

Understanding the NHS Pension Scheme

WESLEYAN

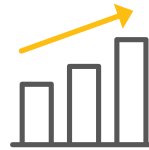
we are all about you

MUTUAL



With no shareholders we can keep our focus and stay true to the needs of our members and customers with members being able to choose their own package of benefits

FINANCIALLY STRONG



Our financial strength comes from our purpose and a long standing way of doing business that has always put our values and the needs of our members and customers ahead of short term gain

SPECIALISTS



Experts for society's most trusted professionals, we're committed to always have a deep and evolving understanding of everything our customers give to their careers.

AWARD WINNING



Top rated products as well as top performing funds and award-winning fund management team that puts investors first

FINANCIAL ADVISORS



Exceptional personalised service and strong relationships provided by financial advisors who deliver tailored financial advice to support society's most trusted professionals

OVER
180
YEARS

Creating brighter financial futures across the UK since 1841, in an ever changing world

We cover a lifetime of financial needs for you



Savings & Investments



ISAs
Unit Trusts
Investment Bonds

Financial Protection



Income protection
Critical Illness Cover
Term assurance
Whole of life assurance

Mortgages



First time buyer mortgages
Remortgaging

Retirement & Estate Planning



Inheritance Tax mitigation
NHS Pension Scheme
Personal pensions

Insurance



Travel insurance
Motor insurance
Home insurance

Inheritance Tax planning is not regulated by the Financial Conduct Authority

Your mortgage is secured on your home. Your home may be repossessed if you do not keep up repayments on your mortgage
Please remember the value of investments, and any income can go down as well as up and you may get back less than you invest

What we'll cover today

Building for Retirement – Why now?

Membership types and pension sections

Increasing your NHS pension benefits

Annual and Lifetime Allowance including Scheme Pays

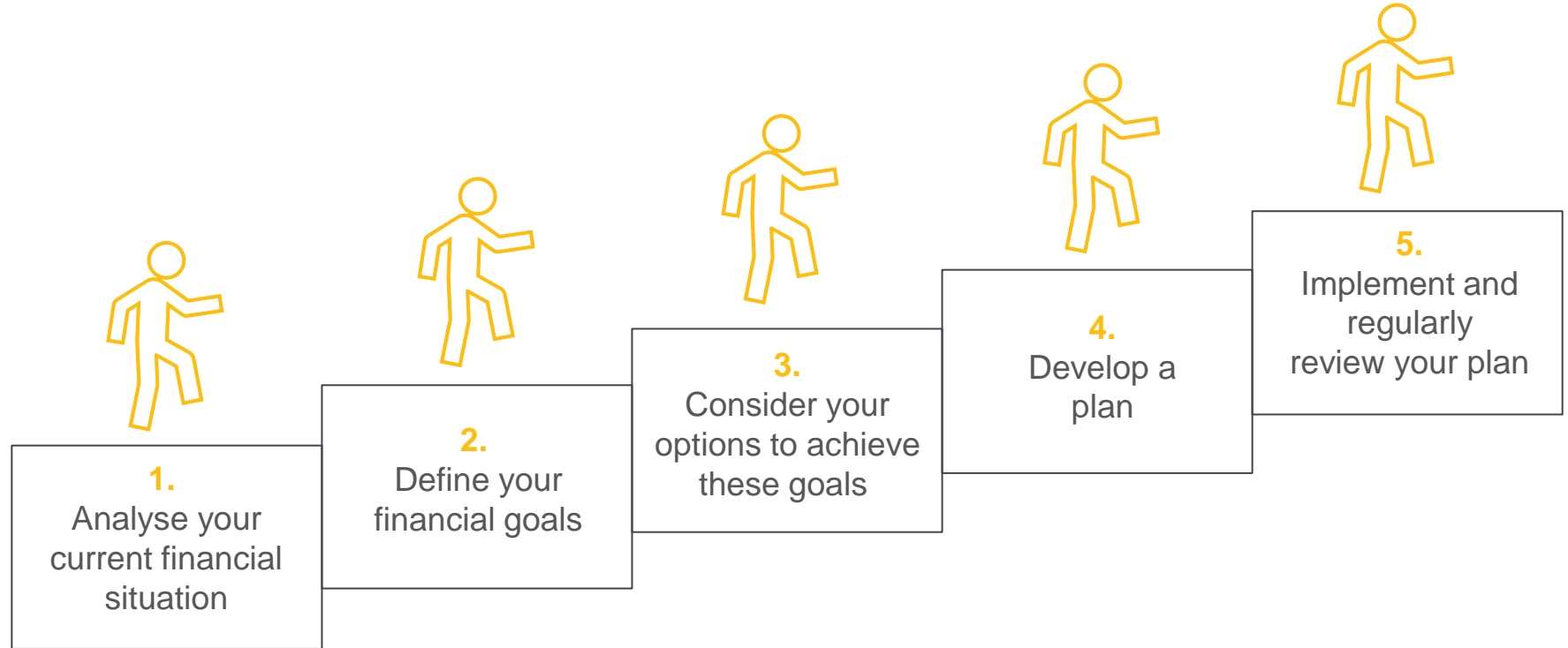
Alternative ways of saving for retirement

