

HSC Superannuation Scheme Comparison Table

Component	1995/2008 Scheme		2015 Scheme
	1995 Section	2008 Section	
Type	Final salary.	Final salary.	Career Average.
Accrual Rate	Officer members: 1/80th Practitioners: 1.4%.	Officer members: 1/60th Practitioners 1.87%.	1/54th of pensionable earnings for each year all members.
Maximum Service	45 years (except for MHO members who can only accrue 40 years by age 55 and max of 45 years by age 65).	45 years.	No maximum service.
Revaluation	Officer benefits - None, as based on final salary. Practitioners revalued at CPI + 1.5%.	Officers benefits - None, as based on final salary. Practitioners revalued at CPI + 1.5%.	Benefits of active members revalued in line with CPI+1.5% per annum.
Revaluation of deferred benefits	In line with inflation (currently CPI).	In line with inflation (currently CPI).	In line with inflation (currently CPI).
Normal Pension Age	NPA 60 (55 for Special classes).	NPA 65.	Equal to member's State Pension Age (SPA).
Rate of Pension increase	Pensions in payment to be uprated in line with inflation (currently CPI).	Pensions in payment to be uprated in line with inflation (currently CPI).	Pensions in payment to be uprated in line with inflation (currently CPI).
Member contributions	Tiered contributions.	Tiered contributions.	Tiered contributions.
Commutation	Have to take minimum lump sum of 3/80ths pension. Option to commute further pension to lump sum at rate £12 of lump sum for every £1 pension given up in line with HMRC limits (currently max of 25% of pension fund).	Option to commute pension to lump sum at rate £12 of lump sum for every £1 pension given up in line with HMRC limits (currently max of 25% of pension fund). Previous 95 section members who transferred to 2008 section on choice terms are required to take a mandatory lump sum based on 95 section service to 31/3/08.	Option to commute pension to lump sum at rate £12 of lump sum for every £1 pension given up in line with HMRC limits (currently max of 25% of pension fund).

Component	1995/2008 Scheme		2015 Scheme
	1995 Section	2008 Section	
Retirement flexibilities	<p>Pension based on best of last 3 years salary.</p> <p>Members can apply to protect earnings at higher rate for pension calculation if move to lower paid post.</p>	<p>Early/late retirement factors applied.</p> <p>Partial retirement.</p> <p>Able to rejoin scheme following retirement.</p>	<p>Early/late retirement factors applied.</p> <p>Partial retirement.</p> <p>Able to rejoin scheme following retirement.</p>
Ill health arrangements	<p>Lower tier: Member unable to permanently do own job -pension the member has accrued is payable and there is no enhancement.</p> <p>Upper tier: Member permanently incapable of engaging in regular employment of like duration.</p> <p>An enhancement of 2/3rds prospective service will be paid in addition to the earned pension.</p> <p>For members who are subject to the amended 1995 section regulations there is a transitional arrangement in place allowing a minimum of 4 year enhancement or number of years to age 60 whichever is the less. This arrangement is subject to review in 2016.</p>	<p>Lower tier: Member unable to permanently do own job -pension the member has accrued is payable and there is no enhancement.</p> <p>Upper tier: Member permanently incapable of engaging in regular employment of like duration.</p> <p>An enhancement of 2/3rds prospective service will be paid in addition to the earned pension.</p>	<p>Lower tier as 2008 section.</p> <p>Upper tier pension enhanced at rate of 50% prospective service to normal pension age (NPA).</p>

Component	1995/2008 Scheme		2015 Scheme
	1995 Section	2008 Section	
Surviving Partner pensions	<p>Half member pension (widowers, civil partners, and nominated partners based on member's service from 6 April 1988 unless previous service purchased).</p> <p>Initial 6 month payment at rate of member's pension.</p>	<p>37.5% of member pension based on all service.</p> <p>Initial 6 month payment at rate of member's pension.</p>	<p>Paid at accrual of 1/160th.</p>
Abatement	<p>Abatement applies, subject to the type of retirement.</p> <p>Special Class Members returning before age 60 abatement applies when earnings from new NHS employment plus gross annual pension exceed pre – retirement earnings.</p>	<p>Abatement applies, subject to the type of retirement.</p>	<p>Abatement will continue to apply on current arrangements.</p>
Death in service lump sum	<p>2 x pensionable pay.</p>	<p>2 x pensionable pay.</p>	<p>2 x pensionable pay.</p>
Buy out of reduction in pension for leaving before NPA	<p>n/a.</p>	<p>n/a.</p>	<p>Facility included.</p>
Added years	<p>Ceased from 31 March 2008. Contracts taken out before this date able to be continued.</p>	<p>Not available in 2008 section.</p>	<p>No new contracts but existing contracts will continue on compulsory transfer to 2015 scheme based on 95 section benefits.</p> <p>Contracts can be decoupled from 1995 section benefits and be paid on the contract payable date.</p>

Component	1995/2008 Scheme		2015 Scheme
	1995 Section	2008 Section	
Additional pension	Currently Max £5,000 (index linked).	Currently Max £5,000 (index linked).	<p>Additional pension arrangements will continue.</p> <p>Members who took out contracts in the 1995 section and had to move to the 2015 scheme can receive benefits on the contract payable date without having to take their main 1995 section pension benefits.</p>
MHO	Not available to new members from 1 April 1995.	Not available.	Not available in the 2015 scheme however for those who are compelled to transfer a calculation (uniform accrual) will be applied to service transferred from the 1995 section to give members benefit for that service.
Special Class	Not available to new members from 1 April 1995.	Not available.	Not available.

Transitional Arrangements

Component	1995/2008 Scheme	
	1995 Section	2008 Section
Protection	<p>Active members within 10 years of NPA (55 or 60) as at 1 April 2012 remain in 95 section.</p> <p>Tapered protection for those within a further 3 years and 5 months of NPA.</p> <p>Those who have deferred benefits in the scheme and return within 5 years of 1 April 2012 will also be eligible for protection.</p>	<p>Active members within 10 years of NPA (65) as at 1 April 2012 remain in 2008 section.</p> <p>Tapered protection for those within a further 3 years and 5 months of NPA.</p> <p>Those who have deferred benefits in the scheme and return within 5 years of 1 April 2012 will also be eligible for protection.</p> <p>One-off opt out of protection will be available.</p>
Accrued Benefits	All accrued rights protected and linked to final salary at time of leaving scheme.	All accrued rights protected and linked to final salary at time of leaving scheme.
Retirement and return to scheme	<p>Members able to take retirement benefits from 1995 section and leave 2015 benefits deferred (2015 benefits if taken before state pension age would be actuarially reduced).</p> <p>No further accrual allowed.</p>	Members able to take retirement benefits from 2008 section and return to 2015 scheme.
Choice	Those who were eligible during the last choice exercise and who are not covered by full protection will be offered the chance to move 95 section service up to 31 March 2015 to the 2008 section. This will be called the 95 Section Choice Exercise in Scotland. Note: this exercise will be run later in Scotland than in England and Wales.	2008 Section members within the protection period will be offered the option of forgoing protection and immediately moving to the 2015 Scheme on 1 April 2015, on this basis that this may actually be more beneficial for them, depending on their particular careers. This will be referred to as the 2008 Section Choice Exercise.