

SCHEME GUIDE

HSC Pension Scheme



What you need to do now

1. Use the flowchart on the inside cover to see which section of the Scheme you can join.
2. Complete the joiner questionnaire at the back of this booklet.
3. If you want to **transfer previous pension rights into the HSC Pension Scheme** you will need to **apply** to do this **within 12 months**, please see page 10 for more information.

Introduction

Welcome to the member guide to the HSC Pension Scheme (the Scheme), the pension scheme for HSC workers. The term “HSC worker” includes people directly employed by the HSC as well as medical, dental and ophthalmic practitioners, general medical practice staff and staff working for certain approved employers.

This guide covers all types of HSC worker and includes an explanation of who each type of member is and how you can determine which section of the Scheme you could belong to. It explains the main features of the Scheme to you and highlights where to get more information. By reading this guide you should get a good idea of the benefits that the Scheme provides. More detailed information is available from your employer or from the pension administrator, HSC Pension Service, via their website www.hscpensions.hscni.net There are also a number of factsheets available on the website that explain certain parts of the Scheme in more detail. The Scheme has been granted tax advantages by Her Majesty’s Revenue and Customs. This means that you can receive tax relief on your contributions and on any lump sum you take at retirement. However, pensions are taxed in the same way as income when they are in payment.

There are limits on the amount of pension benefits you can have without incurring additional tax. More information about this can be found on the HSC Pension Scheme website www.hscpensions.hscni.net

Many words or phrases used in this booklet have special meanings. We have included a glossary of some of these terms at the end of the guide to help you understand them. More details are available from the HSC Pensions website; www.hscpensions.hscni.net

Summary of the main features and benefits

A brief summary of the Scheme benefits is shown in the table below. The following pages explain these benefits in more detail, describe how they are calculated and who they apply to.

Feature or Benefit	HSC Staff 		Practitioners 		Practice and Approved Employer Staff 	
	1995 section	2008 section	1995 section	2008 section	1995 section	2008 section
Member contributions	5% - 8.5% depending on rate of pensionable pay		5% - 8.5% depending on amount of pensionable earnings		5% - 8.5% depending on rate of pensionable pay	
Pension	A pension worth 1/80th of final year's pensionable pay per year of membership	A pension worth 1/60th of reckonable pay per year of membership	A pension based on 1.4% of uprated earnings per year	A pension based on 1.87% of uprated earnings per year	A pension worth 1/80th of final year's pensionable pay per year of membership	A pension worth 1/60th of reckonable pay per year of membership
Retirement lump sum	3 x pension. Option to exchange part of pension for more cash	Option to exchange part of pension for cash at retirement, up to 25% of capital value. Some members may have a compulsory amount of lump sum	3 x pension. Option to exchange part of pension for more cash	Option to exchange part of pension for cash at retirement, up to 25% of capital value. Some members may have a compulsory amount of lump sum	3 x pension. Option to exchange part of pension for more cash	Option to exchange part of pension for cash at retirement, up to 25% of capital value. Some members may have a compulsory amount of lump sum
Normal retirement age	60	65	60	65	60	65
Pensionable pay	Normal pay and certain regular allowances		Pensionable earnings from HSC work		Normal pay and certain regular allowances	
Uprated earnings	Not relevant		The final value of pensionable earnings after adding all year's earnings and applying revaluation factors.		Not relevant	
Death in membership lump sum	2 x pensionable pay (Actual pensionable pay for part-time workers)		2 x average annual pensionable earnings		2 x pensionable pay (Actual pensionable pay for part-time workers)	

Which section of the HSC Pension Scheme am I in?

Start Here
Have you been a member of the HSC or any NHS Pension Scheme before 1 April 2008?

Yes

No

Have you had a refund of contributions you paid when you left or opted out of the Scheme?

Yes

You can join the 2008 section

No

Have you received an HSC pension or a pension from any NHS pension scheme?

Yes

Are you under age 50 and on an ill health pension?

No

You can join the 2008 section after two years from the date of your retirement. Or you can join an HSC Stakeholder pension. Please ask your employer for details

Yes

Did you retire after 1 April 2008 and before 1 July 2009?

Yes

You can join the 1995 section.

No

Sorry, you cannot join the HSC Pension Scheme
You can join an HSC stakeholder pension. Please ask your employer for details.

No

How much previous membership did you have?

More than 2 years

Have you transferred benefits to another non-HSC pension arrangement?

Yes

Did you transfer out before 1 April 2008?

Less than 2 years

No

Yes

No

Was the last day of previous membership within 12 months of re-joining the Scheme?

Yes

You can join the 1995 section.

No

Have you had a break in membership of 5 years or more?

Yes

You can join the 2008 section

No

How does this guide work?

The guide uses colour and pictures to identify the different sections of the Scheme and to show who is entitled to receive which benefits.

Who is covered by this guide?

This guide covers all types of HSC worker who are entitled to join the Scheme and explains the different benefits that apply to them. Benefits depend upon their type of employment, when they joined or rejoined the Scheme and what decisions they may have already made about their pension.

Which section are you in?

The guide uses different colours to identify where benefits apply to different sections of the Scheme. To understand which section of the Scheme you are in, use the flowchart on the inside flap.

The features and benefits of the Scheme have been grouped together into five main sections. Each section will have information that is relevant to you. Where there are different benefits for different sections these are explained in separate coloured boxes, **aqua** for the 1995 section and **dark blue** for the 2008 section.

What type of member are you?

There are icons (small pictures) used throughout this guide. These indicate the different types of HSC worker. Where these appear the feature or benefit being described will not apply to all types of HSC worker. If the icon is crossed out, the benefit described does not apply to that type of member and only applies to the types of member that are not crossed out.

To find your icon, refer to the box below.



What icon are you?

-  **HSC Staff.** These are HSC Employees employed by HSC Trusts, The HSC Board and other HSC Organisations and Agencies. This group covers most employees working for the HSC.
-  **Practitioners.** This means HSC medical, dental and ophthalmic practitioners, including assistants and some locum practitioners. This includes practitioners who are registered on the HSC Board's performers list.
-  **Practice and Approved Employer Staff.** This group includes general practice and direction body staff or staff working for other approved employers connected to the HSC.

Scheme fact

The NHS has separate schemes in Scotland, England & Wales and the Isle of Man. If you change employer and work in a different jurisdiction, you may wish to transfer your pension rights to maintain a continuous pension record. Pensions earned in other NHS Pension Schemes may be transferred to this Scheme.

Important notice

You must apply to have your pension rights transferred between jurisdictions. **It does not happen automatically.** See page 10 for details.



THE SMALL PRINT

This member guide is intended to provide you with a general overview of the Scheme benefits. We have taken great care to get the details right at the time of publication but it does not give a complete or legally binding statement of the law and regulations which govern the Scheme. Nothing in this guide can override the Regulations which set out the conditions of entitlement and determine the rate at which benefits are payable. In the event of any conflicting information, the Regulations will prevail.

The most up to date version of this guide is kept on www.hscpensions.hscni.net

If you are in any doubt about how your benefits are calculated or what you may be entitled to, please contact your employer who will assist you to find out more information.

