

[The impact of pension tax on high-earning clinicians is a big issue and a barrier to extra capacity amongst existing NHS staff. What are you doing about that?](#)

The Chancellor has changed the pension tax taper thresholds from April 2020:

- This increases the annual allowance taper thresholds by £90,000 from 6 April 2020. The taxable pay threshold rises from £110,000 to £200,000 and adjusted income threshold from £150,000 to £240,000
- Ensuring that the very highest earners pay their fair share of pension tax by reducing the minimum level to which the annual allowance can taper down from £10,000 to £4,000 (this will only affect those with a total income (including pension accrual) over £300,000).

For the tax year 2019/20 clinicians are reminded that there is already an [NHS Annual Allowance Policy in place.](#)

[What are the pension payment arrangements for staff returning to the NHS to assist in the response to the COVID-19 outbreak?](#)

The government has introduced emergency legislation in response to the COVID-19 outbreak. This contains important information on pension arrangements for extra NHS staff. It provides for the suspension of the 16-hour rule which currently prevents staff who return to work after retirement from the 1995 NHS Pension Scheme from working more than 16 hours per week, in the first four weeks after retirement. It also provides for:

- The suspension of both the abatement for special class status holders in the 1995 Scheme
- The requirement for staff in the 2008 Section and 2015 NHS Pension Scheme to reduce their pensionable pay by 10% if they elect to 'draw down' a portion of their benefits and continue working.

Taken together, these measures will allow skilled and experienced staff who have recently retired from the NHS to return to work, and retired staff who have already returned to work to increase their commitments if required, without having their pension benefits suspended.