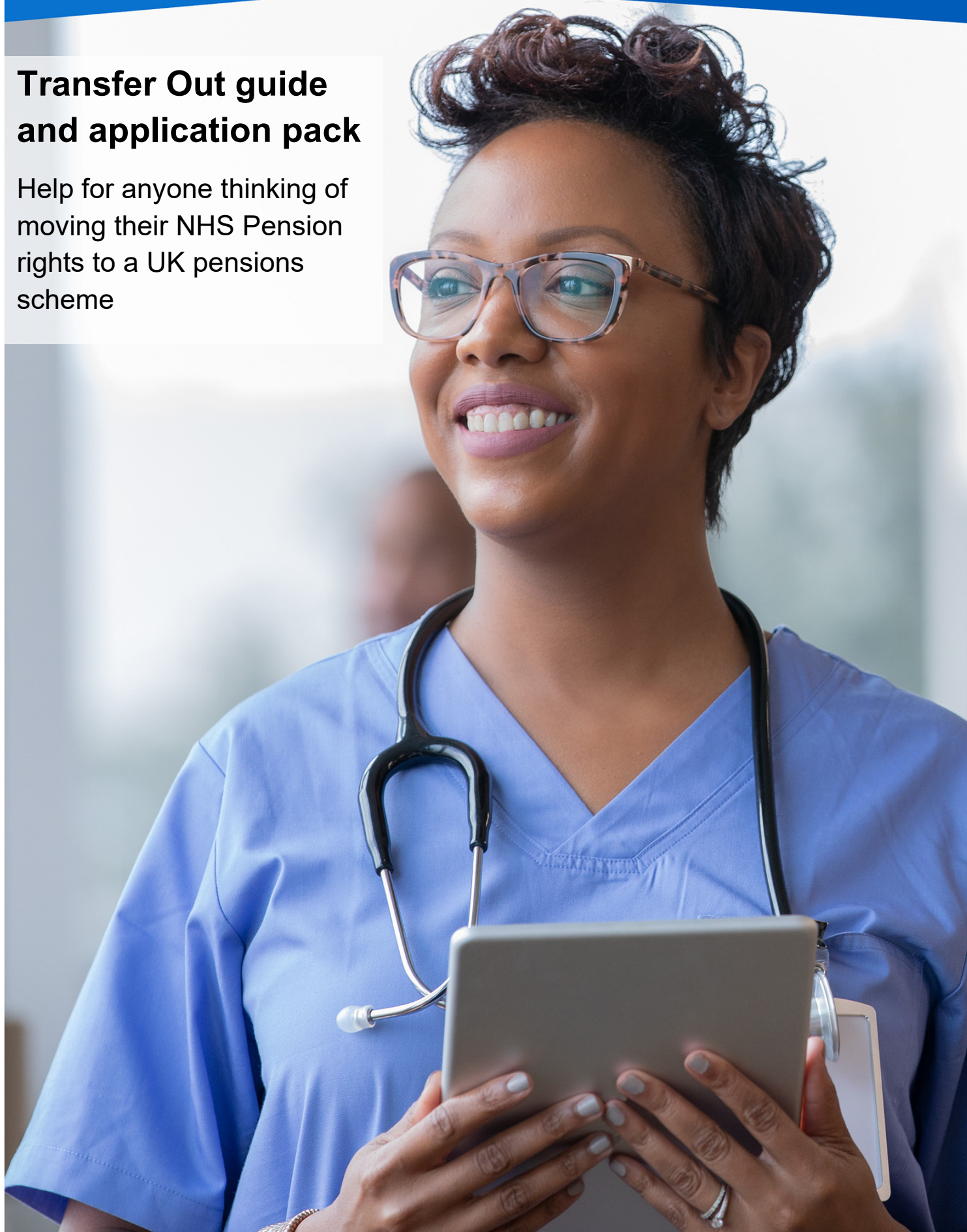


Transfer Out guide and application pack

Help for anyone thinking of moving their NHS Pension rights to a UK pensions scheme



Request for a transfer value to a UK pension scheme

If you are considering a transfer or would like a transfer value of your NHS Pension Scheme benefits please read the following guidance carefully.

