are also comments in the FAQs included with this guidance regarding moving to the 2015 scheme and cessation and losses.

Box 36: Pensionable Profit for 2018/19

This is your individual GMS, PMS, APMS or SPMS pensionable profits after adjustment for any relevant pension overlap amount.

Box 37: Pensionable Profit for GP SOLO Purposes

This is the figure from box 32.

Box 38: Total Pensionable Profit for 2018/19

This is your total NHS pensionable profits (including SOLO income) prior to any potential ‘capping’ that may apply for added years purposes.

Box 38a: Seniority

The figure in this box should be the amount of seniority allocated to you in the practice accounts i.e. the actual seniority for the relevant period included in the superannuable earnings figure in box 36. This may be a partner's prior share for seniority or their percentage share of total seniority if the practice does not prior allocate seniority. Or a combination of the two where a partner only receives a partial prior share of the overall entitlement. No adjustment should be made for employer superannuation contributions.

Seniority payments have to be separately identified for the purposes of calculating average adjusted superannuable income in accordance with the Statement of Financial Entitlements.

Box 38b: Other Excluded Income

This box should be any other excluded income not already removed from pensionable pay at box 26. The purpose of box 38b is to identify any amounts that the PCSE or LHB may have to deduct from the pensionable pay declared at box 38, because it is not relevant for "pensionable pay for seniority purposes", and has not been previously deducted in the certificate calculations.

The Department of Health & Social Care confirmed what constituted "pensionable pay for seniority purposes" in 2011/12. This includes mainstream GP income, OOH, GPwSI income, PEC positions, CCG income etc. Specific exclusions are income from honorary board posts, salaried clinical positions (other than bed fund posts) and salaried community medical officer posts.

Box 38c: Amount of Pension Cap for Added Years Purposes Only

See notes to box J. Enter a figure in this box if you are capped for added years purposes **only**. The figure in this box would normally be the earnings cap relevant to 2018/19 (£160,800.00). However, salaried income (e.g. clinical assistant posts etc.) may have been pensioned at the full amount thereby reducing the amount of the cap to below £160,800.00 for the remaining income sources such as partnership pensionable income. An allocation of the earnings cap may also need to be made between OOH income and main practice income. Where the cap applies to your added years contract, your total NHS pensionable pay from all NHS sources in the year ended 31 March 2019 cannot exceed £160,800.

As we cannot advise on the application of the cap to any particular income professional assistance should always be sought from a qualified IFA.

For the above reasons, it is not possible for the Excel version of the spreadsheet to determine where the cap is first to be applied. Box 98 should be used to explain how the cap has been applied.

Box 39: Standard Method for Calculation of Non NHS Expenses.

Non NHS expenses are calculated using the standard method where:

Non NHS income (box 12) is less than 10% of total income (box 6), **and**
Non NHS income (box 12) is less than £25,000.00

The standard method apportions the total expenses from box 19 in relation to the ratio of non NHS income to total income (box 12 over box 6).

Boxes 40 to 45: Alternative Method of Calculation of Non NHS Expenses

Even though the conditions at box 39 above are met, it is not imperative that the standard method is used. The alternative method may be used, providing explanation and justification is given at box 98.

Where both the standard and alternative methods of allocating expenses do not provide a fair conclusion, you must use your own method of allocating expenses and clearly explain the reasons and methodology at box 98.

If an alternative method is to be used please remember to tick box 30.

Box O and boxes 46 to 53: Establishing Tier Rates for Employee Contributions

Employee contributions in 2018/19 range from 5% to 14.5% as stated on page 6 of the certificate. These tiered rates are absolute and should not be time apportioned for anyone who is a member of the 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 2018/19 and which appears in boxes 64, 64a, 81, 81a, 103, and 103a.

Tick Box O if you have been a member of an NHS Pension Scheme throughout the year or were only a member of the 1995/ 2008 scheme.

GP Providers

The tier rate payable in 2018/19 may be determined differently to previous years, depending upon the Provider's circumstances, when they have moved to the 2015 Scheme. Different rates may apply to 1995 (or 2008) pensionable pay than to 2015 pensionable pay.