Key Scheme benefits including Partial Retirement Options

Key Questions

Your actions and next steps

Five steps to financial fitness



Building for retirement

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Ensure you will have enough
to lead the lifestyle you want
in retirement

Understand the April 2015
changes to the NHS Pension
Scheme and how they impact
your own pension

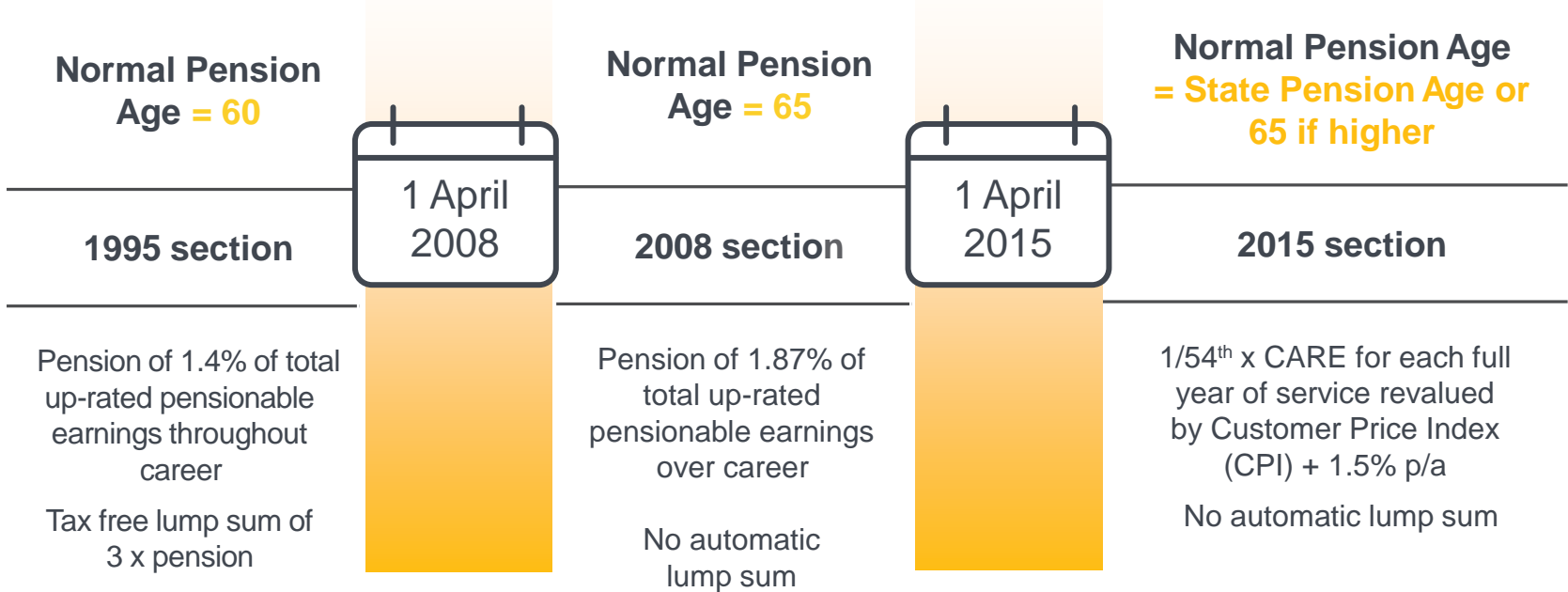


Make the most of your
pension benefits

Avoid unnecessary tax charges
and understand the April 2024
pension changes



CARE Scheme





Ill Health Retirement Pension

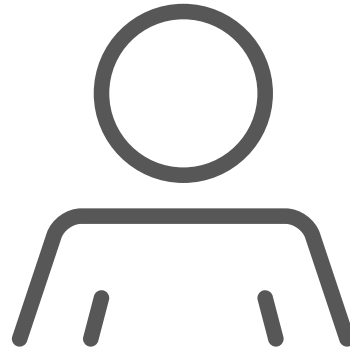
NHS



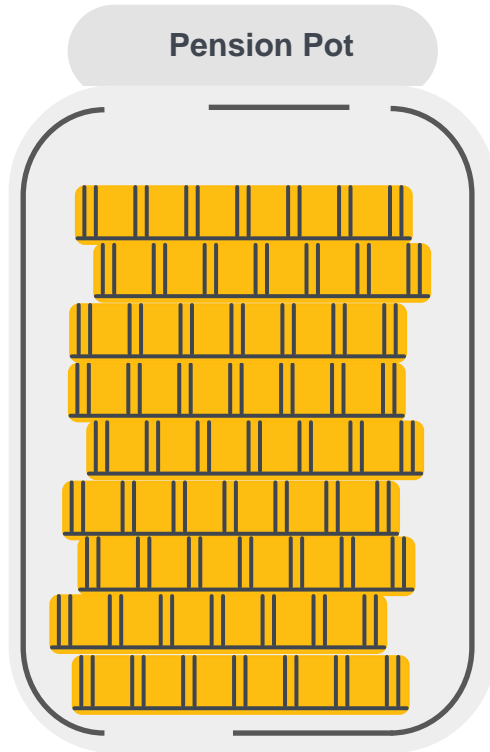
Dependants pension



Death in Service benefits