Please also read the *Leaving early and transferring out guide*, available on our website: www.nhsbsa.nhs.uk/nhs-pensions.

If the transfer value is required for divorce/civil partnership dissolution purposes, please do not continue with this form. Instead, please visit our website for the relevant forms and guidance at: www.nhsbsa.nhs.uk/nhs-pensions.

If you are considering a transfer to an overseas pension scheme, please read and complete the *Overseas transfer guide and application pack* available from our website at: www.nhsbsa.nhs.uk/nhs-pensions.

What if I have not yet left NHS pensionable employment?

If you have not yet left NHS pensionable employment, a transfer is not possible. We can provide an estimated transfer value of your NHS Pension Scheme benefits; however, this is not a guaranteed statement of the amount available for transfer. We cannot provide a guaranteed statement of entitlement until you have left the NHS Pension Scheme and we have been provided with details of your new scheme.

If you decide to opt out or leave the NHS Pension Scheme, you may be able to transfer your pension benefits to a new pension provider.

NHS Pension benefits

You can find information about how benefits are calculated on our website at: www.nhsbsa.nhs.uk/nhs-pensions.

Benefits will normally be paid at the normal pension age (NPA), when any further cost of living increases will be added. Benefits may be paid earlier in certain circumstances.

If you were a mental health officer member of the 1995 Section of the 1995/2008 NHS Pension Scheme your benefits may have been increased because of the special provisions that apply to this group.

What is a transfer value?

A transfer value is the capitalised value of the benefits you have built up and any associated rights at the calculation (or guarantee) date.

Which pension schemes can I transfer to and what are the time limits that I need to be aware of?

Pension scheme	Two or more years' qualifying membership	Less than two years' qualifying membership
Defined Benefit (DB) schemes		
<p>A registered defined benefit pension scheme or</p> <p>A registered occupational pension scheme that is a member of the Public Sector Transfer Club (the Club)</p>	<p>You can apply for the transfer at any time but it must be completed before you reach normal pension age.</p>	<p>You must:</p> <ul style="list-style-type: none"> • join your new registered scheme within 12 months of leaving pensionable NHS employment; and • apply for a transfer within 12 months of joining your new scheme; and • complete the transfer before you reach normal pension age.
	<p>In addition to the above if your scheme is member of the Club to qualify for the transfer to be completed on Club terms:</p> <ul style="list-style-type: none"> • you must apply for payment of the transfer within 12 months of joining the new Club scheme. • the period between leaving the sending Club scheme and joining the receiving Club scheme must be no more than five years. <p>If either of these conditions are not met the transfer may only be completed on non-Club terms.</p> <p>Important:</p> <p>When transferring from a Club Scheme, on Club terms, any excess growth in the pension benefits (for example arising from an increase in pensionable pay) will be taken into account when calculating the pension input amount for annual allowance purposes. The transfer must also be completed before normal pension age.</p>	
Defined Contribution (DC) schemes		
<p>A registered occupational pension scheme (money purchase)</p>	<p>From 6 April 2015 transfers to schemes that provide 'flexible' benefits (including money purchase benefits) are not permitted.</p>	<p>You must:</p> <ul style="list-style-type: none"> • join your new scheme within 12 months of leaving pensionable NHS employment; • apply for a transfer within 12 months of joining the occupational pension; and • complete the transfer before you reach normal pension age.

A registered personal pension scheme (including a SIPP) or stakeholder pension	From 6 April 2015 transfers to schemes that provide 'flexible' benefits (including money purchase benefits) are not permitted.	You must: <ul style="list-style-type: none"> • take out a personal pension within 12 months of leaving pensionable NHS employment; • apply for a transfer within 12 months of taking out the personal pension; and • complete the transfer before you reach normal pension age.
To purchase an Annuity		
A registered insurance company to purchase one or more annuities which satisfy the requirements made by the Secretary of State of the Treasury	You can apply for the transfer at any time but it must be completed before you reach normal pension age.	You must: <ul style="list-style-type: none"> • complete the transfer to a buy out policy within 12 months of leaving pensionable NHS employment or if earlier your normal pension age.

