



HSC Pension Service

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Business Services Organisation

EMPLOYER TECHNICAL UPDATE

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HSC (P) 02-19

Oct 2019

1. Foreword

Quarter 2, 2019 Employer Technical Update deals with 2 very topical issues, the Supreme Court Ruling following the McCloud and Sargeant case and the impact of HMRC Legislation (Annual Allowance in particular) on HSC staff and the provision of services.

A statement was recently issued by the Department of Finance providing an update on the position of NI Public Sector Pension Schemes following the ruling by the Supreme Court to reject the Governments appeal in the McCloud and Sargeant case which deemed the transitional protections afforded to older members of those schemes were unlawfully age discriminatory. A link to the statement is included in the relevant section of the ETU.

The impact of tax charges associated with Annual Allowance is widely known throughout the HSC and the wider NHS. HSC Pension Service has endeavoured to assist scheme members where possible in understanding these complex rules and regulations. Contained in this ETU is an update on how we have upgraded our services to help members in better understanding how Annual Allowance works and provide assistance in dealing with these challenging issues

2. Supreme Court Ruling

The Supreme Court has refused permission for the Government to appeal the Court of Appeal's December 2018 judgment in the cases of McCloud and Sargeant. This means that the Court of Appeal's judgment stands, and that 'transitional protection' gave rise to unlawful discrimination in the Judges' and Firefighters' schemes.

The Government will now be required to introduce a remedy to compensate individuals for the difference in treatment since 2015 in those schemes. The Government is considering the impact of this judgment on transitional protection arrangements in other schemes, including The HSC Pension Scheme.

Please find below the link to the recent statement issued by the Department of Finance following the Collective Consultation Working Group (CCWG) meeting held on 26 September, the statement refers to those reformed pension schemes, including the HSC Pension Scheme, established under the Public Service Pensions Act (Northern Ireland) 2014.

<https://www.finance-ni.gov.uk/publications/statement-mccloud-judgement>

Action for Employers: Please ensure staff who do not have access to the electronic Members Newsletter receive notification of this update



3. Annual Allowance - Impact on Senior Staff

HSC Pension Service has recently published and distributed a Newsletter to scheme members specifically informing them of how Lifetime Allowance and Annual Allowance works and how these can cause additional tax charges linked to a member's pension savings. The newsletter can be accessed here : [Newsletters](#)

The HSC Pension Service website also provides an extensive library of information on factsheets and guides for members to better inform themselves of the legislation regarding Pension Taxation along with on line calculators to assist members in the calculation of potential charges. Further information can be found here: [Tax Information](#)

HSC Pension Service continues to provide assistance to scheme members in managing their Annual and Lifetime Allowance information through a number of avenues as follows:

- From October 2019 members will be able to access their Annual Allowance data view through the Member Self Service (MSS) Portal
- Bespoke Annual Allowance/Lifetime Allowance pension seminars and workshops continue to be delivered to Scheme Members
- HSC Pension Service has established a dedicated Annual Allowance Team. This team will work on issuing Annual Allowance statements on request to officer Scheme members, in addition to those who have breached the £40,000 limit as well as deal with all Annual Allowance queries for current and previous years.

Action for Employers: Please ensure staff who do not have access to the electronic Members Newsletter receive notification of this update



4. Contact Us

By writing to us at:-

HSC Pension Service

Waterside House

75 Duke Street

Londonderry

BT47 6FP

Via e- mail at:- hscpensions@hscni.net

By Telephone: 028 7131 9111 (9.00am to 4.00pm – Monday to Thursday; 9.00am to 12.00pm Friday)



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If you have any suggestions for the newsletter or would like a particular topic covered in future publications please do not hesitate in contacting us by emailing: hscpensions@hscni.net

