NHS ELECTRONIC STAFF RECORD

ESR- NHS0331 - ESR GUIDE TO REHIRING EX-EMPLOYEES

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1.3. DISTRIBUTION

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2. CONTENTS

3. INTRODUCTION

This guide is provided to assist Employing Authorities in managing the rehiring of ex-employees.

3.1. PURPOSE OF THIS DOCUMENT

The purpose of this guide is to look at different scenarios and outline how the rehire facility can be used effectively in all cases.

3.2. OVERVIEW

The Rehire Functionality within ESR enables the rehiring of ex-employees to the same Employee number saving the need to re-input data relating to the employee. It allows the employees full employment history to be retained reducing the need for further input.

There is a significant level of misunderstanding regarding the rehire facility and this document seeks to explore these areas, clarify the process and demonstrate that, where used properly, the rehire facility works effectively and, critically, will provide correct records to HMRC and NHS Pensions.

4. SCENARIOS

4.1. SCENARIO 1 - REHIRE AN EX-EMPLOYEE

These instructions reference 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.

The first stage is to find the ex-employee record and hire them back as an employee:

- Navigate to the employee's personal record in HR Administration > People >Enter and Maintain
- Datetrack to the date the person is to be rehired from
- Search for the Ex-Employee record using the normal search facility
- When the Ex-employees record has been retrieved, click the dropdown arrow in the Action field
- Re-hire the ex-employee by selecting Create Employment and select a Person Type of Employee

- Click the Save icon and this will update the employee record to an active employee.

The Latest Start Date now displays the re-hire date.

The Date First Hired however will remain as the date the Employee first joined the Employing Authority.

At this stage you should check the information held against the employee and make any appropriate amendments.

From this point, proceed as you would any new starter to ensure the assignment details and any additional details are completed. This will ensure a full history is kept for the employee's period of employment within your organisation.

If the employee has worked in another NHS organisation between their leaving date and return they may have additional information on that record which is of value (for example updated competencies, sickness absence). Therefore running the IAT process will ensure there are no gaps in their employment, compliance, etc.

Guidance on using the IAT process can be found in the ESR User Manual: Inter Authority Transfer

When a record is rehired the original assignment number will be suffixed with a dash then number, you will see from the example below, the number has been given a -2

This will be reported to HMRC as new employment with a new PID (Payroll Identification Number). For For NHS Pensions the previous record will have been closed and the new rehired record will flag as a new employment and will link the employment details.

4.2. SCENARIO 2 – NORMAL LEAVER OWED SOME OUTSTANDING MONIES THEN REHIRED ON THE BANK IN THE FOLLOWING MONTH

To allow greater flexibility in the hiring process, it is possible to rehire a terminated employee before the Final Process date but after the Last Standard Process date for a previous period of service. A rehire can be performed where a Payroll process exists after the actual Termination Date.

By doing this it will enable the ex-employee record to be paid any outstanding monies such as expenses, enhancements etc. and the rehired employee to be paid from their commencement date, both in the same pay period.

In this example the ex-employee is returning to the Employing Authority on the 10th December 2017 and the ex-employee has some outstanding expenses to be paid.

The screenshot below shows the Last Standard Process date is the 30th November 2017

The Final Process date is the 31st January 2018

There is no need to change the Final Process date of the original terminated Employee. Once the rehire has been performed, ESR will change the existing terminated Assignment into a Secondary Assignment.

By following the steps detailed in Scenario 1 for rehiring an ex-employee, a new assignment is created with an assignment number which is derived from the original employee number plus a suffixed number e.g., -2, and will become the Primary assignment, as shown below:

The previously terminated record will still be viewable as a secondary terminated assignment

Both assignments will be paid the money due to them when the payroll is processed at the end of the period in December.

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 Last Standard Processing date. If an individual leaves part way through the month and wishes to return the following month, the rehire functionality can be used.