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Membership and contributions

Eligibility

The Scheme is open to any HSC workers aged between 16 and 75 who:

- are directly employed by the HSC;
- are medical, dental and ophthalmic practitioners and trainees;
- are general medical practice staff;
- are staff working for certain approved employers;
- are non-General Practice Providers.

Freelance locum medical practitioners may also **elect** to join.

There are two sections to the Scheme, the 1995 section and the 2008 section. Different eligibility requirements apply for each section of the Scheme and these are described as follows.

 **1995 section**

1995 section

The 1995 section of the Scheme closed to new members with effect from 1 April 2008. If you were an active member of the Scheme on 31 March and 1 April 2008 you may remain in this section of the Scheme.

There are some circumstances in which a new employee who has previously been employed by the HSC and has a deferred benefit can **rejoin** the 1995 section of the Scheme after 1 April 2008. These are:

- Deferred members who return to HSC work will be able to rejoin the 1995 section provided they return within five years of becoming a deferred member.
- Members who are in the comparable section to the 1995 section, of an NHS Pension Scheme in the Isle of Man, Scotland or England & Wales, who are joining the HSC in Northern Ireland.
- Members returning to HSC work, who transferred their benefits out of the Scheme when they left before 1 April 2008. They are able to rejoin the 1995 section provided they return within 5 years of leaving.

You would not be eligible to **rejoin** the 1995 section if you:

- were aged over 70 on 31 March 2008;
- have received a refund of contributions from your last period of pensionable employment and these have not been repaid;
- return after 1 April 2008 and repay a refund;
- left the Scheme on or after 1 April 2008 and transferred your benefits out of the Scheme;
- are a “Special Class Member” and over age 65.

Important notice

If you have previously been a member of an NHS Pension Scheme in Scotland, England & Wales or the Isle of Man OR have had any previous employment which was part of a TUPE transfer to the HSC you may be able to join the 1995 section. To see if you qualify please complete the Joiner Questionnaire at the back of this booklet and send it to HSC Pensions.

2008 section

2008 section

All new HSC workers from 1 April 2008 will be eligible to join the HSC Pension Scheme 2008 section. The 2008 section of the Scheme is also open to:

- all HSC workers who had not previously been a member of the HSC Pension Scheme;
- eligible deferred members who return to the HSC and who opt to join the 2008 section of the Scheme;
- deferred members returning to the HSC more than 5 years after leaving the 1995 section of the Scheme;
- previous members of the 1995 section who left after 1 April 2008 and transferred their benefits to another scheme;
- previous members of the 1995 section who transferred their benefits to another scheme and did not return for 5 years or more.

You will not be eligible to join either section of the Scheme if you:

- are aged more than 75;
- only hold an honorary HSC appointment;
- are not a practitioner and are employed by a General Dental Services (GDS) or Personal Dental Services (PDS) contractor.

There are further restrictions on eligibility for some members who are in receipt of an HSC Pension - see the flowchart on the inside cover.

If you decide not to participate in the Scheme, but later change your mind, you may lose your right to join or rejoin the Scheme.

Important notice

Membership of the Scheme is voluntary but if you are eligible you will **automatically be made a member** (except freelance locum medical practitioners), unless you decide to opt out of joining. You may choose to opt out of the Scheme at any time. You can do this by completing a form that is available from your employer.

Before opting out of the Scheme, you should carefully compare the relative cost to you and the whole package of benefits provided under the Scheme. A financial adviser should be able to help you.

different eligibility requirements apply for each section of the Scheme



Rejoining the Scheme after a break

Important notice

The 1995 section of the Scheme closed to new entrants with effect from 1 April 2008. Should you decide to leave please refer to the eligibility section to see whether you would be eligible to rejoin the Scheme, and which section.

You can opt out of the Scheme at any time by giving notice in writing to your employer. If you are in HSC employment you may rejoin the Scheme if you continue to satisfy the eligibility conditions. You may not rejoin if you are absent from work for any reason.

1995 section

If you opt out of the 1995 section of the Scheme with entitlement to deferred benefits you may return to the 1995 section as long as you return within 5 years of doing so.

If you have taken a refund of Contributions you will not be eligible to rejoin the 1995 section of the Scheme. Instead you will be eligible to join the 2008 section. You cannot rejoin the 1995 section if you are in receipt of Scheme benefits unless the reason for you receiving a pension is that you were awarded ill health retirement and you are under 50 when you wish to rejoin the Scheme.

2008 section

If you opt out of the 2008 section of the Scheme or if you have taken benefits from the Scheme you may rejoin the Scheme as long as you meet the eligibility criteria and do not have more than 45 years' membership. Benefits in respect of your re-employment will be calculated using the reckonable pay and membership applicable to the re-employment only. The benefits will be paid in addition to the pension payable in respect of your earlier membership.

If you rejoin the Scheme with deferred benefits, after a break of 12 months or more, your benefits at retirement will be worked out in whichever of the following two ways gives the highest financial outcome for you:

- your periods of membership will be added together and your total membership and final year's pensionable pay (or reckonable pay) will be used to work out your benefits; or
- the benefits you have earned for each period of membership will be worked out separately. The benefits will be based on the pensionable pay at the end of each period and revalued. The benefits will then be added together.



If you have Practitioner membership and have a break in membership, when you return to the HSC Scheme your Practitioner pension record will be re-activated and your pension will be based on all of your Practitioner earnings.



Costs and contributions

The costs of the Scheme are determined by the Scheme actuary who performs periodic valuations of the Scheme to determine how much needs to be paid to provide the benefits. These costs are shared between the HSC employers and the Scheme members.

As a Scheme member you pay a contribution towards your pension based upon your pensionable pay; the more you earn, the higher your contribution rate may be. The HSC employers pay the rest.

There are four rates of member contribution, ranging from 5% of pensionable pay for the lowest earners to 8.5% of pensionable pay for the highest. The thresholds at which the rates change are linked to nationally agreed pay rates at set levels and are based on salaries equivalent to someone working full-time. If the overall cost of the Scheme increases, the amount you pay may also increase.

Contributions are taken from your pay before tax so you receive tax relief on any amount you pay. You may also pay a lower rate of National Insurance. This can reduce the actual amount that you pay to between approximately 3.5% and 5.1% depending on your contribution rate, earnings level and personal rate of tax.

Further information

More information about how contributions are paid and the thresholds for the contribution rates are included in a factsheet that supplements this guide and is available from:

 www.hscpensions.hscni.net

you get tax relief on any
amount you pay



Increasing pension saving

You can increase the amount of benefits you get at retirement by paying extra contributions. These are called Additional Voluntary Contributions or AVCs. There are different ways of doing this and each buys you different benefits.

Buying Additional Pension (AP)

AP is a flexible way of increasing your Scheme pension. It allows you to choose to buy extra annual pension, in today's terms, and see clearly how much the purchase will cost. Under this option you 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.

The minimum amount of AP you can buy is £250 and the maximum amount is £5,000. AP is revalued in line with inflation both before and after retirement.

You can choose whether your AP is just for you or also provides benefits for your dependants in the event of your death.

Further information

There is a tool to calculate the cost of buying Additional Pension available from:



www.hscpensions.hscni.net

you can increase the
amount of benefits you get
at retirement

Taking out an AVC account

You pay lump sums or regular amounts into a fund chosen by you and invested by the provider selected by the Scheme managers. Contributions are invested in accordance with your selection and build up a separate fund. When you retire you use this fund to provide an additional pension for you only, or for you and your dependants. You can take some of this fund as a lump sum.