Where a GP Provider is a member of the 1995/2008 Scheme only in 2018/19, 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 2018/19 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 2018/19 and there has been a break at some point, 'annualisation' of 2015 Scheme GP income may need to occur. For 2018/19 we have produced new guidance and a spreadsheet calculator to assist members in determining their tiered rate for 2018/19. This utilises a method of "add and annualise" rather than the alternative "annualise and add" that may have been used in previous years. We are providing an opportunity to amend previous years' tier rates where a lower tier may be achieved using the 2018/19 alternative method. Please consult our website for full details. This guidance will enable you to assess whether you need to tick box O.

Non-GP Providers

Non GP providers can only pension income from one source and therefore tier 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 2018/19 GP freelance locum income through forms A & B, salaried practitioner or bed fund posts, the GP must contact PCSE or the 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 that 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

GP SOLO income is not, for the purposes of this certificate, considered as income pensioned separately, although its pensioned amount is split out at box 37. See notes to box 32 regarding under/overpayments for SOLO work. Where, however, only GP SOLO work is performed, the adjustments will not occur through this certificate, but through the OOHP and/or PCSE or LHB as appropriate.

Boxes 54, 54a, 55, & 55a

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 GP practice, this will involve a time apportionment of pensionable profits. For certain sources of income, such as Out of Hours and GP Locum work, it may be more possible to identify the specific period in which income falls. NHS Pensions, however, has taken a pragmatic approach and will time apportion all practitioner income around the transition date.

Non-March year ends

A GP practice with a year end of 31 March should have little difficulty apportioning pensionable profits, but a non-March year end practice may perceive problems. Correctly speaking, a non-March year end GP leaving the 1995/2008 Scheme ought to be treated as leaving that scheme. This may entail including additional profit and deducting pension overlap. Entry into the 2015 Scheme will then create new pension overlap to carry forward and may entail the use of estimated profits for the next period and an amendment to the 2018/19 certificate when the following year's accounts have been finalised. This would also mean that tax return entries would not be the starting point for the certificate as the tax position remains on a current year end basis without any cessation in practice.

It is recognised that the pension overlap brought forward in the 1995/2008 Scheme may closely resemble the pension overlap created in the 2015 Scheme and that treatment as a cessation and restart may add considerable additional cost. By concession, therefore, where a member moves from one scheme to another in a particular year, it is permissible to merely transfer the brought forward overlap in the 1995/2008 Scheme into the carry forward in the 2015 Scheme.

Boxes 56 to 63: Contribution Tier Rates continued

If you have ticked Box P, please use the information here, above and provided NHS Pensions' new guidance and spreadsheet calculator to complete boxes 56 to 63. 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 56 to 62, where applicable, will all have income relating to the period when 1995/2008 membership ceased. Similarly, boxes 56a to 62a will only contain income from the date of joining the 2015 scheme.

It will be necessary to apportion main practice income from box 36 between boxes 56 and 56a, 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 type1 income from other type 1 certificates. The same date of transition will apply for each, so the same days are to be used.

Boxes 64 to 67: Other Contribution Tier Rates

When the employee tier rate has been calculated, this will apply to all practitioner positions within the relevant scheme. Box 64 may therefore be different to Box 64a.

These remaining boxes state the percentages at which the varying classes of contribution are paid for both main contract and GP SOLO income.

Added Years

Where an added years contract ends in 2018/19, an apportioned percentage for the days to the end of the contract should be calculated. Remember the earnings cap may apply to the Added Years contract. If you are uncertain about this you should contact NHS Pensions at nhsbsa.practitioners@nhs.net

Money Purchase AVCs

The figure in box 66 (and 83) is your provisional NHSPS money purchase AVCs if you have an NHS money purchase AVC contract with Prudential, Standard Life or Equitable Life. This is generally based on a percentage of your pensionable pay, but in some cases may be a fixed amount. Where the contribution is a fixed amount, the annual amount should be entered in boxes 66a (and 83a) rather than boxes 66 (and 83). The amount in boxes 66a (and 83a) should then be copied into boxes 70 (and 87).

Do not enter details in respect of any free standing AVCs.

Additional Pension Purchase (“AP”)

Where an AP contract exists in 2018/19 it will be necessary to enter the contributions due in boxes 66b (and 83b) for the period from 1 April 2018, or commencement if later, up to 31 March 2019 or the date that membership moved into the 2015 scheme.

