

# Pension Aware?

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# NHS pension scheme

Rule 1 :

- Every Doctor should be in the NHS pension scheme
- The NHS pension scheme is better than any private pension for doctors

# NHS pension scheme

## Rule 2 :

- Every Doctor should think about leaving the NHS pension scheme
- The NHS pension scheme is better than any private pension for doctors so you may pay tax on your pension benefits

# NHS pension scheme

## Rule 3 : Tax

- Pension tax is complicated
- Pension tax is not logical
- Pension tax is unfair
- Pension tax bill is retrospective
- You might avoid a pension tax bill with 3 years notice

# Pension aware?

- Activities to raise awareness
- Financial advice on income, pension and tax
- Employer policies that could help
- National BMA activities and support

# Pension Events

- BMA retirement seminars
- Local events in Plymouth
  - "When will I stop work?"
  - Consultant financial discussion group

# “When can I stop work?”

- Occupational health consultant
- Working in Older age
- Finance (amateur)
- Reports from retirement
- Later stage career advice

# Consultant financial discussion group

- An extended coffee room chat
- Disclaimer about IFA and set Chatham house rules
- Stimulate questions not offer solutions
- Share financial stories
- Aim to cover
  - Gathering information
  - Pension tax
  - Time vs cash in pocket
  - Financial insurance



# Pension resources

- Raise awareness
  - Pension MOT
  - Pension Tax Red flags
- Sources of information
  - BMA website
  - NHS BSA
  - HMRC basic and detailed tax handbook

# The Doctor's Pension MOT

NHS pension

State pension:

Private pension and investments

Can your pension help you now?

Tax on pensions

Planning future tax and savings

The bottom line.....retirement readiness

# The Doctor's Pension MOT

## NHS pension

Look at TRS: how much pension? When can you access it?

Check service duration

Added years in 1995: Still needed? Calculate uplift

Request (free) pension saving statement every year

## State pension:

Check what you have accumulated so far

When can you receive it? Can you pay to fill in gaps?

## Private pension and investments

Do you have paperwork for all policies, Value so far?

When can you access the money in most tax efficient way?

## Can your pension help you now?

The NHS pension can be accessed if you retire through ill health.

Could this replace an income protection insurance policy?

# The Doctor's Pension MOT

## Tax on pensions

Calculate how much annual allowance you have used every year

Calculate how close you are to the Lifetime Allowance

## Planning future tax and savings

Will changes in income in the next 2 or 3 years lead to a pension tax charge?

What can you do to prepare for that event?

Can I save for retirement any other way (eg ISA)

## The bottom line.....retirement readiness

How much income do I need in retirement.

How much have I got so far

# Pension Tax Red Flags (draft)

Do you had any of the following symptoms:

(when finalised, this will be on BMA pension website)

If so, you may have a pension tax problem, seek expert help

# Pension resources

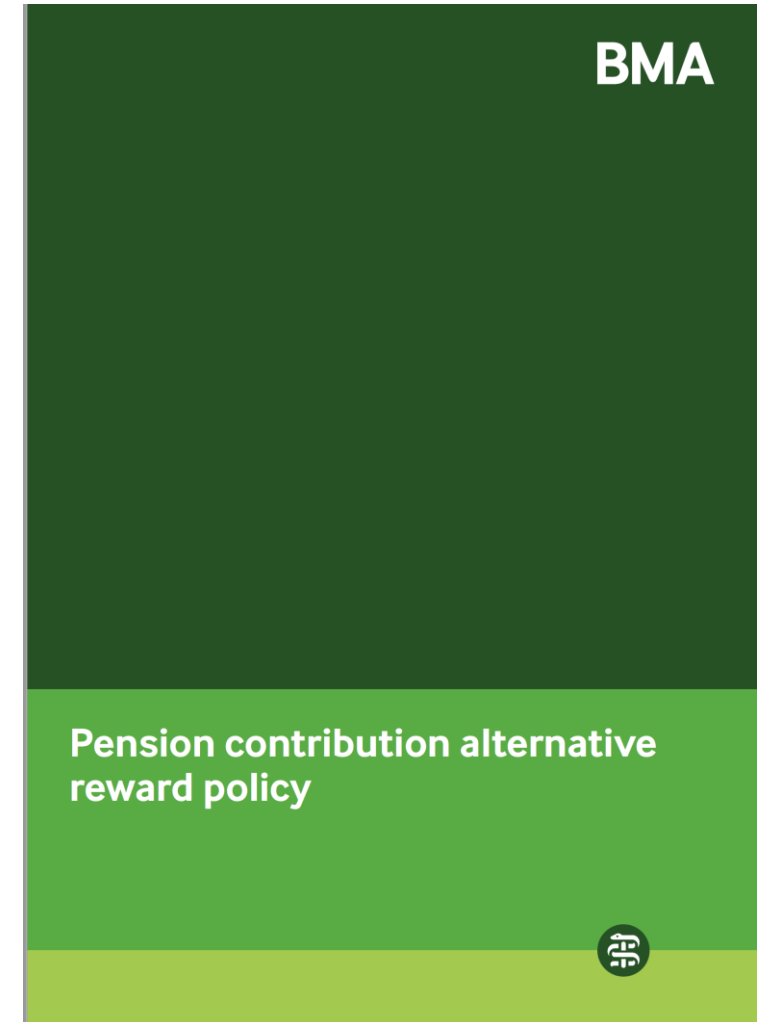
- Raise awareness
  - Pension MOT
  - Pension Tax Red flags
- Sources of information
  - BMA website [BMA pensions](#)
  - NHS BSA [NHS pensions](#)
  - HMRC basic and detailed tax handbook [Pension tax](#)
  - Medical Independent Financial Advice ?

# Action by LNC

- Pension Awareness
- Policy to agree
  - Workforce planning
  - Paying for additional work
  - Time off for additional work
  - Unpaid leave
  - Contracting through LLP/company (beware IR35)
- EmployER contributions to EmployEE

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(recycling pension contributions)





# BMA action

- Pensions committee
- Annual allowance calculator (May 2019)
- Lobbying NHSE/NHSP/DoHSC/Treasury
- Government: PMQ's, Treasury Select committee, Debate
- Press: FT / Times / Telegraph / BBC R4
- Model policy

# Summary

## Pension awareness

- Engage doctors
- Inform doctors
- Support doctors in navigating the minefield and taking action