

# NHS Pension Report

Prepared  
for  
Dr R B Papa

## Aims

Your report aims to put you in an informed position about the scheme benefits of your NHS Pension. In particular, we look at how your scheme benefits could grow and the impact this could have on your tax position, both now and in the future.

We understand that the information held by NHS Business Services Authority, in relation to your NHS Pension, can sometimes be out of date or based on estimates. We take this into account as much as possible by using the accrued pension benefits, from your Total Reward Statement/Annual Benefit Statement, and projecting your pension benefits forward in accordance with the NHS Pension scheme rules.

This enables us to show you how your benefits could potentially grow and help you work out how they fit in with your plans and objectives. There are many factors that could impact your NHS Pension and we suggest reviewing your pension on an annual basis.

**This report does not constitute advice**

## Next Steps

The report highlights the potential tax consequences that could arise in relation to Annual Allowance and Lifetime Allowance for your NHS Pension in isolation. If you have other pension benefits, these could impact your tax position. This report should not be relied upon for your tax return.

You are recommended to obtain specific professional advice from a professional accountant before you take any action or refrain from action.

## Disclaimer

The values of your NHS Pension Scheme benefits are there to provide an indication only. You are not able to claim these benefits until your normal pension age. Please note if you have membership in more than one part of the scheme you may have more than one normal pension age.

Please be aware this is an estimate and shown for guidance only.

You should check the details on your Total Reward Statement / Annual Benefit Statement are consistent with your current pay or what would be the full-time equivalent pay if you currently work part time. If the figure is significantly different you should contact your employer. If you are a practitioner, you should also check your dynamising sheet to ensure the figures reflect the pay information you have provided. Figures are based on known information. Exact retirement figures cannot be given until final pay and service details are known.

Any calculations based on the consequences of taxation are based on the facts provided to us and on current tax law including judicial and administrative interpretation. Should the facts provided to us be incorrect or incomplete or should the law or its interpretation change, the figures shown in the report may be inappropriate. It is not a substitute for specific advice in your own circumstances.

Tax law is subject to continual change, at times on a retroactive basis and may result in incremental taxes, interest or penalties. Whilst we endeavour to use reasonable efforts to furnish accurate, complete, reliable, error free and up-to-date information, we do not warrant that it is such. We and our associates disclaim all warranties.

## About You

### NAME

Dr R B Papa

### DATE OF BIRTH

01 May 1966 (56Y 1M)

### NHS PENSION MEMBERSHIP

Active Member

### STATE RETIREMENT DATE

01 May 2033 (67Y 0M)

### 95/08 CHOSEN RETIREMENT DATE

01 May 2026 (60Y 0M)

### 2015 CHOSEN RETIREMENT DATE

01 May 2026 (60Y 0M)

### LIFETIME ALLOWANCE PROTECTION

None

## Your Retirement Summary

The summary shows your estimated pension award, taking into account, where applicable, any deductions for Scheme Pays, Actuarial Reduction and Lifetime Allowance charges.

*Your Estimated  
Annual Pension*

**£54,008**

*(£41,916 if taking  
Max Lump Sum)*

*Your Estimated  
Lump Sum*

**£108,249**

*(£268,275 if taking  
Max Lump Sum)*

*Your Estimated  
Monthly Income (Net)*

**£3,748**

*(£3,004 if taking  
Max Lump Sum)*

\*If you are eligible for 2019/20 AA Compensation you could receive an additional £177 per annum.

### 95/08 SCHEME PAYS BALANCE

£3,654.83

### 2015 SCHEME PAYS BALANCE

£22,888.46

### LIFETIME ALLOWANCE CHARGE\*

£37,591 - £10,920

\*depending on level of lump sum taken

## Your Annual Allowance Summary

Tax Year (Pension Input Period)	Annual Allowance (inc Carry Forward)	Growth (Estimate / Actual)	Annual Allowance Tax Charge
2019/20	£32,603	£40,387 (Est)	£3,113
2020/21	£40,000	£42,225 (Est)	£890
2021/22	£40,000	£61,745 (Est)	£8,834
2022/23	£40,000	£61,130 (Est)	£8,557

The summary shows the amount of annual allowance available for each pension input period, taking into account any reductions caused by tapering and increases due to carrying forward any previous unused allowance. The growth figures show actual figures reported by NHS Pensions Agency, where known, and estimated growth based on the information provided and assumptions, as detailed in the assumptions section.

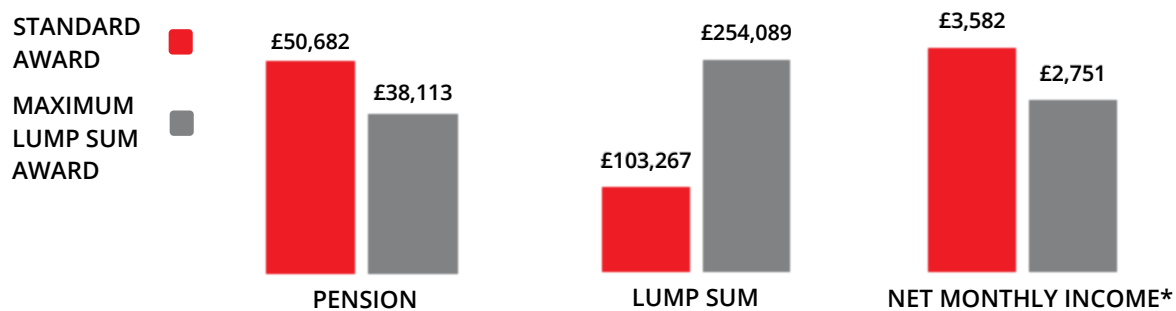
## Benefits Accrued as at 31 March 22

The current value of your NHS Pension Scheme benefits is only an indication.

