



Pensions: what you need to check before the end of March

Pensions advisor, Ian McNicholl of ISM Pension Services, shares his top tips on what you need to do to prepare for the end of the financial year. Ian will be speaking at our sold-out pensions event in March.

The NHS Pension Scheme(s) offer you so much more than just a ‘pension’. But is this the Scheme for you? Would you buy a house without viewing it or drive your car blindfolded? The solution is to make an informed choice at all times.

Here’s the overview of the NHS Pension Scheme(s) provided by NHS Business Services Authority.

Hopefully you are aware of what your contribution provides whilst you are both a member and when you retire. Your retirement benefits are in payment for life, yet in my professional experience, there appears to be a rather relaxed approach when planning for retirement. Can you answer ‘Yes’ to each of the following:

How much will I receive when I retire?

How are my Retirement Benefits calculated?

Can I afford to retire?

As part of the planning process you may wish to consider what your ‘hibernation costs’ are at retirement. How much and to whom must you pay something whilst hibernating your pension for a month?

The journey from scheme member/employee to retiree/pensioner is a personal one and this can be extremely stressful due to the magnitude to the decision making process. It remains imperative that a critical path of action incorporating key milestones forms an integral ingredient of this individual and extremely personal journey.

A former NHS Employers Chief Executive said:

‘When I considered taking voluntary early retirement from my role, the options I faced and indeed the whole processes, seems daunting. I also realised that after 38 years in the NHS this was the first time that I was going to face this challenge’

The build up to retirement contains a set of key events that practitioners must follow on a cyclical basis, explained here in this NHS BSA guide. You should aim to tick off these tasks on an annual basis:

‘Ensure that your NHS Pension Scheme Membership has been captured in full and is updated to date on 31 March. Your NHS Pension Scheme Membership Statement will confirm which Section of the NHS Pension Scheme(s) you have membership of.

‘Check the value of your projected NHS Pension Scheme Retirement Benefits.

‘Check the value of your accrued State Pension.

‘Check the value of your projected State Pension. Note: your projected State Pension forecast may be different if there are any changes to your National Insurance information.

There have recently been some changes to the way the Government manages access to its online services, including pensions. The Government Gateway system for checking your identity before giving you access to services including your Total Reward Statement (TRS) or Annual Benefit Statement (ABS) was decommissioned on 12 December 2018 and replaced by the Government-wide GOV.UK Verify service. GOV.UK Verify was introduced to add more secure identity checks before providing you access to the Government’s online services, when you sign-up it will use an approved third-party, such as a credit checking agency to verify your identity.

When you go to sign in you will be prompted to either register with GOV Verify or enter the login details you created when you first registered. Note: you may have previously been prompted to register in order to access a non-pension service, such as updating a driving licence. Once registered online you will be able to view your Total Reward Statement (TRS) or Annual Benefit Statement (ABS) and other Government services with the same details.

NHSBSA have provided guidance on registering for GOV.UK Verify.

With only a few weeks to go until the end of March I recommend that you start information gathering now, if you haven’t already started.