

NHS Pensions - Increasing your benefits

You may not be entitled to the full lump sum retiring allowance because your pension based on membership before that date, only counts at one third of the value of later membership when your lump sum is worked out. If this applies to you, you will normally be able to buy the full lump sum retiring allowance for some or all of your membership before 25 March 1972. Your Pension Officer will tell you what an unreduced lump sum for Scheme membership before 25 March 1972 will cost.

You cannot increase your lump sum if you rejoined the Scheme before age 50 following ill health retirement.

Buying back previously refunded membership prior to 6 April 1978 only, or for any period that you were a general practitioner

If you had a refund for any membership before 6 April 1978, or for general practitioner membership at any time, you may be able to buy the membership back at half the normal cost. Your Pension Officer will tell you more about the cost and payment options.

Payment arrangements - bigger lump sum and previously refunded membership

The most common payment method is the deduction of extra contributions from pay. There is a limit on those contributions and this may affect the number of years that can be bought:

- If the standard membership contribution is 5% of pensionable pay, the maximum additional contribution is 10% of pensionable pay
- If the standard membership contribution is more than 5% of pensionable pay, the maximum additional contribution is 9% of pensionable pay

You can begin to make payments from any future birthday, provided:

- Your payments will run for at least 2 years, and
- You start to pay at least 2 years before your chosen end age, and
- You are not sick or absent without leave when you apply

Payment can also be made by a single lump sum contribution but there are time limits for making an application. For a bigger lump sum:

- A married man must apply within 12 months of getting married, or if not then a member, within 12 months of first re-joining after getting married
- For nominations to provide a full dependants pension, applications must be made within 12 months of making that nomination

For previously refunded membership:

Application must be made in the first 12 months after re-joining the Scheme following a break in membership of 12 months or more.

If your extra payments change or stop

You will normally be expected to pay the extra contributions until age 60 or 65. If your payments change or stop before then, your additional benefits will normally be affected. If you are under age 60 and before your chosen retirement age you:

- die, or
- have to retire because of ill health, and
- on the date of death or the date you retire because of ill health you have paid the extra contributions for at least a year.

We will normally give you all the membership being purchased or bigger lump sum you were buying without further cost.

If you are age 60 or over and have chosen an end age of 65 and before that end age you:

- die, or
- have to retire because of ill health, and
- on the date of death or the date you retire because of ill health retirement you have paid the extra contributions for at least a year.

You will get the membership or bigger lump sum you have paid for up to that date, less a reduction because they are being paid before your chosen end age.

If at any age you die, or have to retire because of ill health and you have paid the extra contributions for less than a year, your arrangement will be void and we will refund your additional contributions, after deduction of tax.

If before your chosen end age:

- you leave the Scheme for any reason, or
- we agree you can stop your additional contributions, or
- you have breaks in your membership, or
- your payments stop for any other reason.

You will get only the membership or bigger lump sum you have paid for at that stage.

We will also have to reduce the benefits you get from your membership or bigger lump sum, if they are paid before your chosen end date.

Important Notes

Restored membership does not count when working out the minimum membership you need to qualify for benefits. If you leave the Scheme with less than two years ordinary membership you will still have to take a refund of your contributions, including any extra contributions you may have paid.

Restored membership is not taken into account when working out any membership enhancement for death or ill health retirement benefits.