1995 section

Buying back previously refunded membership

If you had a refund of contributions for any membership before 6 April 1978, or for practitioners, at any time, you may be able to buy this membership back at half the normal cost.

Unreduced lump sum

Male members who have membership from before 25 March 1972 may have a reduced lump sum as membership before that date provided for a lower level of lump sum. You can choose to buy an unreduced lump sum so that your retirement lump sum is three times your pension.

Added years

Members of the 1995 section who took out, or elected to take out, an added years contract before 1 April 2008 may also be buying additional membership by lump sum or regular payments. These contracts may continue whilst members are in the 1995 section. This option is no longer available for new contracts in either section.

The most that you can pay into additional contributions is 100% of your taxable pay less your standard contributions. These are subject to an overall maximum tax free limit set by Her Majesty's Revenue and Customs (HMRC) each year.

Further information

More information about these choices and your options is provided in a factsheet available from:

www.hscpensions.hscni.net

Transferring benefits

The HSC Pension Scheme allows you **to apply** to transfer previous pension rights into the HSC Pension Scheme if you wish subject to HMRC approval.

Transfers into the HSC Pension Scheme

If you have been a member of another pension scheme you can apply to transfer your pension rights into the HSC Pension Scheme to buy additional membership. If you wish to consider a transfer please contact your employer who will advise of what action you need to take.

If you have worked for the NHS in any other part of the UK you may be able to transfer those pension rights into the HSC Pension Scheme for Northern Ireland. The section that these are transferred into will depend on which section you were in, and how long ago you left that scheme.

Any pension rights transferred in will increase the amount of membership that you have and will therefore increase your benefits in the HSC Pension Scheme. Transferred in benefits will be treated in the same way as your HSC Scheme pension benefits.

Important notice

If you have been a member of an NHS Pension Scheme elsewhere in the UK it is important to note that your benefits will not transfer automatically to the Scheme. You must apply in writing to HSC Pensions for a transfer to be made.

Important notice

Applications to transfer benefits into the Scheme must be made within 12 months of joining the Scheme for the first time and before the normal retirement age. Special rules apply to HSC employees transferring from an NHS Pension Scheme elsewhere in the UK.

1995

Important notice

Applications to transfer benefits into the Scheme must be made within 12 months of becoming eligible to join the Scheme for the first time and before the normal retirement age. Special rules apply to HSC employees transferring from an NHS Pension Scheme elsewhere in the UK.

2008

Retirement

Normal retirement age

The normal retirement age is the age that you can retire from HSC employment and have your pension paid without reduction or enhancement. The actual age that applies to you will depend on which section of the Scheme you are in and your status. The differences for each type of member are described below.



1995 section

The 1995 section's normal retirement age is 60.

If you work beyond age 60 your pension will be paid when you eventually retire.

If you have more than one job in the HSC when you retire your pension from the Scheme will be based on all of your membership up to the date of retirement. You will normally have to retire from all of your jobs before you can claim your benefits. If the remaining time you are working is less than 16 hours a week you may not have to have a break from these jobs, as long as you are retiring from at least one position. You may not rejoin the Scheme once you are in receipt of a pension. (Unless it is an ill health retirement pension and you are under age 50).



2008 section

The 2008 section's normal retirement age is 65.

If you work beyond age 65 your pension will be paid when you eventually retire and it will be increased because it is being paid later. More details are in the late retirement section.

You may choose to retire or partially retire from work before age 65. If you wish to take some or all of your pension before you are 65 it will be reduced because it will be paid for longer. Further details on this are included in the early retirement section.



1995 section

Nurses, midwives, health visitors, physiotherapists and mental health officers in post before 1 April 1995 (collectively described as 'Special Class Status') have the right to retire from a normal retirement age of 55 without a reduction to their pension, subject to certain criteria being met.



If you have special class status your normal retirement age is 55.

►► Scheme fact

You may choose to retire from work before your normal retirement age although your benefits will be reduced to allow for it being paid for longer. Further details on this are included in the early retirement part of this section.

Further information

A factsheet giving more details about special class status is available from

www.hscpensions.hscni.net

Applying for your benefits

When you are retiring you need to apply for your benefits using a form which is available from your employer. To ensure that you receive your benefits on time this should be completed at least four months before your intended retirement date.

Your pension will usually be paid monthly for the rest of your life. HSC pensions are protected against inflation by being linked to the Retail Prices Index. This means that they increase each year, in April, for as long as they are paid. In your first year of retirement a part-year increase may apply.



your pension will usually
be paid monthly for the
rest of your life

Benefits at retirement

This section describes the benefits that you can expect to receive from the Scheme when you choose to retire at the normal retirement age.

HSC Staff and Practice and Approved Employer Staff earn pensions based on their pensionable pay at or near retirement, this is known as a “final salary” pension.



Practitioners earn pensions based on their earnings throughout their career. These are re-valued to maintain a current value and are known as Career Average Re-valued Earnings (CARE) pensions.



Pension and lump sum

In both sections of the Scheme you will receive an annual pension. In the 1995 section you will also have a retirement lump sum. This will normally be three times your annual pension. Members of both sections are able to give up some of their annual pension in exchange for a larger lump sum.

Providing for your dependants

If you are in good health you can choose to allocate (give up) part of your own pension to provide a bigger pension for any dependant on your death. This can be to a spouse, civil partner, qualifying partner, or child. The nomination must be made before you retire and you cannot reverse this decision once made.

Mixed employment - pension flexibilities

Practitioners who have also worked as HSC Staff or as a GP registrar may also have pension earned on the final salary method as well as on the CARE method.



Members who have this type of mixed employment will have additional calculations applied to their pension records to ensure that the most favourable benefits allowed by the flexibility rules are obtained for them.

Members working part time

For calculating benefits membership means the actual membership you have accrued in the scheme. So someone who has worked part time, say 50% of standard full time hours, for 20 years will have 10 years membership counting towards their benefit calculations. However, the other main factor in calculation benefits - final years pensionable pay, or reckonable pay - is based on the full time equivalent salary for that job. So in the example the part time worker may have earned £10,000 a year but for the purpose of calculating benefits the full time rate of £20,000 is used.



Further information

More details about Practitioner pension benefits and flexibilities are available from:

www.hscpensions.hscni.net

Benefits at retirement

You will receive a pension and a retirement lump sum based on your final year's pensionable pay.

Your pension is 1/80th of your final year's pensionable pay for each year of pensionable membership in the Scheme. Part years will also count towards your pension.

Your pension is calculated as follows:

$$\text{final year's pensionable pay} \times \text{pensionable membership} \times 1/80 = \text{pension}$$

Your retirement lump sum is normally three times the pension. It is calculated as follows:

$$\text{final year's pensionable pay} \times \text{pensionable membership} \times 3/80 = \text{retirement lump sum}$$

Example 1

A midwife retires after 28 years and 173 days pensionable membership with final year's pensionable pay of £25,650.

Her pension is

$$£25,650 \times 28 \text{ years } 173 \text{ days} \times 1/80 = £9,129.48 \text{ per year}$$

Her retirement lump sum is approximately 3 x pension, or

$$£25,650 \times 28 \text{ years } 173 \text{ days} \times 3/80 = £27,388.43$$

The following table can be used to provide a guide to your estimated pension amount. It shows how much annual pension is payable for years of membership at different pay levels.

