



HSC Pension Service

Business Services Organisation

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# HSC Pension Scheme

## GP Practice Administration Guide



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## About the Guide and Contacting HSC Pension Service

This guidance is intended for General Practitioners, Practice Managers and 3rd party providers who are responsible for managing Practice Staff pension contributions and member records. The guide outlines the employer responsibilities regarding the administration of the HSC Pension Scheme for their staff.

There is more detailed information available on our website at [Employers Section](#).

*Note: The term 'Practice Staff' excludes GPs and non-GP providers*

The Scheme is open to any HSC workers within the general medical practice staff aged between 16 and 75. Membership of any HSC Pension Scheme is voluntary but if they are eligible they should automatically be enrolled and made a member from the day they start or restart in the HSC, unless they decide to opt out after joining. Members can voluntarily 'opt out' by completing form [SD502](#).

[The Scheme Guide](#) will assist you in determining which Scheme the employee can join, so you can ensure that the contributions are paid accurately and the employee is aware of the benefits of the Scheme they are enrolled into.

### Contact Us:

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Londonderry  
BT47 6FP

Telephone Number: 028 71319111

Email: [hscpensions@hscni.net](mailto:hscpensions@hscni.net)

Website: [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net)



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## The HSC Pension Scheme – An Overview

The HSC Pension Scheme (HSCPS) is administered by HSC Pension Service staff based at Waterside House.

There are 2 Schemes to the HSCPS; the 1995/2008 Scheme and the 2015 Scheme

The HSCPS 1995/2008 is a statutory occupational pension scheme where benefits at retirement are based broadly on membership and pensionable pay (reckonable pay if a member of the 2008 section) during HSC employment. Every HSC employee is a member of the HSCPS, unless they proactively opt out. The HSCPS 2015 Scheme is a statutory occupational scheme where benefits at retirement are based on Career Average Revalued Earnings (CARE),

### **Pension Scheme Registration (PSR) Number**

HPSS Superannuation Scheme NI 1995/2008 Scheme— 10000725

Health & Social Care Pension Scheme 2015 Scheme— 10276692

The HSCPS offers a range of index-linked pension benefits at retirement and life assurance cover. Employer contributions are currently 16.3% of pensionable pay. Employee contributions range from 5% to 14.5% and attract tax relief.

HSCPS benefits are paid for by the contributions made by members and employers and are underwritten and guaranteed by the Government, (i.e. Treasury). The HSCPS 'fund' is not invested in stocks or shares and is, therefore, not subject to the vagaries of the Stock Market, unlike most private pension schemes.

The terms of the Scheme are set out in statutory regulations, which can be viewed on HSC Pension Service [website](#).

### The HSCPS offers:

An annual pension and possible tax-free lump sum at retirement (lump sum mandatory only in the 1995 Section only).

Life Assurance benefits including pensions and allowances for a member's spouse, civil partner or nominated partner and dependent children in the event of the member's death.

Pension benefits are index linked to protect their value.

The normal pension age under the 1995 section of the HSC Pension Scheme is 60; under the 2008 section it is 65. The 2015 Scheme normal pension age is linked to your State Pension Age.

HSCPS members may retire voluntarily before normal pension age; however, their benefits would be actuarially reduced.

## HSC Pension Service Responsibilities

HSC Pension Service operational functions are to:

Maintain records of HSCPS members and pensioners

Award pension benefits

Ensure that Employing Authorities make timely and correct payments of employers' and employees' contributions and maintain and implement such information and other systems as may be necessary to fulfil these functions

Preserve benefits for early leavers

Provide an annual benefit statement to members via Member Self-Serve facility (MSS)

Pay transfer values where members move out of the HSCPS and receive payments for people transferring into the Scheme

Pay refunds of contributions

Process applications to purchase additional benefits under the Scheme

Publicise the Scheme and encourage awareness among HSC staff about the Scheme and the benefits available.

Comply with all relevant pensions' legislation including The HSCPS Regulations, The Pensions Act, The Data Protection Act, and The Occupational Pension Scheme (Disclosure of Information) Regulations.

## Employer Responsibilities

All GP Practices (that are Employing Authorities) are legally bound to administer the HSCPS locally in accordance with pension's legislation. Employing Authorities are obliged to offer the HSCPS to all of their eligible employed staff, including those who work part-time and on 'the bank'.

A GP Practice that has access to the HSCPS is legally required to:

Complete a form J2 for all joining employees (except GPs and non-GP Providers) to register them with the Scheme.

[The Scheme Guides](#) are available electronically for all scheme members, you should make your staff aware of the Guides by printing the relevant copy or by sending them a link. The guides provide a general overview of the scheme's rules and benefits for the member.