Contributions for AP can be made either by a single lump sum or monthly payments. For single lump sum payments made during 2018/19 enter this sum in boxes 66b (and 83b). Where payments are made monthly, enter the monthly amount multiplied by the number of whole months paid during the year ended 31 March 2019 or the period relating to a particular scheme’s membership.

Early Retirement Reduction Buy Out (ERRBO)

Where an ERRBO agreement exists in 2018/19 it will be necessary to enter the contributions due in box 66f (and 83f and 105f) for the period from 1 April 2018.

Where your agreement has been completed in 2018/19, an apportioned percentage for the days to the end of the contract should be calculated.

If you terminated or suspended your ERRBO agreement during 2018/19 any ERRBO contributions that you have paid during 2018/19 should have been returned for this year only. Please enter zero in boxes 66f, 83f and 105f.

For further guidance please visit www.nhsbsa.nhs.uk/nhs-pensions.

Boxes 68 to 71 (and Boxes 85 to 88): Contributions Due

These figures equate to the pension contributions due for the year. As noted in the guidance to box 38c above, manual entries must be made in respect of Added Years contracts. The default formulae in these boxes assume that no apportionment will be necessary. These default formulae may therefore need to be overwritten.

Where you have an NHS Money Purchase AVC paid as a fixed amount, the figure in box 70 (87) will match that in box 66a (83a).

Where you have an Additional Pension contract, the figure in box 70 (87) will match that in box 66b (83b).

Where you have a combination of both arrangements the amount at box 70 (87) will reflect the total amount.

Boxes 72 to 75: Contributions Already Paid

These boxes must state the practice-based contributions already paid that relate to 2018/19 (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 or the LHB or deducted from your global sum or contract price payment 'on account' throughout the year by PCSE or the 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 2018/19 that were paid or deducted by PCSE or the LHB before this certificate is submitted.

Boxes 76 to 79: Contributions Due Less Contributions Paid (Main Contract)

These are the balance of contributions to be paid (or refunded) in respect of the provider's main contract pensionable pay.

Box 80: Total Under/Over Payment (Main Contract)

This is the total of the practice contribution adjustments in boxes 76 to 79. If the provider has underpaid contributions, the arrears will either be adjusted through contract payments by PCSE or the LHB, or must be paid immediately to PCSE or the LHB. Refunds of contributions will be adjusted through contract payments made to the practice.

Boxes 81 to 88: GP SOLO contributions

These boxes mirror those for boxes 64 to 71 above, but for GP SOLO income only. Please also refer to the special note about GP SOLO income after the notes to box 32 above.

Boxes 89 to 92: Contributions Paid In Respect Of GP SOLO Income

These figures should include payments made to or deducted on your behalf by NHSPS Employing Authorities in respect of GP SOLO income, and include a credit for employer contributions deemed to have been paid by that Employing Authority, and which are entered on the payment system as relating to the pension year ended 31 March 2019 or the particular period of scheme membership

The entries will reflect the totals from boxes D, E and F of all your GP SOLO forms relating to income for the year or period 2018/19, even where the income assessed on this certificate as pensionable is for an accounting year other than the pension year (i.e. a non-March year-end). The contributions shown in these boxes will always be those from April to March.
Out of Hours Providers registered as NHSPS Employing Authorities are listed in Annex B.

Boxes 93 to 96: Contributions Due Less Contributions Paid (GP SOLO Income)

These are the final payable (or refundable) GP SOLO contributions for 2018/19 after taking account of the contributions that have already been paid.

Box 97: Total Under/Over Payment (GP SOLO Income)

This is the total of the GP SOLO contribution adjustments in boxes 93 to 96.

Please see note to box 32 regarding adjustments and the completion of pages 13 & 14.

Box 98: Explanatory Information

You should include here **any** explanatory information or points that will assist PCSE/dCCG/LHB in processing your certificate. This will include justifications for using the alternative method of calculating non NHS expenses entered at box 29 even where the conditions for use of the standard method described above are met.

You should also use this box to provide dates and reasons for leaving a partnership/practice e.g. 24 hour retirement, full retirement, providing details of any new posts after leaving a partnership. Also provide dates relating to opting out of the scheme, and any information regarding Added Years apportionment or application of the earnings cap etc.

