

# NHS Pension Scheme

## Pensions Increase & P60s FAQs

This factsheet provides answers to some questions you may have regarding the annual increase to your NHS Pension and the P60 that you will receive following the end of the tax year. The UK tax year runs from 6 April of one year to the 5 April of the next year.

You will receive notification of your new rate of pension and your P60 no later than one month following payment of your pension at the new rate.

### Pensions Increase

#### Q. What is Pensions Increase?

**A.** Pensions Increase is the annual increase which may be applied to your NHS Pension. The amount of increase is set by Her Majesty's Treasury and becomes effective from the first Monday after 5 April of each year.

#### Q. How is the amount of Pensions Increase set?

**A.** Pensions are reviewed annually and are increased, as appropriate, to keep pace with rises in the cost of living by the application of Pensions Increase. Increases are paid in April and reflect any rise in the rate of Consumer Price Index inflation in the 12 month period up to the end of September in the previous year.

The measure by which all public sector pensions are increased is determined by the Government. All pensioners will receive notification of the rate applied within the Annual Pensioners Newsletter. If the cost of living has gone down your pension will not be reduced; it will continue to be paid at the same rate.

#### Q. Who is entitled to Pensions Increase?

**A.** Pensions Increase is usually paid to anyone aged 55 or over and anyone under 55 who is receiving one of the following pensions:-

- an ill health retirement pension
- an adult dependant's pension
- a children's pension

- injury benefits

You may qualify for Pension Increase before the age of 55 if you are in receipt of any other NHS pension and have dependant children. Further information can be found in the Retirement Guide on our website.

### Q. What is the increase in April 2020?

A. The Pensions Increase for this year is 1.7%

### Q. Why have I not received a full month at the new annual rate?

A. Pension payments are made in arrears. Therefore, if you receive your pension following the first Monday after 5 April it will reflect the new increased rate from when Pensions Increase became effective up to your payment date. Your pension from the start of the month to the date Pensions Increase is applied will be at the previous rate.

For example if your pension was due to be paid on 30 April, your payment will reflect the new increased rate from 6 – 30 April and the previous rate for 1 – 5 April.

### Q. Why have I not received the full 1.7% increase on my NHS Pension?

A. You will not receive the full increase of 1.7% if your pension started after 21 April 2019 or no increase if your pension started after 21 March 2020. Where your pension commenced after 21 April 2019 you will receive a proportion of the increase as follows:-

24-Mar-19	to	21-Apr-19	1.0170
22-Apr-19	to	21-May-19	1.0156
22-May-19	to	21-Jun-19	1.0142
22-Jun-19	to	21-Jul-19	1.0128
22-Jul-19	to	21-Aug-19	1.0113
22-Aug-19	to	21-Sep-19	1.0099
22-Sep-19	to	21-Oct-19	1.0085
22-Oct-19	to	21-Nov-19	1.0071
22-Nov-19	to	21-Dec-19	1.0057
22-Dec-19	to	21-Jan-20	1.0043
22-Jan-20	to	21-Feb-20	1.0028
22-Feb-20	to	21-Mar-20	1.0014

### Q. What is an Advice of Pay?

A. The Advice of Pay notice tells you what your annual rate of pension is and the amount that it has increased by when we apply Pensions Increase. The increase is applied from the first Monday following 5 April.

## **P60**

### **Q. What is a P60?**

**A.** A P60 is a document showing how much NHS Pension you have been paid, and how much UK income tax you have paid, during the UK tax year. It also shows your tax code at the end of the tax year. The UK tax year runs from 6 April in one year to 5 April the following year.

If you are in receipt of an Injury Benefit from the NHS Injury Benefits Scheme you will receive a separate P60.

### **Q. The tax code on my P60 is different from the one on my tax coding notice?**

**A.** HM Revenue & Customs will send you your tax coding notice at the beginning of the tax year. However, they may decide to change the tax code applied to your pension, or to any other source of income, at any time. The tax code assigned to your pension at the end of the year may therefore not be the one HM Revenue & Customs told you would be used in April the previous year.

Please note that the tax code on your P60 is the code which was applied to your last pension payment made in the previous tax year.

### **Q. I believe my P60 is incorrect, what should I do?**

**A.** If you think the amount on your P60 is wrong, please write to us explaining why you believe there is an error and we will investigate. If there has been a genuine error, we will send revised information to HM Revenue & Customs.

You can query this with HM Revenue & Customs, quoting your National Insurance number; the tax office will be able to provide any further information you may require.

### **Q. Who do I speak to if I think my tax code is incorrect?**

**A.** We are unable to change the tax code unless HM Revenue & Customs tell us to do so. Amendments to tax codes are processed electronically by HM Revenue & Customs and any deductions/refunds are processed in accordance with the tax code in operation at the time of payment.

If you have any queries about your tax code or tax liability, please contact HM Revenue & Customs quoting your National Insurance number.

**Q. I received a large payment of arrears and it should not have been taxed this year, what should I do?**

**A.** Payments must be taxed in the year that they are paid, not the year that they are due. Your P60 will therefore show the payment in the year that payment was made to you. We can, on request, provide a breakdown of what you should have received in previous tax years; if you send this to HM Revenue & Customs they will consider whether you have been taxed correctly.

If you require such a breakdown please write to us at [nhsbsa.pensionsmember@nhsbsa.nhs.uk](mailto:nhsbsa.pensionsmember@nhsbsa.nhs.uk) or using the following postal address:

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

**Q. Why is the annual pension figure on my P60 not the same as the actual pension I get paid?**

**A.** Your P60 shows the total of all payments you've received during the tax year. This may be different to your annual pension figure as it may take into account a number of factors such as a change in the annual rate paid to you, or an increase in pension during the year.

The amounts provided will also include any previous pay and previous tax figures supplied by HM Revenue & Customs throughout the tax year.

**Q. I live in a country with a different tax year than the UK. Can I get a P60 for my countries tax year?**

**A.** A P60 is only issued for the UK tax year. If you require a statement of earnings and tax paid for a different period, we will send you a letter with this information on request. Please submit your request to [nhsbsa.pensionsmember@nhsbsa.nhs.uk](mailto:nhsbsa.pensionsmember@nhsbsa.nhs.uk) or write to us at:

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

**Q. Can you send my P60 by email?**

**A.** Unfortunately, we are not able to offer this service at present. We are continuing with our research to make this possible for future tax years.