Please note: For reporting purposes when a secondary assignment is promoted to the primary assignment it is classed as an assignment change, not a termination. These changes can be reported in ESRBI reporting tool using the Assignment Changes Dashboard >Bank to Substantive tab.

4.3. SCENARIO 3 - EXISTING EMPLOYEE RESIGNS FROM THEIR CURRENT ASSIGNMENT BUT WISHES TO COMMENCE WORKING ON THE BANK

In this example, the employee shown below terminates their substantive role on the 30th November 2017 and commences on the Bank the following day, 1st December 2017:

You will need to create an additional Assignment for the Bank position and then apply the termination to the current Assignment.

The first stage is to create an additional Assignment:

- Navigate to the employee's personal record in HR Administration > People > Enter and Maintain
- Set the Effective Date to the day after the termination date of the current Assignment, this will be the same day the Bank Assignment starts
- Retrieve the relevant employee record using the normal search facility
- Select the Assignment button
- Once the Assignment has been returned, you need to navigate to the New Icon in the menu bar to enable a new Assignment to be created
- Populate the relevant fields with the details of the new Bank Assignment
- Once completed the record needs to be saved

Note: this can also be done using the Payroll Admin and Payroll Super Admin URP's

The below picture shows the new Assignment has retained original assignment number but now suffixed with -2 to create a new number

The new assignment now needs to be made the Primary Assignment

This can be done by clicking on the Miscellaneous tab and selecting the Primary checkbox

This action promotes the Bank Assignment as the new Primary Assignment. The current Assignment has now become the Secondary Assignment and can be terminated by amending the status to Terminate Process Assignment, as shown below:

The termination will be effective from the beginning of the day, thus ensuring the Assignments do not overlap.

In this scenario a P45 will be generated for the terminated Assignment

NOTE: An Assignment should never be changed from substantive to bank (or vice versa) as this will cause incorrect treatment of the employee records held at HMRC and NHS Pensions

4.4. SCENARIO 4 - EXISTING EMPLOYEE HAS A PERMANENT ASSIGNMENT AND A BANK ASSIGNMENT AND RESIGNS FROM THEIR PERMANENT ASSIGNMENT - NI AGGREGATED ONLY ASSIGNMENTS

In this example, the Employee holds a Substantive and a Bank post, and wishes to leave the Substantive position on 15th November 2017. The 2 Assignments held are shown below and only aggregated for National Insurance:

The first step will be to change the Primary Assignment from the Substantive post to the Bank post and then terminate the Substantive post

The following steps are required:

- Navigate to the employee's personal record in HR Administration > People >Enter and Maintain
- Datetrack to the day after the termination date of the Substantive Assignment
- Retrieve the relevant employee record using the normal search facility
- Select the Assignment button
- Once the Assignment has been returned, scroll down to the Bank Assignment
- Click on the Miscellaneous Tab and tick the Primary checkbox to promote the Bank Assignment
- The record should then be saved

Note: this can also be done using the Payroll Admin and Payroll Super Admin URP's

The Bank post now shows as the Primary Assignment

Without changing the date, scroll to the Substantive post change the Assignment Status to Terminate Process Assignment against the now Secondary post.

The record can then be saved.

A P45 will then be generated for the terminated position, any payments made subsequently to the termination will be made with a tax code of BR.

4.5. SCENARIO 5 - EXISTING EMPLOYEE HAS A PERMANENT ASSIGNMENT AND A BANK ASSIGNMENT AND RESIGNS FROM THEIR PERMANENT ASSIGNMENT - PAYE & NI AGGREGATED ASSIGNMENTS

Assignments that are aggregated for both PAYE and National Insurance can be rehired, when the employee is rehired, they must retain the aggregation status that they were at when they terminated.