**Please note that a member has 12 months from first joining the HSCPS to request a transfer.**

## Maintain pension records

Using the GP1 monthly form record employee and employer contributions and email to [hscpensions@hscni.net](mailto:hscpensions@hscni.net) by the 6th of each month. The contributions will be collected via Direct Debit on the 18<sup>th</sup> of each month.

The GP1 form can be accessed via the HSC Pension Service website at: <http://www.hscpensions.hscni.net/gp-practice-forms/>

**Please note that different rules apply for GPs and non-GP Providers.**

**Note 1: For any queries regarding the setting up of a Direct Debit to pay over contributions or any changes that are required to existing Direct Debits please contact the Practitioner Section at HSC Pension Service.**

**Note 2: Payments for GP Providers, non-GP Providers, salaried GPs, locums and registrars should not be included on the GP1 form. See GPs and non-GP Providers Page 13**

Arrange for the deduction of employee and employer contributions in respect of all types of GPs (except freelance GP Locums) and non-GP Providers by completion of annual Payment on Account estimate form.

Countersign the relevant pension's forms as presented by freelance GP Locums.

Inform HSC Pension Service when a pensionable employee joins or leaves the scheme.

Employees who choose to opt out of the HSCPS should complete an Application to leave the Scheme which is available at: [SD502](#); GPs cannot opt out of selective GP posts.

Complete benefit claim forms such as the [AW6](#) (pension benefits application) form.

Pay the initial widows/widowers pensions in the event of death in service. (This can be claimed back from HSC Pension Service).

Provide annual information by end of May following year-end in line with current legislation which is outlined below.

**‘ Failure to remit contributions to the Scheme, complete relevant paperwork, update member pension records, or deny employees access to the Scheme constitutes a breach of the statutory HSC Pension Scheme Regulations and section 48 of the Pensions Act 1995. Section 48 of the Pensions Act 1995 and section 70 of the Pensions Act 2004 states, that HSC Pensions has a legal duty to report any ‘breaches of law’ to the Pensions Regulator.’**

There is also a legislative requirement, by HMRC, on HSC Pension Service to provide an annual allowance statement to members who exceed the annual allowance threshold and where a tax charge may be applicable. In order to process these statements we require the information supplied on the annual GP55A.

If the required information is not supplied on time, the person responsible for giving that information to the scheme administrator can be liable to penalties, as detailed in Section 98(1) of the Taxes Management Act 1970 which clearly states;

**‘If the required information is not supplied on time the person responsible for giving that information to the scheme administrator can be liable to a penalty of up to £300 for each failure to provide the required information.**

**If the required information has still not been supplied after the initial penalty has been raised further penalties can be raised. These further penalties are up to £60 for each day that the requested information has not been provided.'**

If the relevant GP55A is not submitted by 31st May each year, we will have no option but to inform the HMRC of your non-compliance and they will then impose the above fines in line with Section 98(1) of the Taxes Management Act 1970.

## GP Practice Staff

### Scheme Membership

All eligible staff should be enrolled into the HSCPS on the first day of their employment. They are afforded 'Practice Staff' HSCPS rights. They also have the freedom to opt out but should be re-enrolled after a certain length of time as part of the GP Practice Auto Enrolment responsibilities. GP Practices have a duty to make their staff aware of their pension rights. Anyone seeking advice should be referred to an independent financial advisor.

**The relevant joiner form for 'Practice Staff' is the [J2 form](#); this must not be used for GPs or non-GP Providers.**

If a new member joins/transfers to the practice or auto-enrolment applies, the Practice Manager is responsible for completing a [J2 Form](#) (Scheme Joining form)

Please be aware that the 'Date started Current Pensionable employment' on the [J2 Form](#) refers to the date the member started contributing to the pension scheme **within your practice**, regardless of any previous or on-going pensionable membership they may have with another practice or trust.

If the joining member of your practice is part-time you need to confirm how many hours per week they work as a fraction over their whole-time equivalent hours.

For example, if an employee joined your practice on a contract of 18 hours per week and the full time contract was 37.5 hours per week, this would be expressed as 18.00/37.50.

Please be aware that it is possible for a member to hold two or more pensionable employments at the same time within various practices/trusts. These combined posts can be pensionable up to the whole time equivalent hours. We would ask that all practice managers monitor pensionable hours and liaise with members who hold part time pensionable positions with more than one employer.

Whole time equivalent salary is the amount an employee would earn if they worked full-time. So if an employee works 18 hours per week, the amount that they would earn if on a fulltime contract must be recorded.