Important

In **ALL** cases the transfer must be completed, this means the transfer payment sent to your new pension scheme, before you reach the normal pension age for the Section or Scheme you are a member of. You should bear this in mind when timing your transfer out application.

For more detailed information on transferring benefits out of the Scheme please refer to the Transfer Out Guide and application pack on our website at: www.nhsbsa.nhs.uk/nhs-pensions

Amount available for transfer

To calculate your transfer value, we will assume that the receiving scheme is able to accept liability for any contracted out rights (the Guaranteed Minimum Pension (GMP) and/or Section 9(2B) rights) unless we are told differently. If this is not the case, the final amounts available for transfer will depend on the status of the receiving scheme, because some may not be able to accept the transfer value or may only be able to accept part of it.

Statement of entitlement

A statement of entitlement is the guaranteed transfer value of your deferred benefits in the NHS Pension Scheme. If you have left NHS pensionable employment we will normally issue a Statement of Entitlement within three months of an application and guarantee the amount for three months in accordance with the Pension Schemes Act 1995.

Guarantee date

If you have left the NHS Pension Scheme and the receiving scheme is known, the transfer value will be guaranteed for a period of three months from the guarantee date. The guarantee date is the date of calculation of the transfer value. This is in accordance with the Pension Schemes Act 1995.

The transfer payment

If the correct, fully completed TV18 option forms are returned within the three month period and before your normal pension age, payment of the guaranteed amount can be made.

Payment of the transfer value discharges the NHS Pension Scheme of all future liability in respect of your rights under the Scheme (except in relation to the GMP and/or Section 9(2B) Rights retained by the Scheme).

A transfer payment must be made **before** you reach your normal pension age (NPA). If you are approaching NPA please keep this in mind and allow sufficient time for the transfer process to be completed. Otherwise, the transfer cannot go ahead.

Penalties for making an unauthorised payment

A transfer to a scheme that is not a registered pension scheme will make the transfer value an unauthorised payment. This means you will have a personal tax liability of 55% of the payment. In addition, we will also have tax liabilities.

Therefore, NHS Pensions reserves the right to contact HMRC regarding the status of any scheme before making any payment.

Charging for a transfer value

You are entitled to one free transfer value in any 12 month period. Any further request will be charged for. Details about the information we can provide free of charge, together with our Schedule of Charges can be found on our website at: www.nhsbsa.nhs.uk/nhs-pensions.

If you have left the NHS Pension Scheme and the receiving scheme is either not known or we need to confirm the registration status of the scheme with HMRC, an estimated transfer value will be provided. We will not charge for a statement of entitlement once the receiving scheme is known, or our checks with HMRC are complete. However, there will be a charge for the provision of any subsequent statement of entitlement within the 12 month period.

Financial advice

The transfer is at your own risk and it is possible that you may lose discretionary benefits from the NHS Pension Scheme.

Please make sure you know what pension benefits your new scheme or plan is offering you before you make your decision. We recommend that you consider taking financial advice before deciding to transfer.

In order to proceed with a transfer to a defined contribution scheme when your transfer value is over £30,000, The Pensions Regulator requires that you must provide a signed confirmation from your independent financial advisor of the appropriate financial advice you have received. The signed confirmation must include the following information:

- That the advice has been provided which is specific to the type of transaction proposed by the member.
- That the adviser has the required authorisations under the relevant legislation to provide advice on the transfer of safeguarded benefits.
- The reference number of the company or business in which the adviser works.
- The name of the member that was given the advice and the scheme in which they hold safeguarded benefits to which the advice applies.

Pensions Liberation Fraud

If you are thinking of transferring your NHS pension rights you should carefully compare the pension benefits you are giving up with what your new pension scheme is offering you. You should also read the Pensions Regulator guidance for Scheme members on Pension Liberation Fraud which is available for download from our website at:

www.nhsbsa.nhs.uk/nhs-pensions and can be found at: www.thepensionsregulator.gov.uk.