The aggregation status can only be changed at the start of the tax year, de-aggregation is not possible during a tax year as this causes HMRC reporting errors which leads to incorrect tax codes being issued. Further details on how to amend aggregation can be found in the ESR User Manual: [Statutory Deductions](#)

In this example, the Employee holds a Substantive and a Bank post, which is subject to NI and PAYE aggregation, and wishes to leave the Substantive position on the 10th October 2017. The substantive employment must be ended in order to produce the P45. The 2 Assignments held are shown below:

The Employee is aggregated for PAYE and NI as shown below:

The following steps are required:

- Navigate to the employee's personal record in HR Administration > People >Enter and Maintain
- Datetrack to the termination date of the Substantive Assignment
- Retrieve the relevant employee record using the normal search facility
- Click on the Others button and select End Employment from the List of Values (LOV)

You will then be presented with the following message:
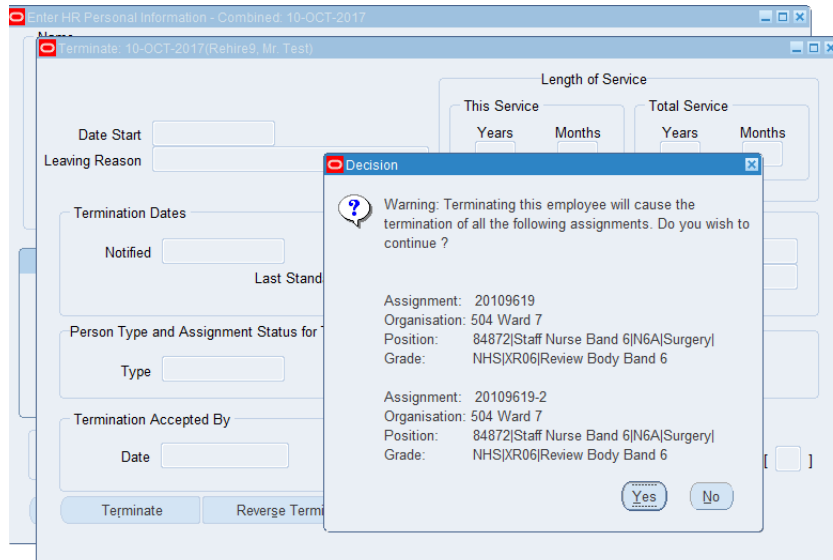
Select Yes and terminate the record as shown below:

The Bank post can then be rehired with the same aggregation status. This must be done after the Last Standard Process date and must ensure there is at least one clear calendar day between the actual termination date and the rehire date.

To rehire the Bank post, use the following steps:

- Navigate to the employee's personal record in HR Administration > People >Enter and Maintain
- Datetrack to the new hire date of the employee, which in this case would be the 1st November.

- Search for the Ex-Employee record using the normal search facility. When the Ex-employees record has been retrieved, click the dropdown arrow to open the List of Values (LOV).
- In the Action field Re-hire the ex-employee by selecting from the LOV. Create Employment and select a Person Type of Employee

- Click on the Assignment button
- Complete the details for the Bank Assignment as you would for any new starter
- Once saved click on the Miscellaneous Tab and tick the Primary checkbox to promote the Bank Assignment

As shown below the new Primary Bank Assignment has been created with an assignment number which is derived from the original employee number plus a suffixed number -3:

4.6. SCENARIO 6 - EMPLOYEE RETIRES THEN RETURNS TO WORK AFTER PENSION QUALIFYING BREAK

It is possible to rehire an employee that has retired, taken their pension and returned after the qualifying break required. For further guidance on NHS Pension regulations visit the NHS Pensions website: https://www.nhsbsa.nhs.uk/nhs-pensions

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.

