

## Application to leave the NHS Pension Scheme (SD502)

### Opting out - important information

The benefits payable from the NHS Pension Scheme are valuable and anyone considering opting out of the Scheme should think very carefully before making such an important decision. Before you decide, please look at the member information on our website at: [www.nhsbsa.nhs.uk/nhs-pensions](http://www.nhsbsa.nhs.uk/nhs-pensions), especially the relevant Member Guide, factsheets, and the Leaving Early and Transferring Out Guide.

### Some general points to help you decide

- As a Scheme member you pay a contribution based on your pensionable pay. Your NHS employer also contributes 20.6% of your salary towards your pension.
- Contributions are deducted before tax so you receive tax relief on any amount you pay.
- There is a calculator on the NHS Pensions website which you can use to see some of the impacts of opting out.
- Unless you are absent from duty for any reason you may apply to join or rejoin the Scheme at any time subject to Scheme rules.
- There is a 12 month time limit for making an application to transfer pension benefits into the Scheme that starts from when you were first eligible to join this Scheme. Opting out now may affect your ability to transfer in previously accrued benefits if you later re-join.
- If you wish to opt out from the start of your NHS employment you must complete form SD502 within the first month.

### Benefits you will be giving up if you opt out of the NHS Pension Scheme

- Your right to any further benefits from the Scheme in this employment.
- A pension payable for life fully guaranteed by the Government.
- If you are a member of the 1995 Section you will also get a retirement lump sum. This is usually tax free.
- If you opted out before 1 April 2008 and do not rejoin this Scheme you will not have the option of giving up some of your pension for a bigger lump sum. This option would normally allow you to receive £12 of lump sum for every £1 of pension you give up. Lump sums are usually tax free.
- Enhanced ill health retirement benefits if you become too ill to work.
- Life assurance cover (a lump sum payment) and family benefits if you die – pension benefits for your dependants, including children.

### Think Carefully!

Deciding to opt out of your employer's occupational pension scheme is a major financial decision. If you are in any doubt about which pension arrangement will be best for you, you may wish to seek **independent** financial advice. Before you ask for advice, make sure you know which type of financial adviser you are dealing with. Most financial advisers will charge for their advice. The Member Guide available on the NHS Pensions website may be able to help you find local independent financial advice, please refer to the help and general information section of the guide.



## **Pension scams. Don't get stung.**

The Pension scams awareness booklet for members is available on the Pensions Regulator website at:

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

<https://www.tpr.gov.uk/en/pension-scams>

### **Completing the form**

If, after reading all the relevant information, you decide that you want to opt out of the NHS Pension Scheme you **must** ensure both Part 1 and Part 2 are completed. Part 2 must be sent to and completed by your Payroll Department. If both parts are not completed the form will be returned. It is important that this form reaches them as soon as possible to enable them to update your details and cease the deduction of contributions. Your employer will complete Part 2 and send the details to us. If you work for more than one NHS employer you will need to complete a separate form for each employer. This form cannot be signed until after you have joined the NHS Pension Scheme.

### **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](http://www.nhsbsa.nhs.uk/yourinformation)

## Application to leave the NHS Pension Scheme (SD502) - Part 1

If you want to opt out of pension saving, fill in Part 1 of this form, keep a copy and send both parts to the Payroll Department at your employer or if you are a GP in England to PCSE via their online portal or if you are a GP in Wales to your Local Health Board - they will complete Part 2 and retain the form within their records.

**Notes - Part 1 and Part 2 must both be completed or the opt out will not be valid.**

- When the Payroll Department at your employer gets this form they will stop taking pension contributions from the first day of the next pay period.
- This is NOT an application form for a refund of contributions – you will need to complete claim form RF12.
- Please read the Leaving Early and Transferring Out guide and the Member Guide on the NHS Pensions website at: [www.nhsbsa.nhs.uk/nhs-pensions](http://www.nhsbsa.nhs.uk/nhs-pensions).

Please type in the fields below then print off and sign, or print and complete in CAPITAL LETTERS using BLACK INK

Title (e.g. Mr, Mrs, Miss, Dr)

Surname

Former surname (if applicable)

Other names

Date of birth

 /  / 

National Insurance number

Job

Employers name

Address

Post code

Email address

Gender

Male  Female

Payroll number

Is this your first job in the NHS?

Yes  No

Is this the first time you have chosen to leave or not join the NHS Pension Scheme? Yes  No

Reason for leaving the Scheme:

- |  |  |
|--|--|
| <input type="checkbox"/> Annual Allowance/Lifetime Allowance - Risk of/Actual breach of limits                       | <input type="checkbox"/> In receipt of a fixed or enhanced protection certificate                          |
| <input type="checkbox"/> Contributing to another pension scheme  | <input type="checkbox"/> Affordability - Unable to sustain the contribution deduction from current salary. |
| <input type="checkbox"/> Temporary opt out due to other financial priorities Intending to join/re-join in the future | <input type="checkbox"/> Secured retirement income via other means (e.g. property, investments)            |

**Declaration - By signing below, I declare:**

- I wish to opt out of pension saving.
- I understand that if I opt out I will lose the right to pension contributions from my employer.
- I understand that if I opt out I may have a lower income when I retire.
- I understand that I cannot opt out retrospectively.
- I have read the information that comes with this form and the Scheme Guide to the NHS Pension Scheme.
- I understand that I am giving up my rights to any further benefits from the Scheme in this employment.
- I understand that unless I am absent from duty for any reason I may apply to join or rejoin the Scheme at any time subject to the scheme rules.
- I understand that my employer will retain this form for their records.

Signed

Date

 /  /

## What you need to know

- Your employer cannot ask or force you to opt out.
- If you are asked or forced to opt out you can tell the Pensions Regulator – see [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk).
- If you change your mind you may be able to opt back in – write to your employer if you want to do this.
- If you stay opted out your employer will normally put you back into pension saving in around 3 years.
- If you change job your new employer will normally put you back into pension saving straight away.
- If you have another job your other employer might also put you into pension saving, now or in the future. This notice only opts you out of pension saving with the employer you name above. A separate notice must be filled out and given to any other employer you work for if you wish to opt out of that pension saving as well.

## 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](http://www.nhsbsa.nhs.uk/yourinformation)

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## Part 2

**To be completed by the Employing Authority.** Please write in CAPITAL LETTERS using BLACK INK

2.1 When was the member enrolled? (Please confirm date):   /   /

2.2 Did you receive the SD502 form within the opt out period for a local refund to be paid? (See General Guide for completion of Form SD502 available on the NHS Pensions website).

- Yes – Please refund any contributions locally for this period of membership.
- No – NHS Pensions will pay a refund of contribution, if eligible, on receipt of form RF12.

2.3 Please complete the employment details:

EA/GP code

   

Job capacity code

 

Pay band

The membership number if you know it

SD   /

Whole time  Part time

Last day of Scheme membership

  /   /   

Signed

Date   /   /

EA Stamp

**Please retain the form within your own records. The form does not need to be sent to NHS Pensions**