

GP Superannuation Newsletter

Autumn 2015

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Annual Certificate of Pensionable Profit

Annual Certificate of Pensionable Profit for 2014/15 is now available and thank you to those of you who have already submitted returns. As far as possible we will be producing the statements from the new FPPS.

You can send your certificates to:

GPcertificates@hscni.net

Please see below the relevant Scheme Regulations governing the non-return of annual certificates.

(2) In respect of each scheme year, a principal medical practitioner and a non-GP provider shall provide each relevant host Health and Social Services Board with a certificate of their superannuable earnings based on—

(a) the accounts drawn up in accordance with generally accepted accounting practice by the practice of which the member is a member; and

(b) the return that member has made to Her Majesty's Revenue and Customs in respect of their earnings for that year, no later than 1 month after the date on which that return was required to be submitted to Her Majesty's Revenue and Customs.

Under the scheme regulations, a GP who fails to submit all relevant documentation will have their pensionable profit for that year deemed to be zero. This will have a major effect on a member's pension and/or survivors benefits.

FPPS – NEW GP PAYMENT SYSTEM

You will be aware that training for Practice Staff in the use of the new system has been organized at various venues across the province and hopefully you will have booked a place on one of the available sessions. When you receive your log in details you can start using the new system straight away. The team at Pensions have been submitting SR1s/SR2s/POAs and Annual Certificates on your behalf and producing Annual Statements for the GPS for 2013/14. When you submit an SR1/SR2/POA/Annual Certificate through the new system this will automatically filter into our workflow and we will process and send confirmation back to you as a notification.

Revising Payment on Account Forms

If for any reason you are not submitting your revised POA through the new system, the form; "Calculation of Estimated Monthly Practice Superannuation Payment on Account 2015-16" declaring the estimated pensionable income for year 2015-16, can be found by clicking on the link below or alternatively on the HSC Pension Scheme website under the heading GP Forms. If a new GP joins, or a current partner leaves the practice, or you think you have under/overestimated the GP's potential earnings, the Payment on Account can be revised during the year to take into account any changes.

Please note the changes to bandings for the contribution tiers. Employers Contribution Rate for 2015/16 is now 16.3%.

<http://www.hscpensions.hscni.net/employers/practitioners/>

New GPs Joining in Year

Please make sure you are contacting Patricia.Craig@hscni.net if you have a new GP Partner joining the Practice. Patricia will send the SS14 to the GP and colleagues at GP Payments, Franklin Street will ensure that the GP has been set up correctly on FPPS GP Payment system. A revised POA should be submitted.

GP's Who Retire Mid-Year

If a GP takes 24 hour retirement and returns to work as a partner in a practice, HSC Pension Service requires two Annual Certificates of Pensionable Profit, one to cover the period up to the date of retirement and another covering the full year. The second certificate is required for the calculation of seniority. **Failure to supply both certificates will result in seniority payments being stopped from the date of retirement.**

Contact Details/Client List

Can we ask that you update the correspondence details as attached to ensure we are communicating with the correct end users.

We have found it much more productive to deal directly with accountants in relation to GP superannuation issues and therefore request that all accountants details are recorded.

Please complete [CORRESPONDENCE DETAILS.docx](#) as appropriate and return to GPCertificates@hscni.net

Salaried/Retainee GPs & Assistant Practitioners

Each Practice that employs a Salaried/Retainee GP or Assistant Practitioner must complete an SR1. Please ensure that you are communicating with Patricia.Craig@hscni.net if you have any GPs starting or leaving your Practice.

The purpose of this form is to estimate the earnings for each Salaried/Retainee GP or Assistant Practitioner in order to determine the level of contributions due monthly.

The SR2 form which confirms the actual salary earned for each Salaried/Retainee GP or Assistant Practitioner in the year 2015/16 is available on our website and should be submitted throughout the year if GP leaves, or at year end, so that we can finalise the pensionable earnings figures for the GP and update pension records.

The purpose of the SR2 is to ensure that the correct contributions have been made, any underpayment/overpayment will be adjusted and the member's record will be updated accordingly with the remuneration listed on the form.

Payment of Arrears

Any GP's who are considering paying arrears of contributions by cheque, should ensure the cheque is made payable to **BSO**, and sent with a covering letter outlining the relevant period of arrears i.e. Arrears of contributions for year 2013/14 and 2014/15 to:

GP Payment Section
HSC Pension Service
Waterside House
75 Duke Street
Londonderry
BT47 6FP

SUMDE Monies

We have been asked to clarify if SUMDE monies are superannuable.