Please ensure that all forms are signed and stamped by an authorised signatory and stamped with the practice authority stamp.

The completed forms can be scanned and emailed to us at [hscpensions@hscni.net](mailto:hscpensions@hscni.net) or alternatively can be sent by post.

If an employee does not wish to join the HSCPS they must formally opt out using form [SD502](#).

## Auto-Enrolment

Please be aware that it is the Pension Regulator who governs auto-enrolment.

If a new member joins/transfers to your GP Practice (regardless if they have previous membership with another practice or trust) or auto-enrolment applies, the Practice Manager is responsible for completing a [J2 Form](#) (Scheme Joining form) – but only forward same at the end of the ‘opt out period’. If the practice manager is unsure what scheme the member should be in they can refer to [Pension Reform Tapered Protection Calculator 1995/2008 Section or](#) contact the team here in HSC Pension Service for advice, contact - 02871 319111 – option 3.

Should the member wish to opt out of the scheme within the ‘opt out period’ then the member of staff must complete a [SD502](#) form - Application to leave the Scheme. The [SD502](#) form is retained at the GP Practice along with the J2 form as evidence that the member opted out. If a [J2 Form](#) is received in the HSC Pension Service a record will be created and a Termination of Scheme Notice form will be needed to end their service.

If contributions have been deducted and recorded through the GP1 Process within the ‘opt out period’ then the contributions can, through the GP1 process, be refunded to the practice by way of a negative line for each employee on your next GP1 submission.

If a member wishes to opt out of the scheme after the ‘opt out period’ the Practice Manager must complete a [Termination of Scheme Membership Notice](#). If the member has less than 2 years service they may wish to consider a transfer of pension benefits or apply for a Refund of Contributions [REF-\(1\)](#)

### **Pension Scheme Registration (PSR) Number**

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## Casual employments

Employers should be aware of the rules surrounding scheme membership for casual employees.

The pensionable start date of any bank post is the first day the member actually performs any duties and paid contributions, not the date they joined the bank.

A casual employee’s pension record may remain open, even if they do not work for up to a period of three months, as long as they remain ‘on contract’ of the employer and return to pensionable work within three months. This is an administration easement and during this three month period the member will earn qualifying membership.

If the break exceeds three months, the pensionable employment must be closed down on the last day they actually worked. A Termination of Scheme Notice should be submitted and if the member re-joins the scheme a new starter record should be set up by submitting a [J2 form](#).



## Leavers/Termination of Scheme Membership (T55A's)

There are a number of scenarios that would result in a Practice Manager having to complete a Termination of Scheme Membership Notice.

This form must be completed and sent to HSC Pension Service when:

An active member in the HSC Pension Scheme leaves your practice

An active member in the HSC Pension Scheme decides to opt out.

An active member in the HSC Pension Scheme is retiring from your practice.

Please see link to the [Termination of Scheme Notice](#).

We are frequently asked for guidance on how to complete the Termination of Scheme Membership notice form. Please see below explanations for completion of relevant fields.

**Number 8.** Start date of current period of superannuable employment within Pay Office. This is the date the employee started paying contributions from their salary. Please note some members opt out of paying contributions, so this date will not necessarily be their first day of employment within the practice.

**Number 9.** Last deemed day of Superannuable Service. This is the date the employee ceased to pay contribution's i.e. opt out, retired, leaver.

**Number 11.** Rate of employee contribution. This is the rate of contribution the employee pays towards the scheme.

**Number 12.** What category is the member currently serving in Most GP Practice staff would fall under the "Normal Member" category. However for those Practice Nurses who meet the criteria to be awarded "Special Class", the Practice Manager must breakdown the periods in which they are deemed Special Class. See factsheet on [Special Class](#)

**Number 14.** If you have a member who is part-time, their hours must be detailed and included in table (i) and table (ii) as detailed below;

Table (i)

Contracted Hours—This should be the employees contracted hours e.g. 1 week 18.75.

Standard Hours—This is the WTE i.e. the number of hours the employee would work if they were full time. i.e. 37.5.

Start Date—This would be the date the member started working the contracted (part-time) hours.

Table (ii)

Year ended 31/03—This would be the financial year in which the member has left employment. For example if the member left in December 2016 then year end would be 31/03/2017.

Total Hours worked—This should be the actual number of pensionable hours the member worked within the financial year, i.e. April to date of leaving.

### Number 18. Certification

This must be signed by an authorised signatory and also stamped with the practice authority stamp.

