



EMPLOYER TECHNICAL UPDATE

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1. GP Annual Certificates of Pensionable Profit for 2009/10 & 2010/11

On 26/10/2012, a letter was issued to all GP's detailing how all annual certificates would be processed; however, a summary of the agreed points are listed below. If you wish to receive a copy of the letter issued please contact John Coyle at john.coyle@hscni.net or call 028 71319111.

Summary Information

1. HSC Pensions Staff will amend all 2009/10 & 2010/11 certificates already submitted and supply GP's with statements for agreement and sign off.
2. GP's who have already submitted a certificate using the fraction 100/113.3 at boxes 33/34 can submit a new certificate using the fraction 100/107 if they so wish.
3. The certificate must record Employers Superannuation Contributions liability as 13.3% but GP's will be liable for paying 7% Employers Superannuation Contributions
4. The balance of Employer's Superannuation Contributions will be settled between the HSCB and HSC Pensions Branch
5. Any refunds of contributions due will be made as soon as possible after the GP has signed off their statement.

Please forward all outstanding 2009/10 & 2010/11 Certificates to HSC Pension Service, Waterside House, 75 Duke Street, Londonderry, BT47 6FP as soon as possible.

2. 2011/2012 Annual Certificate of Pensionable Profit

We aim to have the 2011/12 Annual Certificate uploaded to the Scheme Website in the next few weeks. An e-mail will be issued to all GP Practices and Accountants currently held on our mailing list when the Certificate is available.

Please inform HSC Pension Service if you wish to be included in our mailing list. Details should be forwarded to Trudy Harkness by emailing: trudy.harkness@hscni.net.

3. Abatements

HSC Pension Service has recently reviewed its procedures with regards to the Abatement process and the request for pensioner re-employment earnings.

Under the new process, an electronic worksheet will be sent to a senior Salaries and Wages Officer within each Trust. This will list all re-employed pensioners that are subject to abatement within that trust. Relevant information should be provided via the worksheet and returned electronically to HSC Pension Service within 10 working days.

4. The effects of Auto-Enrolment on Enhanced and Fixed Protection

With the introduction of the Lifetime Allowance (LTA) HM Revenue & Customs (HMRC) also brought in a number of measures that allowed the protection of existing pension provision, including Enhanced and Fixed Protection. However, both of these types of protection can be lost in certain circumstances.

HMRC have published information on their website about Enhanced and Fixed Protection (<http://www.hmrc.gov.uk/manuals/rpsmmanual/index.htm>) in general as well as specific circumstances in which they can be lost. The loss of Enhanced Protection is covered in [RPSM03104065](#), whilst the loss of Fixed Protection is covered in [RPSM11101530](#).

The following link contains information that represents HSC Pension Services' current understanding of the legislation and the possible effects of the (re)commencement of pension contributions

[Joining or rejoining a pension scheme because of Auto Enrolment and its effects on Enhanced or Fixed Protection](#)

5. Salary Sacrifice Scheme

At the most recent Employers' Forum, queries were raised regarding the salary sacrifice scheme and we can now advise the following:

A salary sacrifice scheme permits an employee to give up part of the 'cash benefit' due under his or her contract of employment, usually in return for some form of 'non-cash benefit', typically childcare vouchers or home computers. The sacrifice is achieved by varying the employee's terms and conditions of employment relating to pay and results in savings on national insurance contributions and income tax. Employers are reminded that the value of the non-cash benefit is not pensionable in the Scheme. Employers offering 'salary sacrifice schemes' are advised to ensure that employees are made aware that their Scheme contributions will only be based on the reduced salary. This means that benefits (including those payable following death in service) may be significantly reduced if claimed during a period when salary is sacrificed or within twelve months of the resumption of full cash pay.

6. Partner Nomination

It is important that a retiree applying for pension benefits, informs us of their current status and supplies details of their spouse or civil partner, if they have one. This information is used in the event of the death of the pensioner and informs us if there are any survivor's benefits payable if they die before their spouse or civil partner. Having these details will speed up the payment of any survivor's benefits due and will also put less strain on their dependents at that time.

We have recently updated our [Pension Application form AW6](#) (November 2012) advising members that if they have scheme membership on or after 1 April 2008 they may be able to nominate their partner to receive a survivor pension after their death by completing the form PN1. Further guidance notes on the PN1 form are available on our website.

7. Changes to Collection of GP Practice Staff Contributions

HSC Pension Scheme Regulations direct that contributions must be paid to the Department not later than the 19th day of the month following the month in which the earnings are paid. To ensure that contributions from GP Practice Staff are collected on a timely basis, the current practice is under review. It will be replaced with a Payment on Account (POA) style arrangement similar to the one currently operated for Principal GP's.

The POA arrangement for GP Practice Staff for 2013/14 is as follows:

1. March 2013. Practice Manager submits a form detailing staff names, estimated annual pensionable remuneration, contributions etc.
2. HSC Pension Service checks and calculates the total contributions due from the practice on an annual basis and pro rata for monthly contributions due.
3. 19th day of each month, HSC Pension Service deduct agreed monthly amount from Practice Account.
4. April 2014. Practice Manager completes and forwards electronic 55A detailing staff names, actual annual pensionable remuneration, contributions etc.
5. April/May 2014 HSC Pension Service reconciles contributions paid against actual contributions due and makes refund/request underpayment as appropriate.

The process is currently being finalised and we will notify all practices in due course.

8. Auto-Enrolment

At the last Employers' forum, following much discussion around the subject of Pension Reform, Martin Bradley made a commitment to provide guidance and assistance to all employers with specific regard to their Auto Enrolment duties. Representatives from HSC Pension Service attended the recent event organised by the Pensions Regulator and are happy to share our understanding of the extent of your duties with regard to auto enrolment.

We will be hosting a session in the Conference room, Waterside House on 19 November. There will be a slideshow followed by some time for questions. Please advise us if you wish to attend this event contact Cathy Harron by emailing: cathy.harron@hscni.net as soon as possible.

This will also be an opportunity for you to network and share your ideas with other employers in the same position as yourself.

9. Reminder - Use of Website forms

A list of current forms is available on our website under '[scheme forms](#)'. Employers should refer to the website as this hold the most up-to-date forms and any older forms that employers hold should not be used. We have recently added a number of frequently used forms to the website such as requests for estimates and a new version of the AW6 application form.

Recent Website Updates:

- [Employers' Factsheets](#): Call up of Reservists
Reduced Lifetime Allowance: How it affects members with
Enhanced Protection, Primary Protection and Protected Lump Sum
[Employer's FAQs](#): Tiered Pension Contributions FAQs (Updated version)
[Scheme Forms](#): Employer Request for Illustration of Pension Benefits

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Dental Practitioners;
Out of Hours Providers;
Directional Bodies; and Staff Representative Bodies.

How to 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 Fax:- 028 71 319144

By Telephone: 028 7131 9111

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

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