Retirement pension income and lump sum



2015 section is part of the CARE Scheme

Each year you build up
a **set percentage** of that year's
earnings in your pension pot

+ Indexation percentage

In the 2015 section



Additional Pension



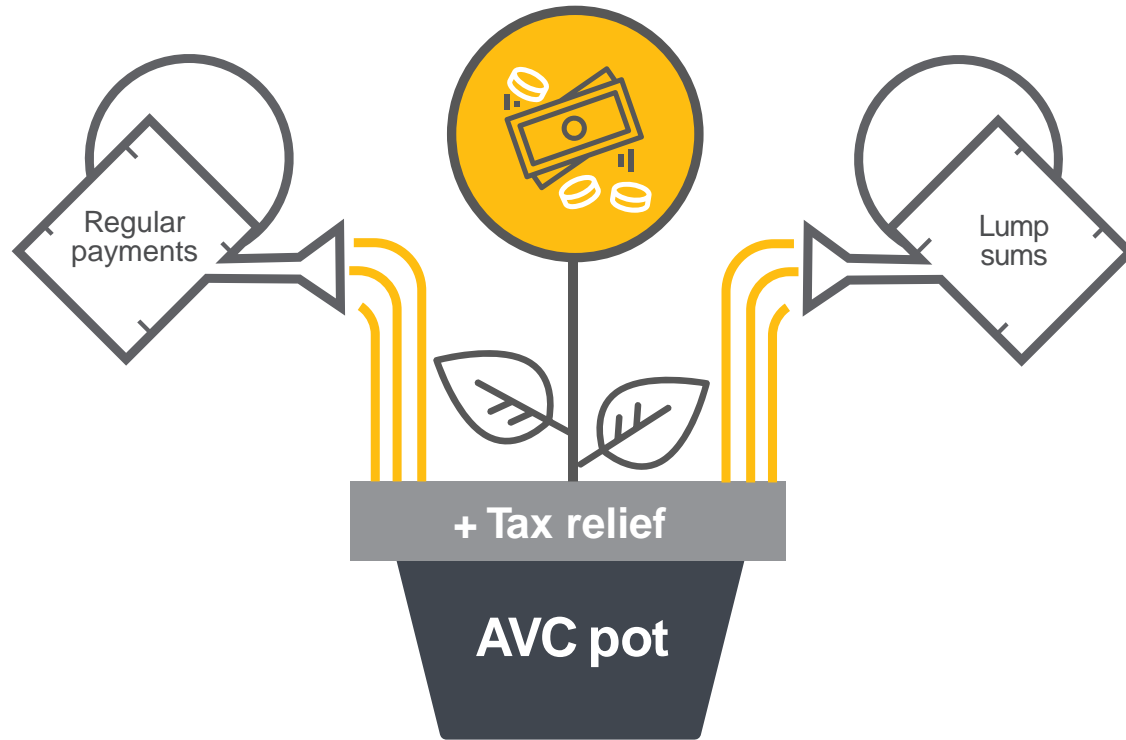
Additional
Voluntary Contributions
(AVCs)



Early retirement
reduction buy out

Purchase Additional Pension up to **£8,000** in multiples of **£250** in the 2015 section, or for the full **£8,036.20** (2023/24). Anything over **£6,500** has to be requested via NHS Pensions





2015 section only



Pay extra contributions to buy out the early retirement reduction



Purchase up to a maximum of 3 years buy out

Actuarial reduced early retirement – what does it provide?