You are not able to claim the full value of these benefits until your normal pension age (unless you qualify for Ill Health Retirement Pension). Benefits can be taken before normal pension age but you will not receive the full amount as they will be subject to actuarial reduction to reflect being paid for a longer period.

If you have membership in more than one part of the scheme, you will have more than one normal pension age. All of your membership benefits are combined together below, based on taking them at their normal retirement ages.

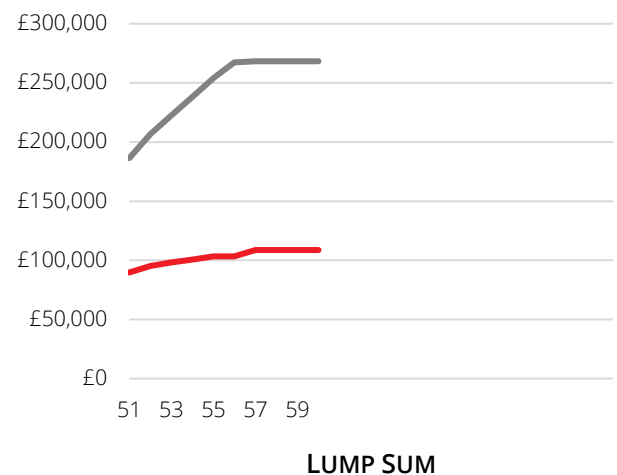
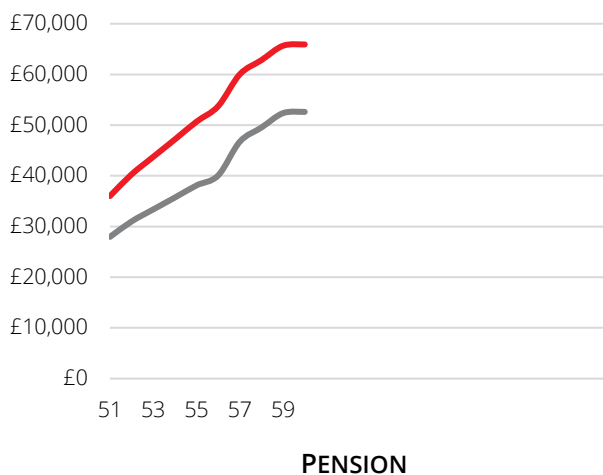
You may be able to exchange some of your annual pension to provide a lump sum or a larger lump sum as allowable under HMRC rules. This would permanently reduce your annual NHS Pension, however it does not reduce any dependant's pension.



\* This assumes no income is received at the point of receipt other than the NHS Pension

## Benefit Accrual

The future value of your NHS Pension Scheme benefits is only an indication. The benefits have been increased in line with NHS Pension Scheme rules using existing inflation values where known. The inflation index used is Consumer Price Index (CPI).



We have used a CPI value of 0% for future indexation increase to show you the value of your NHS Pension Scheme benefits in today's terms.

## Benefits at Selected Pension Age (for each section of your NHS Pension)

The value of your NHS Pension Scheme benefits at your Selected Pension Age(s) is only an indication. The benefits received are based on the benefits accrued, less any lifetime allowance charge or actuarial reduction that is applicable at the Selected Pension Age for that section.

### 1995 Section

Normal Pension Age - (60Y 0M)  
Selected Pension Age - (60Y 0M)

#### Benefits Accrued

Pension - £36,235.97  
Lump Sum - £108,708

#### Deductions

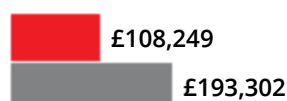
Actuarial Reduction - £0.00  
Scheme Pays - £152.92  
Lifetime Allowance - £0.00

#### Annual Pension Received



No Actuarial Reduction

#### Lump Sum Received



No Actuarial Reduction

#### Net Monthly Income



### 2008 Section

Normal Pension Age - (65Y 0M)

#### Benefits Accrued

Pension - £0.00  
Lump Sum - £0

#### Deductions

#### Annual Pension Received

£0  
£0

#### Lump Sum Received

£0  
£0

#### Net Monthly Income

£0  
£0

### 2015 Scheme

Normal Pension Age - (67Y 0M)  
Selected Pension Age - (60Y 0M)

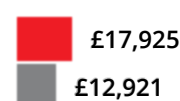
#### Benefits Accrued

Pension - £29,675.60  
Lump Sum - £0

#### Deductions

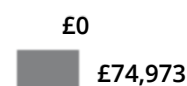
Actuarial Reduction - £8,902.68  
Scheme Pays - £1,095.14  
Lifetime Allowance - £1,752.51