Boxes 99 to 102: Agent details

As noted earlier in these notes, there is a new procedure for submitting certificates of pensionable profits for 2018/19. In England 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.

Boxes 103 to 119: Total contributions

The figures for total contributions due and paid in respect of both 1995/2008 and 2015 Scheme memberships will self-populate from entries earlier in the certificate. Please see, however, the notes to box 32 regarding entries that need to be made in boxes Q to T.

Signed and dated copies of pages 11 to 14 should be sent to the relevant employing authority as indicated in the instructions given on those pages

Annex A

GP Providers Pensionable Pay 2018/19

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 <u>must</u> 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)

GPsWSI (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/dCCG/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/dCCG/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 us 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.

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 (EAs) Status during 2018/19

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)
Central Notts Clinical Services Ltd (W204) (went into administration 16 May 2015)
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)
FRENDOC Ltd (W312) (company dissolved 12 May 2015)
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)
Northern Doctors Urgent Care Ltd (W104) (ceased 30/07/2015)
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)
SAGPEC Ltd (W111) (dissolved 5 May 2015)
Shropshire Doctors’ Co-operative Ltd (W201)
SOUTH DOC Services Ltd (W223)
St Helens Rota (W115)
Urgent Care 24 Ltd (W113)

Annex C

General Completion Questions

Q. How do I contact my Employing Authority?

A. If you are a GP in England PCSE's email contact address is;
www.pcse.england.nhs.uk/contact-us

If you are a GP in Wales the email contact address is;
primarycareservices@wales.nhs.uk

Q. How do I contact NHSBSA/NHS Pensions?

A. There is a dedicated email account;
nhsbsa.practitioners@nhs.net

However before contacting us, refer to the new GP Member Pension Guide located in the Practitioner webpage of our website.

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

A. It is a mandatory requirement under the NHS Pension Scheme (NHSPS) Regulations and the SFE (Statement of Financial Entitlement) that Providers must complete the Certificate. Non-completion shall a negative effect on future NHS pension benefits and may also affect seniority entitlements. Not completing the Certificate may also have a detrimental effect on dependants NHS pension benefits. The SFE 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 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 a Certificate.

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

A. It is the body that commissions the GMS/PMS/APMS/sPMS contract. In Wales it is the Local Health Board (LHB). In England it is NHS England who devolve local responsibility to PCSE.

Q. Not all OOHPs are Scheme Employing Authorities. How will I know which are?

A. Please refer to Annex B that lists OOHPs with EA status.

Q. What legislative requirement is placed upon an Employing Authority in respect of validating the Certificate?

A. The NHSPS Regulations place no specific legal requirement to validate all the figures declared on the Certificate. The declaration that PCSE or the LHB are required to sign is worded to recognise that some of the declared income will have come from other sources.

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 am a fixed share partner; do I still need to complete the Certificate?

A. Yes; the NHSPS Regulations state that every Provider must complete the Certificate. Your share of profits will be used to calculate the NHS and non-NHS elements in exactly the same way as a 'percentage profit share' partner.

Q. I am a GP Provider (i.e. partner) in two or more separate practices; do I need to complete two certificates?

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

Q. I am a GP Provider in both APMS and GMS/PMS; do I need to complete two Certificates?

A. Yes, even if the surgeries are located within the same commissioning boundary. Each contract will have its own 'ring fenced' budget, expenses ratio, and set of individuals acting as Providers. Also the contract may also be with various Commissioners.

Q. I am a GP Provider; do I have to complete more than one Certificate if I had more than one host Commissioner 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 Commissioning Body changed due to a Commissioning Body 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. Our practice incorporated mid-year; do I need to complete two Certificates?

A. Yes, you must complete the main Certificate whilst as a partnership and the limited company Certificate covering the period when you were the shareholder of the limited company.

Q. I am a GP Provider and also a salaried GP directly employed (i.e. PAYE earnings) by another practice. Do I have to complete any other forms as well as the Certificate?

A. Yes, you also have to complete the type 2 medical practitioner self-assessment form for 2018/19.

Q. I am a GP Provider; can I pension income as a GP Provider in 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 NHSPS Regulations.

Q. I have set up a limited company for the purposes of my NHS fringe/ad hoc work such as OOHs, prison work etc. Can I pension this income?

