

Frequently Asked Questions (FAQs) Regarding the Widening Access Training (WAT) Schemes

Her Majesty's Revenue and Customs (HMRC) have advised NHS organisations that some NHS workers may be eligible for a refund of National Insurance (NI) and/or Tax paid where their workers have received payments for undertaking a Widening Access Training (WAT) course aimed at widening their professional knowledge. This document has been produced to provide advice to employees seeking a refund of their tax (PAYE) and national insurance contributions (NIC) whilst attending a potential WAT course on whether they are likely to be eligible. If you do not find the answer you are looking for or require further support, please contact Human Resources at HR.Support@candi.nhs.uk

What is the NHS Widening Access Training Scheme?

A typical scenario will involve an existing NHS employee (e.g. a nurse, physiotherapist, doctor etc.) temporarily swapping their normal day-to-day working pattern (either full-time or part-time) in order to attend a NHS WAT scheme course instead. Their employer requires them to attend this course and so pays them for their attendance at a rate which may be at, or lower than, their usual earnings level. When the course is completed the employee will then resume working activities for their employer.

How do I know if I am entitled to a refund of PAYE and National Insurance?

If you were an existing NHS employee when you took part in the Widening Access Training scheme, whether you're eligible to reclaim tax and NI depends on satisfying the following conditions:

- 1. Employment Status.** You must have been an existing NHS employee when starting and completing the WAT scheme
- 2. The payments you received for the course must have been only for studying or training, not working.** The exemption only applies to income paid only to sustain you whilst you trained – which HMRC view as 'Scholarship Income'.

Scholarship income (sometimes referred to as training allowance or educational award), is an award of distinct, identifiable payments made by an employer to maintain an employee while studying on a full time course at a university, college or similar recognised educational establishment.

For example, individuals employed into training posts and paid a full-time Agenda for Change salary would not be eligible. This is because they are required to work whilst undertaking a training programme or course for which they are paid a full time salary. This does not meet HMRC's definition of scholarship income as it includes an unidentifiable element for work undertaken and is not solely for maintenance whilst training.

You can find more information at <https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim06205>

3. **The type and length of course.** You must have been enrolled full-time on a course for at least one academic year (which runs from 1 September – 31 August).
4. **Attendance.** You must have attended for at least 20 weeks in an academic year, or if the course is longer, an average of 20 weeks per academic year over the period of the course.
5. **Your course must have been run by a recognised educational establishment.** The educational establishment must be open to members of the public generally, offer more than one course of practical or academic instruction, and must not be run by the employer or someone connected with the employer. For example an employer's internal training school or an establishment run by the employer's trade organisation will not satisfy the educational establishment condition.
6. **Your income can affect your eligibility.** The rules indicate if you earned over a certain threshold (currently £15,480) HMRC may look at the arrangements in detail. This is because the level of payment exceeds what might reasonably be described as a scholarship or training allowance.

HMRC have provided a flowchart which should help assist in determining the position. Click [here](#) to download a copy of this.

How do I claim my refund?

If after evaluating the information above you think you meet the qualifying criteria please email HR.Support@candi.nhs.uk with the following information:-

- Employment start date
- Title of qualification/training course
- Name of educational establishment attended
- Exact start and end date of course
- Copy of qualification or evidence of course completion
- Full time training course YES/No
- If Yes to above, number of hours per week
- Last name – (please include previous names if applicable)
- Assignment/Payroll number
- NI number
- Date of Birth
- Current address and postcode
- Contact telephone number and email

Please note that HR will still need to verify the information provided against our internal records and confirm your eligibility.

I have been told I do not meet the criteria, so why have people on the same course as me received a refund?

It should be noted that the refunds received by other colleagues may relate to financial periods before HMRC issued further guidance and clarity on eligibility for refunds for those undertaking WAT courses. Originally HMRC may have believed NHS staff were on training contracts. However contracts and information since received from NHS Trusts and from individuals undertaking WAT courses have been reviewed by HMRC and HMRC have concluded that these show the majority of contracts are either contracts of apprenticeship (a type of employment contract) or contracts of employment and therefore would not be exempt and eligible for WAT Scheme refunds.

The above circumstances have regrettably caused confusion because it has resulted in some employees being issued refunds for periods prior to the further HMRC guidance being provided. HMRC have written to NHS Trusts making their position clear and that they (that is HMRC) will not be seeking to recover such refunded monies either from the Trust or from the individuals receiving such payments themselves.

HMRC expects all NHS organisations (including the Trust) to act in line with its updated guidance and accordingly the Trust must evaluate cases in line with this guidance as it would face significant financial liabilities if it simply processed such applications without vetting them first.

Simply because someone may have previously received a refund does not mean that you are automatically eligible for a refund and if you believe your course is eligible then the Trust would need to assess your case with reference to your particular role and employment contract before confirming the position. We appreciate that this may be a somewhat frustrating position but unfortunately the Trust has no discretion to act otherwise.