#### Annual Pension Received



Actuarial Factor - 0.7

#### Lump Sum Received



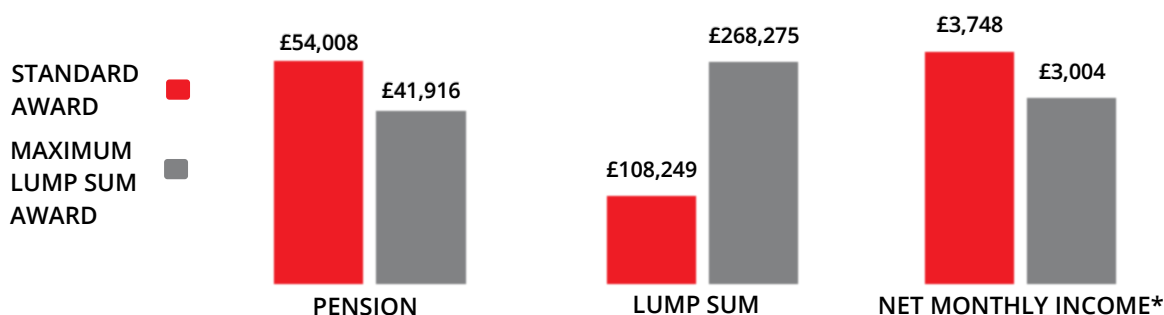
#### Net Monthly Income



The net income values are based on current income tax regulations and allowances to provide an estimate of the level of income you could receive, in today's terms, at your Selected Pension Age. This assumes no income is received at the point of receipt other than the NHS Pension Scheme benefits. Actual amounts received will depend on your circumstances at retirement.

## Summary of Pension Scheme Benefits

The summary details the total Pension Scheme Benefits received, based on the Selected Pension Age, accounting for any deductions for scheme pays, actuarial reductions and lifetime allowance charges.



\* This assumes no income is received at the point of receipt other than the NHS Pension

## Lifetime Allowance

The Lifetime Allowance (LTA) is the total amount you can take from all your pension plans without facing a tax charge. The standard LTA is £1,073,100 and has been fixed until 2025/26 tax year, but some people have protected higher allowances. If the value of your pension plans were in excess of £1m on 5th April 2016, you could still potentially apply for Individual Protection 2016.

All pension benefits that you build up use a percentage of your LTA. This includes pensions outside the NHS Pension Scheme (apart from the State Pension). The value of your pension benefits that exceed the LTA are subject to a tax charge. This comes into effect when you take your benefits. At 75, all pension benefits that have not been taken (uncrystallised) are also tested against your available LTA. If you have long membership and high earnings, you may be at risk of the charge in retirement.

### Capital Value

For defined contribution pension schemes, including all personal pensions, the value of your benefits will be the value of your pension pot used to fund your retirement income and any lump sum. For defined benefit pension schemes, such as the NHS Pension Scheme, you calculate the total Capital Value:

$$\text{Capital Value} = (\text{Annual Pension Amount}) \times 20 + \text{lump sum}$$

### Lifetime Allowance Charge

The charge is a form of tax for which both you and the scheme administrator are jointly liable. The rate of charge depends on how you take your retirement benefits. The current rate of LTA charge is 55% if you are taking the excess as a lump sum and 25% of the capital value where you take it as a taxable pension income.

NHS Pensions pays your LTA charge to HMRC and recovers the cost by permanently reducing your NHS Pension benefits. The amount your benefits are reduced depends on your age at the time of taking benefits. For the majority of members, the LTA charge is deducted from your pension income.

### Lump Sum Commutation

HMRC rules restrict the amount of tax-free pension commencement lump sum (PCLS) that can be paid, unless the individual has been granted lump sum protection or other types of protection by HMRC. The PCLS is the lower of:

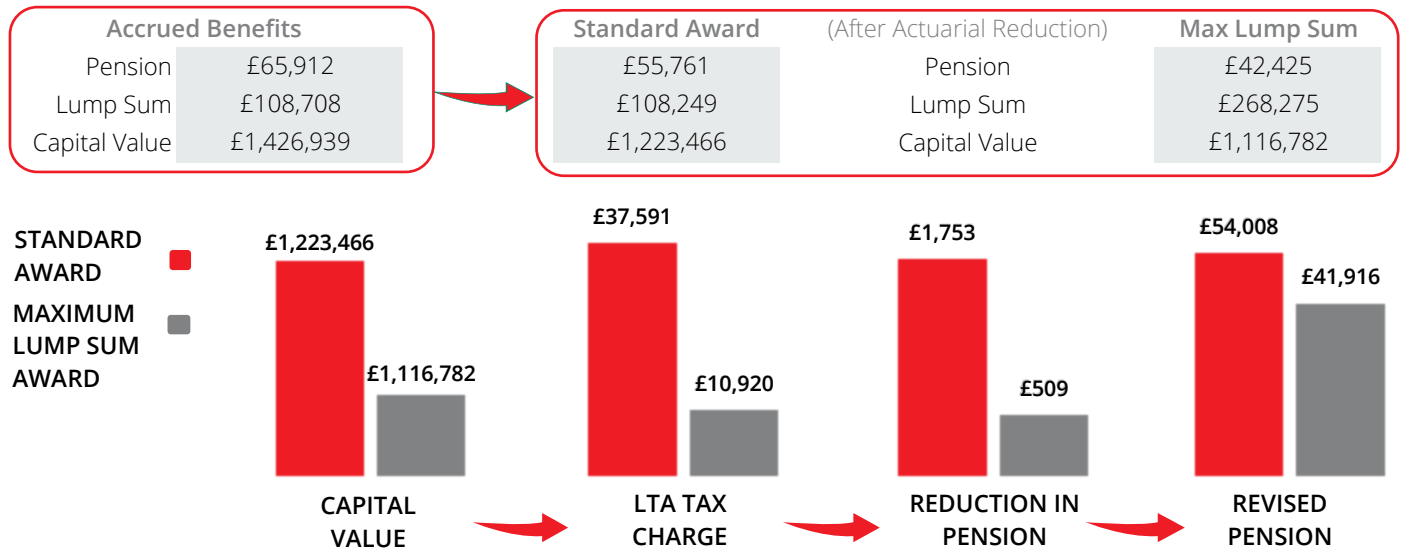
- 25% of the capital value of the benefits to be paid (after any exchange of pension for additional lump sum and not the basic amounts); or
- 25% of the individual's available standard LTA.

