



Business Services Authority



Welcome to our 2021
pensioner newsletter for
NHS Pensions.

The 2021 Pensions Increase – your pension is increasing

Every year, pensions in payment are reviewed by the Treasury. This review is called 'the annual Pensions Increase (PI)'. This year, NHS Pensions will increase by 0.5%*.

When is the annual Pensions Increase (PI) applied?

If you receive an increase of pension, this will start on the first Monday on or after 6 April each year. This year the PI will take effect from 12 April 2021.

What is the PI based on?

PI is based on the rise in the Consumer Price Index (CPI) in the 12 months ending 30 September 2020. Subject to parliamentary approval, the increase for 2020/21 will be 0.5%

Who receives PI?

Your pension normally increases if you are over age 55, or if your pension is an ill health pension. This also applies to adult dependant's pensions for spouses, civil or nominated partners and child dependant's pensions.

*Increase is subject to the conditions outlined in this article.

Why have I not received the full increase?

You may receive a lower percentage increase if your pension started after 27 April 2020 or no increase at all if your pension started after 27 March 2021. Where your pension commenced after 27 April 2020 you will receive a proportion of the 0.5% increase. You can find more information on this on our website.

If you retired after 1978 and receive a State Pension, then Guaranteed Minimum Pension (GMP) rules mean that you may not receive the full PI on your NHS pension. The shortfall will be offset by a proportional increase to your State Pension.

If you reach your State Pension age on or after 6 April 2016 and before 6 April 2021 your NHS pension will include the full increase, because your occupational pension scheme was contracted out of the additional State Pension, formerly known as the State Earnings Related Pension Scheme (SERPS). Please refer to your annual statement from the government Pensions Service for confirmation, shown under 'Contracted out Deductions'.

Your first payment on or after 12 April 2021 will only include the PI from that date. Details of the new annual rate will be shown on your pension advice note. This will also give a forecast of your next payment. This will apply providing your yearly rate, tax liability or other deductions do not change.

Changes in circumstances

You must inform us immediately of any changes in circumstances that may affect your pension.

If you change **address, bank or building society account** details please tell us immediately. If you have used the Bank Switching Service to change your bank or building society account you don't need to tell us of your change of details, we will already be aware of these changes.

If you move abroad and **want your payments to be made to an overseas bank**, please access the Pensioner Hub on our website, where you will find a factsheet and links to the relevant bank mandate forms.

If you marry or form a civil partnership after you have retired from the NHS, please let us know as it may affect the value of the benefits due to your new spouse or civil partner in the event of your death.

If you are a re-employed pensioner or are thinking of going back to work in the NHS, please take a look at our website, where you will find up to date information for those returning to work for employers with access to the NHS Pension Scheme. This may include some organisations delivering services to the NHS.

Your Tax Code

Your tax code tells us how much tax to take from your pension. We cannot change your tax code unless we're instructed by HM Revenue & Customs (HMRC). If you want to ask about your tax code or tax liability, please write to:

HMRC Pay As You Earn,
PO Box 4000,
Cardiff
CF14 8HR

Or call: 0300 200 3300

Please note that the tax code on our P60 is the code which was applied to your last pension payment made in 2020/21.

Your P60

Your P60 shows your total pay, pension and tax paid in the previous tax year up to 5 April 2021.

If you haven't received your P60 with this newsletter, we'll send it to you before the end of May.

The gross pay on your P60 is usually different from the annual rate paid for most of that year. This also means that the total amount on your P60 will not match the amount in payment on the Advice of Payment you receive.

This can be for one or more reasons:

- The first NHS pension payment that you received in that tax year covered a period running across two tax years
- Your pension started partway through the tax year
- The last NHS pension payment that you received in that tax year covered a period running across two tax years.

If you think you have paid too much or too little tax, you are responsible for reporting this to HM Revenue & Customs (HMRC).

You should keep your P60 in a safe place. It not only proves the amount of tax you have paid, but it is a handy way of proving your income for loan or mortgage applications.

Your P60 explained

NHS Pensions
PO Box 2268, Bolton, BL6 9JR

Mr Joseph Bloggs
1 NHS Pension Street
London
NHS PEN

Telephone: 0345 121 2522
Overseas + 44 191 283 0303

P60 End of Year Certificate

1 Tax year to 05 April 2021

This is an important document - do not destroy

Pensioner's Details			
Name JOSEPH BLOGGS	Pension reference XXXXXXXX	National Insurance number XXXXXXXXXX	
2 PAYE reference JOSEPH BLOGGS	HN Revenue & Customs Tel: 0300 200 3300 If calling from abroad please telephone +44135 535 9022		
Payment and Income Tax Details		Pension/Pay	Tax Deducted
3 NHS Pension*	£6118.60	£389.00	
4 In Previous employment (s)	£0.00	£0.00	
Total for year	£6118.60	£389.00	
* Figures shown here should be used for your tax return you complete one.		5 Final Tax Code 001000LM1	
6 Lifetime allowance used at 5 April 2020	27.01%		

Notes

1. This section will show supporting notes for your P60

1 Tax year – the UK tax year runs from the 6 April in one year, to the 5 April the following year.

2 PAYE reference – this is your ‘pay as your earn reference.’ You will be asked to provide this in any communication with HMRC.

3 NHS Pension – this is the gross amount of your NHS pension payments received in the 2020/21 tax year and the tax deducted from all taxable payments.

4 In previous employment – HMRC lets us know of any pay you have earned, and tax paid in previous employment in the 2020/21 tax year.

