

# Electronic Staff Record

## Rehires in ESR

### Rehire an Ex-Employee

The Rehire Functionality within ESR enables the rehiring of ex-employees to the same employee number.

HMRC's requirements specify that the same RTI Payroll Identification Number (PID) cannot be used for an employee, therefore a new PID is created for any rehired record, enabling rehire to take place without causing HMRC issues.

It is possible to rehire a terminated employee before the Final Process Date but not until after the Last Standard Process date (LSP which must be the last day of the pay period in which the termination takes place).

✓	Removes the need to re-input employee related data
✓	Retains full employment history
✓	Ensures correct records are provided to HMRC and NHS Pensions
✓	Avoids multiple employee records
✓	Assists IAT process
✓	Provides ability to make payments for terminated records

This enables the ex-employee record to be paid any outstanding monies such as expenses, enhancements etc. in the period after termination, and the rehired employee to be paid from their commencement date, both in the same pay period.

However, with the above in mind, if an individual leaves part way through the month and wishes to return in the same month, the rehire functionality cannot be used as they cannot be rehired until after the LSP date. If an individual leaves part way through the month and wishes to return the following month, the rehire functionality can be used.



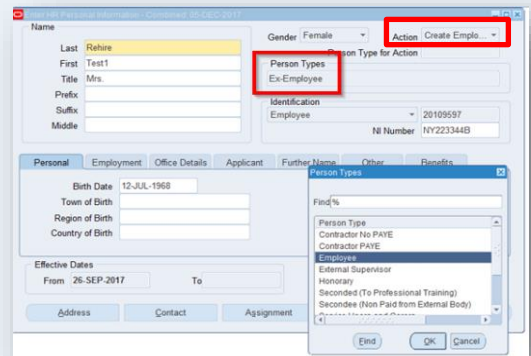
### Steps to Take When Rehiring an Ex-Employee

The steps below provide a high-level overview of how to rehire an ex-employee and record these details directly into ESR where an ex-employee wishes to return to work for an Employing Authority.

Navigate to the ex-employee's Person record within HR Administration > People > Enter and Maintain.

Date Track to the employee's new hire date and click Action - Create Employment.

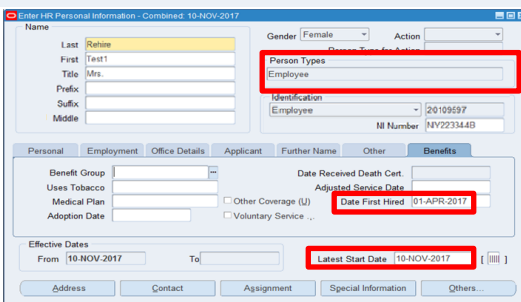
Select Person Type – Employee.



The Person Type is updated from Ex-employee to Employee.

Date First Hired remains as the date the employee first joined the Employing Authority.

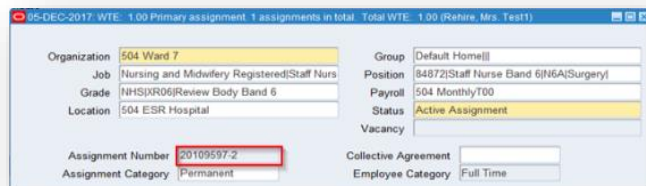
Latest Start Date displays the rehire date.



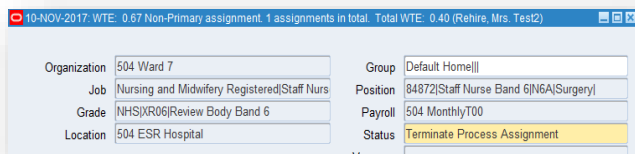
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A new assignment is created with an assignment number which is derived from the original employee number plus a suffixed number e.g., -2, ensuring that HMRC and NHS Pensions can identify the record as a new employment.



Previously terminated record is still viewable as a secondary terminated assignment, allowing outstanding payments to be made.



### Rehire an NHS Pensioner

It is possible to rehire an employee that has retired, taken their pension and returned after the qualifying break required. Rehiring will not cause any issue with NHS Pensions, as long as the original record was terminated completely in ESR and closed down on Pensions Online.

Furthermore, if the employee retires then returns to work after the pension qualifying break where the terminated assignment is owed money from a previous period, payment can be made to both the new assignment and the terminated assignment during the overlapping periods of service. As referenced above this can be done after the Last Standard Process date and before the Final Process date of the terminated assignment.



### Aggregated Rehire

It is possible to rehire individuals who previously had aggregated assignments, provided the aggregation status that was in place prior to the rehire remains, as aggregation can only be changed at the start of the tax year. If the aggregation on a rehired record is changed at any other time in the tax year, this will lead to errors on the FPS and RTI Reconciliation.



