

HSC Pension Scheme

Member Contribution Increases 2014/2015 (Year three of three)

Important Information

It is important that you are aware of the information contained in this leaflet even if you are not currently a member of the HSC Pension Scheme as it contains details of further revised contribution rates for Scheme members as outlined last year. These proposals will, subject to normal legislative processes and approval, become effective for the Scheme year 1 April 2014 to 31 March 2015.

Please note that the contribution rates shown in this leaflet may be subject to change following consultation. The table shown in this leaflet may be adjusted for those new to post from April 2014 to reflect any pay uplift that is applied. In the event of any change, you will be informed by your employer and details will be published on the HSC Pensions website at: www.hscpensions.hscni.net

In most cases, employers still pay the majority of the cost of your pension. Employers currently pay 13.3% of a member's pensionable pay in the form of scheme contributions.

2014/2015 Member Contribution Rates before tax relief (gross)

Annual pensionable pay (full time equivalent)	Contribution rate (before tax relief) 2013/14 (gross)	Contribution rate (before tax relief) 2014/15 (gross)	Gross rise in contribution rate (percentage points)
Up to £15,431.99	5.0%	5.0%	0
£15,432.00 to £21,387.99	5.3%	5.6%	0.3
£21,388.00 to £26,823.99	6.8%	7.1%	0.3
£26,824.00 to £49,472.99	9.0%	9.3%	0.3
£49,473.00 to £70,630.99	11.3%	12.5%	1.2
£70,631.00 to £111,376.99	12.3%	13.5%	1.2
£111,377.00 and over	13.3%	14.5%	1.2

2014/2015 Member Contribution Rates after tax relief (net)

HSC Pension Scheme employee contributions are deducted from gross pay before income tax. Therefore, they normally benefit from significant tax relief so the actual cost to a member is less than the headline figures shown. This is shown in the table below:

Full-time pay	2013/14	2014/15		
	Contribution rate after tax relief (net)	Contribution rate net of tax relief (net)	Net rise in contribution rate (percentage points)	Additional cost (£per month)
£10,000	4.00%	4.00%	0.00	0
£15,000	4.00%	4.00%	0.00	0
£20,000	4.24%	4.48%	0.24	4
£25,000	5.44%	5.68%	0.24	5
£30,000	7.20%	7.44%	0.24	6
£40,000	7.20%	7.44%	0.24	8
£60,000	6.78%	7.50%	0.72	36
£80,000	7.38%	8.10%	0.72	48
£130,000	7.98%	8.70%	0.72	78