A. No you cannot pension this income.

Q. I am a GP Provider; can I work as a GP Locum in my own practice(s)?

A. If you provide locum cover in your own practice you cannot use locum A and B forms to pension this income. You must pension this income on your Certificate as either part of your partnership share of profits or self-employed income.

Q. I am a GP Provider; can I work as a GP locum in other practices?

A. Yes, and you can elect not to pension this locum work if you do not wish to. If you do pension it you must record your freelance GP locum work on forms A and B. More information can be found in the new GP Member Pension Guide.

Q. Can a salaried GP (including a GP retainer) also work as a GP locum in their practice?

A. Yes, but only in certain circumstances. Any locum work carried out by the salaried GP would need to be on a short term deputising basis.

Q. What happens when a GP Provider opts out of the NHSPS and becomes a deferred member?

A. Where a GP Provider is considering opting out they need to consider the full implications such as which scheme they will be eligible to re-join and the life assurance benefit differences between being an active member and a deferred member. A Provider is required to complete a Certificate of pensionable profit to the date of opting out of the NHSPS. This may involve relieving overlap profits. The date of opting out must be noted in box I. A second Certificate may be required for the entire year for seniority purposes.

Q. What happens if a GP Provider opts out of the NHSPS and then back in again during the same pension/financial year?

A. Strictly speaking, one Certificate will be completed for the period from 1 April 2018 to the date of opting out and one from the date of opting back in to 31 March 2019. The reason for this is that the process may involve relieving and generating overlap profits. Care must be taken, however, to recall that a member may at some point in 2018/19 pass a date at which continued NHSPS membership would be in the 2015 Scheme and different rules may apply for tier assessment. A pragmatic approach may therefore be taken in these cases. If the membership is purely 1995/2008, or there is a gap between leaving the 1995/2008 scheme and joining the 2015 scheme that is dealt with fairly using the current certificate, it may be that completion of one certificate will suffice.

A third Certificate may also be completed for the entire period for seniority purposes (if required).

Accountancy and Tax Related Questions

Q. My accounting year end is 5 April. This falls after the NHS pension year of 31 March in a fiscal year. Do I still include my tax return entries on the certificate for a period that finishes 5 days earlier?

A. 31 March is the NHSPS year-end corresponding to the tax year end. Whilst the tax year ends on 5 April each year, the NHSPS year-end finishes on 31 March each year. The 5 day difference between these dates can be ignored and it can be assumed that an accounting year ended 5 April 2019 corresponds, and falls into, the NHS pension year 31 March 2019. The golden rule is that the tax return entries form the basis of pensionable pay.

Q. I have heard that, for Annual Allowance pension charge purposes, all pension schemes have to align their pension input periods to 5 April tax year end. Does this affect the Certificate of pensionable profits in any way?

A. No. The certificating of pay and contributions for pension benefit purposes is a separate matter from looking at one's potential exposure to any Annual Allowance pension tax charges. We will consider the matter for each GP and Non-GP Provider internally and issue Pension Savings Statements as appropriate.

Q. What does 'pensioned separately' on the main Certificate mean?

A. This will be income that has already been pensioned elsewhere in the NHS, i.e. contributions will have already been deducted. For example if a GP works for a hospital and is paid a salary, the GP will have already paid pension contributions on this income at source. GP SOLO income is **not** regarded as 'income pensioned separately' for the purposes of this Certificate and must be declared in the relevant boxes in the Certificate.

Q. What do I do if I am subject to 'pensions overlap'?

A. You should seek assistance from an accountant or alternatively refer to the 'overlap' guidance notes provided in earlier year's guidance notes on the Certificate which can be found on www.nhsbsa.nhs.uk/nhs-pensions.

Q. I retired from practice in 2018/19. My pensionable profit for the final period was £40,000, but my pension overlap brought forward was £60,000. This means a pensionable loss of £20,000. What do I do with this?

A. Pension overlap exists to prevent income being pensioned twice, which will have occurred in non-March year end practices either when the new GMS contract was introduced in 2004 or when a GP joins a non-March year end practice. When a pension loss is created by the deduction of overlap, this must be offset against practitioner pensionable pay in the same year (OOH, locum etc), or, if none or insufficient to relieve the whole loss, then carried back against the previous and earlier years.

