



HSC Pension Service

Provided by



Business Services Organisation

EMPLOYER TECHNICAL UPDATE

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1. Foreword

This Employer Technical Update (ETU) provides information on the recent changes in legislation contained in the Coronavirus Act 2020. These changes have temporarily removed some restrictions in The HSC Pension Scheme Regulations which will permit recent retirees to return to HSC Employment immediately without the requirement to adhere to the 16 hour per week rule and to allow members who retired with Special Class Status to increase their commitment without suffering financial penalties against their pension.

The ETU also provides very timely reminders for employers on topics such as Final Pay Control and the financial implications it can have for an employer, the importance for HR Staff and Managers being aware of the rules governing Authorised Unpaid Leave and Applications for Consideration for Ill Health Retirement and the associated risks for Scheme members if processes are not followed correctly.

The impact of Covid19 on the level of service provided by HSC Pension Service is also addressed in the ETU. Whilst we will strive to maintain business as usual, our stakeholders may find some disruption to our service and we will endeavour to keep this to a minimum.

2. COVID 19 - Impact on Services

HSC Pension Service understands that the current situation around COVID 19 continues to cause significant concern and uncertainty and would like to reassure all Scheme Members, Employers and other interested parties that at HSC Pension Service we have taken, and continue to take, a number of proactive steps to ensure that we support you during these difficult times.

Our efforts will ensure that in the days and weeks ahead we can prioritise retirement applications, receipt of notifications of bereavements and the processing of pensions payment to our members. As a result, you may notice some disruption to our other services, but we will do our very best to limit this.

It is vital that HSC Pension Service manages resources to keep the phone lines open as much as possible for those in need who can't get help with their situation online. That's proving especially difficult at the moment, with so many of our colleagues working from home and would ask that Members/Employers only call if it is essential and information can't be found on our website.

The role of the Pension Liaison Team in providing support, guidance and assistance for employers regarding any HSC Pension Service issues will remain in place and staff can be contacted via e-mail at erin.mcnamara@hscni.net or john.coyle@hscni.net.

Action for Employers: Inform key personnel in HR/Finance of lines of communication



3. Coronavirus Act 2020 - Change to Pension Legislation

Following the introduction of the Coronavirus Act 2020 a number of temporary adjustments have been made to the HSC Pension Scheme Regulations. These adjustments are listed and summarised below.

- Omission of Regulation 84 of The Health and Personal Social Services (Superannuation) Regulations (Northern Ireland) 1995 and equivalent in 2008 & 2015 Schemes

The omission of this regulation broadly means that the rule restricting recent retirees from working any more than 16 hours per week in HSC Employment in the first month following their retirement is no longer applicable.

- Amendment of Regulation 85 of The Health and Personal Social Services (Superannuation) Regulations (Northern Ireland) 1995

The amendment of this regulation broadly means that members of the HSC Pension Scheme who retired whilst holding Special Class Status will temporarily have the restriction on their commitment/earnings allowed on re-employment with the HSC removed.

This omission and amendment of these regulations will permit retired scheme members to give greater commitment to the Service in the fight against Covid 19 without fear that their HSC pension will be impacted.

Action for Employers: Ensure all relevant personnel are aware of these rules when recruiting retirees to assist the Service in the fight against Covid 19

4. Authorised Leave & Career Breaks

From 1 April 2008 the HSC Pension Scheme Regulations changed to allow a member who commenced a period of authorised leave e.g. a fellowship programme, on or after this date (including a career break where the contract of employment is retained) to choose to remain pensionable.

Where the authorised leave is to be pensionable the employer must treat the member as they would any other active member of the Scheme and ensure that employee and employer pension contributions are paid continuously throughout the period i.e. by the 19th day of the month following that which earnings (if there were any) would have been paid.

Therefore, before the leave begins employers must make arrangements to collect the employee contributions continuously during the break. Arrears cannot be allowed to accumulate and payments made on returning to the Scheme.

Unfortunately HSC Pension Service is receiving increased requests for retrospective payments of contributions which cannot be accommodated.

Further information can be found on the Authorised Leave/Career Break is available [here](#)

Action for Employers: Ensure all staff are aware of the rules concerning the payment of contributions during periods of Authorised Leave/ Career breaks.



5. Final Pay Control - Reminder

Final Pay Controls are only applicable to members of the 1995 Section or transitional 1995/2015 CARE Scheme members who retain the Final Salary link in relation to their 1995 Scheme benefits.

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.

Detailed information on Final Pay Control rules can be found on the Final Pay Control factsheet [here](#)

Action for Employers: Ensure all relevant Managers, HR and Finance Personnel are aware of the implications of Final Pay Control

6. Application for Consideration for 'In Service' Ill Health Retirement

Members can only be considered eligible for "In Service" Ill Health Retirement if they are accepted as meeting the eligibility criteria set down in the Scheme Regulations **whilst in HSC Pensionable Employment**.

This means that a member must be in HSC Pensionable Employment at the date HSC Pension Service makes the decision that the member has been accepted as meeting the criteria for either Tier 1 or Tier 2 Ill Health Retirement.

If a member's contract of employment is terminated, prior to the date of being accepted by HSC Pension Service as meeting either the Tier 1 or Tier 2 criteria, that application (AW33) is no longer applicable as an "In Service" Application. The member's application will be treated as a Preserved Member's application and must meet the Tier 2 Criteria in order to qualify for Tier 1 Benefits.

Action for Employers: Ensure all Absence Management Teams are aware of the rules governing In Service Ill Health Retirement and review procedures if necessary. Ensure employees, where termination of contracts is possible/likely are informed in sufficient time of the rules and the timeframes relating to applications for consideration for Ill Health Retirement.



7. 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 Telephone: 028 7131 9111 (9.00am to 4.00pm – Monday to Thursday; 9.00am to 12.00pm Friday)



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If you have any suggestions for the newsletter or would like a particular topic covered in future

