



HSC Pension Service

Business Services Organisation

Provided by

HSC Pension Service

**Welcome to the
HSC Pension Service
Member Newsletter**



This newsletter is for all active and deferred members of the HSC Pension Schemes and contains important information about your HSC Pension Scheme Benefits



Pension Liberation

To 'liberate' your pension may sound inspiring; however for all things Pension, 'Pension Liberation' is normally associated with fraud and being offered access to your pension at the age of 55.

Pension Liberation is most likely to occur when you try and transfer your pension benefits to an unregulated scheme before the age of 55. Scammers who offer the proverbial carrot refer to such opportunities as 'Pension Loans', and often offer cash incentives to transfer your pension benefits.

It is very important to know that promises of early cash will more than likely be bogus and are likely to result in serious tax consequences for you. If for example you access your pension benefits before the age of 55 through an unregulated scheme, HMRC will consider this as an unauthorised payment. Such payments attract very high tax charges which cannot be claimed back. At the very minimum, tax charges climb as high as 55% and have the potential to rise to 70%.

Below are some very obvious warning signs to look out for if you think you are being scammed:

- Being approached out of the blue over the phone or via text message/email
- Overly assertive advisers, often unregulated, who claim to be able to help you access your pension before age 55
- Organisation that offer a 'loan', 'saving advance' or 'cashback' from your pension
- Buzz words like 'loopholes', overseas investment, 'creative' or 'new' investment techniques
- Be alert to offers like this and if you have even a shred of doubt, contact the pensions advisory service, financial adviser or indeed HSC Pensions.

Below are a number of things you can do to ensure you don't fall victim to scammers:

- Ensure that anyone giving financial advice is approved and regulated by the Financial Conduct Authority (FCA). Visit www.fca.org.uk/register where you can check if an adviser is approved
- Ask that the scheme you are transferring to checks the new scheme HMRC registration – here you can make sure they are a registered scheme
- If it sounds too good to be true, it probably is!
- The Pensions Advisory Service (TPAS) can be contacted on 0300 123 1047
- If you suspect you might have already been targeted by fraudsters you should contact Action Fraud on 0300 123 2040

HSC Pensions take great care when following HMRC guidelines. We can assure you that your benefits are in safe hands and that we do not make any decisions blindly.



Authorised Leave

A member who commences a period of authorised leave (including a career break where the contract of employment is retained) can choose to continue to pay pension contributions for a period of up to 24 months.

Where the authorised leave is to be pensionable, for the first 6 months, the member must pay their element of the contribution owed and the employer must pay their element. If the member wishes to continue to be pensionable for a further 18 months of Authorised Leave they must pay both their own element of the pension contributions and the Employers element.

Members must make arrangements with their employer to pay contributions during a period of authorised leave prior to the start date of that period of leave. Applications will not be accepted after the period of authorised leave begins.

Annual Leave / Pensionable Service

If when a member leaves pensionable employment or retires and a payment is made to the member to cover annual leave which has not been taken, that period of annual leave is treated as being pensionable service and will extend a members leaving date.

For example, John retires from HSC Pensionable service on Monday 10th December. John had 2 days annual leave which he did not use up to his retirement date. John's employer paid him for the 2 days annual leave. John's actual last day of service for pension purposes is now Wednesday 12th December and his pension is payable from Thursday 13th



Member Self Service

The Member Self Service website is now available and can be accessed by going to the following link: <https://mypension.hscni.net/>

The portal can only be accessed from a computer which is **linked to the secure HSC network**. When requesting an activation key it is **essential** that you use your work email address so that it matches the pension's database and your activation key will then be emailed by return.

If you did not receive an activation key previously, you can request an activation key by completing the form which can be found in the following link and click the Sign Up button: <https://mypension.hscni.net/home/registration/sign-up.html>

Your activation key will be sent to the email address held on record. If no email address is held on your record, the activation key will be sent to you by post.

Instructional videos regarding accessing your Member Self Service account can be viewed from our website – [Quick Links- Member Self Service](#)



Pension Application Process

If you are considering Normal Age Retirement or Voluntary Early Retirement in the near future HSC Pension Service would encourage you to start the process at least 4 months in advance of your proposed retirement date. This is to ensure that all documentation has been completed and received by the relevant parties in order to calculate and pay your benefits on time. You may wish to attend a pre-retirement seminar which are organised through your employer. You may also wish to visit the calculators section of the scheme website www.hscpensions.net to check options relating to increasing your lump sum and read the relevant scheme/retirement guides.

As part of the application process there are a number of steps that must be completed by you, the member, your line manager, Human Resources and Payroll Shared Services to ensure the accurate and timely payment of your benefits.

- You must agree a termination date with your employer/line manager
- You should download the AW6 Pension Benefits Application Form which is available from the "scheme forms" section on our website or alternatively request one from your Employer/HR Team
- You should complete the relevant sections of the AW6 Pension Benefits Application Form and forward it to your Employer/HR Department along with your birth certificate
- You should contact your Employer/HR Team for instructions on any further actions required.

What happens next?

Payroll Shared Services send the AW6 form to HSC Pension Service.

Applications are accepted and administered in date order of receipt by HSC Pension Service.