		Pensionable pay £						
		10000	20000	30000	40000	50000	70000	100000
Membership - Number of years	1	125	250	375	500	625	875	1250
	2	250	500	750	1000	1250	1750	2500
	3	375	750	1125	1500	1875	2625	3750
	4	500	1000	1500	2000	2500	3500	5000
	5	625	1250	1875	2500	3125	4375	6250
	6	750	1500	2250	3000	3750	5250	7500
	7	875	1750	2625	3500	4375	6125	8750
	8	1000	2000	3000	4000	5000	7000	10000
	9	1125	2250	3375	4500	5625	7875	11250
	10	1250	2500	3750	5000	6250	8750	12500
	20	2500	5000	7500	10000	12500	17500	25000
	30	3750	7500	11250	15000	18750	26250	37500
	40	5000	10000	15000	20000	25000	35000	50000
	45	5625	11250	16875	22500	28125	39375	56250



Benefits at retirement

You will receive a pension based on your career earnings and a retirement lump sum.

Your pension is based on 1.4% of your re-valued career earnings. This is achieved by recording your pensionable earnings for each year of membership in the Scheme and applying a revaluation factor. The revaluation factor used to re-value your earnings each year is 1.5% above the amount of the annual increase due under the Pensions Increase Acts. The resulting figure is known as your uprated earnings.

Your pension is calculated as follows:

$$\text{uprated earnings} \times 1.4\%$$

Your retirement lump sum is normally three times the pension.

The following table can be used to provide a guide to your estimated pension amount

	Average annual practitioner earnings (£s)						
Based on 40 years membership	40,000	50,000	60,000	70,000	80,000	90,000	100,000
Annual Practitioner pension for each year of membership (£s)	560	700	840	980	1,120	1,260	1,400
Total annual Practitioner pension (£s)	22,400	28,000	33,600	39,200	44,800	50,400	56,000

Example 2

A GP retires at age 60. Her earnings for each of the years as a Practitioner are re-valued and added together giving an uprated earnings figure of £1,500,000. This total is multiplied by 1.4% to give her annual pension. Her retirement lump sum is three times that amount.

Her pension is:

$$£1,500,000 \times 1.4\% = £21,000 \text{ per year and a retirement lump sum of } £63,000$$

your retirement lump sum is normally three times the pension

Benefits at retirement

You will receive a pension based on your reckonable pay.

Your pension is 1/60th of your reckonable pay for each year of pensionable membership in the Scheme. Part years will also count towards your pension. **You will have the choice of taking a retirement lump sum by reducing your annual pension.**

Your pension is calculated as follows:

$$\text{reckonable pay} \times \text{pensionable membership} \times 1/60 = \text{pension}$$

The following table can be used to provide a guide to your estimated pension amount. It shows how much annual pension is payable for years of membership at different pay levels.

		Reckonable pay £						
		10000	20000	30000	40000	50000	70000	100000
Membership - Number of years	1	167	333	500	667	833	1167	1667
	2	333	667	1000	1333	1667	2333	3333
	3	500	1000	1500	2000	2500	3500	5000
	4	667	1333	2000	2667	3333	4667	6667
	5	833	1667	2500	3333	4167	5833	8333
	6	1000	2000	3000	4000	5000	7000	10000
	7	1167	2333	3500	4667	5833	8167	11667
	8	1333	2667	4000	5333	6667	9333	13333
	9	1500	3000	4500	6000	7500	10500	15000
	10	1667	3333	5000	6667	8333	11667	16667
	20	3333	6667	10000	13333	16667	23333	33333
	30	5000	10000	15000	20000	25000	35000	50000
	40	6667	13333	20000	26667	33333	46667	66667
	45	7500	15000	22500	30000	37500	52500	75000

Example 3

A midwife retires after 28 years and 173 days pensionable membership with reckonable pay of £25,650.

Her pension is

$$£25,650 \times 28 \text{ years } 173 \text{ days} \times 1/60 = £12,172.62 \text{ per year}$$



Benefits at retirement

You will receive a pension based on your career earnings.

Your pension is based on 1.87% of your re-valued career earnings. This is achieved by recording your pensionable earnings for each year of membership in the Scheme and applying a revaluation factor. The revaluation factor used to re-value your earnings is 1.5% above the amount of the annual increase due under the Pensions Increase Acts. The resulting figure is known as uprated earnings.

Your pension is calculated as follows:

$$\text{uprated earnings} \times 1.87\%$$

The following table can be used to provide a guide to your estimated pension amount

	Average annual practitioner earnings (£s)						
Based on 40 years membership	40,000	50,000	60,000	70,000	80,000	90,000	100,000
Annual Practitioner pension for each year of membership (£s)	748	935	1,122	1,309	1,496	1,683	1,870
Total annual Practitioner pension (£s)	29,920	37,400	44,880	52,360	59,840	67,320	74,800

Example 4

A GP retires at age 65. Her earnings for each of the years as a Practitioner are re-valued and added together giving an uprated earnings figure of £1,500,000. This is multiplied by 1.87% to give her annual pension.

Her pension is:

$$£1,500,000 \times 1.87\% = £28,050 \text{ per year.}$$

Retirement lump sums

From both sections of the Scheme you are able to take some of your benefits as a retirement lump sum. This part of the guide describes your entitlement and options and provides some examples to show how these are calculated.

The maximum lump sum you can take is 25% of your capital value. This is determined by a limit set by Her Majesty's Revenue and Customs (HMRC) and adopted by the Scheme Regulations. It applies across your entire pension arrangements so your HSC retirement lump sum may be limited to a smaller amount if you have other pension savings.

1995 section

The part of the guide that describes your benefits on retirement explained that you will receive a retirement lump sum which is normally three times your annual pension. You have the option of receiving a larger retirement lump sum and a smaller annual pension.

You have to give up some of your pension to get more retirement lump sum. You will receive £12 of lump sum for every £1 of pension you give up.

Your capital value is determined by the HMRC rules and is calculated by multiplying your reduced pension by 20 and adding your total retirement lump sum. In the majority of cases the maximum lump sum you can take works out as approximately 5.36 times your 1995 section pension.

Example 5

The midwife in example 1 decides to take a larger retirement lump sum when she retires. She receives £12 of lump sum for each £1 of annual pension given up so she chooses to exchange £500 of her annual pension to get an extra £6,000 lump sum, (£500 x £12 = £6,000)

Her benefits are now:

Pension	£9,129.48 - £500	= £8,629.48 per year
Retirement lump sum	£27,388.43 + £6,000	= £33,388.43

The maximum lump sum she could take is £21,516 higher than her normal lump sum. She would have to give up £1,793 of her annual pension to get this so her benefits would be:

Pension	£9,129.48 - £1,793.00	= £7,336.48 per year
Retirement lump sum	£27,388.43 + £21,516.00	= £48,904.43

There is no basic lump sum entitlement in the 2008 section but you do have the option of receiving a retirement lump sum by giving up a part of your pension.

The capital value of your benefits is determined by HMRC rules and is calculated by multiplying the pension you will receive by 20 and adding any retirement lump sum. The maximum lump sum you can take works out as approximately 4.28 times your 2008 section pension.