## Monthly Return

A monthly [GP1 form](#) is required to inform HSC Pension Service of your monthly employee and employer contributions. Practice managers must ensure that appropriate contribution rates are applied. The current contribution rates are available at [2015/16 Tiered Contributions](#). On completion, the [GP1 form](#) should be emailed to: [hscpensions@hscni.net](mailto:hscpensions@hscni.net). New employees should be included in the GP1—this form can be edited to capture the start date and all other information. Attach a J2 to correspond with all new entries on the GP1. Likewise, if an employee leaves your employment please submit a T55A —Termination of Scheme Membership.

When completing the GP1 please ensure that:

Practice Manager/ Local Scheme Administrator name and contact e-mail addresses are included. Please note accountant's contact information is not accepted in this field.

The "Month Payment Relates to:" box is completed which states the relevant month the contributions are for. We often find that this has not been updated from the previous month, and due to audit requirements we are unable to accept the GP1 form. This creates a request for revision and resubmission to the practice manager.

The Employer and Employee contributions are included in correct boxes. Again we often find that these two columns are mixed up which again needs to be corrected by the practice before the form can be processed.

If the GP Practice changes bank account, please forward us a [new Direct Debit mandate](#) form. An original copy is required which we will then forward onto your bank, once the new details have been recorded.

**Please note that Salaried/Locum GP returns should be submitted separately do not include these on your GP1s.**

If a member of Staff goes on Long Term Sick or Maternity Leave or there is a promotion etc. can you forward an email to HSC Pensions confirming the change.

**Please ensure that the submission date detailed in Section 8 is adhered to each month. Any GP1 received late will be subject to a £75 Late Payment Fee.**

Please also ensure that you check your bank account after the Direct Debit payment each month to ensure that payment has been collected. If for any reason the transaction did not complete then please contact HSC Pension Service to make a subsequent payment. Contributions will then be made via Direct Debit from your bank account on the dates detailed in section 8 of this GP Staff Newsletter.

A confirmation email will be sent to each Practice on the Direct Debit payment each month – to advise that the Direct Debit has been called for and that payment should be taken a few days later from your bank account. If you do not receive this confirmation email then please contact HSC Pensions to ensure we hold the correct email address.

Pensionable pay excludes overtime (in excess of the whole-time working week), expenses, and bonuses.

***GP Practices must take note of Employer Technical Updates and should refer to HSC Pension Service website (the 'Employers' section) on a regular basis for updated guidance on tiered contributions.***

## Annual Returns

*The following instructions do not apply to GPs or non-GP Providers.*

Every year each GP Practice must:

Submit an annual return (by submission of an electronic [GP55A](#) form) by the 31<sup>st</sup> of May following the end of the financial year.

The GP55A must include the following information:

A record of part-time hours if the member is on a part-time (pt) contract.

A record of any changes during the period; i.e. pt to whole time (wt) or vice-versa. A record of main (and any additional) Scheme contributions.

Pensionable pay.

Maternity pay should be deemed up to the members normal earnings. When a Practice Staff member goes on maternity (or paternity) leave and intends to return to work they can pension the whole period of leave. The tiered employee contribution rate should not change as it is based on the **unreduced** pay and in the case of Practice Staff based on the previous year. However, the member only pays contributions based on their actual (**reduced**) pensionable pay. In all cases the employer contributions are based on the actual pensionable pay before any reduction. **Please note this on the GP55A.**

Any periods of unpaid leave i.e. maternity/sick leave/term-time should be recorded under the service break heading on the GP55A.

There is no minimum number of hours that can be pensionable in the HSCPS. The maximum numbers of hours that can be pensionable are the normal (standard) whole-time hours for the relevant job. If a part-timer works additional hours they are pensionable up to the standard whole-time equivalent working week.

If an employee has 2 or more posts that together will exceed the whole-time hours, the aggregated hours in excess of whole-time are not pensionable. Where there are 2 or more post the member should confirm which post should be reduced.

There are variations to the 55A form as follows:

Termination of Scheme Notice to be used when the member retires, leaves employment, or opts out.

An e-mail from a designated officer (i.e. practice manager) can be used for updating personal details; i.e. a change of address.

For any changes to the original GP55A submission, a revised GP55A should be completed and forwarded. This is an audit requirement.

AW171; to be used when pensionable pay, hours, or contributions have changed after pension benefits have been awarded.

## Contributions and Pay

The 2015/16 to 2018/19 tiered employee contributions rules for Practice Staff are outlined in and [Contributions Factsheet](#) available on our website.

The tiered employee contribution rate for Practice Staff is based on their whole time equivalent pensionable pay from the previous year; i.e. 2018/19 contributions will be based on 2017/18 whole time equivalent pensionable pay.

Employer contributions are currently 16.3% of pensionable pay.

