



Business Services Authority



Welcome to our 2023
pensioner newsletter for
NHS Pensions.

The 2023 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 10.1%*.

When is the annual Pensions Increase (PI) applied?

If you receive an increase to your pension, it will start on the first Monday after 5 April each year. This year the PI will take effect from 10 April 2023.

Your first payment on or after 10 April 2023 will only include the PI from that date. Details of the new annual rate will be shown on your pension advice note. This will give a forecast of your next payment with the increase applied, providing your yearly rate, tax liability and other deductions do not change.

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 2022. The increase for 2022/23 will be 10.1%

* Any increase is subject to the conditions outlined in this newsletter.

Who receives PI?

Your pension normally increases if you are over the age of 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.

Why you may not receive the full increase

You may receive a lower percentage increase if your pension commenced after 25 April 2022 or receive no increase if it commenced after 25 March 2023. Where your pension commenced after 25 April 2022 you will receive a proportion of the 10.1% increase. You can find more information on this on our website.

If you retired after 1978 and receive a State Pension

Guaranteed Minimum Pension (GMP) rules mean that you may not receive the full PI on your NHS Pension. Any 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

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 Pensions Scheme (SERPS).

Refer to your annual statement from the government Pensions Service for confirmation, shown under 'Contracted out Deductions'.

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 tell us immediately. If you have used the Current Account Switch 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**, you can 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, you should let us know as it may affect the value of any 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 returning to the NHS, take a look at our website, where you will find up to date information on returning to work for employers with access to the NHS Pension Scheme. This may include some organisations delivering services to the NHS. If you decide to return to work after retirement, have a new re-employment or make changes to a re-employment, you should let us know using the 'NHS Pensioner Re-employment Form' on our website.

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 to by HM Revenue & Customs (HMRC). If you want to ask about your tax code or tax liability, you can write to:

Pay As You Earn and Self Assessment
HM Revenue and Customs
BX9 1AS
United Kingdom

Or call: 0300 200 3300

The tax code on your P60 is the code that was applied to your last pension payment made in 2022/23.

Your P60

Your P60 shows your total pay, pension and tax paid in the previous tax year up to 5 April 2023.

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 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 2023

This is an important document - do not destroy

Pensioner's Details			
Name JOSEPH BLOGGS	Pension reference XXXXXXXX	National Insurance number XXXXXXXXXX	
2 PAYE reference 948/401	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 2023	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 2022/23 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 2022/23 tax year.

5 Final tax code – this is the code that was used for your final NHS pension payment in the 2022/23 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.

You can find more information at
[**www.nhsbsa.nhs.uk/member-hub**](http://www.nhsbsa.nhs.uk/member-hub)

Did you retire after 1 April 2015?

In April 2015, the government made changes to most public service pension schemes. These didn't apply to members closest to retirement. The Court of Appeal later found this to be discriminatory against younger members. The government is removing this age discrimination from public service pension schemes including the NHS Pension Scheme.

Only some members will be affected

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, or you left service after 31 March 2012 but returned within 5 years, the changes will apply to you.

The changes may also apply 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 a member on 1 April 2015.

If you're affected

You'll be asked to make a choice retrospectively of which pension scheme benefits you would like to receive for your service between 1 April 2015 and the date you left the Scheme, either legacy benefits (in the NHS this is the 1995/2008 Scheme) or reformed scheme benefits (the 2015 Scheme).

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. To read more about this, visit [**www.nhsbsa.nhs.uk/changes-public-service-pensions**](http://www.nhsbsa.nhs.uk/changes-public-service-pensions)

The Department for Health and Social Care (DHSC) is also introducing changes to the Scheme rules to make it simpler for members who have not yet taken their pension benefits to take partial retirement. More information on these changes can be found on our website: www.nhsbsa.nhs.uk/nhs-pension-retirement-flexibilities

If you return to work and re-join the NHS Pension Scheme, the date your in-service pension will be reviewed has changed

Each year, 2015 Scheme pensions for members who are still actively contributing are reviewed to keep up with the rise in cost of living. 2015 Scheme pensions are reviewed using the Consumer Price Index (CPI) in the year before, plus an additional 1.5%. This is called 'revaluation' and it usually happens on 1 April, but from this year onwards it will happen on 6 April.

This change is being made to address a gap between the CPI used to calculate in-service revaluation of 2015 Scheme benefits and the CPI used to calculate the pension input amount for annual allowance. Annual allowance is the maximum amount of pension savings a member can contribute to their pension in one tax year that benefits from tax relief. The change means that members contributing to the 2015 Scheme who are affected by pensions tax won't have a larger annual allowance tax charge to pay in 2023 because of high inflation.

If you return to work and re-join the 2015 Scheme, the value of your pension benefits won't go down because of this change. It also doesn't affect the annual review of pensions already in payment to make sure the pension benefits you're currently receiving keep up with living costs, known as pensions increase.

Returned to work? You're able to re-join the NHS Pension Scheme

If you've returned to NHS employment after retiring, or you'd like to, you're able to re-join the Scheme and build up further pension benefits in the 2015 Scheme.

This was already available to members of the 2008 Section or 2015 Scheme – and from 1 April 2023, retired members with 1995 Section benefits can also return to NHS employment and re-join the Scheme.

You can return and earn 2015 Scheme benefits even if you have 45 years of service in the 1995 and 2008 Sections, as long as you're under 75.

If you decide to re-join, you can work as many hours as you choose

You just need to have had a minimum break of 24 hours from your previous job when you retired, although you can take a longer break if you prefer. Previously, members of the 1995 Section were limited to working 16 hours a week in the first month after retirement to avoid their pension payments being affected - this rule has been removed from 1 April 2023.

If you're a Special Class or Mental Health Officer member and take your pension, but return to work before you reach age 60, the requirement for your post-retirement pay plus pension to be less than your pre-retirement earnings is suspended until 31 March 2025. Whilst this suspension is in place you can return to NHS employment or increase your work commitments without your pension payments being reduced (or abated).

To find out more visit our website: **www.nhsbsa.nhs.uk/pensioner-hub/re-employment**

NHS Health Research Authority

The NHS Health Research Authority is looking for retired healthcare professionals to join its Research Ethics Committee (REC).

REC members volunteer to help review applications for research approval, protect research participants and facilitate ethical research. The work of the REC is varied but includes some of the biggest challenges we face in health and social care today, from cancer to dementia, and more recently COVID-19.

Find out more and complete your application on their website:

www.hra.nhs.uk/step-forward

NHS Pensioners Trust

The NHS Pensioners Trust (NHSPT) is a charity providing financial support to retired NHS employees and dependants of deceased NHS employees. The NHSPT provides cash grants to help relieve financial hardship. You can find more information on their website:

www.nhspt.org.uk

Contact us

Website and email:

You can find all our contact details including our email address on our website:

www.nhsbsa.nhs.uk/pensioner-hub

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

Write to us at:

NHS Pensioner Admin, 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

The Retirement Booklet you should have received when you retired is a great source of information about your pension and 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