In either section you can increase the amount of lump sum you take and have a smaller pension. NHS Pensions pays this by reducing your pension by £1 for every £12 of extra lump sum you take. This also reduces your overall Capital Value and can reduce your overall LTA charge.

Giving up pension income for a lump sum does not affect the amount of survivor pension paid.

## Your Lifetime Allowance Assessment

Your Lifetime Allowance assessment is based on the Capital Value of the NHS Pension benefits that you receive at your Selected Pension Age. If you take your benefits before the scheme's Normal Pension Age then the benefits you receive are actuarially reduced. The Capital Value is then based on these reduced benefits. This assessment assumes that you have 100% of your Lifetime Allowance available and any other pension arrangements (such as personal pensions) are not taken before these benefits. If you had less than 100% of your Lifetime Allowance available, then the tax charge detailed below would be higher and the reduction in pension would be greater.

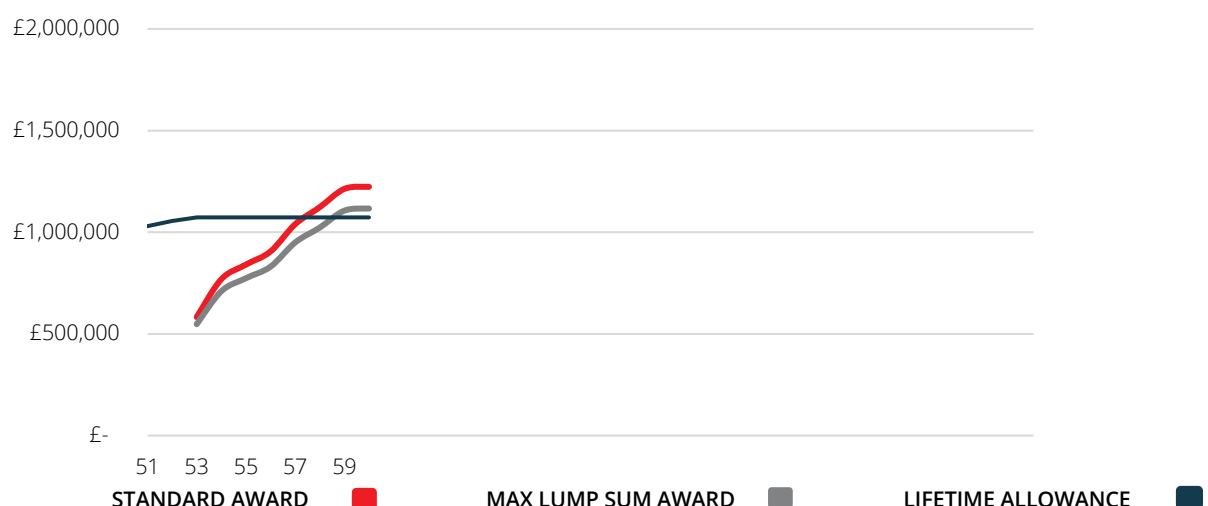


The chart below shows the potential growth in the Capital Value of your NHS Pension Scheme benefits.

Please note that taking benefits before Normal Pension Age will result in an actuarial reduction of benefits, which will reduce the Capital Value.

### Capital Value Growth

(Based on taking pension benefits including any applicable actuarial reduction)



**Breaching the Lifetime Allowance is not necessarily  
 a good reason to opt out of the NHS Pension**

# Annual Allowance

## Annual Allowance Limit

The annual allowance is the limit on tax-free pension savings you can make across all of the pension schemes you belong to, including the NHS Pension and any personal pensions. The current limit is £40,000. If you exceed the annual limit then you may have to pay an annual allowance tax charge, based on your marginal rate of income tax.

The annual allowance is based on the growth of your NHS Pension benefits, not actual contributions. This is called your NHS Pension Input Amount. NHS Business Service Authority (NHSBSA) will typically send an 'Annual Allowance Pension Savings Statement' advising you of your Pension Input Amount by 6th October following the end of the tax year, if you exceed the standard £40,000 limit. You can request a statement from NHSBSA if you do not receive one automatically (particularly important if you have a reduced annual allowance).

A lower annual allowance limit may apply if you are subject to Tapered annual allowance or Money Purchase annual allowance.

## Tapered Annual Allowance

Tapered annual allowance was introduced from 6 April 2016. These rules can reduce your annual allowance from £40,000 to £10,000 (£4,000 from 2020/21). This could increase your annual tax bill by as much as £13,500 (£16,200 from 2020/21).

The rules for tapered annual allowance are broken down into two parts, Threshold Income and Adjusted Income. The first part assesses if you qualify to have your annual allowance reduced. The second part calculates how your annual allowance is reduced.

## Threshold Income

Your annual allowance will be tested and potentially tapered if your annual 'threshold income' is greater than the 'threshold income limit'. The threshold income limit was initially set at £110,000 and increased to £200,000 from 2020/21. Your 'threshold income' is broadly your taxable income from all sources (salary, overtime, rental income, investment income etc.) less any personal pension contributions you make. The threshold income also includes any new salary sacrifice arrangements for pension funding entered into after 8 July 2015.