Q. My practice failed in 2018/19 and we handed the contract back to the commissioner. We made a loss in the final set of accounts, with my pensionable share being calculated as £24,000. I also have pension overlap brought forward of £62,000. What is the impact on my pension record?

A. Where a commercial trading loss occurs, leading to the calculation of a pensionable loss, your pensionable pay is treated as zero. Income has still, however, been pensioned twice as described above. The pension overlap must relieve this. There will therefore be a pensionable pay loss of £62,000 for the year, to be set against other practitioner pay in the year or carried back to the previous and earlier years if insufficient to utilise the whole £62,000.

Q. How do I know if I am, or ever was, subject to the pensionable earnings cap?

A. If you first joined the NHSPS on or after 1 June 1989 you will be subject to the cap. This will also apply if you joined before 1 June 1989 but had a break of 365 days or more that ended on or after 1 June 1989. However since April 2008, the cap has not been applicable to your main pensionable earnings, but may still affect your Added Years contract. You should seek advice from an appropriately qualified professional adviser.

Q. What pensionable pay should the seniority allowance be based on?

A. Core practice pensionable income plus other GP NHS income such as OOHs, GPwSI, CCG etc. Non-GP income (i.e. salaried clinical assistant hospital posts and honorary posts) are excluded.

Q. Why are seniority payments declared in the Certificate and what if seniority payments are pooled?

A. The SFE states that the seniority allowance must be declared on the Certificate, but it is acknowledged that the figure declared may be provisional. If seniority payments are pooled in the practice the figure stated in box 38a should be the sum allocated to you in the practice accounts i.e. your share of the pooled seniority. In rare circumstances partners may be allocated a part of a full entitlement plus an amount in a profit share ratio. The total allocated from both sources should be entered.

Q. Should seniority payments be grossed up for the employer's pension contributions?

A. No. The purpose of including the figure is just to enable PCSE or the LHB to establish whether the appropriate level of seniority has been paid, after taking into account the earnings criteria.

Q. If VAT is included on the SOLO form is it pensionable?

No, there are no provisions to pension VAT under the NHSPS Regulations.

Q: Can I use accounts and tax prepared on a cash basis to complete the Certificate?

A. Some very small businesses (income of £150,000.00 or less in 2018/19) may have chosen to use a cash accounting basis from April 2013. The General Medical

Services Statement of Financial Entitlements Directions 2013 and subsequent amendments indicate in several sections that an accruals basis should be used by contractors for accounting and pension purposes. The certificate has therefore been drafted on this basis that all GP Providers are using an accruals basis.

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

A. The superannuation treatment follows the tax relief treatment. The redress monies should be included in the superannuation certificate calculations in the year of receipt. There is no requirement to go back and amend prior year certificates. Basic redress (which represents the refund of excess payments for the hedging product) should be accounted for as a negative expense in the superannuation calculations.

The expectation is that a GPs pensionable profit should only increase in the year the redress is received, to the extent of past reductions due to product costs incurred. Therefore if the product refund extends before 2004 when the current superannuation methodology was introduced or the non-NHS income ratio varies significantly over the years concerned then an alternative method of expense allocation may be required.

The 8% compensatory interest on the repayments will be added back in the tax computation and taxed as interest so it will not form part of the pensionable profits. If this treatment results in the GP paying superannuation at a higher employee tier rate than would have been the case had the refund been accounted for in the year(s) to which it relates then you may need to consider if a consequential loss claim is appropriate.

A consequential loss claim such as one made for costs, tax or superannuation losses should be treated as non-NHS income. Where a loss claim significantly affects the non-NHS income ratio an alternative method of expense allocation may be required to ensure a fair pensionable profit is arrived at. GPs who have retired from a partnership, but still been allocated a share of redress monies from an interest rate hedging product may wish to consider amending Certificates but this is not mandatory.

Q. I am a GP partner who leaves a practice on 31 December 2018. I have also worked OOHP shifts for the entire year from 1 April to 31 March. Can the OOHP income earned from January to March i.e. that earned after I have ceased to be a partner, be included on the GP Provider Certificate?