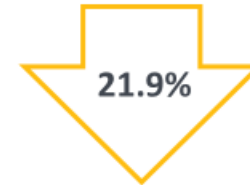
With any pension, if you take the benefits earlier than expected this will have a significant effect on the income that you receive from it

The reductions against the NHS Pension Scheme could be considerable

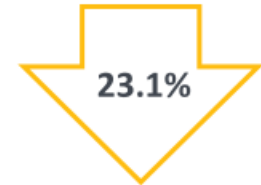
Taking benefits just five years earlier will reduce your pension by:



20% reduction in pension and 11.2% reduction in lump sum - 1995 section retirement age 60



21.9% reduction in pension (no automatic lump sum) - 2008 section retirement age 65



23.1% reduction in pension (no automatic lump sum) - 2015 section retirement age currently 65/STATE



Threshold income of £200,000 or more = tested against Tapered Annual Allowance

Adjusted income of £260,000 or more = taper applied at £1 reduction for every £2 of income above £260,000

Adjusted income of £320,000 or more = Annual Allowance reduction to £10,000

Lump Sum Allowance (LSA) and Lump Sum and Death Benefit Allowance (LSDBA)

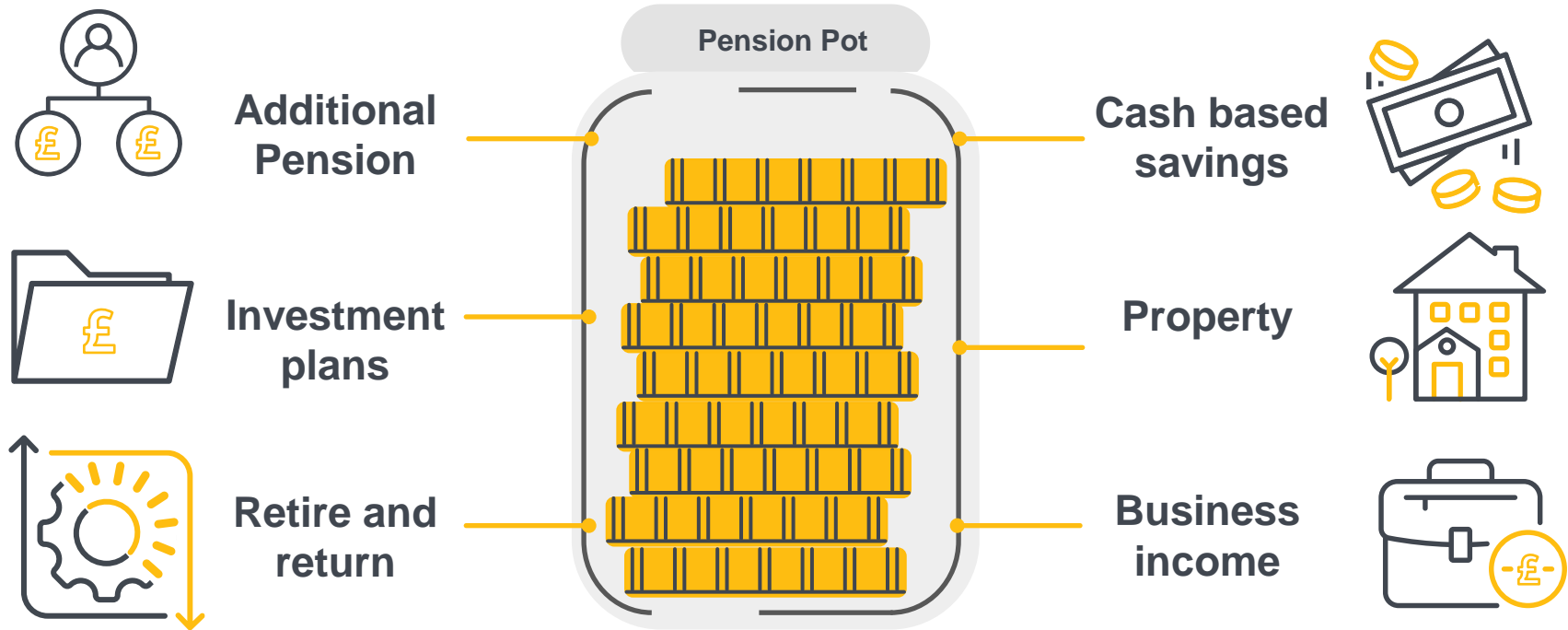
Introduced from 1st April 2024 to replace the LTA which limited the amount an individual could accrue in a pension over their lifetime.

