

## NHS Pensions

### Member factsheet

#### Examples to help members choose between 1995 or 2008 scheme benefits

**As part of the Public Service Pensions Remedy (PSPR), some members have the option to move some of their pension benefits into the 1995 part of the NHS pension scheme. If we've written to you about this, the following examples may help you to make your decision.**

These examples show what happens to pension benefits if they move to the 1995 scheme or if they stay in the 2008 scheme, depending on what age they take their pension. Where we say NPA this means your Normal Pension Age which is age 60 for the 1995 scheme and age 65 for the 2008 scheme, unless you have special class status that means it's earlier, at age 55.

Both examples compare the benefits that would be paid from the 1995 or 2008 scheme based on the same length of membership and the same pensionable earnings at retirement. Adjustments have been made for early retirement, but not to take into account any potential increases in final salary.

In both examples, final salary is based on:

- the best of the last 3 years' pay for the 1995 scheme
- the average of the best 3 consecutive years' pay in the last 10 years, for the 2008 scheme.

## Example 1:

### This is for a member who does not have Special Class or Mental Health Officer (MHO) status

Janet has 22 years membership up to 31 March 2022 and pensionable earnings of £43,000 at retirement for each age shown. Her benefits for the remedy period between 1 April 2015 and 31 March 2022 were rolled back from the 2015 scheme to the 2008 scheme. She can choose to keep these pension benefits in the 2008 scheme or move them to the 1995 scheme. The tables show what would happen to her payable benefits in each scheme, depending on what age she decides to retire.

This example only takes into account Janet's membership up to 31 March 2022 and assumes she maintained a final salary link.

**Table 1: If Janet chooses to move her pension benefits to the 1995 scheme**

Table 1: Standard 1995 Section Benefits up to 31 March 2022						
If Janet Retires at:	60 (NPA)	62	64	65	66	68
<b>Pension</b>	£11,825	£11,825	£11,825	£11,825	£11,825	£11,825
<b>Lump Sum</b>	£35,475	£35,475	£35,475	£35,475	£35,475	£35,475

**Table 2: If Janet chooses to keep her pension benefits in the 2008 scheme**

Table 2: Standard 2008 scheme Benefits up to 31 March 2022						
If Janet Retires at:	60	62	64	65 (NPA)	66	68
<b>Pension</b>	£11,561	£12,679	£13,989	£14,692	£15,179	£16,297
<b>Mandatory Lump Sum</b>	£12,900	£12,900	£12,900	£12,900	£12,900	£12,900
	An early retirement factor has been applied as benefits paid before NPA are lower					A late retirement factor has been applied as benefits paid after NPA are higher

**Table 3: 2008 scheme Benefits (with a lump sum equivalent to the standard lump sum in the 1995 scheme up to 31 March 2022)**

<b>If Janet Retires at:</b>	<b>60</b>	<b>62</b>	<b>64</b>	<b>65 (NPA)</b>	<b>66</b>	<b>68</b>
<b>Pension</b>	£9,680	£10,798	£12,108	£12,810	£13,298	£14,416
<b>Mandatory Lump Sum</b>	£35,475	£35,475	£35,475	£35,475	£35,475	£35,475
	An early retirement factor has been applied as benefits paid before NPA are lower					A late retirement factor has been applied as benefits paid after NPA are higher

## Example 2:

### This is for a member who has Special Class/MHO status

Priti has 27 years membership up to 31 March 2022 and pensionable earnings of £43,000 at retirement for each age shown. Her benefits for the remedy period between 1 April 2015 and 31 March 2022 were rolled back from the 2015 scheme to the 2008 scheme. She can choose to keep these pension benefits in the 2008 scheme or move them to the 1995 scheme. The tables show what would happen to her payable benefits in each scheme, depending on what age she decides to retire.

This example only takes into account Priti's membership up to 31 March 2022 and assumes she maintained a final salary link.

**Table 1: If Priti chooses to move her remedy period pension benefits to the 1995 scheme**

Table 1: Standard 1995 Section Benefits up to 31 March 2022						
If Priti Retires at:	55 (NPA)	60	62	64	65	67
<b>Pension</b>	£14,513	£14,513	£14,513	£14,513	£14,513	£14,513
<b>Lump Sum</b>	£43,538	£43,538	£43,538	£43,538	£43,538	£43,538

**Table 2: If Priti chooses to keep her remedy period pension benefits in the 2008 scheme**

Table 2: Standard 2008 scheme Benefits up to 31 March 2022						
If Priti Retires at:	55	60	62	64	65 (NPA)	67
<b>Pension</b>	£11,260	£13,833	£15,180	£16,757	£17,603	£18,875
<b>Mandatory Lump Sum</b>	£19,265	£20,963	£20,963	£20,963	£20,963	£20,963
	An early retirement factor has been applied as benefits paid before NPA are lower					A late retirement factor has been applied as benefits paid after NPA are higher

**Table 3: 2008 scheme Benefits (with a lump sum equivalent to the standard lump sum in the 1995 scheme) up to 31 March 2022**

<b>If Priti Retires at:</b>	<b>55</b>	<b>60</b>	<b>62</b>	<b>64</b>	<b>65 (NPA)</b>	<b>67</b>
<b>Pension</b>	£8,918	£11,952	£13,298	£14,875	£15,722	£16,994
<b>Mandatory Lump Sum</b>	£43,538	£43,538	£43,538	£43,538	£43,538	£43,538
	An early retirement factor has been applied as benefits paid before NPA are lower					A late retirement factor has been applied as benefits paid after NPA are higher

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