### NI aggregation only

If NI only is aggregated, and the individual has multiple assignments on separate tax codes reported to HMRC, NI is reported to HMRC on the primary assignment and multiple P60s will be produced.

If an individual with multiple assignments subject to NI only aggregation is only leaving one job, there is no need to terminate the entire person record as a P45 will be generated for the terminated assignment only.

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If the post to be terminated is the primary post, and the secondary post is to remain, users will need to:

- Retrieve the current secondary post
- Date track to the day after the Primary assignment is to be terminated
- Promote the Secondary post to the Primary by clicking the Primary flag within the Assignment Miscellaneous tab
- Change the Assignment Status to Terminate Process Assignment against the now Secondary post (old Primary).

The P45 will then be produced for the old Primary assignment, and the Secondary post continues to be available to pay. An assignment should never be changed from substantive to bank (or vice versa) as this causes incorrect treatment of the employee records held at HMRC and NHS Pensions.

### NI and PAYE aggregation

Assignments that are aggregated for both PAYE and National Insurance can be rehired, again provided the aggregation status which was present prior to rehiring is retained.



For NI and PAYE aggregation, the tax code needs to be the same across all assignments, only one assignment is reported to HMRC and a single P60 is produced. It is not advisable to aggregate NI and PAYE across pay frequencies.

For multiple assignments which are subject to NI and PAYE aggregation, the previous employment must be ended in order to produce the P45, as opposed to terminating individual assignments.

### Changing aggregation for re-hired employees

HMRC do not accept changes to aggregation during a tax year as it causes reporting errors leading to incorrect tax codes being applied to employee records. Any record that is to be rehired for which there is a requirement to change the aggregation status, will need to be adjusted at the start of the tax year and:

- after final Week/Month payroll is complete for the financial year and the FPS has successfully been sent to HMRC
- after SOY processes are complete and all P9 files have been loaded
- before any Week 1/Month 1 processing

The NHS Tax and NI Aggregation Report can be used to identify the aggregation status, and aggregation can be viewed and amended using the following URPs

- Payroll Admin / Payroll Super Admin – Fastpath - Tax/NI Aggregation menu item
- HR Administration URP – People – Enter and Maintain – Employment tab

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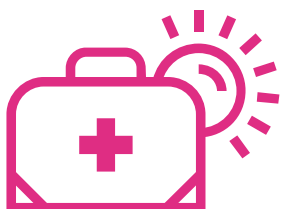
Changes to aggregation need to be reported to HMRC. The NHS RTI Additional FPS XML Process (Terminate Aggregate Assignments) 20XX/XX request (accessible from the Payroll Super Admin URP) is available to deal with employees where they have been processed during the year as NI only aggregated multiple assignments, but from the beginning of the new tax year will be aggregated for NI and PAYE.



## HM Revenue & Customs

The process creates a termination record which will notify HMRC of any assignments that will no longer be reported following the change in aggregation status. This must be run at the beginning of the tax year following changes to an employee's aggregation status and the corresponding XML file successfully submitted to HMRC following Week 52/Month 12 processing and prior to any Week 1/Month 1 processing.

If de-aggregation of PAYE is to take place at the start of the tax year for the rehire, HMRC's requirements specify that the same PID cannot be used for an employee. Where applicable a unique ID will be generated, e.g., if 23456789-2 was used in submissions to HMRC for a previous tax year then 'A1' is added to make the PID unique = 23456789-2A1. This can be viewed on the FPS Reconciliation Report output.



### Open sickness absences

When terminating a person record it is always important to ensure any open sickness absences are closed on termination, otherwise a Service Request will need to be raised through the ESR Support Helpdesk for a datafix to be applied if the record is to be rehired.

### Further Information

- ESR-NHS0331 Guide to Rehiring Ex-Employees available on the ESR Hub - <https://my.esr.nhs.uk>
- ESR User Manual <https://my.esr.nhs.uk/esrusermanual/>
  - Statutory Deduction
    - Tax and NI Aggregation (Payroll)
    - Controlling NI Deductions – Including Aggregation
    - Controlling PAYE Deductions – Including Aggregation
  - End to End Payroll Cycle Management
    - Reporting Terminations to HMRC following Changes to Aggregation
    - Unique RTI PID Following De-Aggregation

### Get in Touch

Your NHS ESR Functional Account Manager details can be found on the ESR Hub. Details for your regional contacts can be found via the links below:-

- [London](#)
- [South of England](#)
- [Midlands and East of England](#)
- [North of England](#)
- [Wales](#)