SUMDE (Supplement for Undergraduate Medical and Dental Education) is funding paid by the Department of Health Social Services & Public Safety (DHSSPS) to Trusts, General Medical Practitioners (GMPs) and General Dental Practitioners (GDPs) practices in Northern Ireland in recognition of the additional costs associated with teaching medical and dental students during the five years of the undergraduate curriculum and **not a payment for teaching.**

This income can be included in the annual certificates, however, it would be up to the practice, in collaboration with their accountants, to determine the split of income, and any expenditure which might have been incurred, properly apportioned to each GP with the Practice.

LOCUMS

As a result of changes following the implementation of the new GP Payment system, the Locum function is transferring to HSC Pensions at Waterside House.

From 01.12.2015 Locums should forward SS14 form to :
GP Payments Section,
BSO
2 Franklin Street
Belfast BT2 8DQ

From 01.12.2015 Locums should forward Locum A & B forms to :
Locum Administration
GP Payment Section
HSC Pension Service
Waterside House
Londonderry
BT47 6FP

A reminder to GP Practices. You should know at the outset when you are filling a vacancy, what capacity that vacancy is for, i.e - if it is to cover a short term gap or ad hoc work or the vacancy is for less than 6 months then you should treat this as Locum work. Practices have a responsibility to ensure that public funds are appropriately administered and as such, should determine at the outset if it is a Locum or Assistant Practitioner. If Locum work does extend beyond the 6 months then the Practice should change the status from Locum and send through a revised SR1 to cover any period beyond the 6 months. We will continue to work with our colleagues at HSCB to identify any Locums working in Locum capacity beyond the 6 months.

Practice Managers Workshops

In 2014 HSC Pension Service has implemented a number of Pensions Workshops to help GP Practice Managers understand the relevant forms, paperwork etc. that needs to be completed for pensions administration with some very positive feedback from the participants. The E-learning for the new FPPS will cover most of the superannuation administration. If you need assistance to complete monthly/employee returns then we would encourage Practice Managers to liaise with their Local Integrated Care Teams within HSCB so that we can accommodate your requests for further workshops or training.

HMRC Changes

The standard Lifetime Allowance (LTA) has reduced to £1.25m from 6 April 2014

This is a reminder that the standard LTA has reduced from £1.5m to £1.25m from 6 April 2014.

This means a standard LTA of £1.25m will apply to members who become entitled to receive (crystallise) their HSC benefits when they:

- retire on or after 6 April 2014 – and the date their benefits are authorized is before this date.
- retire before 6 April 2014 – and the date their benefits are authorized is on or after 6 April 2014.

For all scheme members the percentage of LTA used will be based on £1.25m unless they hold fixed protection. In addition, for higher earning scheme members any LTA charge that may apply to their HSC benefits will also be based on the reduced LTA unless they hold a valid protection certificate from HMRC. Any delay in claiming benefits may therefore result in:

- a bigger percentage of the LTA being used up – LTA charges may then apply if there is a later benefit crystallization because there is insufficient LTA remaining
- high earning scheme members – may become subject to LTA charges or see those charges increase.

It is important to note that HSC Pension Service has no discretion on the date HSC benefits crystallize and the calculation of the LTA used.

Any revision to benefits (substitute awards) that is authorized on or after 6 April 2014 will be a separate crystallization of benefits and based on the lower standard LTA of £1.25m.

Individual Protection 2014

The government introduced individual protection 2014, applicable from 6 April 2014, for those with pension savings on 5 April 2014 valued at over £1.25 million.

Individual protection 2014 will give a protected lifetime allowance equal to the value of your pension rights on 5 April 2014 - up to an overall maximum of £1.5 million. You will not lose individual protection 2014 by making further savings in to your pension scheme but any pension savings in excess of your protected lifetime allowance will be subject to a lifetime allowance charge.

You'll be able to apply for this from August 2014. HMRC must receive your application by 5 April 2017.

You can hold both fixed protection 2014 and individual protection 2014 but you can't apply for them at the same time. You can also hold individual protection while holding either enhanced protection or fixed protection but you can't apply for individual protection if you already hold primary protection.

For more information on individual protection 2014 follow the link below.

<https://www.gov.uk/government/publications/pensions-individual-protection-2014>