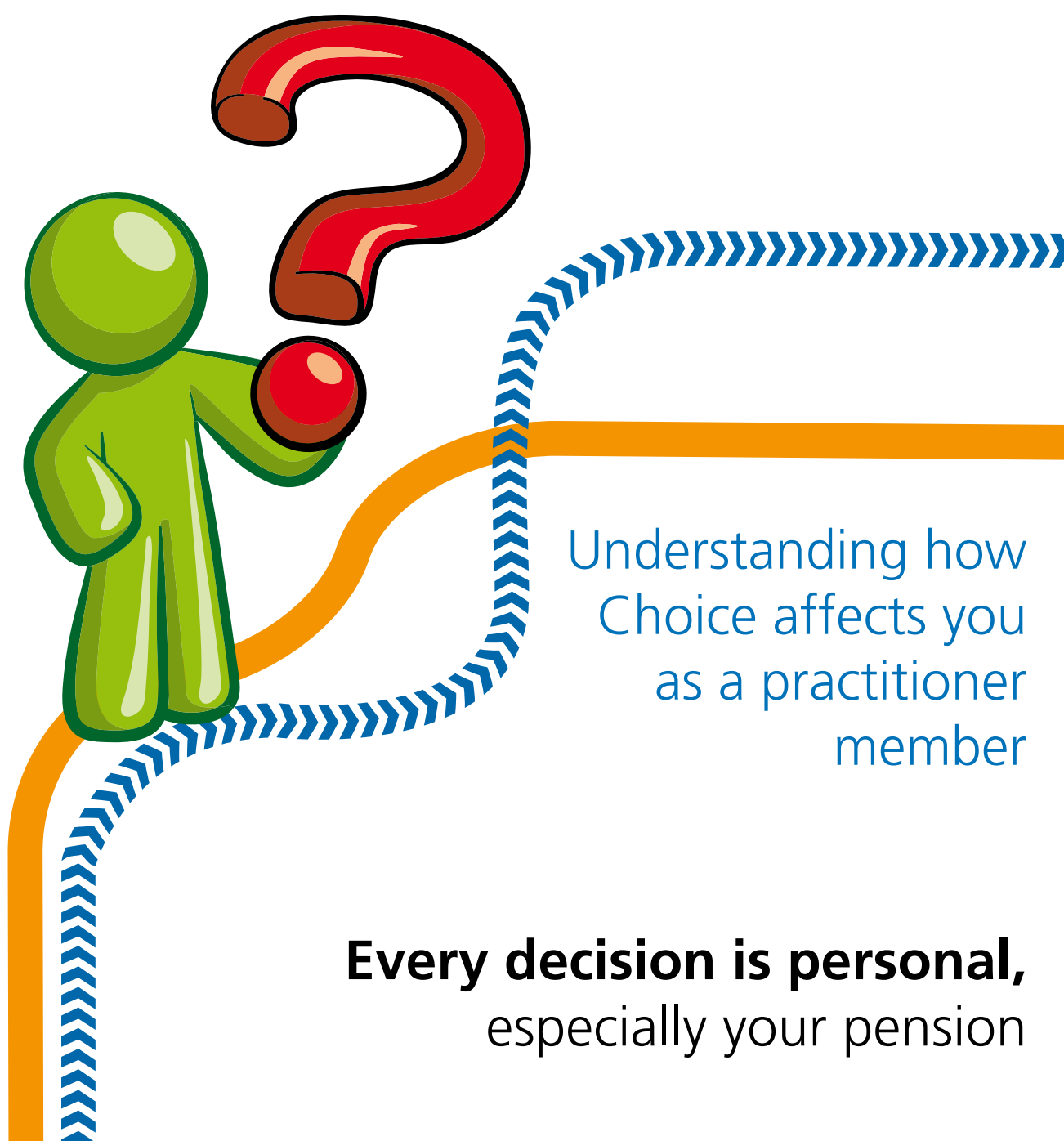
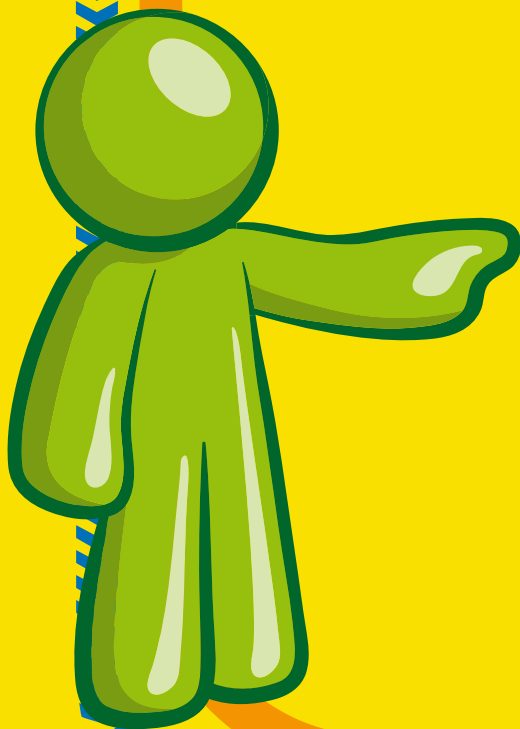


