

EMPLOYER

TECHNICAL UPDATE

HSC Pension Service

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1. Protection of Pay

Unsocial hours payments

HSC Pension Service understands that ancillary staff, healthcare maintenance staff and administrative and clerical staff in Agenda for Change (AfC) pay bands 2,3,4 and 5 have had their enhancement for unsocial hours reduced. This has been phased in from 1 April 2008 and transitional rates applied as detailed in Table 20 of Annex X of the NHS terms and conditions of service handbook. From 1 April 2011 the enhancement should be the same as for other AfC staff as in Section 2, Table 2 of the handbook.

Where pensionable pay has reduced it has been agreed that pay protection can apply up to 31 March 2011.

Action for employers

Some of these members may already have been marking time from 1 April 2006, as a result of being assimilated to AfC pay grades, with pay reducing from 1 April 2011. Therefore these members would come under the previous AFC protection arrangements.

For those who do not come under the previous arrangements employers should provide us with the following information through the spreadsheet(s) that can be found as an appendix to this newsletter. [Appendix A](#)

Name
National Insurance Number
WT or part-time
Actual pensionable pay
Notional Whole Time Pensionable Pay
Preservation Date
Period used

For members of the 1995 section you should provide the best of the last three years pay up to the date of the reduction.

For members of the 2008 section you should provide the pay from 1 April in the year of the reduction up to the date of the reduction.

Please remember:

- A member must have at least two years qualifying service to be able to protect their pension benefits
- Remember to account for any disallowed days in the TPP period.

The spreadsheet will need to be saved on your local drive, **password protected** and then returned to hscpensions@hscni.net

Please ensure that you choose a strong password that has the following characteristics:

- Contains both upper and lower case characters
- Has digits and punctuation characters as well as letters
- Is at least eight alphanumeric characters long
- Is not words in any language, slang, dialect, jargon etc.
- Is not based on personal information, names of family, etc.

If in any doubt, please refer to your own policy or guidelines on protection of data.

As employers will be able to identify members whose pensionable pay will reduce in these circumstances employers should issue the Protection of Pay – Unsocial Hours Payment letter to confirm that members pension benefits will be protected at 31 March 2011. This letter can be found as an appendix to this newsletter. [Appendix A](#)

Recruitment and Retention Premia (RRP)

Under AfC, RRP could be awarded nationally or locally and be either long-term or short-term premia:

- Short-term premia are not pensionable and do not count for purposes of overtime, unsocial hours payments or any other payments linked to basic pay.
- Long-term premia are pensionable and do count for the purposes of any payments linked to the basic pay.

A review of all existing National Recruitment and Retention Premia (NRRP) found that all existing NRRP should cease after 31 March 2011 or be converted to a local RRP where appropriate. Annex R of the AfC terms and conditions of service handbook refers.

Transitional arrangements were agreed so that NRRP currently in payment are protected for a transitional period of two years as follows:

- Year one: 100% of payment at current value;
- Year two: 50% of the payment at current value.

All payments cease on 1 April 2013, subject to the outcome of a Staff Council review demonstrating evidence to support continuation of a NRRP

Where pensionable pay reduces as a result of the cessation of NRRP pay protection can apply up to 31 March 2013 for these members.

As pension benefits, including benefits preserved on a higher rate of pensionable pay, are based on the best of the last three years pensionable pay in the 1995 section and the reckonable pay, the annual average of the best 3 in 10 in the 2008 section, protection is not required until 31 March 2013.

The best of the last three years pensionable pay up to 31 March 2013 in the 1995 section will therefore need to be quoted when providing pensionable pay details.

HSC Pension Service will check the reckonable pay figure for 2008 section members.

Future Action for employers

Subject to the review, employers will be required to notify HSC Pension Service of these members once pensionable pay has reduced.

The spreadsheet(s) to use for these preservations and the Pension Protection – long Term Recruitment and Retention Premia letter can be found as appendices to this newsletter.

[Appendix A](#)

It should be noted that the letter and spreadsheet for long term recruitment and retention premia is for future use and should not be issued until pay is protected in 2013.

2. Pension Tax Changes Q&A

To: All those responsible for dealing with pensions issues, HR Managers, Payroll providers

[Appendix B](#) to this newsletter provides further information about the changes that includes Questions and Answers for you to issue to all members of the HSC Pension Scheme.

Action: The Questions and Answers document (Appendix B) should be issued to all HSC Pension Scheme members as soon as possible. This can be issued electronically or as a hard copy.

Important Information

Please note that HSC Pension Service will no longer accept SD502 Opt out forms, on or after the 31st March 2012.. These forms must be held locally by all HSC Employers.

Distribution List:

The Chief Executive of the HSC Board & HSC Trusts
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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