## Adjusted Income

Your adjusted income is the total income from all sources (salary, overtime, rental income, investment income etc.) plus the value of any pension contributions made by you and your employer into the NHS scheme or any other occupational pension.

£1 of annual allowance will be lost for every £2 of adjusted income above £150,000 (increased to £240,000 from 2020/21). The maximum reduction is £30,000 (£36,000 from 2020/21 for those with adjusted income over £312,000)

## Carry Forward

Carry Forward allows you to make use of any annual allowance that you may not have used during the three previous tax years, provided that you were a member of a registered pension scheme. To use carry forward, you must first make use of all of your annual allowance in the current tax year and then you can use any unused annual allowances from the three previous tax years, starting with the tax year three years ago.



## Your Annual Allowance Assessment

PIP Start	PIP End	Threshold Income	Growth / Pension Contribution			
			Estimate/NHS	1995/2008	2015	Other Pensions
01/04/2010	31/03/2011	-	NHS	£0	-	£0
01/04/2011	31/03/2012	-	NHS	£0	-	£0
01/04/2012	31/03/2013	-	NHS	£15,535	-	£0
01/04/2013	31/03/2014	-	NHS	£20,724	-	£0
01/04/2014	31/03/2015	-	NHS	£11,838	-	£0
01/04/2015	08/07/2015	-	Est	£0.00	£8,661.84	£0
09/07/2015	05/04/2016	-	Est	£0.00	£23,803.81	£0
06/04/2016	05/04/2017	£113,755	Est	£5,483.97	£33,504.37	£0
06/04/2017	05/04/2018	£114,894	Est	£0.00	£35,987.44	£0
06/04/2018	05/04/2019	£120,879	Est	£17,803.22	£36,479.34	£0
06/04/2019	05/04/2020	£124,407	Est	£2,900.39	£37,486.66	£0
06/04/2020	05/04/2021	£127,535	Est	£4,852.55	£37,373.34	£0
06/04/2021	05/04/2022	£130,979	Est	£13,794.89	£47,950.62	£0

PIP Start	PIP End	Annual Allowance	AA including Carry Forward	Pension Savings	Allowance exceeded	Tax to Pay
01/04/2010	31/03/2011	£50,000	£50,000	£0	-	-
01/04/2011	31/03/2012	£50,000	£100,000	£0	-	-
01/04/2012	31/03/2013	£50,000	£150,000	£15,535	-	-
01/04/2013	31/03/2014	£50,000	£184,465	£20,724	-	-
01/04/2014	31/03/2015	£40,000	£153,741	£11,837	-	-
01/04/2015	08/07/2015	£80,000	£171,904	£8,661	-	-
09/07/2015	05/04/2016	£40,000	£131,904	£23,803	£0	£0
06/04/2016	05/04/2017	£38,629	£112,265	£38,988	£0	£0
06/04/2017	05/04/2018	£39,560	£83,920	£35,987	£0	£0
06/04/2018	05/04/2019	£27,420	£47,190	£54,282	£7,092	£2,836
06/04/2019	05/04/2020	£32,603	£32,603	£40,387	£7,784	£3,113
06/04/2020	05/04/2021	£40,000	£40,000	£42,225	£2,225	£890
06/04/2021	05/04/2022	£40,000	£40,000	£61,745	£21,745	£8,834

The estimated growth values in this report are not a substitute for the growth values from the NHS Pension Agency in your 'Annual Allowance Pension Saving Statement'.

The Annual Allowance in the NHS Pension Scheme is based on the growth of your NHS benefits, it is not based on the contributions you or your employer make.

The amount of growth in the NHS Pension Scheme is the difference between the value of your NHS benefits at the start of the tax year (the opening value) and the value of your NHS benefits at the end of the tax year (the closing value). The opening value is adjusted for inflation using the Consumer Price Index rate from September of the previous tax year (except 2015/16 where 2.5% was used).

You have a pension input amount if you were an active member of a registered pension scheme for all or part of the tax year (even if you took your pension or became a deferred member during the year).

## Background

In 2015 the government reformed the majority of public sector pension schemes. Many members of the NHS Pension were moved to the reformed 2015 scheme from the legacy 1995/2008 scheme.

The reformed pension schemes are based on Career Average Revalued Earnings (CARE) as well as an increased normal pension age.

These reforms did not apply to those members who were closer to retirement. They remained in their legacy schemes with 'transitional protection'.

The Court of Appeal later found this to be discriminatory against younger members in the judicial and firefighters' schemes – the government accepted that this discrimination existed in all schemes where transitional protection was introduced and would provide a remedy to remove the discrimination.

## Who does this apply to?

The remedy will apply if you were a member of the scheme on 31 March 2012 and continued in service between 1 April 2015 and the 31 March 2022 (or your retirement date if earlier), or were a member of the scheme on 31 March 2012 then left service but returned within 5 years.

## How will the government remove the discrimination?

'Transitional protection' will be removed retrospectively from the scheme. In its place, all members in scope will be given a choice of how their benefits accrue during the remedy period (1st April 2015 - 31st March 2022). Members will be able to choose between their legacy scheme (1995/2008) and the reformed scheme (2015).

## When will a choice need to be made?

The government published a consultation in July 2020 to look at how best to do this. The consultation set out two ways, Immediate Choice, making a decision in the near future, or Deferred Choice Underpin, making a decision when you take your benefits.