You have to give up some of your pension to get a retirement lump sum. You will receive £12 of retirement lump sum for every £1 of pension you give up.

Example 6

The midwife in example 3 decides to take a retirement lump sum when she retires. She receives £12 of lump sum for each £1 of annual pension given up so she exchanges £1,500 of her annual pension to get a retirement lump sum of £18,000. ($£1,500 \times £12 = £18,000$)

Her benefits are now:

Pension	$£12,172.62 - £1,500$	$= £10,672.62$ per year
Retirement lump sum		$= £18,000$

The maximum lump sum she could take is £52,164.00

She would have to give up £4,347.00 of her annual pension to get this so her benefits would be:

Pension	$£12,172.62 - £4,347.00$	$= £7,825.62$ per year
Retirement lump sum		$= £52,164.00$

the maximum lump sum
you can take is 25% of
your capital value

Early retirement

The circumstances in which you may take your pension before your normal retirement age are described below. The earliest age that you can draw your pension is known as the minimum retirement age. This varies depending on the section of the Scheme that you are in and when you started pensionable employment.

In the unlikely event that your reduced pension is less than the guaranteed minimum pension, you will not be able to take voluntary early retirement. HSC Pensions will advise you if this is the case and your options will be explained.

You may apply for voluntary early retirement by completing a form which you can get from your employer.

Members with deferred benefits who left the Scheme after 30 June 2000 may also choose to retire early on a reduced pension. You may apply for early retirement by contacting HSC Pensions directly. Pensions that are paid early are increased with inflation each April in line with changes in the Retail Price Index (RPI). However pensions only start to attract RPI once you reach age 55, at which point your pension will be increased to take account of changes since it was awarded.



the earliest age that you can
draw your pension is known as
the minimum retirement age

Voluntary early retirement on reduced pension

1995 section

If you joined the 1995 section before 6 April 2006 you can choose to take voluntary early retirement from age 50 and receive reduced benefits. Your pension and retirement lump sum are reduced because they are being paid earlier than expected. Your dependants will still get any benefits they are entitled to in full.

If you joined the 1995 section on or after 6 April 2006 your minimum retirement age will change to 55 on 6 April 2010. If you returned to the Scheme after 6 April 2006 this may also apply to you.

Scheme fact

If you have Special Class Status and you retire voluntarily before age 55 your benefits will be reduced as if your normal retirement age was 60.

The following table shows how much your pension and lump sum is reduced by if you choose to retire early. If you retire between the ages shown the benefits payable will vary.

Age	59	58	57	56	55	54	53	52	51	50
Pension	6%	11%	16%	20%	24%	28%	31%	35%	38%	40%
Lump sum	4%	7%	10%	13%	16%	19%	22%	24%	27%	29%

2008 section

The minimum retirement age in the 2008 section is 55. You can choose to take voluntary early retirement from the minimum retirement age and receive reduced benefits. Your pension is reduced to allow for the fact that it is being paid earlier than expected. Your dependants will still get any benefits they are entitled to in full.

The following table shows how much your pension is reduced by if you choose to retire early. If you retire between the ages shown the benefits payable will vary. If you take a lump sum, this is calculated from your pension after reduction. There are no reduction factors for lump sums in the 2008 section.

Age	64	63	62	61	60	59	58	57	56	55
Pension	6%	12%	17%	22%	26%	31%	34%	38%	41%	44%

Premature retirement



If you are retired prematurely because of redundancy or in the interests of the efficiency of the service, your benefits may be paid immediately. You must have at least two years membership and have reached the minimum retirement age.

- If you are retiring in the interests of the efficiency of the service your benefits will be paid without reduction and your employer will meet the cost of paying the pension early.
- If you are made redundant over the minimum retirement age you may choose to take your redundancy payment and have your pension paid at normal retirement age, or take your pension benefits immediately, without reduction. If you choose to take your pension immediately your employer will use your redundancy payment to meet any additional costs that arise, paying the balance (if any) to you.

If you have more than one job in the HSC you may either:

- Take your benefits only in respect of the employment from which you are retiring prematurely and remain a member of the Scheme in respect of your other pensionable jobs; or
- Take your benefits in respect of all your pensionable HSC jobs. If you do this, you must leave all your jobs for at least one day unless they total no more than 16 hours per week. If you choose to take your benefits from all your jobs, you will not be able to be a member of the 1995 section of the Scheme in respect of any further employment in the HSC. It may be possible for you to return to HSC employment and join the 2008 section of the Scheme. Please check the eligibility criteria for details.

1995 section

If you have more than five years membership at the time you are made redundant, have continuous membership prior to November 2006 and are made redundant before 30 September 2011 there are special transitional protection arrangements available that provide enhanced terms depending on the date of redundancy.



Further information

Further details on premature retirement may be found in the separate factsheet available from

www.hscpensions.hscni.net

Helping you achieve a work-life balance.

Both sections of the HSC Pension Scheme allow you to choose to retire between the minimum pension age and age 75 but there are also features to help you make the transition between work and retirement as you approach the normal retirement age.

1995 section

Flexible retirement

The 1995 section of the scheme allows you to retire and take your pension between age 50 (55 for some members) and 75. You can choose the time that suits you best. There is also a facility to protect your pension if you wish to step down to a less demanding job.

Step down

If you are over the minimum pension age and your pay reduces by at least 10% you can apply for the higher rate of pay to be protected for pension purposes. You must do this within three months of your pay reducing. When you leave your benefits will be based on this rate of pay, or your actual rate of pay if that is better for you.

2008 section

Flexible retirement

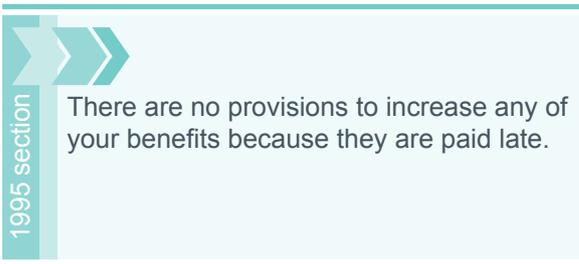
The 2008 section of the Scheme has been designed to provide a great deal of flexibility around retirement. You can choose to retire between age 55 and 75 but you do not actually have to leave the HSC to start drawing some of your pension and taking a lump sum. After you reach the minimum retirement age you can consider moving towards retirement by reducing your working time or perhaps switching to a less demanding role. Your reckonable pay will still consider any higher earnings you may have had in the ten years prior to you finally retiring. You can also take the whole of your benefits by leaving the HSC. You may be able to return to employment and re-join the Scheme. Or you could choose to keep working beyond the normal retirement age and earn a larger pension.

Draw down

If you reduce your pensionable pay by at least 10% and you have reached the minimum retirement age of 55 you may partially retire and take some of your benefits. You can take a minimum of 20% and a maximum of 80% of your own pension entitlement and continue to build up future membership. The benefits would be reduced if they are paid before your 65th birthday. Your pensionable pay must remain reduced for at least a year otherwise you will cease to be eligible for the pension that you have taken. You can draw down your benefits twice before retiring completely.