## Additional Pension (AP)

The amount of benefits at retirement can be increased if the member pays extra contributions. It allows members to choose to buy extra annual pension and see clearly how much the purchase will cost. Under this option members can elect to buy a set amount of annual pension for an agreed amount of contributions that you can choose to pay either as a lump sum or as a regular payment for an agreed period of time. Further information on AP is available at <http://www.hscpensions.hscni.net/increasing-your-benefits/>.

## Added Years

Members of the 1995 section of the scheme who took out, or elected to take out an added year's contract before 1<sup>st</sup> April 2008 can continue their contract and take these benefits at age 60. Added years contracts are not a feature of the 2008 Section or 2015 Scheme.

## Retirement & applying for benefits

When a member wishes to retire you should advise them to complete form [AW6](#) and return to you for completion. The form should be forwarded to HSC Pension Service 3 months prior to the intended retirement date. This allows time for HSC Pension staff to carry out a review of the file and ensure that benefits are paid on time. If any additional posts are held e.g. HSCB, Trust an AW6 must be completed for each employment and sent to the relevant employer.

A Guide for [Pensioners and their Dependants](#) gives the member information regarding the benefits payable on retirement from the HSC Pension Scheme.

Should you need to make a change to an employee pensionable pay after they have retired, an [AW171](#) should be completed.

Pension scheme forms can be found on our website at:

[Scheme Forms – HSC Pension Service](#)

## Final Pay Controls and Employer Charge

Final pay control is applicable ONLY to all members of the 1995 Section (or transitional CARE members with 1995 service who retain their Final salary link) of the HSC Pension Scheme who retire with entitlement to officer benefits. This includes non-GP providers and independent healthcare provider employees.

If a member receives an increase to pensionable pay that exceeds the allowable amount in any of the three years prior to their last day of service, the employing authority that awarded the excess pay will be liable for a final pay control charge.

Further information and worked examples are available on our website at [Final Pay Controls and Employer Charge Factsheet](#)

## Annual Benefit Statements – (ABS)

Annual Benefit Statements (ABS) are available to all members via Member Self Service (MSS). When the data from the GP55As for year-end has been received and verified we will process the current year ABS.

Members with access to a secure network (access to the computer at Practice or Trust) should register for the Member Self Service (MSS) facility so that they can access their ABS. Please see the instructional videos on our website [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) to assist with setting up accounts for MSS facility.

## Estimate of Benefits

As the ABS are now available to all members estimate of pension benefits will only be processed for 1995 Scheme members that are within 5 years of their Normal Pension Age (NPA).

VER (voluntary early retirement) estimates can be processed for all members if they have reached their minimum retirement age.

Ill Health estimates can be processed for all members.

Practice Managers should complete a [Request for Estimate of Benefits](#) form available on our website.

## Death in Service

If an employee dies in service, and is a member of the HSCPS, HSC Pension Service must be contacted immediately.

## GPs and non-GP Providers

### Scheme Membership

The general rule is that the Practice is the HSCPS Employing Authority for all types of GPs and for non-GP Providers. This includes Salaried GPs employed by a GP Practice. A GP Practice must ensure that every GP (except GP Locums) joins the HSCPS (unless they proactively opt out).

GPs are afforded 'Practitioner' status in HSCPS terms; there are four types.

**GP Providers:** GP shareholders, GP partners, and single-handed GPs are Principal Medical Practitioners in HSC pension terms. They must pension all of their GP pensionable income, unless they opt out of the HSCPS. Principal Medical Practitioners cannot opt out of pensioning certain GP work; it is all or nothing. GPs are responsible for the submission of an SS14 (Practitioner) joiner form to HSC Pension Service.

**Salaried GPs:** A salaried GP (or long-term fee based GP) working at a Practice/Centre (that is an EA) is regarded as an Assistant Medical Practitioner. Every Practice/Centre must inform HSC Pension Service of their salaried/sessional GPs so HSC Pension Service can set up a (Assistant Practitioner) pension record. Practices/Centers should email: [professional.supportteam@hscni.net](mailto:professional.supportteam@hscni.net) so that the GP can be added to the FPPS (Family Practitioner Payment System). Salaried GPs should complete form SS14 joiner form and forward to HSC Pension Service. Form SR1 should be submitted to HSC Pension Service for any new Salaried/Sessional GP's to ensure pension records are created. Form SR2 should be submitted to HSC Pension Service within two months of year-end; i.e. no later than the 31st of May to maintain an accurate pension record for Salaried/Sessional GP's. SR2s should be submitted in year if the salaried GP leaves the Practice/Centre in year. HSC Pension Service will only refund the employer's element of overpaid contributions upon receipt of the SR2. Employee's overpayment of contributions will be reconciled following receipt and verification of the Self-Assessment form which should be completed by all Salaried/Retainee/GP Locums

