



Your NHS Pension Choice Member Frequently Asked Questions

Over the next 3 years NHS Pensions, in partnership with the Department of Health and NHS Trade Unions will be conducting a special exercise, which will provide members of the 1995 Section of the NHS Pension Scheme with the option of transferring **all** their membership to the 2008 Section. This exercise will be referred to as 'Your NHS Pension Choice'.

The following are intended to answer any initial questions you may have about the Choice Exercise. The questions listed will be reviewed throughout the Exercise and will be amended or added to as the Exercise progresses. Therefore you are advised to check the Choice area of the NHS Pensions website at: www.nhsbsa.nhs.uk/pensions on a regular basis.

Q. Will I be forced to move to the 2008 Section?

A. No, the Choice Exercise is entirely voluntary. If you do not make a Choice we will assume you want to remain in the 1995 Section, alternatively you can choose to move to the 2008 Section or choose to stay in the 1995 Section.

Q. What if I move jobs and miss my tranche?

A. If you move jobs within the NHS and the area you have move to has already received their Choice Packs don't worry. At the end of the Choice Exercise NHS Pensions will carry out a sweep up exercise. Any eligible member who has not already received their Choice Pack will be included in this final tranche.

Q. Can I still retire at 60 if I transfer to the 2008 Section?

A. Yes, you can retire at 60 however the normal retirement age in the 2008 Section is 65 therefore if you retire at 60 you will receive an actuarially reduced pension.

Q. I am a member of the Special Classes; can I still retire at 55 if I transfer to the 2008 Section?

A. Yes, you can retire at 55 however the normal retirement age in the 2008 Section is 65 therefore if you retire at 55 you will receive an actuarially reduced pension as there is no special class status in the 2008 Section.

Q. Would I pay more contributions in the 2008 Section?

A. No, contributions are the same in both Sections of the Pension Scheme and are based on the amount of pay you earn. If you work part time your contributions are based on the whole time pay for your job.

Q. I have 2 part time NHS jobs, could I pay into the 2008 Section for one of these only?

A. No, you will be a member of either the 1995 Section or the 2008 Section for all your current membership. You cannot choose to move only part of your membership to the 2008 Section.

Q. Will I need to let you know if I don't want to move to the 2008 Section?

A. No, if we do not hear from you at least 4 months after you receive your Choice Pack we will assume that you want to remain in the 1995 Section.

Q. What happens to my lump sum in the 2008 Section?

A. There is no automatic lump sum in the 2008 Section however if you choose to move from the 1995 Section to the 2008 Section your minimum lump sum will be the lump sum you were entitled to in the 1995 Section on 31st March 2008. Any pension you are entitled to at retirement will be reduced to take account of this lump sum. You can of course choose to take a bigger lump sum by giving up some more of your pension. For every £1 of pension you give up you receive £12 of lump sum.

Q. What do I do if I am applying for retirement at the time of Choice?

A. If you are retiring on or shortly after 1 October 2009 you will be able to receive a Choice Pack early. To request a Choice Pack early you must be a contributing member of the Scheme and have agreed your last day of service with your employer.

Q. I am buying added years in the 1995 Section can I continue to buy them if I move to the 2008 Section?

A. No, added years are only applicable to the 1995 Section of the Pension Scheme. Any added years you have bought or are buying will be moved across to the 2008 Section as a membership credit and your contract will stop. A new provision called Additional Pension is now available in both Sections of the Scheme. Further details about Additional Pension can be found on the main section of the website.

Q. Who do I contact if I need help?

A. Should you have any general queries about the NHS Pension Choice Exercise you should first view the wide range of Choice materials available through the Choice area of the website. Alternatively you may wish to contact the Choice Helpline for members on telephone number: 0300 123 1601. The helpline is available Monday to Friday 9.00 am to 5.00 pm or send your questions to: Your NHS Pension Choice, PO Box 5050, Annesley, Nottingham, NG15 0DJ.

Q. Can I take my HMRC transitional protection with me if I move to the 2008 Section?

A. Yes, your transitional protection will move over to the 2008 Section with you.

Q. I have Enhanced Protection; will a move to the 2008 Section affect the relevant benefit accrual of my NHS pension benefits?