A. Certificate should only capture partnership income and ad hoc income when a GP is actually a GP Provider, i.e. a partner. Under the NHSPS Regulations where someone ceases to be a GP Provider/type 1 medical Practitioner on 31 December 2018 but continues to perform OOHs work thereafter they are regarded as a type 2 medical Practitioner from 01 January and they must complete the type 2 self-assessment form for this period. You may need to consider whether it is appropriate to tick boxes Q, R, S or T on page 11 to 14 if SOLO adjustments are required.

Treatment of Income – Is It Pensionable?

Q. Is medical school income pensionable?

A. No. Although some medical schools are granted special NHSPS 'Direction' status, any fees paid to a GP (or practice) by a medical school are not pensionable.

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 14.38% employer contributions. The employer contributions are then stripped out in the adjustment between boxes 33 and 34.

Q. Is prison work or blue badge income pensionable?

A. Yes, however only if the fees are being paid **directly** to the GP/practice by an Employing Authority or it's representative.

Q. How should CCG income be pensioned, and (HMRC) 'office holder' posts?

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

Where anyone (including a GP) is formally employed by a CCG they are an Officer in the NHS Pension Scheme. An Officer must be set up on the CCGs payroll with pension contributions deducted at source and paid directly to NHS Pensions via the direct debit method. The special note within Box 1 provides guidance on the treatment of pooled salaried posts.

Where a GP works for a CCG as an individual and under a fee based (contract for services) arrangements the income is pensionable but the CCG must **not** create an Officer post. Where the CCG pays fees directly to an individual GP the CCG and GP must jointly complete a SOLO form and forward it and all contributions to the PCSE or the LHB.

Where a GP (or group of GPs) work for a CCG as individuals under a fee based (contract for services) arrangement however they elect for the fees to be paid directly to their practice the CCG must include the 14.38% employer contributions within the fee. A SOLO form is not required however the CCG must make it clear that the employer contributions are within the 'cash envelope'. This income will be pensioned on the GP Provider Certificate. No SOLO entries should be made on the Certificate with reference to this income.

Where the GP Provider works under a self-employed basis but the CCG deducts PAYE and NIC at source in accordance with HMRC's 'office holder' rules the SOLO form **must** still be used and an Officer must not be created.

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

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 Provider (or their 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 the 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.

Q. NHS primary care is changing, with new funds of money available for primary care, such as the Prime Minister's Challenge Fund, GP Access, Vulnerable Practice Fund and the General Practice Resilience Programme. As a GP Provider can I pension this income?

A. Yes, where these are sourced and paid to a practice by NHS England they must be pensioned.

Q. What if my practice receives income from a Federation under a sub-contracting arrangement?

A. Where a practice receives monies from a Federation under a sub-contracting arrangement those monies are not pensionable.

Q. If I receive earnings as an independent self-employed sessional GP working for a federation, can I pension those funds?

A. If the Federation is a 'classic' APMS Employing Authority you must pension this income either as a freelance GP locum or as a type 2 medical Practitioner; i.e. as though you were working for another GP practice.

If the Federation is an Independent Provider Employing Authority you cannot pension the income unless you become an employee.

Q. I Perform GP OOHs work for an NHS Trust/Foundation Trust which is 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 14.38% employer contributions must be included.

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

Q. If a third party uses some of the practice premises or equipment is this income pensionable?

If GP Provider or practice receives income from a third party for use of its premises or equipment i.e. a ‘service charge’ and a profit is made this is not pensionable even if the income is from an NHS body. It may be necessary to use an alternative method of expense allocation when preparing the Certificates to eliminate profit relating this income stream.

Q. If I trade as a limited company in respect of my ad hoc income such as OOHs can I pension it?

A. No.

Q. Is PCN (Primary Care Network) income pensionable?

A. Yes, but only from year 2019/20 onwards so must not be recorded on the 2018/19 Certificate.

NHSPS Contributions & Annualising

Q. Who is responsible for setting my tiered employee contribution rate?

A. A GP (or non-GP) Provider is responsible for setting their own tiered rate at the start of every year.

Q. Am I subject to annualising?

A. All 2015 Scheme GP Providers and non-GP Providers are subject to annualising however if they have 365 days continuous NHSPS membership in 2018/19 their actual and annualised income is the same. Refer to the new GP Member Pension Guide on the website for more information.