**Retainee GPs:** Retainee GP's should be treated in exactly the same way as a salaried GP for superannuation purposes.

**GP Locums:** Practitioner Section, HSC Pension Service is responsible for setting up a pension record. GP Locums should complete form SS14 joiner form and forward to HSC Pension Service. When a GP Locum presents pension forms A and B to the employing authority they should verify the entries, sign and stamp the Locum A form and return without delay to the Locum. The GP Locum has only a 10 week window in which to submit their claim for pension purposes as determined within time frames set out in Scheme Regulations

***A fee based GP working on a long-term basis (i.e. 6 months or more) is regarded as an Assistant Medical Practitioner (not a GP locum) under the HSCPS Regulations.***

## Non-GP Providers

Non-GP Providers (i.e. non-GP shareholders/partners) are afforded whole time Officer Status in HSC pension terms and must elect to pension income from just one Practice only. The relevant GP Practice will submit a J2 joiner form to HSC Pension Service. The contributions are deducted through the Payment on Account form (POA).

***Non-GP Providers who are involved in several Practices/Centres can only 'pension' income from one of them.***

## Updating Pension Records

It is the responsibility of HSC Pension Service to update pension records in respect of GPs and non-GP Providers. However, this can only be done with the co-operation of the GP Practice.

## Certificate of Pensionable Income/Profits

Since April 2004 GP Providers and non-GP Providers have been legally required to complete an annual Certificate in respect of each GMS/PMS/APMS contract they are a party to. Failure to do so may result in pensionable profit being recorded as zero.

Assistant medical Practitioners (i.e. Salaried GPs and long-term fee based GPs) must complete a self-assessment form at year-end. This is to ensure they have paid the correct rate of tiered contributions on all their GP pensionable income.

## Contributions and Pay

Before the start of the pension's year every GP Practice is legally required to inform HSC Pension Service of the estimated pensionable income of its GPs (excluding freelance GP locums) and non-GP Providers. There are specific forms for this purpose that can be downloaded at: [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) under the heading of 'GP Forms'. Payment on Account (POA) for GP Providers and SR1 for Salaried GPs.

***If a Practice/Centre does not complete this mandatory form HSC Pension Service is at liberty to collect tiered contributions at the highest rate; currently 14.5%.***

The employer and (tiered) employee contributions are top sliced by the BSO 'on account' from each Practice/Centre. The tiered contribution rate for all GPs and non-GP Providers is based on their total pensionable income in the current year. There are different arrangements for GP locums.

The pensionable income for a GP Provider is their 'profits' as declared on their annual end of year Certificates plus any HSC 'ad hoc' income. They must declare their HSC pensionable income on a separate Certificate in respect of each GMS/PMS/APMS contract (i.e. every Practice) that they are involved in. If the GP Provider is also a director, the director income must be declared on the Certificate.

The Certificate(s) must be sent in excel format as communicated by Practitioner section and returned to [gpcertificates@hscni.net](mailto:gpcertificates@hscni.net) no later than 28th February.

***Where a GP Provider is involved in several Practices/Centres they must complete a Certificate in respect of each; they cannot complete one global Certificate even if one company owns several Practices/Centers.***

The pensionable income for an assistant medical Practitioner is their basic Practice/Centre income plus any HSC 'ad hoc' income i.e. OOHs. All assistant medical Practitioners (i.e. salaried and long term fee based GPs) must, in law, complete an end of year self-assessment form to ensure that they have paid the correct rate of tiered contributions. The self-assessment form is available on HSC Pension Service website.

The pensionable income for a GP Locum is as declared on their forms A and B. Locums should complete an end of year self-assessment form to ensure that the correct rates of tiered contributions have been paid.

A non-GP Provider must declare their HSC pensionable income from the one selected Practice/Centre on the Provider Certificate and send it to HSC Pension Service. If for example, the non-GP Provider is also a director (or a nurse); the director (or nurse) income must be declared on the Certificate.

