



## HSC Pension Service

*Provided by .....*

## Business Services Organisation

### Comparison table between the 2008 Section and 2015 Scheme

The Option to Give Up Protection exercise is about deciding whether to move your membership after the 1 April 2015 into the 2015 Scheme or not.

The table below provides a comparison of the different features and benefits of the 2008 Section and 2015 Scheme. This information is in addition to that provided in your letter.

Feature or benefit	HSC staff, Practice and Approved Employer Staff	All HSC workers and Approved Employer Staff
Scheme	2008	2015
<b>How much will my employee contributions be?</b>	All members pay their employee contributions in accordance with the HSC Pension Scheme's tiered contribution rates. The level of contributions payable is the same across all types of HSC Pension membership.  See <a href="http://www.hscpensions.hscni.net/">http://www.hscpensions.hscni.net/</a>	

<b>How much will my employer pay in contributions towards the cost of my pension?</b>	Employers pay 16.3% of member's pensionable pay into the HSC Pension Scheme to pay toward the cost of providing your pension.	
<b>What type of Scheme is it?</b>	Final salary (For practitioner members it is an earnings accrual scheme)	Career Average
<b>How is the pension calculated?</b>	<p>A pension worth 1/60<sup>th</sup> of 'reckonable pay' per year and pro rata for any part year of membership.</p> <p>Reckonable pay is the average of the best three consecutive years within the last 10 years.</p> <p>(For practitioners the pension is based on 1.87% (equivalent to 1/53.5<sup>th</sup>) of total up-rated earnings. This is calculated by adding all years' earnings and applying uprating factors).</p>	A pension worth 1/54 <sup>th</sup> of each years' pensionable earnings, revalued at the beginning of each subsequent scheme year in line with a percentage rate set by the Treasury plus 1.5 % whilst in active membership.

<p><b>Will I receive a retirement lump sum automatically?</b></p>	<p>No*, but you will have the option to exchange pension for a lump sum, up to 25% of capital value. (See HMRC website for more details).</p> <p>(* There are certain members who transferred from the 1995 Section to the 2008 Section under the HSC Pension Choice Exercise that may have a compulsory amount of lump sum).</p>	<p>No, but you will have the option to exchange pension for a lump sum, up to 25% of capital value. (See HMRC website for more details).</p>
<p><b>What is the Normal Pension Age (NPA)?</b></p> <p>(The NPA is the age at which you can receive your full benefits without reduction for early payment)</p>	<p>65</p>	<p>The later of State Pension Age or age 65.</p>
<p><b>What is the maximum amount of membership?</b></p>	<p>45 years</p>	<p>No limit</p>
<p><b>What is the earliest age I can claim my pension?</b></p> <p>(also called Minimum Pension Age)</p>	<p>You can claim your pension from age 55. (If you retire on ill-health grounds you could claim a pension earlier).</p>	<p>Age 55 (If you retire on ill-health grounds you could claim a pension earlier).</p>
<p><b>Can I build further HSC Pension membership after claiming my pension?</b></p>	<p>Yes, if eligible.</p>	<p>Yes, if eligible.</p>

<p><b>Can I claim some of my pension benefits whilst continuing to work?</b></p> <p>(also called Partial Retirement)</p>	Yes, if eligible.	Yes, if eligible.
<p><b>Will my pension be increased if I retire after my NPA?</b></p> <p>(also called Late Retirement)</p>	Late retirement factors applied to pension earned before age 65.	Late retirement factors applied to all pension earned until retirement. (Note if you take partial retirement before your NPA you will only receive a late retirement factor for the membership that you leave within the 2015 Scheme).
<p><b>Will I receive pension benefits if I am unable to do my current job due to permanent ill-health?</b></p> <p>(Called 'Ill-Health Tier 1')</p>	Yes, the pension benefits you have built up will be paid without reduction if certain conditions are met.	Yes, the pension benefits you have built up will be paid without reduction if certain conditions are met.
<p><b>Will I receive pension benefits if I am unable to carry out regular employment of like duration to HSC employment due to permanent ill-health?</b></p> <p>(Called 'Ill-Health Tier 2')</p>	Yes, you will receive Tier 1 benefits (as explained above) plus in some cases an enhancement of 2/3rds of prospective membership to NPA if certain conditions are met.	Yes, you will receive Tier 1 benefits (as explained above) plus an enhancement of 1/2 of prospective pension to NPA if certain conditions are met.  Further detail about this aspect is available on the HSC Pensions website.
<p><b>Can I increase my pension by buying Additional Pension?</b></p>	Yes, you can purchase Additional Pension in units of £250 up to a limit of £5,000.	Yes, you can purchase Additional Pension in units of £250 up to a limit of £6,500. This limit may be reviewed.

<b>Can I increase my pension through an HSC Money Purchase AVC?</b>	Yes	Yes
<b>Can I buy an Early Retirement Reduction Buy Out (ERRBO)?</b>	No	Yes – See the <a href="#">factsheet</a> on the HSC Pension website for more information about this feature.
<b>Bereavement benefits (Including those payable to survivors and children)</b>	Bereavement benefits payable on your death are outlined in the Illness, life assurance and family benefits section of the respective <a href="#">1995/2008</a> and <a href="#">2015</a> member guides. Please note that there are differences in the potential value of these benefits between the 2008 Section and 2015 Scheme. Please read the guides in more detail as necessary.	

Further information about the 2008 Section and 2015 Scheme can be found on the HSC Pensions website (<http://www.hscpensions.hscni.net/>)