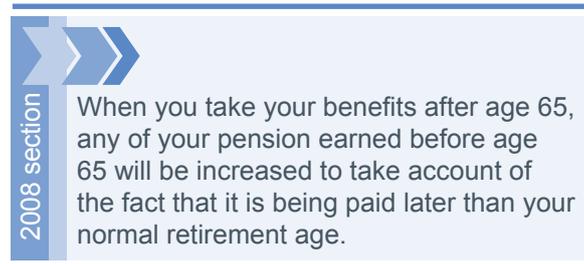
Late retirement

If you remain in employment after the normal retirement age, you may continue to earn benefits as long as you stay in the Scheme, up to age 75 or until you reach 45 years membership. Your pension benefits will be based on your pensionable pay and membership when you do eventually retire. At age 75 you become entitled to your benefits without having to have a break in your employment but a lump sum cannot be paid once you have reached age 75. After age 75 the lump sum will be converted to additional pension.



1995 section

There are no provisions to increase any of your benefits because they are paid late.



2008 section

When you take your benefits after age 65, any of your pension earned before age 65 will be increased to take account of the fact that it is being paid later than your normal retirement age.

State Pension Scheme and other pension schemes

The Scheme is completely separate from the State pension arrangements or any other pension schemes you may have. This means that you will normally get a separate basic state pension as well as your HSC pension.

The Scheme is contracted out of the second level of state pension (known as the State Second Pension (or S2P)) and you will not get any additional pension from this, except for any contributions you may have made in another employment.

If you have arranged your own personal pension, or have pensions from other employment, these are payable as well as your pension from the Scheme but it is up to you to choose when you take these.

Because of tax legislation, you may need to tell us about these pensions when you come to retire.

»» Scheme fact

The HSC Pension Scheme is contracted-out of S2P under the 1995 Pensions Act. This means that the Scheme has to pass a scheme quality test set out in the Pensions Act. The Scheme actuary has confirmed that the Scheme has passed the test.

Further information

Further details on late retirement may be found in the separate fact sheet available from

www.hscpensions.hscni.net

Leaving

Leaving early

The Scheme provides a number of options for those leaving the Scheme, including opting-out of the Scheme, before retirement. The options available depend on your length of Scheme membership.

Option	Less than 2 years' Scheme membership when you leave	At least 2 years' Scheme membership when you leave
Refund of contributions, less tax and National Insurance contributions	Yes, if under normal retirement age	No
Leave your benefits in the Scheme and take a deferred pension	No	Yes
Transfer your benefits to another pension arrangement	Yes	Yes

Important notice

Whilst you are a contributing member of the Scheme, you are entitled to death in membership benefits including life assurance and family benefits. If you leave the Scheme these benefits may no longer be payable.

Taking a refund

If you have been in the Scheme for less than 2 years you can have your contributions refunded. Tax and National Insurance deductions will be made before these are repaid to you.

If you are over the normal retirement age or if you have transferred in a personal pension you may not have a refund. In these circumstances a retirement benefit will be paid

the options available
depend on your length of
Scheme membership



Transferring your pension benefits out of the Scheme

If you leave the HSC or leave the Scheme, you may be able to transfer your HSC benefits elsewhere. This section highlights the options available to you.

If you leave the Scheme you may be able to transfer your benefits out of the Scheme to:

- another occupational pension scheme;
- an NHS Pension Scheme in Scotland, England & Wales or the Isle of Man;
- a personal pension scheme;
- an insurance company to buy an annuity contract;
- a self-employed pension arrangement;
- an overseas pension scheme;
- a combination of these.

A transfer payment is worked out by converting the value of your pension rights to a current cash equivalent value using factors supplied by the Scheme actuary in relation to the member's age at the date of calculation. The transfer value also takes account of movements in the stock market.

If you have less than two years membership there are time limits to meet when considering a transfer of your benefits. To be able to transfer to another occupational or personal pension arrangement you must

- join or take out a pension within 12 months of leaving the Scheme; and
- you must apply for a transfer within 12 months of joining that scheme.

To be able to transfer to a scheme providing annuities you must apply within 12 months after you leave the Scheme. If you wish to transfer your benefits to an insurance company you must apply within 12 months of leaving the Scheme.

Important notice

Your benefits will not transfer automatically to an NHS Pension Scheme elsewhere in the UK. You must apply in writing for a transfer to be made.

Further information

More details about leaving early and transferring out are included in a factsheet available from:

www.hscpensions.hscni.net

Illness, injury, insurance & family benefits

Ill health retirement

If you have at least two years membership and are too ill to work in your present job you may be able to retire early and take your pension benefits. There are two tiers of Ill health retirement and the benefits you get will depend on whether or not you are capable of undertaking employment elsewhere. The minimum pension age does not apply in the case of ill health retirement. Ill health pensions are increased each April in line with increases in the Retail Price Index.

It may be possible to move between the tiers after retirement where our medical advisers indicate your condition may meet Tier 2 requirements within 3 years of retiring. It may also be possible if your condition is such that it is not possible to determine at the outset whether you will recover sufficiently to undertake any regular work.

If you are terminally ill you may take your benefits immediately as a lump sum. In this case they will be calculated based on Tier 2.

Your benefits may be reduced or withdrawn if you take up further HSC employment after retiring early due to ill health.

You may apply for ill health early retirement by completing a form which you can get from your employer.

If you are a deferred member and you become too ill to undertake regular employment you may apply to take your pension early without reduction. Your benefits will not be enhanced.

you may be able to retire
early and take your
pension benefits



Ill health retirement tiers

		Definition	Entitlement
1995 section	Tier 1	Unable to do current job due to permanent ill health.	Accrued membership without reduction. No enhancement to benefits.
	Tier 2	Unable to carry out regular employment due to permanent ill health.	Tier 1 benefits, PLUS an enhancement of two-thirds of your prospective membership to normal retirement age. Minimum membership enhancement of four years or to age 60 (whichever is less) until 2016. Total membership may not exceed prospective membership at 60.

		Definition	Entitlement
2008 section	Tier 1	Unable to do current job due to permanent ill health.	Accrued membership without reduction. No enhancement to benefits.
	Tier 2	Unable to carry out regular employment due to permanent ill health.	Tier 1 benefits, PLUS an enhancement of two-thirds of your prospective membership to age 65. Total membership may not exceed prospective membership at 65.

Further information

Further details about ill health retirement may be found in the separate factsheet available from:

www.hscpensions.hscni.net

Life insurance & family benefits

The Scheme provides lump sum and pension benefits to your dependants in the event of your death. The benefits payable will depend on your circumstances at the time of your death.

Payment of lump sum

The lump sum will be paid to your spouse, registered civil partner or qualifying partner. If you do not want this to happen you should contact HSC Pensions to nominate someone else to receive the benefit. A form to nominate who you want to receive this benefit can be downloaded from our website www.hscpensions.hscni.net You should note that the lump sum may be subject to inheritance tax if it is not paid to your spouse, registered civil partner or qualifying partner.

If you have not nominated a person to receive a lump sum and you do not have a spouse, registered civil partner or qualifying partner the lump sum will be paid to your estate.

A lump sum is not payable if you have had a refund of your contributions or transferred your pension rights to another pension arrangement.