Contracted out rights

From 6 April 1978 to 5 April 2016 a non-practitioner member of the NHS Pension Scheme would normally have been contracted out of the State Additional Pension. This means that National Insurance contributions were paid at a reduced rate.

In turn, the NHS Pension Scheme guaranteed to pay you, when you retire, a pension at the rate of at least what you would have received if you had been contracted in to the State Additional Pension and been paying a higher rate of National Insurance contributions. This was called the Guaranteed Minimum Pension (GMP).

GMP ceased from 6 April 1997 and the Scheme was no longer required to provide an individual guarantee. However, to remain contracted out, the Scheme was required to show that NHS Pension benefits were unlikely to be lower than those provided by the State Additional Pension. Contracted out rights post 5 April 1997 are known as Section 9(2B) Rights.

Any added years, doubled years and some transferred in membership do not form part of the Section 9(2B) Rights.

Contracting out ceased from 6 April 2016.

Transferring this contracted out membership is at your own risk. When you retire, it is possible that the pension benefits you receive from your new scheme may be less than the benefits you would have received in the NHS Pension Scheme, or the State Additional Pension. Neither you or your spouse or civil partner, would have a claim against the NHS Pension Scheme or the State Additional Pension scheme for any shortfall in the benefits paid by your new scheme.

If you are a deferred member and the receiving scheme is unable to accept the liability for any GMP/Section 9(2B) Rights, it will be necessary to leave the liability with the NHS Pension Scheme. The transfer amount payable will be reduced by the amount required to cover the liability and will be shown in our documentation.

Please note that GMP will be payable from your State Pension age, not necessarily the normal pension age, but Section 9(2B) Rights and ordinary rights are payable at the normal pension age.

For members who do not have deferred benefits, the liability may be discharged by payment of a Contributions Equivalent Premium (CEP) to HM Revenue & Customs National Insurance Contributions Office and the transfer amount payable will be reduced by the amount required to pay the CEP. This option will be shown in the transfer documentation if applicable. Payment of a CEP would reinstate you in the State Additional Pension Scheme for the period covered by the transfer.

Public Sector Transfer Arrangements (the 'Club')

The 'Inner' and the 'Outer' Club

Within the public sector transfer arrangements there is now the 'Inner' and 'Outer' Club. The NHS Pension Scheme is a member of the 'Inner Club'. However, the method of calculating your transfer value will depend on which type of benefits you hold in the NHS Pension Scheme and the classification of the receiving Club scheme

Inner Club refers to transfers of career average revalued earnings (CARE) scheme benefits between schemes made under the Public Service Pensions Act 2013 and such other public service schemes whose rules are similar to those of any of the schemes made under the 2013 Act.

Outer Club refers to transfers of final salary benefits between Club schemes that operate on a final salary basis, or that are able to accept final salary benefits.

CARE benefits transferred to a scheme in the Inner Club may be transferred on Club terms.

CARE benefits transferred to a scheme in the Outer Club may be transferred on non-Club terms.

Club calculation time limits

If the receiving scheme is a member of the Public Sector Transfer Club, a transfer on Club terms can only be made if the length of the break between leaving the NHS Pension Scheme and joining the new scheme is no more than five years.

In addition, your signed election to proceed with the transfer must be received by your previous pension scheme within 12 months of becoming eligible to join that scheme in order for Club transfer arrangements to apply. A request for an estimate is not classed as an election to proceed. This time limit refers to the request for payment of the transfer value.

If the conditions for the Club transfer are not met you may still be able to transfer on non-Club terms.

You can find more information about the Club on the Civil Service website at:

www.civilservice.gov.uk/pensions/transfer-club

Annual allowance

When transferring from the NHS Pension Scheme to another Club scheme any excess growth in the receiving schemes benefits (e.g. resulting from an increase in pensionable pay), will be taken into account when calculating the pension input amount for annual allowance purposes.

More information about the annual allowance (AA) can be found on our website at:

www.nhsbsa.nhs.uk/nhs-pensions.

