

This factsheet is designed for the use of the National Health Service Pension Scheme (Scotland) and can be read in conjunction with the member's guide

Introduction

The cost of providing the benefits payable from the scheme depends on the amount of the benefits and how long they are payable for. This depends on factors such as salary increases and how long people live.

Contributions to the scheme are estimated by the scheme actuary who performs periodic valuations of the scheme to determine how much needs to be paid to provide the benefits. These costs are shared between employers and scheme members.

As a scheme member you pay a contribution towards your pension based upon the amount of your pensionable pay; the more you earn, the higher your contribution rate will be.

There are seven rates of member contribution, ranging from 5.2% for the lowest earners to 14.7% for the highest. The contribution rate paid by employers is 14.9% from 1 April 2015. The thresholds at which the rates change are linked to nationally agreed pay rates at set levels.



Employer allocation to tiers

NHS staff and Practice staff

You will be allocated to the appropriate tier according to your pensionable pay rate between 1 April 2017 and 31 March 2018. For new members, joining the scheme during the period 1 April 2018 to 31 March 2019, the pensionable pay will be estimated by your employer and updated to an annual amount.

Practitioners

Medical and dental practitioners have their pensionable earnings determined either by certifying their actual NHS profits or by agreement with their Health Board. As practitioners' pensionable earnings are often determined by reference to practice accounts, they may not be available until after the scheme year end. There are additional transitional arrangements to determine the rate of contribution for these members.

Please see [NHS circular 2018/02](#) for further information on Practitioner contribution rates.

Contribution rates

2018/2019 Contribution Rates before tax relief (gross) (Officer members)

Tier	Pensionable pay (whole time equivalent) paid in 2017-18	Contribution rate in 2018-19
1	Up to £16,928	5.2%
2	£16,929 to £22,439	5.8%
3	£22,440 to £27,910	7.3%
4	£27,911 to £51,481	9.5%
5	£51,482 to £73,498	12.7%
6	£73,499 to £114,760	13.7%
7	Over £114,761	14.7%

*Pensionable pay should be rounded down to the nearest pound

Part-time work

If you work part time, your pension benefits and your contribution rate are based on the whole time equivalent rate of pay.

Example

If you work as a nurse for 20 hours a week in a position where 37.5 hours is the whole time and earn £12,000 a year for this, the whole time equivalent rate is:

$£12,000 \times 37.5/20 = £22,500$. Therefore, you would pay contributions at 7.3%.

As there is no definition of part-time work for practitioners, their benefits and contribution rate are based on the actual earnings, which are not adjusted to a whole time equivalent.

Multiple employments

If you have more than one job in the NHS each position is treated separately and the contribution rate is determined according to the earnings of that particular job.

Example

If, in addition to the job above, you work as an administrator for 7 hours a week and earn £2,000 a year for this position, your whole time equivalent rate for this position is:

$$£2,000 \times 37.5/7 = £10,714.29$$

This means that you would pay 5% contributions on these earnings.

Joining or leaving part way through a year

If you join or leave the scheme part way through a year, your contributions will be based on a pensionable pay figure that represents the annual rate of pensionable pay you would have received if you had been employed for the whole year.

Questions

If you think you are paying the wrong rate of contributions, for example, due to a change in circumstances, contact your employer's payroll department. If you are unclear about any aspect of this factsheet or have a specific question that is not answered by the information above, you can contact us from the contact information given on our website: www.sppa.gov.uk