



HSC Pension Service

Provided by



Business Services Organisation

EMPLOYER NEWSLETTER

CONTENTS

- 1. Calculation of Pensionable Pay**
- 2. In Service Ill Health Retirement Applications**
- 3. Increase in State Pension Age**
- 4. New Joiner Questionnaire**
- 5. HSC Benefit Application Forms**
- 6. Misinformation relating to the HSC Pension Scheme**
- 7. Contact Us**



HSC (P) 02-17

Sep -17

1. Calculation of Pensionable Pay

Recently there has been some confusion around the calculation of pensionable pay for Part-Time staff. HSC Pension Service has created a factsheet which clearly lays out the calculation and the reasoning behind it. In summary Part-Time staff have their actual basic pay uprated to what it would be if they were working full time. Any additional pensionable allowances such as night duty, on call allowance etc. are then added on to the whole time equivalent basic pay to reach the whole time equivalent pensionable pay.

The purpose of this calculation is to ensure that part time members do not lose out when it comes to the calculation of the 1995 & 2008 section Final Salary HSC Pension Benefits at retirement. The factsheet can be accessed at <http://www.hscpensions.hscni.net/download/WTE-Factsheet.pdf>

2. 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.**



3. Increase in State Pension Age

The Secretary of State for Work and Pensions recently announced that the Government is proposing increasing the State Pension Age to Age 68 for individuals born between 06th April 1970 and 05th April 1978. If this proposal is implemented there will be a knock on effect for Scheme members whose date of birth falls between the respective dates.

Potential Impact for Affected Scheme Members

- 13,500 members will see an increase in their normal retirement age for claiming their 2015 Scheme Benefits
- Affected members retiring and claiming their benefits early from the 2015 scheme will see an increased reduction to their benefits of between 2.4% and 5% (these reduction factors are subject to change)
- Affected members who purchased an Early Retirement Reduction Buy Out (ERRBO) may not be able to claim their full 2015 Scheme Benefits as early as initially thought.
- Affected members who purchased Additional Pension will not be able to access the full value of these benefits as early as initially thought.

4. New Joiner Questionnaire

It is the responsibility of the employer to ensure that all new employees are issued with a copy of or are provided access to the New Joiner Questionnaire. The purpose of the questionnaire is to capture details from new employees regarding their current status within the HSC Pension Scheme and eligibility for an alternative pension scheme if applicable.

The questionnaire also provides new employees with important information relating to the various features of the pension such as the opportunity to transfer previously accrued pension benefits into the HSC Pension Scheme. It is a statutory requirement of employers to provide such information to new employees and as such you should ensure that all relevant documentation is made available on appointment.

The New Joiner Questionnaire can be accessed [here](#).



5. HSC Benefit Application Forms

HSC Pension Service has found that there is an increased number of benefit applications, (Ill Health Retirement etc.) being submitted using NHS England & Wales forms. It must be noted that The HSC Pension Scheme in Northern Ireland is a separate pension scheme to our colleagues on the mainland and the Isle of Man.

It is therefore requested that employers ensure, that when processing benefit applications that the forms used are those relevant to the HSC Pension Scheme in Northern Ireland.

6. Misinformation relating to the HSC Pension Scheme

HSC Pension Service is concerned at the number of rumours and false information circulating in relation to the HSC Pension Scheme within the HSC Trusts and Organisations.

Such misinformation can lead members to make ill-advised decisions regarding their pension savings which could prove financially detrimental to their retirement income.

In addition to the member's financial losses, employers could also lose out on valuable skills and experience if employees decide to retire or leave employment based on such information.

Employers may wish to issue a global communication to staff informing them that they should only make decisions regarding pensions after reviewing all available pension literature from the HSC Pension Service web-site or by contacting HSC Pension Service or their employer, and encourage staff to attend the HSC Pension Service Engagement Sessions/Workshops. A message will also be published on the Scheme Member Newsletter.



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 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

