

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

Introduction

If you are in receipt of an upper tier ill health pension and return to employment you should note that you will be restricted as to the type of work that you are able to undertake, whether or not you return to employment in the NHS. The level of earnings that you have may affect your pension.

If you return to work in the NHS, there are two restrictions which may apply to you. Please see sections 1 and 2 below. If you return to work outside NHS employment only section 2 will apply to you.



1. Return to work in NHS

If you become re-employed in the NHS you cannot work for more than 12 months and retain your upper tier pension. The 12 month period begins from the date on which you restart work in the NHS after receiving your pension.

If you continue working in the NHS for more than 12 months, your upper tier level of pension will be replaced with the lower tier pension and will remain at this level for life. You will not be able to apply for re-instatement to upper tier under any circumstances.

You should note that your pension could also be subject to reduction. Further information on how your pension could be affected is contained in our factsheet [Working after Retirement](#)

2. Restriction of earnings on return to work both in the NHS and other non NHS employment

There is also a restriction on the amount that you can earn in any tax year and this will apply irrespective of where you work. If your gross earnings in any tax year exceed the lower earnings limit (LEL) your upper tier pension will be reduced to the lower tier pension on the first pension payment date following the date on which your earnings exceed the LEL.

The LEL is set by HMRC and information on this can be found on their [website](#).

You must notify SPPA of any earnings for any period of employment following retirement and specifically as soon as you are aware that you are likely to exceed the LEL in order to prevent any overpayment of pension.



Can I apply to restore my pension to the Upper Tier pension after exceeding the LEL?

It is possible, in certain circumstances, to apply for the restoration of upper tier benefits. To be considered for reinstatement of the upper tier level of payment you must fulfil all of the criteria listed below. You should note, however, that if you return to work in the NHS and break the 12 month time limit outlined in section 1, you cannot apply for re-instatement

- You must be under normal scheme pension age (NPA)
- You must stop working altogether
- You must provide new medical evidence to support your application

Reinstatement of a upper tier pension can be made on only one occasion. If you start working after having your benefits restored to the upper tier level pension and your earnings exceed the LEL, your pension will be reduced again to a lower tier level pension and you will not be able to re-apply a second time.

Annual Review of entitlement to Upper Tier pension for re-employed pensioners

The rules governing re-employment after retirement for members who are in receipt of upper tier benefits require SPPA to undertake an annual review to confirm continued entitlement to that level of payment. It is essential, therefore, that you inform SPPA of any period of work, together with evidence of the earnings received.

Questions

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