# Your NHS Pension Choice Practitioners Guide



Understanding how  
Choice affects you  
as a practitioner  
member

**Every decision is personal,**  
especially your pension



**Which NHS Pension path  
will you take?**



## Introduction

This guide is for you if:

- you are a practitioner member of the NHS Pension Scheme; or
- you have had any previous membership as a practitioner.

### Why have I been sent this guide?

This guide should be read alongside your NHS Pension Choice Statement and the main NHS Pension Choice Guide. It provides you with additional information which is relevant to your practitioner membership.

As you have practitioner membership, there are some areas of the NHS Pension Scheme that are different for you.

Deciding to transfer from the 1995 Section to the 2008 Section could have advantages and disadvantages for you depending on your future work, retirement plans and your individual circumstances. These outcomes cannot be predicted based on your declared intentions as many factors will impact on this.

## What are the differences?

Practitioner membership is earned when you work as a general practitioner (GP), a dentist or an ophthalmic practitioner. Officer membership is earned when you work in any other NHS post, for instance as a registrar, house officer, senior house officer or as a medical consultant.

Practitioner membership is treated differently than officer membership within the NHS Pension Scheme. Officer membership is based on your final year's pensionable pay, known as the 'final salary method'. Practitioner membership is based on your earnings throughout your career. Each year's earnings are re-valued by a factor and the total uprated (dynamised) earnings are used to calculate your pension. This is known as the CARE method. Throughout this guide and in your NHS Pension Choice Statement we use the term 'uprated earnings' to describe how practitioner pension benefits are calculated.

You may also have some membership as an officer that is earned on the final salary method. This can be treated in a number of ways depending on how long and when you worked as an officer. The ways that it can be treated are known as 'flexibilities'. The most advantageous method for you is automatically used when we work out your pension benefits.

## What are flexibilities?

Practitioner flexibilities are used to work out the most beneficial pension benefits available at retirement. They can be summarised as follows:

- The pension can be made up of two separate parts added together, a pension from your practitioner membership (calculated using uprated earnings) and a separate pension from your officer membership.
- Any officer membership worked before first becoming a practitioner, and later officer membership worked concurrently with practitioner membership, may be treated as practitioner membership (officer pay uprated) if more beneficial at retirement.
- If you continue working in an officer post only, any preserved practitioner membership may be uprated by the dynamising factors rather than by pensions increase factors if more beneficial at retirement.
- Any officer membership you have that falls between periods of practitioner membership (i.e. non concurrent) may be uprated by pensions increase factors plus 1.5% if more beneficial at retirement.

We have shown the main differences for practitioner members in this guide. Further details are available in the [NHS Pension Choice Guide](#) and the [Scheme Guide](#).



# Table of differences for practitioner members

Standard Benefits	1995 Section	2008 Section
How are practitioner pension benefits worked out?	An annual pension of 1.4% of your uprated earnings <b>plus</b> a lump sum which is normally three times your annual pension.	An annual pension of 1.87% of your uprated earnings <b>minus</b> the amount needed to pay for the minimum lump sum. (See below.)
How is my total pension and lump sum at normal pension age worked out?	An annual pension based on 1.4% of your uprated earnings <b>plus</b> a standard lump sum which is normally three times your annual pension <b>plus</b> any pension and lump sum due from any remaining officer membership after flexibilities have been applied.	An annual pension based on 1.87% of your uprated earnings* <b>minus</b> the amount needed to pay for the minimum lump sum which is paid in addition to the pension. <b>Plus</b> any pension due from any remaining officer membership after flexibilities have been applied <b>minus</b> the amount needed to pay for the minimum lump sum.
Lump sum paid if you die whilst employed and a member of the Scheme.	Two times your annual average uprated earnings. You may also be employed as an officer; if so, you would be entitled to a lump sum of twice your actual annual pensionable pay from that officer position.	Two times your annual average uprated earnings. You may also be employed as an officer; if so, you would be entitled to a lump sum of twice your actual reckonable pay.
Option to take a larger lump sum.	The maximum lump sum you can take is generally 5.36 times your pension, including your standard lump sum.	The maximum lump sum you can take is generally 4.28 times your pension before the reduction to pay for the minimum lump sum.

## What is the minimum lump sum?

The 1995 Section automatically provides you with a lump sum at retirement that is normally three times your pension.