## Frequently Asked Questions

**Q. We have salaried (non-GP) staff who are already members of the HSCPS at another Practice/Centre; can I use the same EA code for pension purposes?**

*A. No. Each Practice/Centre must apply to be an Employing Authority and a new record must be set up for each individual member under the new EA code. If a person works at more than one Practice/Centre they must have more than one pensionable (part-time) post set up. Creating one whole-time pensionable post is illegal.*

**Q. We have hired the services of a GP Locum on a long-term basis; what are their HSCPS rights?**

*A. If a Practice/Centre hires a GP Locum on a short-term temporary (deputising) basis they are a GP Locum in HSC pension terms and the HSC Board pays the 16.3% employer contributions. The GP Locum must complete pension forms A and B to validate their work, which must not be more than 10 weeks old.*

*However, if the work evolves into a period of more than 6 months the GP becomes an assistant medical Practitioner in HSC pension terms as soon as the 6-month period has elapsed. If it is clear from the outset that the GP will be working on a regular basis for more than 6 months they are an assistant medical Practitioner from the outset. This means that they will be afforded the same (assistant medical practitioner) pension rights as a Salaried GP and also be covered by the HSC Injury Benefits Scheme.*

*The Practice/Centre pays the 16.3% employer contributions for assistant Practitioners.*

**Q. If the structure of the GP Practice changes (i.e. new shareholders); do we need to notify HSC Pension Service?**

*A. Yes. Whilst you may still be recognised as a GP Practice by law, it may affect your status as an Employing Authority under the statutory HSCPS Regulations.*

**Q. One of the Partners/Shareholders is a GP Provider in two or more separate Practices, do they need to complete separate Annual Certificates?**

*A. Yes. GPs must pension all their HSC GP income therefore GP Providers must complete a separate Certificate for each Practice/Centre, For example if the GP is a Provider at 6 Practices/Centres they must complete 6 Certificates.*

**Q. One of the shareholders is a not a GP, how does this affect their HSC pension?**

*A. A non-GP shareholder is known, in pension terms, as a non-GP Provider. They are afforded whole-time Officer HSCPS status regardless of the hours they work. If they are a non-GP Provider in more than one Practice/Centre (or have any other HSC posts) they must decide which post is to be their HSC pensionable post; they can only pension one.*

## Other Pension Issues

### Added Years

The option to take out a new added year's contract no longer exists however an Employing Authority must ensure that existing contracts are honoured.

Added years contributions are deducted at a fixed percentage rate from the member's pensionable salary (in addition to the mainstream contributions) from a chosen birthday until the end of the added years contract which is either their 55<sup>th</sup>, 60<sup>th</sup>, or 65<sup>th</sup> birthday. When the contract has ended the member will be credited with the amount of membership bought. New staff must be asked if they have an existing added year's contract. Many GPs have added year's contracts. If the member was previously subject to the HMRC pensionable earnings cap this may affect the level of their added year's contributions.

In some circumstances, a member may terminate their added years contract before the contract end date.



## Additional Pension

The additional pension was introduced in April 2008 and replaced added years. More information can be found at [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net)

New staff must be asked if they have existing additional pension contract so that additional contributions can continue to be deducted from salary.

## Early retirement reduction buy out (ERRBO)

The 2015 Scheme offers the facility for buying out the reduction that would apply if retirement benefits were claimed before Normal Pension Age (NPA). NPA in the 2015 Scheme is the same as the member's State Pension Age (SPA) and may rise during membership of the Scheme if SPA rises. Further information and worked examples are available at [ERRBO](#).

## Death in Service

If an employee dies in service, and is a member of the HSCPS, HSC Pension Service must be contacted immediately.

## Maternity and Paternity Pay

When a Practice Staff or a Salaried GP HSCPS member goes on maternity (or paternity) leave and intends to return to work they can pension the whole period of leave.

Their tiered employee contribution rate should not change as it is based on their **unreduced** pay and in the case of Practice Staff based on the previous year. However, they only pay contributions based on their actual (**reduced**) pensionable pay. In all cases the employer contributions are based on the actual pensionable pay before any reduction.

## For 2015 membership

If the pay is suspended the employee contributions are based on their pay immediately before pay was suspended. The contributions should be collected during the absence or immediately upon a return to work.

If a person chooses not to pay pension contributions during unpaid maternity/paternity leave, HSCPS membership ceases on the day the person last paid contributions. The employer does not pay contributions.

If a person changes their mind and decides not to return to work or decided to opt out of the HSCPS then the last date of pensionable membership will be the date contributions were last paid.

Different rules apply to GP Providers and non-GP Providers.

## Opting Out of the HSCPS

Anyone considering opting out should seek independent advice beforehand. A GP cannot opt out of selective GP posts.

## Refunds of Employee Contributions

HSCPS members, who have less than 2 years total HSCPS calendar length membership when they leave HSC employment or opt out of the Scheme with less than 2 years total HSCPS calendar length, may claim a refund of Scheme employee contributions. Only the employee contributions are refunded and they are subject to deductions for tax. Further information on applying for a refund can be found at

<http://www.hscpensions.hscni.net/refunds/>

## Sick Pay

When a Practice Staff or a Salaried GP HSCPS member is on full pay sick leave then HSCPS contributions are payable on all the sick pay.

