

NHS Pensions

Benefits of the

NHS Pension Scheme

November 2024



Why have a pension?

Even if you're eligible for full State Pension (£10,600 per year in 2023/24), this is lower than the average worker's income and far below what most people say they hope to retire on.

Pension Works estimate that **you need around two thirds of your pre-retirement income** for a comfortable lifestyle.

Standard Life estimate that a single person will require per year:

£12,800 for a
**BASIC
LIFESTYLE**



£19,900
per couple

£23,300 for a
**MODERATE
LIFESTYLE**



£34,000
per couple

£37,300 for a
**COMFORTABLE
LIFESTYLE**



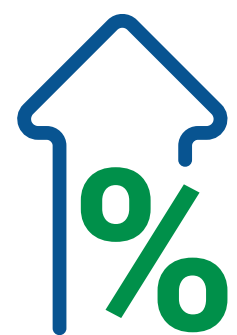
£54,000
per couple

NHS Pension

Scheme

benefits

Your employer pays into your pension at 23.7% of your salary per year.



This is much higher than the **3%** minimum that employers must put in by law.



You receive a pension which is **guaranteed for life**.



You can apply for **ill health early retirement pension** if you become too ill to work.





You can **retire early** or take **flexible retirement**. If you're aged 55 or over, you could retire early if you have agreement from your employer. You can take some of your pension benefits, continue working reduced hours in NHS employment and continue paying into the Scheme. This is called 'partial retirement' or 'drawdown'.


NHS Pension


Scheme


benefits

 **Life assurance** for your loved ones if you die. This means your family may be entitled to benefits, including a **lump sum and a pension for partners and dependent children**.

 **Income tax relief.** If you choose to put some of your income into a pension scheme, this means you don't have to pay income tax on it.

 **Your NHS pension is risk-free** and is not dependent on stock market performance. The NHS Pension Scheme is a defined benefit pension scheme. When you take your pension, you'll get **a pension payable for life**, which is **guaranteed by the government**.

 You can choose to swap some of your pension for a **one-off tax-free lump sum** when you retire, or once you're 55 (57 from 6 April 2028).

 Once your pension benefits are payable, your pension will have **an inflationary increase each year** based on the consumer price index (CPI). This is decided by HM Treasury and is guaranteed.

About the NHS Pension Scheme

The **NHS Pension Scheme** has been a cornerstone of the NHS reward package since **1948** and is the **largest** centrally administered public service **pension scheme** in Europe.

The NHS Pension Scheme is **one of the most comprehensive and generous schemes in the UK** and forms an important part of the overall reward offer for NHS staff.

The NHS Pension Scheme provides benefits to members **of all ages**, not just those approaching retirement.







The NHS Pension Scheme:

- has **1.9 million** contributing members
- has **700,000** deferred members
- pays pension benefits to **1.1 million** recipients
- works with **10,000** different Scheme employers across England and Wales.

NHS Pensions

Benefits of the NHS Pension Scheme

Want to know more about the Scheme?

-  www.nhsbsa.nhs.uk/nhs-pensions
-  Register for member events
-  www.youtube.com/@NHS_Pensions
-  @NHS_pensions