The government published a consultation response in February 2021. The government has now decided to implement a 'deferred choice underpin' which was the approach preferred by the majority of the respondents to the consultation. Initially, all benefits accrued during the remedy period will be moved back to their legacy scheme on 1st April 2022. They will then be able to choose between the legacy scheme and reformed scheme, for the remedy period, when they take their benefits.

## Why not permanently move all members back to the legacy scheme?

Members are being offered the choice because automatically moving all members back into the 1995/2008 scheme could be less advantageous for some.

## Your Annual Allowance Assessment (McCloud Judgement Calculations)

Initially, all pension members will be returned to their legacy scheme (1995/2008 scheme) for the remedy period (1st April 2015- 31st March 2022) and those that move back to the 1995/2008 scheme will need their annual allowance position recalculated for the remedy period.

*Potential  
Annual Allowance  
Compensation*  
**£15,673**

If the member owes tax, this would be recouped for the four tax years before the implementation. This should therefore be any additional taxed owed for tax years 2018/19 – 2021/22.

Where the member has overpaid tax, the Government has stated that they will compensate for the whole of the remedy period (2015/16 - 2021/22).

1995/2008 Scheme closed from 1st April 2022, all members moved to the 2015 scheme.

PIP Start	PIP End	Threshold Income	Original Growth 1995/2008 & 2015	Revised Growth 1995/2008	2015	Difference in Growth
01/04/2015	08/07/2015	-	£8,661.84	£3,132.29	-	£5,529.55
09/07/2015	05/04/2016	-	£23,803.81	£8,607.93	-	£15,195.88
06/04/2016	05/04/2017	£113,755	£38,988.34	£31,308.01	-	£7,680.33
06/04/2017	05/04/2018	£114,894	£35,987.44	£25,747.21	-	£10,240.23
06/04/2018	05/04/2019	£120,879	£54,282.56	£47,675.93	-	£6,606.63
06/04/2019	05/04/2020	£124,407	£40,387.05	£31,664.99	-	£8,722.06
06/04/2020	05/04/2021	£127,535	£42,225.90	£34,904.17	-	£7,321.73
06/04/2021	05/04/2022	£130,979	£61,745.51	£46,886.90	£508.06	£14,350.55

Tax Year	Annual Allowance	AA inc Carry Forward	Pension Savings	Allowance exceeded	Revised Tax to Pay	Original Tax Paid	Difference in Tax Paid
2010/11	£50,000	£50,000	£0	-	-	-	-
2011/12	£50,000	£100,000	£0	-	-	-	-
2012/13	£50,000	£150,000	£15,535	-	-	-	-
2013/14	£50,000	£184,465	£20,724	-	-	-	-
2014/15	£40,000	£153,741	£11,837	-	-	-	-
2015/16 (pre)	£80,000	£171,904	£3,132	-	-	-	-
2015/16 (post)	£40,000	£131,904	£8,607	£0	£0	£0	£0
2016/17	£40,000	£128,832	£31,308	£0	£0	£0	£0
2017/18	£40,000	£108,248	£25,747	£0	£0	£0	£0
2018/19	£30,723	£85,061	£47,675	£0	£0	£2,836	£2,836
2019/20	£36,964	£59,909	£31,664	£0	£0	£3,113	£3,113
2020/21	£40,000	£59,553	£34,904	£0	£0	£890	£890
2021/22	£40,000	£50,396	£47,394	£0	£0	£8,834	£8,834
<b>Total Difference</b>							<b>£15,673</b>

These estimates are based on our understanding of the Government response to 'Public service pension schemes: changes to the transitional arrangements to the 2015 schemes' consultation, issued in February 2021, this may change pending regulatory approval.

## Benefits at Selected Pension Age (McCloud Judgement Calculations)

The Government has confirmed that it will implement the 'Deferred Choice Underpin' option to remedy the discrimination identified in the McCloud judgement. Eligible members will have the choice, when they take their benefits, to decide whether to accrue benefits in the 1995/2008 scheme or 2015 scheme for the remedy period (1st April 2015 - 31st March 2022).

This option applies to those who started their service on or before 31 March 2012 and remained in service on 1 April 2015 (or rejoined, provided their break in service was less than five years and meets the criteria for continuous service set out in their scheme regulations).

### Legacy Scheme Choice - 1995/2008 for Remedy Period

The following benefits are based on choosing the 1995/2008 scheme for your benefits that accrued for the remedy period.

#### 1995 Section

Normal Pension Age - (60Y 0M)  
Selected Pension Age - (60Y 0M)

##### Benefits Accrued

Pension - £47,765.59  
Lump Sum - £143,297

##### Deductions

Actuarial Reduction - £0.00  
Scheme Pays - £0.00  
Lifetime Allowance - £294.42

##### Annual Pension Received



No Actuarial Reduction

##### Lump Sum Received



No Actuarial Reduction

##### Net Monthly Income



#### 2008 Section

Normal Pension Age - (65Y 0M)

##### Benefits Accrued

Pension - £0.00  
Lump Sum - £0

##### Deductions

##### Annual Pension Received

£0  
£0

##### Lump Sum Received

£0  
£0

##### Net Monthly Income

£0  
£0

#### 2015 Scheme

Normal Pension Age - (67Y 0M)  
Selected Pension Age - (60Y 0M)

##### Benefits Accrued

Pension - £10,289.62  
Lump Sum - £0

##### Deductions

Actuarial Reduction - £3,086.89  
Scheme Pays - £0.00  
Lifetime Allowance - £1,678.96

