

Do you need a financial advisor (GPs)?

I have to start by stating that D N Robinson Ltd is not regulated to provide financial advice. While it can be sad to have to tell our clients that we can't answer some of their questions, it can also be a bit of a relief to pass the responsibility on to someone else. This is particularly true in the area of pension advice – it's a minefield!

We may be experts in the accounting and taxation aspects of the NHS pension scheme, but we don't provide financial advice. The scheme is extremely complicated, and financial advice should only be sought from a financial advisor who has dedicated their career to it.

Back to the question – do you need a financial advisor? Simple answer is 'yes'.

In your early years as a doctor, you will need the usual services provided by a financial advisor – this would include advice on savings, sickness protection and mortgages. As you get older, you will need more and more advice on the NHS pension scheme.

The money invested in your scheme is enormous, and you need to be sure you are being properly advised. A simple mistake could cost you tens of thousands of pounds.

Typical questions which we are asked (and can't answer) are as follows:

- When should I retire?
- Why am I in more than one scheme, and what are the implications regarding retirement dates?
- What are the financial implications of retiring early?
- Should I take 24-hour retirement?
- Should I opt in and out of the scheme? If so, when is the best time to do it, and what about its impact on dynamising?
- If I opt out will it have an impact on my death-in-service benefits?
- Should I keep paying added years?
- What is the lifetime allowance charge and the annual allowance charge?
- If I have an annual allowance tax charge, should I make a 'scheme pays' election?
- How much of a lump sum should I take on retirement?
- Do I have any protection if my income reduces due to ill health?

How do I choose a financial advisor?

First of all, ask your friends and colleagues.

Every financial advisor will tell you that they know about pensions. You need to prove to yourself that your financial advisor knows specifically about the NHS pension scheme. Then you need to prove to yourself that they know specifically about how it applies to GPs. (See my article 'GPs and the NHS pension scheme').

At your first meeting, ask them some of the questions above.

Good luck.

Neil Robinson

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