5 Final tax code – this is the code that was used for your final NHS pension payment in the 2020/21 tax year. We may have used other codes previously.

6 Lifetime allowance – the lifetime allowance is the total pension benefits you can build up from all registered pension schemes without incurring a tax charge. The amount shown on your P60 is the amount you have used up. You can find out more about the lifetime allowance on our website.

Did you retire after 1 April 2015?

In April 2015, the government made changes to reform the majority of public service pension schemes. These reforms did not apply to those members closest to retirement, who remained in their legacy schemes with 'transitional protection'.

In December 2018, the Court of Appeal found this to be discriminatory against younger members in the judicial and firefighters' schemes. It is sometimes referred to as the McCloud judgment.

Following a consultation last year, the government has recently published details of the steps it is taking to address the age discrimination affecting some members in the public service pension schemes where transitional protection was put in place. The government published a consultation response in February 2021.

Will you be affected by the changes?

The changes apply across the majority of the main public service pension schemes, including the NHS Pensions Scheme.

If you joined a public service pension scheme on or before 31 March 2012 and you were still a member of the scheme on 1 April 2015, the changes will apply to you.

The changes may also apply to you if you've received a spouse's or dependant's pension

since 1 April 2015, and the member joined a public service pension scheme on or before 31 March 2012 and they were still a member on 1 April 2015.

What should I do?

If you're affected, you'll be asked to make a choice of which pension scheme benefits you would like to receive for service between 1 April 2015 and the date you left the scheme, either legacy or reformed scheme benefits.

You'll be asked to make your choice retrospectively and where necessary, payments will be backdated.

You don't need to do anything just yet – if you're affected, we'll contact you with more information when it's time to do something.

If you'd like more information

You can find more information about the changes, whether you're affected and next steps on our website:

<https://www.nhsbsa.nhs.uk/nhs-pensions>

NHS Pensioners Trust

The NHS Pensioners Trust (NHSPT) is a charity providing financial support to retired NHS employees and dependants of a deceased NHS employee. The NHSPT provides cash grants to help relieve financial hardship. More information on the NHSPT can be found at:

www.nhspt.org.uk

NHS Health Research Authority

We're looking for retired healthcare professionals to join our Research Ethics Committees (REC).

We know that many of you have volunteered to return to the NHS to provide care during the pandemic, or to help roll out the coronavirus (COVID-19) vaccine.

If you're looking for another way to help in the fight against the virus, REC membership might be for you!

Our committees are currently meeting virtually and have reviewed over 700 research studies to help learn more about preventing, diagnosing and treating coronavirus.

No time at the moment? You could join a REC at a later date – all applications are welcome. There's more information on our website: www.hra.nhs.uk/join-a-REC

HANG UP YOUR SCRUBS AND GET INTO RESEARCH

If you're recently retired but want to contribute to healthcare research, we need you. Your wealth of knowledge and experience can make a real difference when reviewing the ethics of studies. That's why many retired healthcare professionals join our Research Ethics Committees. Plus you can stay up to date with the latest research!

Apply to join us and start a new chapter to your career.

www.hra.nhs.uk/join-a-REC



Contact us



Write to us at:

NHS Pensions
PO Box 2269
Bolton
BL6 9JS



Call us:

(open 8am to 6pm Monday to Friday):
0345 121 2522
or from overseas + 44 191 283 0303



Email us:

nhsbsa.pensionsmember@nhsbsa.nhs.uk

When contacting us, please ensure you quote your pension reference number or full name and date of birth (and include a daytime telephone number).

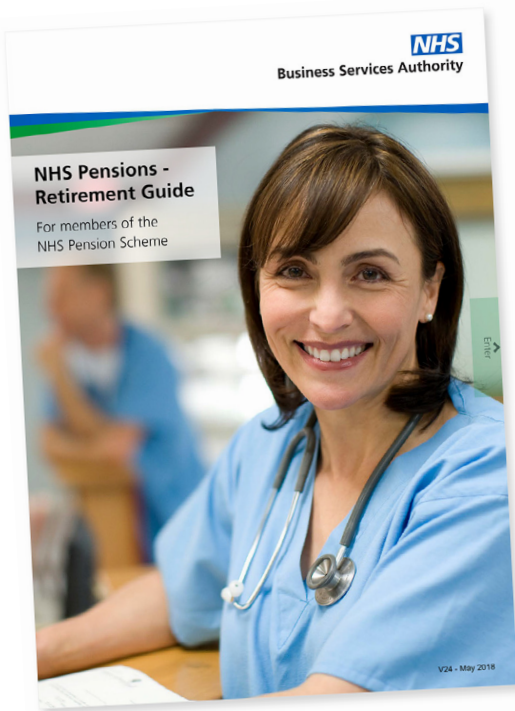


Website:

www.nhsbsa.nhs.uk/pensioner-hub

We're introducing new tools to help you access information about your pension

Over the next year we'll be launching an online portal that will allow you to access details about your pension, including your P60, in one easy to find place. We're expecting to launch the portal later in 2021 and we'll keep members updated on our progress via our website. Make sure to take a look at our pensioner hub later in the year for more information.



The Retirement Booklet you should have received as you retired is a great source of reference about your pension and your ongoing obligations. There is also lots of information about your NHS Pension on our website including information about the following:

- Being re-employed in the NHS
- Having your pension paid overseas
- Our governance
- How to raise a complaint or dispute
- What happens in the event of your death
- Your Injury Benefit
- The rules governing Children's pensions