##### Annual Pension Received



Actuarial Factor - 0.7

##### Lump Sum Received

£0  
£12,388

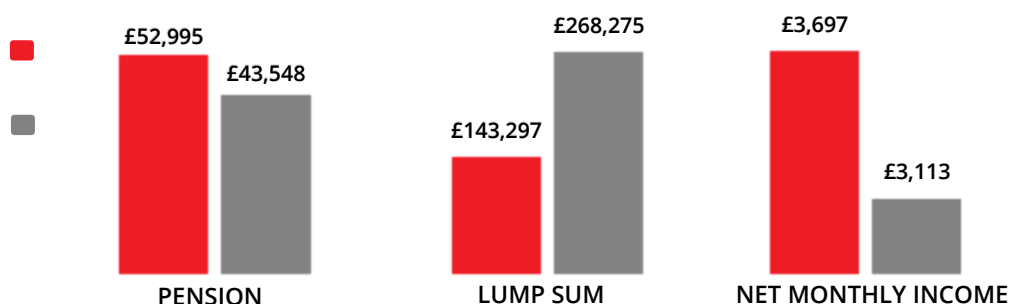
##### Net Monthly Income



### Summary of Pension Scheme Benefits

STANDARD  
AWARD

MAXIMUM  
LUMP SUM  
AWARD



## Reformed Scheme Choice - 2015 for Remedy Period

**1995 Section**  
Normal Pension Age - (60Y 0M)  
Selected Pension Age - (60Y 0M)

### Benefits Accrued

Pension - £36,235.97  
Lump Sum - £108,708

### Deductions

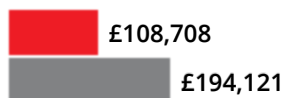
Actuarial Reduction - £0.00  
Scheme Pays - £0.00  
Lifetime Allowance - £0.00

### Annual Pension Received



No Actuarial Reduction

### Lump Sum Received



No Actuarial Reduction

### Net Monthly Income



**2008 Section**  
Normal Pension Age - (65Y 0M)

### Benefits Accrued

Pension - £0.00  
Lump Sum - £0

### Deductions

### Annual Pension Received

£0  
£0

### Lump Sum Received

£0  
£0

### Net Monthly Income

£0  
£0

**2015 Scheme**  
Normal Pension Age - (67Y 0M)  
Selected Pension Age - (60Y 0M)

### Benefits Accrued

Pension - £31,504.80  
Lump Sum - £0

### Deductions

Actuarial Reduction - £9,451.44  
Scheme Pays - £0.00  
Lifetime Allowance - £2,347.26

### Annual Pension Received



Actuarial Factor - 0.7

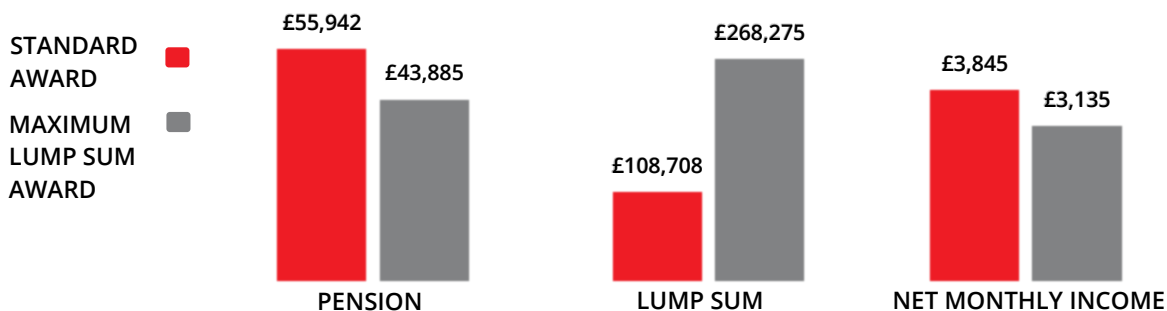
### Lump Sum Received



### Net Monthly Income



## Summary of Pension Scheme Benefits



## Comparison between Legacy Scheme and Reformed Scheme Choice

### Standard Award

	Pension	Lump Sum	Net Income
1995/2008 Choice	£52,995	£143,297	£3,697
2015 Choice	£55,942	£108,708	£3,845
Difference	-£2,947	£34,589	-£147

### Max Lump Sum Award

	Pension	Lump Sum	Net Income
1995/2008 Choice	£43,548	£268,275	£3,113
2015 Choice	£43,885	£268,275	£3,135
Difference	-£336	£0	-£22