In this example the employee retired on the 31st October and returned to the organisation on the 10th November. The termination record shows as follows:
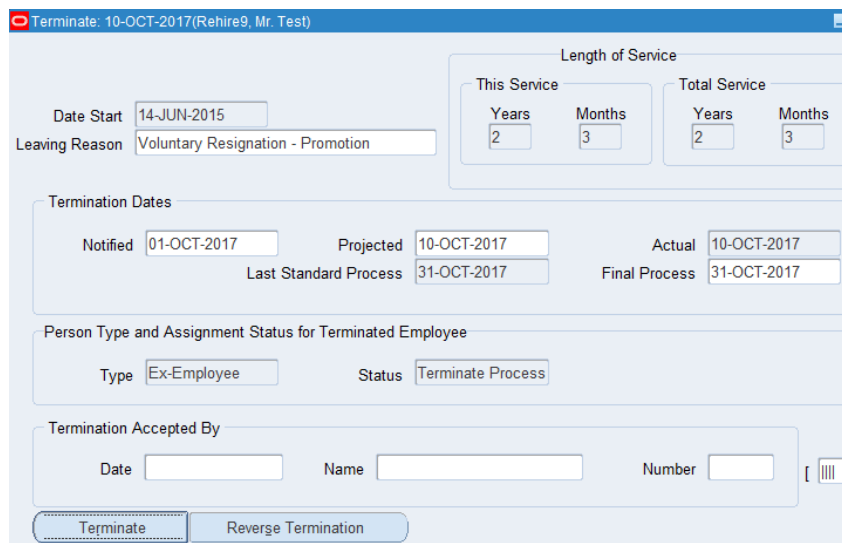

To rehire the employee, the following steps are required:

- Navigate to the employee's personal record in HR Administration > People >Enter and Maintain
- Datetrack to the new hire date of the employee
- Search for the Ex-Employee record using the normal search facility
- When the Ex-employees record has been retrieved, click the dropdown arrow in the Action field to open the List of Values (LOV).
- Re-hire the ex-employee by selecting from the LOV Create Employment and select a Person Type of Employee
- Then save the record

The Latest Start Date will become the Rehire date, however the Date First Hired will remain as the date the Employee first joined the Employing Authority

Continue to complete the Assignment details as you would for any new starter. Once saved the employee new number will be derived from the original number plus a suffixed number e.g -2

The previously terminated record can still be viewed as a secondary terminated assignment.

4.7. SCENARIO 7 - EMPLOYEE RETIRES THEN RETURNS TO WORK AFTER PENSION QUALIFYING BREAK WITH MONIES OWED

As shown above in Scenario 6, it is possible to rehire an employee who has retired. 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. This can be done after the Last Standard Process date and before the Final Process date of the terminated assignment.

For example the Employee retired on the 18th November 2017:

The employee returned to work and was rehired from the 20th December 2017:

The employee was owed some expenses for the previously terminated post that were due to be paid in the December payroll run.

The rehired employee was due to be paid from the 20th December, this was also due to be paid in the December payroll run.

The terminated record is shown as below:

Outstanding payments for this record were added to the Assignment's element entries:

The payment was made in the December payroll is shown below:

