

Public-sector pension reviews: scheme documents, tax and life changes

Prepared October 2026 | General information, not personal advice

A public-sector pension review should begin with the relevant scheme's documents and distinguish promised benefits from pension input used for tax. NHS and Teachers' Pension Scheme questions can require different administrator evidence. Divorce, employment changes and additional saving add separate issues. Generic contribution examples cannot replace scheme-specific review.

Important risks

Where money is invested, its value and income can fall as well as rise and you may get back less than you invest. No return or retirement outcome is guaranteed.

Tax treatment depends on individual circumstances and may change in the future. A general example does not establish your relief, allowance or tax liability.

General information only, not personalised financial, tax or legal advice. Suitability and available relief depend on your circumstances. Obtain appropriate advice before acting on a product, transfer or legal arrangement.

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Before you begin

Do not transfer rules from one public-sector scheme to another because both provide defined benefits. An ordinary benefit statement and a tax-related pension savings statement have different uses. Corrected or remedy-related information must be checked for the year concerned. Where divorce is involved, the solicitor should identify the required valuation and specialist input. The aim is to organise questions for the correct administrator, not to calculate an entitlement from incomplete records.

Terms in plain English

Defined benefit pension

A pension promising income under scheme rules, often related to pay and service. It is not the same as an individual investment pot.

Pension annual allowance

A tax-year measure of pension saving across schemes. It is separate from the limit for tax relief on personal contributions.

Why can an NHS pension create an annual-allowance issue when my contributions look modest?

Distinguish the NHS benefit statement from the pension savings statement used for annual-allowance assessment. Check whether remedy-related recalculations or corrected figures apply to the relevant year. Combine scheme figures with any private or employer pension inputs outside the NHS. A statement delay does not establish that no reporting obligation exists, so obtain help with deadlines where necessary.

Decision boundary: Using salary deductions in place of the scheme's input amount can materially misstate pension saving. Ask the adviser: Are these the final pension input figures for the correct year and scheme sections?

Sources: N02, G01, G03

How should a teacher review pension rights during a divorce?

Teachers' Pensions explains how members request basic and full cash equivalent estimates. Confirm which version the solicitor needs before submitting a request. Document scheme membership, benefits in payment and any earlier pension sharing order. The settlement needs to consider future income and the scheme's implementation requirements, not simply the amount on the latest annual benefit statement.

Decision boundary: The wrong valuation or incomplete scheme history can delay proceedings or distort negotiations. Ask the adviser: Which official estimate does my solicitor need, and how will sharing affect future payments?

Sources: T01, M13

How should pensions be considered during divorce?

Ask the solicitor what valuations and specialist pension reports are needed. A defined benefit cash equivalent is not interchangeable with an immediately accessible bank balance. Compare the timing, security and tax treatment of each person's future income, not just the settlement headline.

Scheme administrators need the correct legal documentation before implementing any agreed pension arrangements.

Decision boundary: An apparently equal settlement may leave one person with materially less secure retirement income. Ask the adviser: Do we need a pension-on-divorce specialist to assess the income consequences?

Sources: M13, T01

Is salary sacrifice into a pension right for me?

Obtain the employer's written illustration, including its treatment of bonuses and salary-related benefits. Check whether borrowing assessments, death-in-service cover or parental benefits use pre-sacrifice or reduced pay. Include the resulting employer contribution in pension allowance calculations. Check employment rules and payroll implementation with the employer. An individual saving calculation needs your actual pay and benefits information.

Decision boundary: Reduced contractual pay may affect benefits or affordability assessments. Ask the adviser: Which benefits use my reduced salary, and what contribution will the employer actually make?

Sources: G08, G01, G09

Should I opt out of my workplace pension to improve cash flow?

Compare the cash released with the employer contribution you would stop receiving. Review whether budgeting help, payment arrangements or debt advice can address the immediate pressure. Record how and when you would reconsider pension saving if you opt out. Statutory enrolment and re-enrolment rules do not replace a personal assessment of affordability.

Decision boundary: Missing employer contributions and time invested can affect long-term retirement resources. Ask the adviser: What benefits would I lose, and what alternatives could address the immediate shortfall?

Sources: G08, M09

Your preparation checklist

- Identify the scheme and membership sections involved.
- Ask whether figures have been corrected or superseded.
- Use the valuation requested by the solicitor for divorce.
- Include private pensions and employment benefits in the wider review.

Next steps

Keep current HMRC rules and current scheme information together. Historic scheme PDFs can contain obsolete tax rates, so check the rules for the year concerned. Ask a professional with relevant scheme expertise to resolve incomplete or corrected information before making a decision.

General information only, not personalised financial, tax or legal advice. Suitability and available relief depend on your circumstances. Obtain appropriate advice before acting on a product, transfer or legal arrangement.

Sources and further reading

N02: NHS Business Services Authority - Annual allowance

<https://www.nhsbsa.nhs.uk/member-hub/annual-allowance>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G01: HMRC / GOV.UK - Tax on your private pension contributions

<https://www.gov.uk/tax-on-your-private-pension/annual-allowance>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G03: HMRC / GOV.UK - Tax-year-specific pension allowances

<https://www.gov.uk/government/publications/rates-and-allowances-pension-schemes/pension-schemes-rates>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

T01: Teachers' Pensions - Your pension and divorce

<https://www.teacherspensions.co.uk/members/faqs/divorce-and-pension-credit-members/your-pension-and-divorce.aspx>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M13: MoneyHelper / Money and Pensions Service - How to split pensions in a divorce or dissolution

<https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-problems/split-pensions-in-a-divorce-or-dissolution>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G08: GOV.UK - Workplace pensions

<https://www.gov.uk/workplace-pensions>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G09: HMRC / GOV.UK - Tax on your private pension contributions

<https://www.gov.uk/tax-on-your-private-pension/pension-tax-relief>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M09: MoneyHelper / Money and Pensions Service - Emergency savings - how much is enough?

<https://www.moneyhelper.org.uk/en/savings/types-of-savings/emergency-savings-how-much-is-enough>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

Discuss your questions

For a discussion of your circumstances, contact Castle Stonebridge on 01246 308249 or visit <https://castlestonebridge.co.uk>. Any personal recommendation requires an individual assessment.