Payment of dependants' pensions

These are payable for life to your legal spouse, registered civil partner, or qualifying partner from the date of your death. If you are not in a legally recognised relationship, you and your partner are required to complete a form to register your relationship. There are criteria that must be met for your partner to qualify for benefits and these will be checked in the event of your death. A form to nominate a non-legal partner can be downloaded from our website www.hscpensions.hscni.net

if you become terminally ill
you may take your benefits
immediately as a lump sum



Children's pensions

Children's pensions are paid until the age of 23. If the child remains unable to earn a living due to a condition which existed at the date of your death, the children's pension can be paid indefinitely.

Important notice

It is important that you keep your nominations up to date to ensure that your benefits are paid as swiftly as possible to who you want to receive them. Forms are available to nominate who you wish to receive any lump sum and also to register your partner for a pension.

Each section of the Scheme provides slightly different benefits. The following tables show the benefits that are payable from each section.

Benefit	Death in membership (with at least 2 years membership)	Death after retirement	Death with deferred pension	Death within 12 months of leaving membership if benefits remain in Scheme
Lump sum	2 x annual pensionable pay or average uprated earnings for Practitioners	The lesser of: 5 x pension less pension already paid or 2 x pay less any retirement lump sum	3 x pension payable if member had retired on date of death	3 x annual pension the member would have received had they retired on the date of death
Widow's pension	½ of your notional upper tier ill health retirement pension Short term pension payable at rate of your pensionable pay for the first 6 months	½ of your pension in payment Short term pension payable at rate of member's pension paid for first 3 months or 6 months if there is at least one dependent child	½ of your pension at the date of death No short term pension	½ of your notional upper tier ill health retirement pension at date of leaving No short term pension
Widower's/ Civil partner's/ Nominated partner's pension	½ of your notional upper tier ill health retirement pension, based only on membership from 6 April 1988* Short term pension payable at rate of your pensionable pay for the first 6 months	½ of your pension in payment, based only on membership from 6 April 1988* Short term pension payable at rate of member's pension paid for first 3 months or 6 months if there is at least one dependant child	½ of your pension at the date of death, based only on membership from 6 April 1988* No short term pension	½ of your notional upper tier ill health retirement pension at date of leaving, based only on membership from 6 April 1988* No short term pension
Children's pension**	¼ of your notional upper tier ill health retirement pension for 1 child ½ shared equally if 2 or more	¼ of your pension for 1 child ½ shared equally if 2 or more	¼ of your pension for 1 child ½ shared equally if 2 or more	¼ of your notional upper tier ill health retirement pension for 1 child ½ shared equally if 2 or more

*These benefits may be higher if you have purchased Additional Survivor Pension cover for your dependants.

**Higher rates may be payable if there is no survivors pension payable.

Benefit	Death in membership (with at least 2 years membership)	Death after retirement	Death with deferred pension	Death within 12 months of leaving membership if benefits remain in Scheme
Lump sum	2 x annual pensionable pay or average uprated earnings for Practitioners	The lesser of; 5 x pension less pension already paid; or 2 x reckonable pay less any retirement lump sum taken	2.25 x annual pension the member would have received had they retired on the date of death assuming they did not take a lump sum	2.25 x annual pension the member would have received had they retired on the date of death assuming they did not take a lump sum
Adult dependant's pension	37.5% of your notional upper tier ill health retirement pension Short term pension payable at rate of your pensionable pay for the first 6 months	37.5% of your pension in payment* Short term pension payable at rate of member's pension paid for first 3 months or 6 months if there is at least one dependant child	37.5% of your pension at the date of death* No short term pension	37.5% of your notional upper tier ill health retirement pension at date of leaving. No short term pension
Children's pension	18.75% of your notional upper tier ill health retirement pension for 1 child 37.5% shared equally if 2 or more	18.75% of your pension for 1 child 37.5% shared equally if 2 or more	18.75% of your pension for 1 child 37.5% shared equally if 2 or more	18.75% of your notional upper tier ill health retirement pension for 1 child 37.5% shared equally if 2 or more

* May not include any additional pension being paid.

If you have less than two years membership and die before you leave or retire, your spouse, civil partner, or nominated qualifying partner would receive a lump sum payment and a short term pension payable for six months.



Injury benefits

A separate scheme covers HSC Staff and Practitioners (whether they are in the HSC Pension Scheme or not) for injuries or diseases contracted in the course of work. The Injury Benefit Scheme can provide temporary or permanent payments to you or your dependants if you are absent from work, unable to earn as much or die as a result of the injury or disease.

Further information

For more information about injury benefits please visit the Injury Benefit Section of the website at

www.hscpensions.hscni.net/injurybenefit.htm

Help and general information

HSC Pension Service – our commitment to you

HSC Pension Service aims to provide a prompt, efficient and helpful service to all members of the HSC Pension Scheme.

The HSC Pension Scheme currently has 57,000 actively contributing members, 11,000 members with deferred benefits. We pay pensions to 28,000 pensioners every month.

We aim to:

- Pay pensions accurately and on time;
- Treat you as an individual with dignity and respect;
- Listen to what you say;
- Be fair, helpful and easy to talk to;
- Give clear reasoning and explanation when necessary;
- Keep what you say to us confidential; and
- Tell you exactly what you need to do and what information we need.

Tell us how we are doing:

Please tell us what we have done well or what we could have done better. We will use this information to make improvements to our service.

If you want to tell us about any improvements you think we could make, or tell us about good service that you have received please contact us by telephone, letter or by emailing us through our website. See page 34 for our contact details.

We are happy to receive feedback on any matter.

Our service standards

On our website you will find a list of our core service standards and the current performance levels against them.

You can help us by:

- Giving your surname, initials and National Insurance number when you contact us;
- Giving us full and accurate information when we request it;
- Treating our staff courteously; and
- Informing us if you change your address.

provide a prompt, efficient and helpful service to all members



Contact details

You can contact us at:

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



Telephone: 028 71 319000 or contact us via our website at:
www.hscpensions.hscni.net

The switchboard is open from 9.00 am to 5.00 pm Monday to Friday. We are closed on Public Holidays.

You can also fax us on 028 71 319144.

It will help if you quote your National Insurance number when you contact us.

Below are the contact details for persons or organisations you may wish to get in touch with.

HSC money purchase AVC provider

Standard Life
Group Pensions Public Sector
Standard Life House
30 Lothian Road
Edinburgh, EH1 0WT

www.standardlife.co.uk/nhs
Helpline: 0800 33 33 06



HSC stakeholder

Standard Life
Stakeholder Pensions
Standard Life House
30 Lothian Road
Edinburgh, EH1 0WT

www.standardlife.co.uk/nhs
Helpline: 0800 33 33 06



The Pensions Advisory Service (TPAS)

If you wish to contact TPAS their address is:

11 Belgrave Road
London, SW1V 1RB



Telephone: 0845 601 2923 or visit their website www.pensionsadvisoryservice.org.uk

Pensions Ombudsman

If you wish to contact the Pensions Ombudsman the address is:

11 Belgrave Road
London, SW1V 1RB



Telephone: 020 7834 9144 or visit their website www.pensions-ombudsman.org.uk

Pension Schemes Registrar

Information about the Scheme has been given to the Pension Schemes Registry under the management of the Pensions Regulator. The address for the Pension Schemes Registry is:

Registrar of Pension Schemes
PO Box 1NN
Newcastle upon Tyne, NE99 1NN



Telephone: 0191 225 6393

Pensions Regulator

If you wish to contact the Pensions Regulator, the address is:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton, BN1 4DW



Telephone: 0870 606 3636 or visit their website www.thepensionsregulator.gov.uk

Financial Services Authority (FSA)

If you wish to contact the FSA, the address is:

25 The North Colonnade
Canary Wharf
London, E14 5HS



Telephone: 0845 606 1234 or visit their website www.fsa.gov.uk

General information

Data protection

HSC Pensions is a Data Processor under the Data Protection Act 1998. The Data Controller, for the purposes of the Act, is the HSC Business Services Organisation.