The following payments were processed for December on the rehired post:
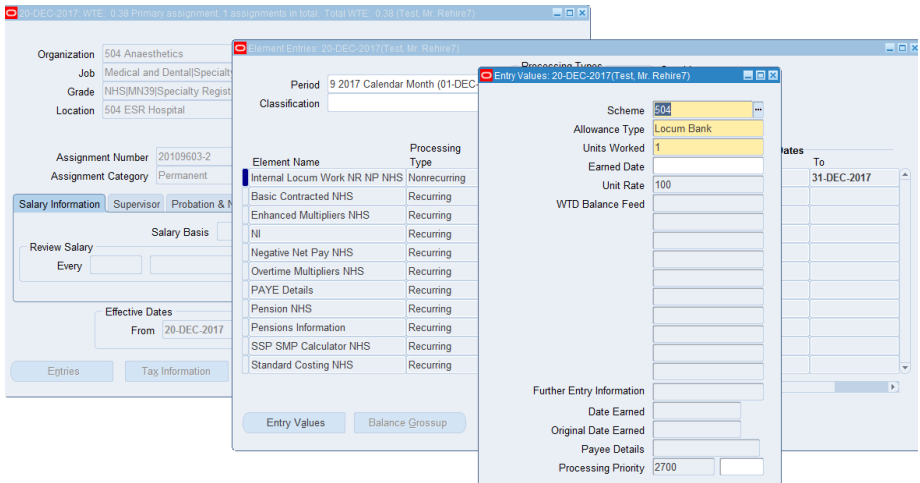
When the December payroll was processed, the rehired employee was paid the following:
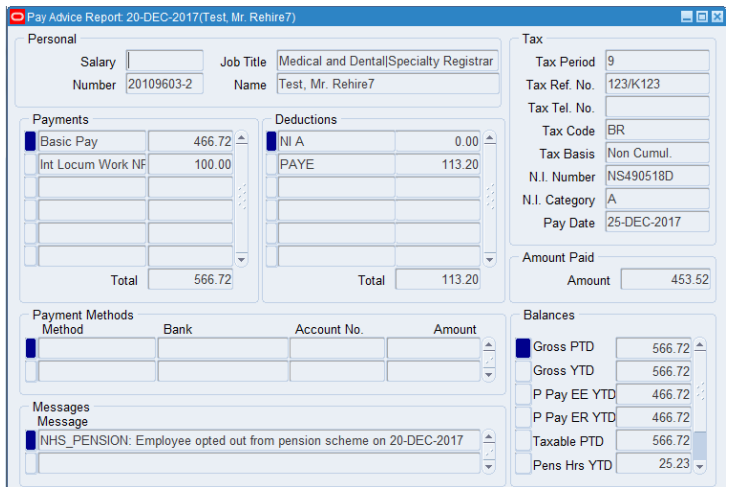
Payment can be made to both the new assignment and the terminated assignment during the overlapping periods of service. As referenced above this has been processed and paid on the December payroll run.

4.8. SCENARIO 8 - BANK ROLE ONLY LEAVES THEN IS REHIRED AT A LATER DATE INTO A SUBSTANTIVE ROLE

This Scenario follows the same steps as Scenario 1, to rehire a primary assignment whether substantive or bank. As the record has gone past the Final Process date, only the new assignment will be available for processing.

An example would be the Bank employee below terminated on the 9th November 2017:

They returned to a Substantive post on the 18th March 2018, following the steps that are detailed in Scenario 1, the employee is rehired on a -2 record as shown below:

4.9. SCENARIO 9 - EMPLOYEE WITH 2 ASSIGNMENTS, SUBSTANTIVE & BANK, LEAVES SUBSTANTIVE REMAINS ON BANK, THEN RETURNS AT A LATER DATE TO NEW SUBSTANTIVE ROLE ONLY, NO BANK

This Scenario can only be applied to NI Aggregated Only Assignments

In this example, the Employee holds a Substantive and a Bank post, and wishes to leave the Substantive position on 25th November 2017

The 2 positions held are as follows:

The first step will be to change the Primary Assignment from the Substantive post to the Bank post and then terminate the Substantive post

The following steps are required:

- Navigate to the employee's personal record in HR Administration > People >Enter and Maintain
- Date track to the day after the termination date of the Substantive Assignment
- Retrieve the relevant employee record using the normal search facility
- Select the Assignment button tab
- Once the Assignment has been returned, scroll down to the Bank Assignment
- Click on the Miscellaneous Tab and tick the Primary checkbox to promote the Bank Assignment
- The record should then be saved

Note: this can also be done using the Payroll Admin and Payroll Super Admin URP's
The Bank Assignment is now showing as the Primary Assignment

Without changing the date, scroll to the Substantive post then terminate the Substantive post by changing the Assignment Status to Terminate Process Assignment

The Substantive post is now showing as terminated

A P45 will then be generated for this post.

When the employee re-joins the organisation in the Substantive only role and terminates the Bank post, you will follow the same process as above. This time it will be the Bank post that is changed to the Secondary Assignment then terminated and the new Substantive post will become the Primary Assignment.

Once the steps have been followed the Bank post will show as terminated and will no longer be the Primary Assignment.