If you choose to transfer to the 2008 Section, when you retire you must take at least the amount of lump sum that you had earned up to 31 March 2008 in the 1995 Section. This is called the minimum lump sum and is not optional.

For practitioner membership the minimum lump sum is 4.2% of your earnings up to 31 March 2008, after these have been converted to the 2008 Section.

For officer membership the minimum lump sum is three times the pension based on the converted membership at 31 March 2008.

This minimum lump sum in the 2008 Section will be paid by reducing your pension by £1 for every £12 of lump sum that you take.

The lump sum you take is based on membership and earnings that transfer to the 2008 Section. Flexibilities do not apply for this.

\* If you were 60 or over on 1 October 2009 your earnings and service are subject to a conversion factor (see page 17 of the main guide).

# Transferring your membership to the 2008 Section

## Under age 60 on 1 October 2009

If you were under age 60 on 1 October 2009 and transfer to the 2008 Section you will be given a 'day for day' credit for your membership in the 1995 Section.

## Age 60 or over on 1 October 2009

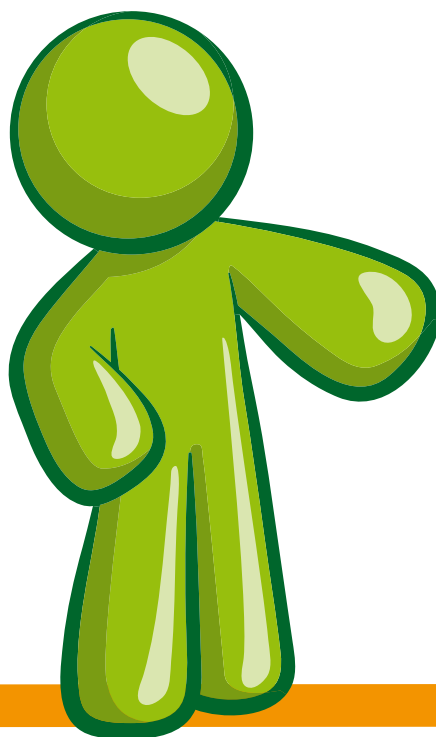
If you were 60 or over on 1 October 2009 and transfer to the 2008 Section, you will get less than a 'day for day' credit for your officer membership. A reduction will also apply to your uprated earnings. The size of the reduction is worked out using the factors in the NHS Pension Choice Guide and are shown on your statement.

As some of the flexibilities are dependent on the length of your final officer membership, the original length of officer membership will be used when working out which is the best method for you.

## How we have produced your comparisons

Your statement shows your pension and lump sum options in both sections and at different dates. When calculating these comparisons we have applied the full range of flexibilities that are available to you based on your current working pattern and the data we hold for you. When you actually retire we will apply the full range of flexibilities that are available at that time and the best result will be used.

It is possible that changes to your working pattern between now and when you retire could mean that the outcome of our calculations could produce a different type of flexibility to apply to your pension benefits. We will apply the flexibilities which produce the best outcome for the section you are in at retirement.



## Added years

Added years contracts buy extra membership through the collection of additional voluntary contributions (AVCs). How this membership is used depends on the post(s) you were in when paying for the added years:

- If you are a practitioner only when paying AVCs, the added years increase your uprated earnings from which your pension is calculated.
- If you are an officer paying AVCs, the added years increase your membership from which your pension is calculated.
- If you work in both practitioner and officer posts at the same time when paying AVCs, the added years will increase your uprated earnings and your membership.

Added years bought when working part-time in officer posts are reduced to account for the fact that they have been bought on a part-time basis.

For example, if you have been buying 10 added years over 20 years whilst working 5 sessions a week out of a possible 10 sessions, your membership will be increased by  $5/10 \times 10 = 5$  years' membership.

If you retire before your added years contract is due to end, the added years you are buying are reduced for two reasons:

1. Because you have not paid as much as intended for the purchase; and
2. The benefits from those added years will be paid for longer (as you have retired earlier than the contract end date).

## Added years and flexibilities

When flexibilities are applied, the increase in membership you have from buying added years when in officer posts will be used in the same way as membership from those officer posts. This means the membership from added years will be used to calculate your pension. Alternatively, if more favourable the extra membership will be used to increase the uprated earnings from practitioner posts which is then used to calculate your pension.

Flexibilities always provide the best pension available from the section of the Scheme you are in at retirement.

## Added years and choice

There is no facility to continue to buy added years in the 2008 Section and if you choose to move to that section the added years contracts you have will cease from the date we receive your NHS Pension Choice Form. The increase to membership and/or increase to uprated earnings that you have from your added years to the date of your choice will transfer to the 2008 Section.

### Note

The Government has proposed some changes to the amount you can build up towards your pension and still benefit from tax-relief. To find out if this may impact you, read the 'Pension tax changes factsheet' available on the website [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions)

