

EMPLOYER

TECHNICAL UPDATE

HSC Pension Service

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2012/13 Employee Contribution Rates

Details of the 2012/2013 employee contribution rates have now been confirmed. The rates shown below must be implemented from 1 April 2012.

As you will see there are now seven contribution tiers. Employers must ensure that systems are in place for the correct deduction and collection of contributions from 1 April 2012.

The employer's contribution rate remains at 13.3% in 2012/13. The rules for Officer (including Practice Staff) Scheme members differ to the rules for Practitioner and non-GP Provider Scheme members.

Officer and Practice Staff

Officer or Practice Staff Scheme members are salaried employees of a Trust, HSC Board, Business Services Organisation, Direction Body, GP Practice or OOHP who are not GPs or non-GP Providers.

The basic rule is that the tier for existing Officers and Practice staff Scheme members in 2012/13 is based on their 2011/12 full year whole time equivalent (WTE) pensionable pay using the table below.

The table below should also be used for new joiners, and staff who have had a change in their circumstances in 2012/13. Please note that it is their annualised 2012/13 WTE pensionable pay that must be used.

2012/2013 Contribution Rates before tax relief (gross)

Band	Annual pensionable pay (full time equivalent)	Contribution rate (before tax relief) 2011/12 (gross)	Contribution rate (before tax relief) 2012/13 (gross)	Gross rise in contribution rate (percentage points)
1	Up to £15,000.99	5.0%	5.0%	0
2	£15,001.00 to £21,175.99	5.0%	5.0%	0
3	£21,176.00 to £26,557.99	6.5%	6.5%	0
4	£26,558.00 to £48,982.99	6.5%	8.0%	1.5
5	£48,983.00 to £69,931.99	6.5%	8.9%	2.4
6	£69,932.00 to £110,273.99	7.5%	9.9%	2.4
7	£110,274.00 and over	8.5%	10.9%	2.4

* In 2012/2013 a member's contribution rate will be based on pensionable pay in 2011/2012

Practitioners and Non-GP Providers

Practitioners are GPs of any type (excluding GP Registrars), General Dental Practitioners, and Ophthalmic Medical Practitioners.

Non-GP Providers are 'single-handers', partners (including a fixed salary partner), or shareholders in a GP Practice or organisation who are not GPs.

The basic rule is that the 2012/13 tiered rate for Practitioners or non-GP Providers is based on their total 2012/13 HSC pensionable income as a Practitioner or as a non-GP Provider.

All Practitioners and non-GP Providers will have their 2012/13 employee tiered contributions based on the following table.

Contribution Rates

Band	Pensionable pay in 2012/13	Contribution rate (before tax relief) 2011/12 (gross)
1	Up to £15,000.99	5.0%
2	£15,001.00 to £21,175.99	5.0%
3	£21,176.00 to £26,557.99	6.5%
4	£26,558.00 to £48,982.99	8.0%
5	£48,983.00 to £69,931.99	8.9%
6	£69,932.00 to £110,273.99	9.9%
7	£110,274.00 and over	10.9%

Disclosure - Notifying Members of the New Rates

To alert members to the revised contribution rates and to assist employers in communicating this information, HSC Pension Service will make the following arrangements:

- **HSC Pension Service website** - HSC Pension Service [website](#) has been updated with detailed information on the revised member contribution rates and provides specific [factsheets](#) for further information. A link to an NHS Pension Scheme contributions [calculator](#) for 2012-13 is also available for members to determine the effect the changes will have on them.
- **Pay slip Leaflet** - Under disclosure legislation, **employers must ensure that all their staff**, not just Scheme members are provided with advance notice of the new rates of contributions. To ensure employers meet their disclosure responsibilities, HSC Pension Service has produced a pay slip [leaflet](#) for employers to distribute with March 2012 pay slips. Supplies of the leaflet will be issued to all employers as soon as possible. Employers can obtain additional copies of the leaflet by contacting HSC Pension Service.

In order to deal effectively with any future disputes or complaints about disclosure, employers are reminded that they should keep records of how such materials are distributed.

Applications for Fixed Protection

HMRC has introduced Fixed Protection for individuals who may be affected by the reduction in the Standard Lifetime Allowance from 6 April 2012. Fixed Protection applications must reach HMRC no later than 5 April 2012. Applications received on or after 6 April 2012 will not be accepted. Further information can be found in the Fixed Protection applications [factsheet](#) on the HSC Pension Service website.

Distribution List:

The Chief Executive of the HSC Board & HSC Trusts
The Director of Finance and Director of Human Resources of the:
HSC Board;
The Business Services Organisation;
The Patient and Client Council;
The Public Health Agency;
HSC Trusts;
Each Special Agency;
GP Practices;
Dental Practitioners;
Out of Hours Providers;
Directional Bodies; and Staff Representative Bodies.

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For urgent enquiries only, you can contact us by Telephone: 028 7131 9111

9.00am to 5.00pm – Monday to Thursday; 9.00am to 12.00pm Friday

If you have any comments about the content or format of this newsletter please email them to hscpensions@hscni.net