Corresponding health service schemes

Special transfer arrangements operate between 'corresponding' health service schemes in England and Wales (E&W), Scotland and Northern Ireland. These arrangements mean that

the effect of a transfer between the 'corresponding' schemes is your membership in the former scheme is treated as if it had been worked in the receiving scheme.

These special arrangements are normally only available when your application to transfer is made within one year of being eligible to transfer.

You should not use the application form in this pack to request the transfer, please write to your new pension scheme and ask them to arrange the transfer on your behalf.

Note: The special arrangements do not apply when transferring membership from a different Section or Scheme following a break of over five years. Under these circumstances a transfer will be on non-Club terms, for example:

- 1995 Section membership with NHS Pension Scheme (E&W) to 2008 Section NHS Pension Scheme (Scotland)
- 1995 Section membership with NHS Pension Scheme (E&W) to 2015 Scheme NHS Pension Scheme (Scotland)
- 2008 Section membership with NHS Pension Scheme (E&W) to 2015 Scheme NHS Pension Scheme (Scotland)

NHS money purchase additional voluntary contributions (AVCs)

Please contact your AVC provider direct if you also wish to transfer your AVC fund.

How we use your information

The NHS Business Services Authority – NHS Pensions will use the information provided for administering your NHS Pension Scheme membership and processing payment of your NHS pension benefits. We may share your information to administer and pay your NHS pension, enable us to prevent and detect fraud and mistakes, for debt collection purposes, or as required by law. For more information about who we share your information with and how long we keep your personal data and your rights, please visit our website at www.nhsbsa.nhs.uk/yourinformation

More information

More information about the NHS Pension Scheme can be found on our website at: www.nhsbsa.nhs.uk/nhs-pensions. Our online knowledge base, 'Ask Us' can answer your questions 24 hours a day, 7 days a week.

The Pensions Regulator has guidance for members, pension scheme administrators, pension providers and independent financial advisors to raise awareness of pension scams.

Please ensure you read the Pension Scam awareness booklet for members, available on the Pensions Advisory Service website:

<http://www.thepensionsregulator.gov.uk/individuals/dangers-of-pension-scams.aspx>

The following organisations provide information about transfers that may assist members when deciding whether to transfer. They are:

The Financial Conduct Authority

Financial Conduct Authority, 25 North Colonnade, Canary Wharf, London, E14 5HS

Website: www.fca.org.uk

The Pensions Regulator

Pensions Regulator, Napier House, Trafalgar Place, Brighton, BN1 4DW

Website: www.thepensionsregulator.gov.uk

The Pensions Advisory Service

11 Belgrave Road, London, SW1V 1RB

Website: www.pensionsadvisoryservice.org

Next steps

Please complete the UK transfer request form at the back of this guide and either send it to us at:

NHS Pensions
PO Box 683
Unit 5
Newcastle Upon Tyne
NE5 9EE

Or email the form to nhsbsa.pensionstransfers@nhs.net

Please note we will not act on the transfer value request until we receive the fully completed transfer request form enclosed.

We may need to contact HMRC to confirm the registration status of the receiving scheme before we make a transfer value payment.

We will send the transfer value to you. Please forward it to your new pension provider or independent financial advisor (IFA).

Complaints procedure

A complaint can be made using the contact details listed on the complaints and disputes page of our website: www.nhsbsa.nhs.uk/nhs-pensions.

NHS Pensions will make every effort to respond to the complaint as quickly as possible. If unable to resolve the complaint, we will assist with the next stage of our complaints procedure whereby the complainant may ask for their case to be considered under our formal dispute resolution procedures.

What is the dispute resolution procedure?

Where it is not possible to resolve a query or complaint through our Customer Contact Centre, we have a formal internal dispute resolution procedure. To pursue a formal dispute against us, please read the 'Complaints and Disputes' leaflet and then complete form 'DRP1' which can be accessed via our website: www.nhsbsa.nhs.uk/nhs-pensions

UK transfer request form

Please note: We cannot provide a transfer value if Parts A and Part B of this form are not fully completed as required.

Part A should be completed by you and Part B is for completion by your new pension provider or independent financial advisor.