The LSA is £268,275 or 25% of any lifetime allowance protection held if higher. Any Pension Commencement Lump Sum or the Tax-free element of any UFPLS will be tested against this limit.

Any excess will be subject to income tax at the individual's highest marginal rate.

The LSDBA is £1,073,100 or any lifetime allowance protected sum if higher. Tax free lump sums such as death benefit and serious ill health lump sums will be tested against this allowance and any excess subject to income tax at the individual's highest marginal rate.

These are limits on the tax-free lump sums that can be accessed from pensions.



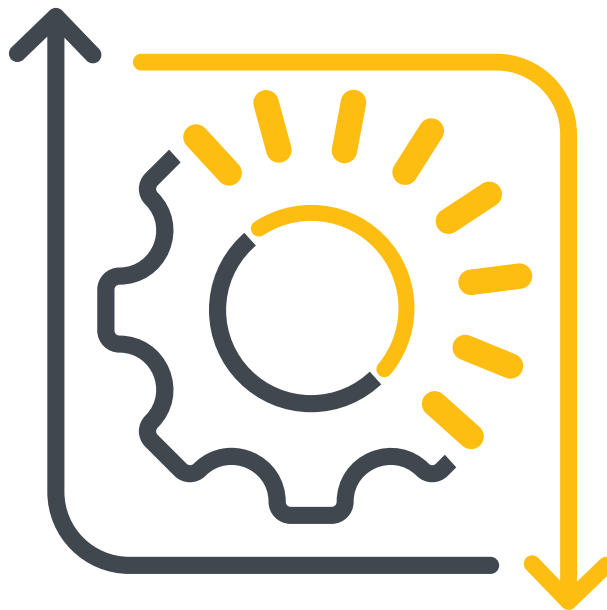
Retire and re-join the NHS Pension Scheme

Not ready to stop work altogether? You can retire and take your full pension, then return to work after a short break and re-join the NHS Pension Scheme to keep building your future pension benefits.

Partial retirement

Allows you to claim your pension, whilst continuing to work, but without having to take a break and leave your job.

You will need to work with your employer to adjust your hours or reshape your contract, so your “pensionable pay” is reduced by 10% for the first year.





Locum GP
No sick pay




Sick pay



Salaried GP
Based on your contract



GP Partner
Based on partnership agreement
Likely to be responsible for funding locum cover



Ill health retirement pension

Tier 1 benefits	Tier 2 benefits
Being permanently incapable of efficiently carrying out the duties of your employment because of illness or injury	Being permanently incapable of engaging in regular employment of similar duration because of the illness or injury



Death in Service benefit

Usually equal to the equivalent of
2 years actual reckonable pay

There is currently an additional £60,000 for
front line workers who die from Covid-19,
contracted whilst on duty.



Dependants pension benefits

Spouses receive half the pension
the member would have received if they
had retired as Tier 2 ill health on the
date of death

If an adult dependent's pension is paid,
the children's pension for one child will be
dependent on what section the
member was in.

Put a plan in action now for your retirement

Understand the impact of the changes on your pension

Consider ways to boost your pension

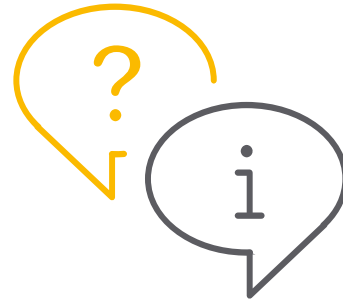
Review your existing savings and investments

Check that your Death in Service and family benefits provide for your needs

It's important to review your arrangements regularly



To book a review, complete an online form using the QR code:



Discuss your financial needs and receive specialist advice, to understand what can be done now.



Let us help you develop and **maintain** your strategic plan.

Charges may apply. We will not charge you until you have agreed the services you require and the associated costs.



Q&A

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Thank you

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