The new Substantive post is created and becomes the Primary Assignment

Again, a P45 will be generated for the terminated Assignment

NOTE: An Assignment should never be changed from substantive to bank (or vice versa) as this will cause incorrect treatment of the employee records held at HMRC and NHS Pensions

5. SUMMARY

To summarise, it is best practice to rehire an ex-employee instead of creating a new employee number.

Care should be taken with aggregated assignments, as the aggregation status can only be changed at the beginning of the tax year. Details of how aggregation works and the steps required when changing the aggregation status can be found in the ESR User Manual, in Statutory Deductions

It is important to always end any open sickness before terminating a record. Failure to do so will prevent the record from beginning rehired. Should you encounter this situation, a Service Request will need to be raised through the ESR Support Helpdesk for a datafix to be applied.

6. APPENDIX A

FAQ's for Rehires

We ran a selection of webinars to promote the Rehire functionality. A number of questions were asked and the most common ones have been grouped together below with answers provided.

Final Process Date Queries

Questions raised:

- What if the ex-employee has not gone passed the final process date on the leaver screen?
- Does the final process date for the terminated record have to be the termination date in order for the rehire to work?
- In the final process date we have always been told to add a couple of months on - this usually affects a rehire the following month. Do we need to have the final process date later than the actual date of leaving?
- What would the final process date need to be as ours are always 3 months for a terminated record?
- For the fully aggregated example if you put in a final process date how can you make payments to the old record e.g. enhancements are paid in arrears?
- What happens if you need to make a payment on a terminated post following re hire? Do you have to extend final process date?
- For aggregated assignment, if we change the final process date, are we okay to change it back if we need to pay after leaving?
- Payroll require a final process date 3 months after their actual leaving date. This means you cannot rehire someone who returns within less than 3 months
- We pay enhancements and travel normally at least a month in arrears so how would we be able to pay these if the final process date is already in and would stop the record being processed?
- How do we pay outstanding shift payments from our rostering system to the terminated record that has since been rehired?

Answer:

As detailed in the Scenarios earlier in the Guide, it is the Last Standard Process Date and not the Final Process Date that controls the ability to rehire. Where the employee has been fully terminated, once the Last Standard Process Date has passed the employee can be rehired. It should be noted that the Last Standard Process Date will default to the end of the pay period in which the employee is terminated, e.g 31st August, and is the final pay period in which the employee will receive Basic Pay, this should not be amended.

The Final Process Date can be any time on or after the Last Standard Process Date. Where payment after leaving is likely to be due in arrears, then the Final Process Date can be set at the month after leaving, 2 months after leaving or whatever is the locally agreed timeframe.

Retire and Return Queries

Questions raised:

- We find that the Final End Process dates blocks our Retire and Returns as they only have 1 day off before they can be rehired is there anything we can do?
- Just to confirm if someone retires 5th July 2020 and then is returning 20th July 2020 you cannot re-hire due to the final process date having to be 31st July 2020?

- What if they have a less than a month break in between retiring and returning?
- Employees who are flexi retiring, will end one employment and start another 2 weeks later, this is sometimes in the same pay period. Will the rehire process still work for them?

Answer:

When an employee retires, they can be rehired after the Last Standard Process Date. For example the employee retires on the 31st July, takes a 24 hour break, then returns on the 2nd August, as this is after the Last Standard Process Date, the employee can be rehired.

If the employee retires part way through the month and then returns to work in the same month, if this is before the Last Standard Process Date (which should be the end of the period), then it would not be possible to rehire the record and a new employee number would be required. So for example the employee retires on the 10th August and returns on the 20th August, the Last Standard Process Date would be the 31st August, which is after the return date so rehiring would not be possible.

Previous Service/CSD Date Queries

Questions raised:

- Will the CSD dates need to be manually updated with any break, or will they be done automatically?
- What happens to someone's CSD date if they are rehired from years ago?
- How does annual leave accrual work for re-hires? Does ESR take account of the previous service and remove any gaps?
- By using a new number and requesting an IAT this brings through all training, OH and A/L aggregated service details. How does this work if rehiring?