Protected 1995 and 2008 Section GP Providers and non-GP Providers GPs are not subject to annualising. That is, their tiered rate is based on their actual pensionable income.

Q. How do I know what tiered rate I should be on?

A. Refer to the new GP Member Pension Guide on the website. There is also a ready reckoner annualising calculator for 2015 Scheme members.

Q. Who is responsible for the actual payment of any arrears of GP Provider or non-GP Provider NHSPS contributions?

A. The practice rather than the individual GP (or non-GP) Provider is responsible for paying arrears of contributions immediately. The PCSE or the LHB is within its rights to recover any arrears from future payments it makes to the practice. If the Provider has left or retired it is the practice who is still responsible for paying arrears. GP (and non-GP) Providers should seek expert advice from an accountant with experience in GP finances in respect of paying arrears and the ‘knock on’ effect on tax relief/NI.

Q. What happens if I have not paid the correct rate of tiered contributions in respect of my SOLO work (i.e. OOHs).

A. Your tiered contribution rate is based on your global GP pensionable income; not just your SOLO income. Therefore if you have paid contributions at the incorrect tiered rate in respect of SOLO income you must liaise with the relevant SOLO ‘employer’ in order to pay the correct rate. If this is not possible you may pay the arrears via the Certificate. Please refer to the guidance notes to Box 32 of the Certificate.

Q. What happens if contributions have been overpaid because my NHS pensionable income was over estimated?

The host PCSE or the LHB must repay the overpaid contributions to the practice.

Q. How is pensionable income annualised in the 2015 Scheme?

A. The method is known as ‘add and annualise’ if there are breaks in 2018/19 NHSPS membership. Refer to the new GP Member Pension Guide on the website. There is also a ready reckoner annualising calculator for 2015 Scheme members.

Trading Allowance

Q. Why does the Trading Allowance not reduce my pensionable self-employment income?

A. The Trading Allowance does not form any part of the NHSPS Regulations. Only legitimate incurred expenses may be claimed.

Other Information

Q. What is deemed pensionable sick pay?

A. GP Providers who suffer a genuine loss of pensionable income as a result of illness may qualify for deemed pensionable sick pay to be credited to their pension records. Deemed pensionable sick pay is **not** recorded on the Certificate. We should be contacted for advice on this matter.

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

A. All Providers must resign from any involvement with a GMS, PMS, sPMS or APMS contract for at least 24 hours to access their NHS pension benefits. Single-handers/ sole trader Providers must completely terminate their GMS, PMS, sPMS or APMS contract.

If they are a partner or shareholder they must cease to be a partner or shareholder for at least 24 hours and must resign from pensionable employment in any external clinical posts (e.g. hospital posts) for at least 24 hours.

A GP Provider or non-GP Provider who retires from the 1995 scheme on normal age (or voluntary early retirement) grounds and who exceeds 16 hours NHS work in the first calendar month following retirement may have their pension suspended. Those who retire due to ill health may have their pension abated if they return to work and earn over a certain amount.

A GP Provider or non-GP provider who is a 2008 Section or 2015 Scheme member may take ‘partial retirement. That is, they may draw down some of their NHS pension without having to take 24 hour retirement.

Full guidance on all aspects of retirement can be found on the NHS Pensions website on our www.nhsbsa.nhs.uk/nhs-pensions.

Q. I am a non-GP Provider; can I pension income from more than one GMS, PMS, APMS, or sPMS contract?

A. No. If you are party to more than one GMS, PMS, APMS, or sPMS contract you must elect from which contract you wish to superannuate your profits. In basic terms you can only ‘pension’ income from one contract even though you may be a partner or shareholder in an organisation that holds several contracts.

Q. What are final pay controls?

A. Final pay controls are applicable with effect from 1 April 2014 to Officer and practice staff members with 1995 membership. This includes non-GP Providers.

If a surgery employee (excluding salaried GPs) received an increase in pensionable pay that exceeds the allowable amount in any of the three years prior to their last day of service, the surgery is liable for a final pay control charge.

The allowable amount for a relevant year is determined by increasing a member’s pensionable pay in the year immediately preceding the relevant year by CPI + 4.5%.

Further information on final pay controls is contained in a factsheet titled ‘final pay controls and employer charge’ in the employers’ section of the website under retirement.