A. Because of the higher accrual rate in the 2008 Section if you are under age 60 a move to the 2008 Section may increase the chances of your NHS pension benefits exceeding relevant benefit accrual.

Q. I have a total annual income of more than £150,000; will a move to the 2008 Section cause me to have a Special Annual Allowance Charge?

A. No, a move to the 2008 Section by itself will not trigger HMRC's "anti-forestalling" measures. Further details about the Special Annual Allowance Charge can be found on HMRC's website www.hmrc.gov.uk.

Q. Who is eligible to Choice?

A. It is important to remember that eligibility to participate in the NHS Pension Choice Exercise requires a person to be an active member of the 1995 Section at the time NHS Pensions issue the personalised Choice Statement. NHS Pensions may only accept an option to join the 2008 Section if a statement was issued to the person whilst that person was an active member of the 1995 Section; the member is in active pensionable employment at the time they make their choice; and, the option is received by NHS Pensions before the end of the 4 month time limit. The only time an option may be accepted where a member is no longer in active pensionable employment is when that member would otherwise become entitled to immediate payment of pension benefits from the 1995 Section however, the personalised Choice Statement must still have been issued whilst that member was in active pensionable employment. It follows therefore

that if a member leaves employment before a personalised Choice Statement has been issued they are no longer eligible for Choice.

Q. Is it possible for a member to request a Choice Statement in advance of Choice arriving in their area?

A. Yes, but only where certain conditions can be satisfied. In certain circumstances some members who are leaving the Scheme can opt-into Choice early. The reasons for leaving and any qualifying criteria are:

- **Retirement.** Members who have a planned retirement date and who qualify for immediate payment of a pension.
- **Taking partial retirement.** Members who wish to take part of their pension and continue working in a reduced capacity. As this is only available from the 2008 Section and such members will need to make their choice before they partially retire. Such members must have discussed and agreed the option to take partial retirement with their employer first.
- **Being made redundant.** Members who are being made redundant and qualify for immediate payment of pension only. Members who are under age 50 and cannot apply for their pension immediately, cannot request a personalised Choice Statement using this form.
- **Retiring in the interests of the efficiency of the service.**
- **Leaving the NHS as part of a compulsory transfer of employment outside of the NHS.** Members whose employment is being transferred to an employer who does not have access to the NHS Pension Scheme. Special rules have been agreed for members who are transferred out of the NHS as part of TUPE (Transfer of Undertaking (Protection of Employment) Regulations 2006) or a TUPE like arrangement. Please read the factsheet available on the website about compulsory transfer of employment.
- **Special Class status members** who are approaching age 65*.
- **Members who are approaching the Scheme's maximum membership limits*.**

*NHS Pensions to identify.

Members who are simply interested to know what a move to the 2008 Section might mean to them in advance of Choice arriving in their area and before receiving their Choice Statement should use the Choice calculator facility available on the NHS Pensions website.

Q. What is the minimum age someone can retire from the 1995 Section?

A. The minimum pension age is changing from 6 April 2010 for some members.

The minimum pension age is changing for any member who joined the NHS Pension Scheme for the first time on or after 6 April 2006, or who rejoined on or after 6 April 2006 and had previously left before 1 April 2000. Currently the minimum pension age is 50. However, for the above group of members the minimum pension age will change from 6 April 2010 to age 55.

For those members who fall into the above category this means that if you want to draw voluntary early retirement pension benefits before 6 April 2010 you may apply to do so from age 50 but from 6 April 2010 you must be at least age 55 to make such an application.

Members who have transferred into the NHS Pension Scheme as part of a block transfer and who had a minimum pension age of 50 in the sending scheme will retain a minimum pension age of 50.

Q. If I move to the 2008 Section will my retirement benefits be increased in any way if I retire later than the normal retirement age of 65?

A. Yes, you will receive an increase to your pension to take account of it being paid later than the normal retirement age for that section. Information about the application of late retirement factors is shown on page 11 of the NHS Pension Choice Guide. The factors shown in the Guide have since been reviewed and the latest factors can be viewed on the member area of the NHS Pension Choice section of this website at www.nhsbsa.nhs.uk/pensions.