Answer:

The CSD Dates will remain as they were when the employee was terminated, the system will not automatically update them. As part of the hire process it will be necessary to check these and amend where appropriate. When rehiring an employee all the existing history will be retained, where an employee has worked in another NHS organisation since being employed, then an IAT can be requested as it would be if a new employee number was created.

Aggregation Queries

Question raised:

How can HR teams identify whether aggregated status for rehires?

Answer:

The aggregation status can be identified by looking on the Employment tab on the Enter and Maintain screen

If the employee is only aggregated for NI, NI Multiple Assignments will be ticked and the PAYE Aggregated Assignments will be blank. If the employee is aggregated for both PAYE and NI, both boxes will be ticked.

Question raised:

You say aggregation from SOY, can it not be done from date of rehire as well?

Answer:

Although aggregation can be set when hiring a new employee number, where the Rehire functionality is used, the aggregation status must not be changed until the start of the new tax year. HMRC do not accept changes to aggregation during a tax year and as such will cause reporting errors leading to incorrect tax codes being applied to employee records.

Question raised:

Should there be any issue with multiple substantive / bank assignments when using these processes, and if so, would terminating the multiple bank assignments so there is just one left resolve the issue?

Answer:

Scenarios 4 and 5 cover a second assignment but this could be applied to multiple assignments, as long as one of the remaining assignments becomes the primary record, then there is no issue with rehiring when multiple assignments exist.

P45/Tax/NI Queries

Question raised:

If you terminate process assignment, will it generate a P45?

Answer:

A P45 will be generated when a terminate process assignment is actioned as long as the employee is only aggregated for NI. If they are aggregated for both PAYE and NI, the P45 will

not be produced. The employee record would need to be fully terminated in this case to get a P45.

Question raised:

What tax code is shown on the new record when rehiring and will you be able to notify a new starter declaration?

Answer:

The tax code and new starter declaration would need to be manually updated in the same way they would for hiring a new employee number.

Question raised:

We have different frequency for our bank and substantive post so are unable to change the bank post to become the primary assignment. The reason behind this is because the assignments have "Calendar Month" against them so the NI would then be calculated on the wrong basis. What do we do with this moving forward?

Answer:

It is still possible to change the bank assignment to primary when both posts are on different pay frequencies. The NI Period Type Calendar Month would need to remain in place until the end of the current tax period (usually the end of the month), then it could be changed to the NI Period Type Week if only the weekly post was remaining.

Person Type Queries

Questions raised:

- Can you rehire on a secondee record?
- Can you hire an employee from honorary to substantive?

Answer:

The rehire functionality should be used to rehire previously employed records with a person type of Employee. All other types such as Secondee, Honorary, Volunteer etc. should not be rehired, a new employee number should be created instead.

Bank Queries

Question raised:

Can you change bank to substantive if they haven't left?

Answer:

As mentioned earlier in the Guide, an assignment should never be changed from substantive to bank (or vice versa) as this will cause incorrect treatment of the employee records held at HMRC and NHS Pensions.

Reporting Queries

Questions raised:

- Do re-hires show correctly in the new joiners and leaver reports?
- We often need to report on numbers of retire-returners. Is there a reportable field in ESR to indicate that someone is a retire returner?
- How does terminating a substantive post after making bank primary impact workforce reports such as leavers and turnover, will the employee still show as a leaver in ESRBI, how would you capture destination on leaving?

Answer:

There are a variety of reports that will identify joiners and leavers even if they have been rehired. It is possible to report on those staff retiring and returning using the Rehire report in BI. There is no impact on turnover when rehiring an employee instead of creating a new employee. Where the assignment is being terminated instead of the employee record, information can be recorded in the reason field.

Further details on ESR BI reporting can be found in the Document Library section in the [ESR Functionality Guidance > Reporting](#) .