## Differences in Benefits for Active and Deferred Members

Death Benefits	<b>Active Member</b> Lump sum based on 2 x annual pensionable pay / average uprated earnings	<b>Deferred Member</b> Lump sum based on annual pension x3 had they retired on date of death (1995), x2.25 (2008), x2.025 (2015)
Short Term Pension	<b>Active Member</b> Short term pension equal to the rate of pensionable earnings for 6 months	<b>Deferred Member</b> No 6-month short term pension payable
Widow's Pension	<b>Active Member &amp; Deferred Member within 12 months</b> Widow's pension of 50% of Tier 2 IHRP in 1995, 37.5% (2008), 33.75% (2015)	<b>Deferred Member after 12 months of leaving scheme</b> Widow's pension of 50% of pension at date of death (1995), 37.5% (2008), 33.75% (2015)
Child's Pension	<b>Active Member &amp; Deferred Member within 12 months</b> Child's pension of 25% of Tier 2 IHRP (1995), 18.75% (2008), 16.875% (2015) for 1 child  Child's pension of 50% of Tier 2 IHRP (1995), 37.5% (2008), 33.75% (2015) shared equally if more than 1 child	<b>Deferred Member after 12 months of leaving scheme</b> Child's pension of 25% of annual pension at date of death (1995), 18.75% (2008), 16.875% (2015) for 1 child  Child's pension of 50% of annual pension at date of death (1995), 37.5% (2008), 33.75% (2015) shared equally if more than 1 child
Ill Health Retirement Pension (IHRP)	<b>Active Member</b> Tier 1 IHRP - If unable to do current job due to permanent ill health you may apply to take your pension early without reduction  Tier 2 IHRP - Unable to do regular employment - (Tier 1) + 2/3 of prospective membership to normal pension age (1995/2008), 1/2 (2015)	<b>Deferred Member</b> If you become too ill to undertake regular employment you may apply to take your pension early without reduction  This is the equivalent of active member's Tier 1 IHRP benefits, but using a Tier 2 definition of ill health to qualify

## Assumptions

The analysis is based on your NHS Pension Scheme benefits from your Total Reward Statement / Annual Benefit Statement dated 31 March 2020.

### CPI Rate

Year	Value	Year	Value
2015	-0.1%	2024	0.0%
2016	1.0%	2025	0.0%
2017	3.0%	2026	0.0%
2018	2.4%	2026	0.0%
2019	1.7%		
2020	0.5%		
2021	3.1%		
2022	9.0%		
2023	0.0%		

### Income Used

Scheme Year	Officer		Practitioner		2015 Scheme
	1995	2008	1995	2008	
31/03/2015	£106,604.15	-	-	-	-
31/03/2016	£106,604.15	-	-	-	£106,604.15
31/03/2017	£107,668.30	-	-	-	£107,668.30
31/03/2018	£108,745.90	-	-	-	£108,745.90
31/03/2019	£115,511.05	-	-	-	£115,511.05
31/03/2020	£118,885.75	-	-	-	£118,885.75
31/03/2021	£121,877.20	-	-	-	£121,877.20
31/03/2022	£125,172.10	-	-	-	£125,172.10
31/03/2023	£125,172.10	-	-	-	£125,172.10
31/03/2024	£131,767.15	-	-	-	£131,767.15
31/03/2025	£131,767.15	-	-	-	£131,767.15
31/03/2026	£131,767.15	-	-	-	£131,767.15
01/05/2026	£131,767.15	-	-	-	£11,191.18

### Lifetime Allowance

Tax Year	Value
2015/16	£1,250,000
2016/17	£1,000,000
2017/18	£1,000,000
2018/19	£1,030,000
2019/20	£1,055,000
2020/21	£1,073,100
2021/22	£1,073,100
2022/23	£1,073,100
2023/24	£1,073,100
2024/25	£1,073,100
2025/26	£1,073,100
2026/27	£1,073,100
-	-

## Detailed Growth Projection

### Benefits Accrued

Date	Mar 18	Mar 19	Mar 20	Mar 21	Mar 22	Mar 23	Mar 24	Mar 25	Mar 26
Age	51	52	53	54	55	56	57	58	59
Accrued Pension	£36,014	£40,289	£43,751	£47,184	£50,682	£53,748	£60,031	£62,828	£65,667
Lump Sum	£89,715	£95,297	£98,081	£100,549	£103,267	£103,267	£108,708	£108,708	£108,708
Capital Value	£810,005	£901,075	£973,100	£1,044,237	£1,116,905	£1,178,223	£1,309,323	£1,365,265	£1,422,045

### Standard Award

Pension	£21,113	£23,284	£24,945	£34,008	£37,381	£40,512	£46,832	£50,338	£53,679
Lump Sum	£73,925	£80,430	£84,742	£88,844	£93,184	£95,433	£102,861	£105,343	£107,824
Capital Value	£496,186	£546,113	£583,646	£769,012	£840,796	£905,665	£1,039,494	£1,123,317	£1,213,388
LTA Charge	£0	£0	£0	£0	£0	£0	£0	£12,554	£35,072
Net Income	£1,617	£1,762	£1,873	£2,477	£2,702	£2,910	£3,332	£3,565	£3,732

### Max Lump Sum

Pension	£17,533	£19,277	£20,576	£26,622	£29,022	£31,156	£35,616	£38,364	£41,527
Lump Sum	£116,886	£128,514	£137,173	£177,480	£193,483	£207,704	£237,443	£255,760	£268,275
Capital Value	£467,545	£514,057	£548,692	£709,921	£773,930	£830,817	£949,772	£1,023,039	£1,106,421
LTA Charge	£0	£0	£0	£0	£0	£0	£0	£0	£8,330
Net Income	£1,379	£1,495	£1,581	£1,984	£2,144	£2,287	£2,584	£2,767	£2,978

### Benefits Accrued

Date	May 26
Age	60
Accrued Pension	£65,912
Lump Sum	£108,708
Capital Value	£1,426,939

### Standard Award

Pension	£54,008
Lump Sum	£108,249
Capital Value	£1,223,466
LTA Charge	£37,591
Net Income	£3,748

### Max Lump Sum

Pension	£41,916
Lump Sum	£268,275
Capital Value	£1,116,782
LTA Charge	£10,920
Net Income	£3,004