Part A - About you

Surname

Other names

NI number

Date of birth / /

Address:

Telephone number:

Email address:

Date left NHS employment

Date left NHS Pension Scheme if different from above

Date joined / will join new pension scheme

Date applied for transfer

I am still an active member of the NHS Pension Scheme Yes No

Marital status – Please tick the relevant box and provide the date where applicable.

Single

Married Date of marriage

Spouse's gender Male Female

Formed Civil Partnership Date of Civil Partnership

Divorced/Civil Partnership Dissolution Date of Decree Absolute/Civil Partnership Dissolved

Widowed/surviving partner Date of spouse's/civil partner's death

Please read and sign the following declaration:

I declare that:

- I have read the Leaving early and transferring out guide given to me by my employer when I left the NHS Pension Scheme (the guide is also available on our website at: www.nhsbsa.nhs.uk/nhs-pensions)
- I have read the Pension Scams awareness leaflet for members, which is available on the Pensions Advisory Service website: www.pensionsadvisoryservice.org.uk
- I understand that in order to calculate the transfer all the transfer details and any request for supplementary information regarding the transfer will be released to the person or organisation named in Part B
- I have read and understood the charging process outlined in the transfer out guidance notes
- The information I have given is correct and complete to the best of my knowledge and belief.
- I understand that NHS Pensions may need to contact my previous pension provider to confirm the information I have provided, or obtain further information, and grant permission for them to do so.

Signature:

Date:

If you are an active member of the NHS Pension Scheme or have left within the last 12 months. Please complete the UK Transfers Request Form and ask your employer to complete the FA11a form. A separate FA11a form will be required for each of your employments. When your employer has completed FA11a form and returned it to you, please send it to us with your UK Transfer Request Form.

If the receiving scheme is not yet known, please tick here

The UK transfer request form should be forwarded to NHS Pensions and we will provide an **estimated** transfer value. The final amount available for transfer will depend on the status of the receiving scheme.

If the receiving scheme is known, please tick here

The pension provider or IFA must now complete Part B in full or the form will be returned for full completion.

Part B - About the receiving scheme

Please complete as appropriate

If the receiving scheme is a member of the Public Sector Transfer Arrangements (Club) please go straight to the section titled 'All receiving schemes' and complete as appropriate.

UK personal pension scheme

- Formerly approved under Chapter IV of Part XIV of the ICTA 1988, and on 6 April 2006 became a registered pension scheme for the purposes of the Finance Act 2004 and satisfies the requirements of Chapter IV of Part IV of the Pension Schemes Act 1993.
- Established as a registered pension scheme, on or after 6 April 2006 for the purposes of the Finance Act 2004 and satisfies the requirements of Chapter IV of Part IV of the Pension Schemes Act 1993.

UK occupational pension scheme

- Established as a registered pension scheme, under Chapter 2 of Part 4 of the Finance Act 2004.

In addition, if your scheme was registered as an occupational pension scheme on or after 6 April 2006, please provide the following additional information:

The name of the employer

How the scheme is an occupational pension scheme within the meaning of section 1 of the Pensions Act 1993

Details of the employment relationship between the member named on this form and the scheme

Please confirm what extra pension benefits or amount of pensionable service the transfer value payment will buy in the receiving scheme.

Confirmation of the minimum pension age at which benefits are payable

Buy out policy

An insurance policy or annuity contract appropriate for the purposes of section 19 of the Pension Schemes Act 1993

All receiving schemes:

Please provide:

The name of the receiving scheme

Date joined / will join new pension scheme

The HMRC Pension Scheme Tax Reference (PSTR) number

Please attach a copy of the HMRC Registration Notification (**please note a screen print is not acceptable**)

ECON and SCON, where applicable, or

ASCON, where applicable

The Financial Conduct Authority Registration number

Signature on behalf of receiving scheme/IFA

Position

Date

Company stamp

Note: We may need some more information about the receiving scheme **before** we can decide if it is a scheme we can make a transfer payment to. If we do, we will write to you again detailing our requirements.

Note: The transfer value will be sent to the member to pass on to their new pension provider or IFA.