On the provision that we receive a completed application HSC Pension Service will endeavour:

- To pay your lump sum, if applicable, as soon as possible after your retirement date following all authorisations required by HSC Pension Service in line with our policies and procedures.
- Pay your pension at the end of the month following retirement
- Notify you in writing of your pension benefits at least one week after we have completed the calculation of your pension benefits

Please be advised that if HSC Pension requires additional information from you, your employer or Payroll Shared Services, there may be a delay to your benefits being paid.



Pension Band Review

The Pension Band Review (PBR) is an exercise carried out each year by Payroll Shared Services to ensure that members of the HSC Pension Scheme are paying the correct percentage rate of pension contributions as determined by the Scheme Regulations.

Generally a member's percentage contribution rate is based on the whole time equivalent pensionable pay that member received in the previous scheme year, i.e. April to March. Following the assessment of the member's pensionable pay received the correct percentage contribution rate will be applied from 01st April.

There are however, some exceptions to this rule, for example, if a member received a promotion during the previous Scheme year and their pensionable pay increased mid-year, a different formula is used to calculate their tiered contribution rate. Further information on the Tiered Percentage Contribution Rates can be found on the HSC Pension Scheme Website at <http://www.hscpensions.hscni.net/membership-contributions-and-pay/>

In addition to the PBR, if during a scheme year a pay award is made to staff, and as such is backdated to the previous April (as will happen in February 2019), Payroll Shared Services must review the impact this will have on a members pensionable pay and if necessary amend the members percentage contribution rate accordingly from the implementation date of the pay increase. This may result in some members having underpaid pension scheme contributions from the implementation date of the pay increase if the pay award increases their pensionable

Added Years / Additional Pension or ERRBO Contracts

If a member has taken out an Added Years, Additional Pension or ERRBO contract to increase the value of their HSC Pension Benefits on retirement, it is that member's responsibility to ensure that the additional contributions they pay in respect of any of the above contracts continue to be paid if they move to another HSC employer.

If a member starts a new job with a new employer or changes jobs with their current employer which results in a change of staff/payroll number, it is essential that that member completes a [New Joiner Questionnaire](http://www.hscpensions.hscni.net/joining-the-scheme-2/) which can be found on the HSC Pension Scheme website at: <http://www.hscpensions.hscni.net/joining-the-scheme-2/>

Failure to ensure the continuity of payment of contributions will result in a build-up of arrears which will need to be paid with immediate effect or result in the termination of the contract.

Scheme Information/Factsheets/Guidance Documents and Scheme Calculators

Members should be aware of the vast array of information available on the [HSC Pension Scheme website](#). The website provides factsheets and guides to all aspects of the scheme including how members can increase their benefits at retirement, options for retirement, benefits payable to your family in the event of your death etc.

The website also provides you with online calculators which allow you to forecast the potential benefits you may receive on retirement. You will also find the link to the Member Self Service Portal which gives you access to your own personal HSC Pension Scheme record and lets you view your Annual Benefit Statement.



Part Time Working FAQ's

If you work part time you will receive a pension based on the hours that you work and the pension contributions paid from those part time hours.

HSC Pensions have put together some questions and answers for those members who may want to reduce their working hours and explain how it may affect their pension:

Q. How is part time membership scaled to its whole time equivalent membership length in the 1995 and 2008 sections of the scheme?

A. As a general rule, the total hours worked per week of part time membership are divided by the standard hours and multiplied by 7 to give the days of service accrued.

Q. Do you use the member's actual part time pay when calculating benefits?

A. HSC Pension Service will use the member's notional whole time pay when calculating benefits for part time members in final salary linked schemes i.e. 1995 and 2008 schemes.

The 2015 CARE Scheme is a defined benefit Career Average Revalued Earnings pension scheme which guarantees a certain level of benefit at retirement. Benefits are calculated on an annual basis using **actual** pensionable pay throughout the member's HSC career. Benefits earned each year are revalued by 1.5% + CPI (Consumer Price Index)

Q. Can a part time member pay pension contributions on extra hours worked over their part time hours?

A. A part time member can pay contributions extra hours worked up to the standard whole time equivalent weekly hours for the grade, providing those hours are paid at the normal rate for the job. Any hours worked above the standard whole time equivalent weekly hours are classed as overtime and are therefore non-pensionable.

Members should attend the HSC Pension Service workshops organised by your employer to better understand the rules of the scheme and how your benefits are calculated.

Estimate of Benefits

Any member **within 5 years** of their normal retirement age can request one estimate of benefits statement per year, free of charge. More than one request of an estimate per year will cost the member £30 per estimate - administration charge.

Members requesting an Estimate must now complete the [Member Request for Pension Estimate Form](#) from the HSC website, which should then be forwarded to the Payroll Shared Services Centre at;

PSSC

16 College St

Belfast

BT1 6BT

Or email form to; payroll.ssc@hscni.net





Contact Us:

By writing to us at:-

HSC Pension Service
Waterside House
75 Duke Street
Londonderry
BT47 6FP



E-mail hscpensions@hscni.net

www.hscpensions.hscni.net/

028 7131 9111

9.00am to 5.00pm – Monday to Thursday;

9.00am to 12.00pm Friday



Follow us on Twitter @hscpensions

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