If the member is receiving reduced or half pay sick their employee contributions are payable on the **reduced** amount. The employers 16.3% contributions are based on the members 'normal' **unreduced** pay. When the member goes on to 'no-pay' then no contributions are payable by either the member or the employer.

If there is a possibility that the employment may be terminated on health grounds the employer must inform the member of their rights to apply for the HSC Ill Health Pension. An employment being terminated on health grounds does not automatically qualify a person to the HSC ill health pension.

## In Service Ill Health Retirement Applications

In order for a member to be eligible to claim HSC Pension Benefits through In-Service Ill Health Retirement, the member **must be in HSC Pensionable Employment at the date the decision was made that they were accepted for Ill Health Retirement by HSC Pension Service.**

It is not sufficient for a member to have been in HSC Pensionable Employment at the date of the submission of the application to be eligible for claiming HSC Pension Benefits through the **In-Service Ill Health Retirement Application Process.**

If a member's contract of employment is terminated prior to HSC Pension Service making a decision on their eligibility for Ill Health Retirement, that member is no longer in HSC Pensionable Employment and therefore cannot be treated under the In-Service Ill Health Retirement Regulations. The member will be deemed to be a deferred member and such regulations will apply.

If a member's initial application is not successful and the Employing Authority subsequently terminates that member's contract of employment after the date of the decision, the member has a right of appeal. If the member is successful in their appeal their application will be backdated to the date of the initial decision for that application and be treated as an **In-Service Ill Health Retirement application.**

## Tiered Contributions

The tiered contributions rules differ depending on if the person is a Practice Staff HSCPS member or a GP (or non-GP Provider). There is more detailed information available [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net)

## Transfer of Pension Benefits

The HSC Pension Scheme allows the member to apply to transfer previous pension rights into the HSC Pension Scheme if the member wishes (subject to HMRC approval.) It is important to note that if the employee has been a member of the NHS Pension Scheme elsewhere in the UK (England/ Wales/Scotland) that the benefits will not transfer automatically to the scheme, an application must be made for a transfer.

Please note that a member **has 12 months from first joining the HSCPS to request a transfer**, providing they are not 'over age'. HSC Pension Service always recommends that the member seek independent financial advice, should they be in any doubt that a transfer is the best option for them. There is more detailed information available on HSC Pension Service website.

There are restrictions for transferring benefits out of the HSC Pension Scheme – please visit the website at [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) for further information,

**Transferring pension rights from or to HSC Pension Service is covered in detail in Transfer Guide available at [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net)**

## Unauthorised Leave

Any period of time where contributions are not paid due to unauthorised absence, such as strike days, must be recorded as disallowed days on the both the annual electronic GP55A and any Termination of Scheme Notice form.

### LEGAL OBLIGATIONS

Failure to remit contributions to the Scheme, complete relevant paperwork, update member pension records, or deny employees access to the Scheme constitutes a breach of the statutory HSC Pension Scheme Regulations and section of the Pensions Act 1995. Section 48 of the Pensions Act 1995 and section 70 of the Pensions Act 2004 states that HSC Pensions has a legal duty to report any 'breaches of law' to the Pensions Regulator. If an individual is found guilty of a 'breach of law' they may be subject to a heavy fine, imprisonment, or both.

## Useful Links

Pension Regulator - <http://www.thepensionsregulator.gov.uk/en/employers>

The Opt-out period - <http://www.thepensionsregulator.gov.uk/ opting-out.aspx>

HSC Pension Service Website - <http://www.hscpensions.hscni.net/>

GP Practice Forms - <http://www.hscpensions.hscni.net/forms/>

## Glossary

SD502	Application to Leave the Scheme
J2	Notification of Start of Pensionable Employment – Officer
SS14	Notification of Start of Pensionable Employment – Practitioner
GP1	Practice Staff Contribution Record - Monthly Electronic return
GP55A	Practice Staff end of Year return – Electronic return
55A	Termination of Scheme membership Notice
AW6	Application for Scheme Retirement Benefits
AW171	Post Award Revised Details
REF (1)	Application for a Refund of Contributions
POA	Payment on account – Estimate of pensionable earnings for Principal GPs
SR1	Estimate of pensionable earnings for Salaried/Retainee GPs
SR2	Actual pensionable earnings for Salaried/Retainee GPs
ERRBO	Early Retirement Reduction Buy Out
NPA	Normal Pension Age