

NATIONAL HEALTH SERVICE**POSITION OF WHOLE-TIME HOSPITAL CHAPLAINS
UNDER THE NATIONAL INSURANCE ACT, 1946**

Summary. This memorandum explains that whole-time hospital chaplains are in future to be regarded as under contract of service (and not as self-employed), and sets out the consequences with regard to National Insurance contributions.

1. H.M. (55) 120, which was issued in consultation with the Ministry of Pensions and National Insurance, informed hospital authorities that whole-time and part-time chaplains were included in the class of self-employed persons (Class 2) for National Insurance purposes. The document also advised hospital authorities of the action to be taken as regards periods for which hospital chaplains had been treated as employed persons (Class 1).
2. The Minister of Pensions and National Insurance has recently determined an appeal by a full-time hospital chaplain, and has decided that the degree of control exercised by hospital authorities over full-time hospital chaplains justifies their classification as persons under contract of service and therefore to be included in Class 1 under the National Insurance Act and to be insurable under the Industrial Injuries Act. The Ministry of Pensions and National Insurance have advised that this decision should be applied to all full-time hospital chaplains and that employees' and employers' Class 1 contributions are accordingly payable. Secretaries of Regional Hospital Boards and Boards of Governors were so informed in a letter from the Ministry of Health dated 5th February, 1957, reference 94611/2/5.
3. The Ministry of Pensions and National Insurance advise that the ruling that full-time hospital chaplains are insurable under Class 1 has retrospective effect and hospital authorities are accordingly required to pay arrears of employers' Class 1 contributions for all periods since the 5th July, 1948, for which such chaplains have been employed.
4. Full-time chaplains are entitled under regulations made under the National Insurance Acts to claim refund of the difference between contributions paid at the Class 2 rate and employees' Class 1 contributions and hospital authorities are asked to draw the attention of such chaplains (including any who have left their service) to this right of refund.
5. The local offices of the Ministry of Pensions and National Insurance will get in touch with hospital authorities regarding arrears of employers' contributions payable in respect of individual whole-time chaplains. In assessing these arrears the Ministry of Pensions and National Insurance

*To: Regional Hospital Boards,
Hospital Management Committees,
Boards of Governors.*

will take into account any sums which were originally paid by hospital authorities as employers' Class 1 contributions and which were allowed to stand to the chaplains' credit under paragraph 3 of H.M. (55) 120.

6. The above relates only to whole-time chaplains. No further guidance has been given by the Ministry of Pensions and National Insurance concerning the insurance position of part-time hospital chaplains and hospital authorities should, therefore, continue to observe the provisions of H.M. (55) 120 so far as these officers are concerned.

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SAVILE ROW,
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23rd July, 1957.

94611/2/5