HSC Pensions holds information provided by your employer for HSC Pension Scheme purposes and in relation to the HSC Injury Benefit Scheme and certain other statutory functions assigned by Parliament. The information we hold may be used for any of the functions of HSC Pensions. We may get information about you from other sources. If we do, it will only be as the law allows, for instance to:

- check accuracy of information
- prevent or detect crime
- protect public funds

We may check information we receive about you with what is already in our records. This may include information provided by you as well as by others such as other government departments, agencies and overseas authorities. We will not give information about you to anyone outside HSC Pensions unless the law allows us to do so.

HSC Pensions has a legal duty to protect the confidentiality of information about HSC employees. We take appropriate precautions to protect any information you give us, whether by our website or by other means because of legislation such as the Data Protection Act 1998. Any data which we use here is protected in accordance with Government standards.

You have the right to ask for details of any data which HSC Pensions holds about you. If you wish to do this you can write to the Information Governance Manager at HSC Pension Service. Your letter should include:

- your name and address
- your National Insurance number

If information held about you has been provided by a separate authority, HSC Pensions may require their permission for its contents to be disclosed.



we take appropriate security precautions to protect any information you give us

Freedom of information

The Freedom of Information Act came into force on 1 January 2005.

Under the Freedom of Information Act 2000, anybody may request information from a public authority which has functions in England, Wales and/or Northern Ireland. The Act confers two statutory rights on applicants:

- To be told whether or not the public authority holds that information; and if so,
- To have that information communicated to them.

Who can request information?

Anyone can request information under the Act regardless of age, nationality or location. You should make any requests to the Information Governance Manager at HSC Pension Service.

What information will be available?

Any information held by a public authority is eligible for release. However, a number of exemptions may be applied to protect information properly kept confidential.

Freedom of Information Act

This Act requires publicly funded organisations, such as government, schools, hospitals, etc. to disseminate a 'publication scheme', put in place systems for effective records management, and respond to requests from the public for information. The Act recognises the need to maintain government confidentiality in some circumstances and hence includes exemptions.

Further details about the Act and its implementation can be found on the Office of the Information Commissioner's website.



Complaints and Disputes

What to do if things go wrong

We make every effort to get things right. If we have made a mistake please tell us and we will apologise and put things right as quickly as possible. If we cannot resolve your complaint informally, we have a formal Complaints and Disputes procedure that complies with pension legislation.

Who can complain?

Anyone who:

- receives, or expects to receive benefits from the Scheme, **or**
- wishes to join the Scheme, **or**
- is nominated by the above to represent them.

How to complain?

This is a two stage process, the first of which asks you to complete a Stage 1 application form DRP1 available to download from our website at: www.hscpensions.hscni.net

Your case will be reviewed by a Disputes Officer and we will let you have a response within two months. If we are unable to give you a decision within that timescale, we will write and tell you why.

If you still remain dissatisfied you are entitled to have your case looked at a second time by completing a Stage 2 application form DRP2 which is available to download from our website at: www.hscpensions.hscni.net

Your case will then be reviewed by a Scheme Manager and we will let you know the outcome within two months. If we are unable to give you a decision within that timescale we will write and tell you why.

Where you can get further advice

You can get advice from The Pension Advisory Service (TPAS) at any time. You can also ask the Pensions Ombudsman to investigate and give a decision on any complaint or dispute. The address for both of these can be found in this section.

But the Pensions Ombudsman will normally expect any complaint to have been looked at under our Complaints and Disputes procedure first.

The Pensions Regulator is responsible for the oversight of pension scheme administration and for granting certain time limit extensions and for complaints about non-disclosure of information. Their address can also be found in this section.

Some general points

Scheme Rules

The rules of the HSC Pension Scheme are laid down in regulations. They are the Health and Personal Social Services (Superannuation) Regulations (NI) 1995 and subsequent amendments. You can view these on our website www.hscpensions.hscni.net

The Scheme is “registered” under the Finance Act 2004.

The Scheme is contracted out of the State Second Pension Scheme (S2P) under the Pensions Act 1995.

Scheme Administrator

The Scheme Administrator is the HSC Business Services Organisation. You can contact the Scheme Administrator via HSC Pensions using the contact details in this section.

Pension Scheme Fund

The HSC Pension Scheme does not have a real pension fund, but as a statutory scheme, benefits are fully guaranteed by the Government.

Contributions from both members and employers are paid to the Exchequer, which meets the cost of Scheme benefits.

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Independent Financial Advice

If you are in any doubt which pension arrangements will be the best for you, you should seek financial advice.

Under the Financial Services and Markets Act of 2000 all financial advisers have to decide whether to be “independent”, “tied” or “multi-tied”.

A financial adviser who is “independent” can offer a range of financial services and products from across the entire market, whereas a financial adviser who is “tied” or “multi-tied” can only offer the products from one or a series of companies.

Before you ask for advice, make sure you know which type of adviser you are dealing with. Most financial advisers will charge for their advice.

The charge may be in the form of a fee payable by you or a commission payable by any company that you decide to invest in. If the adviser you choose charges on a commission basis, you should ask how your investments will be affected by the charges.

Your employer may be able to help you find a source of independent financial advice or you can use the contacts below to obtain a list of local companies.

IFA Promotions Limited



<http://www.unbiased.co.uk>

It is advisable to check that any company you choose is authorised with the:

Financial Services Authority
25 The North Colonnade
Canary Wharf
London, E14 5HS



Telephone: 0845 606 1234 or visit their website www.fsa.gov.uk

Glossary of common terms

Additional Pension (AP)

An extra amount of annual pension that you (or your employer) have purchased by paying extra contributions.

Additional Voluntary Contributions (AVCs)

Extra contributions that you decide to pay to increase your benefits.

Capital value

This is a definition of the value of your pension as determined by HMRC and is calculated by multiplying your pension by 20 and adding the value of your lump sum.

Career Average Revalued Earnings (CARE)

For Practitioners only. A method of calculating your pension by reference to your earnings over your entire Practitioner membership.

Contributions

The amount needed to be paid into the scheme to pay for the benefits. This is split between members and employers.

Deferred benefits

A pension (and retirement lump sum) that is due to be paid at a later date.

Deferred members

People who have left the Scheme but have not yet taken their pension. These members are also sometimes referred to as being preserved.

Dependant

A spouse, civil partner, nominated qualifying partner or dependent child who qualifies to receive a pension after you die.

Draw down

Taking part of your pension benefits before you retire completely from the HSC.

Final year's pensionable pay

The best year's pensionable pay in the last three years of employment

Flexibility rules

A number of calculation tests applied to Practitioner benefits to ensure that the most beneficial method of calculation is used.

Guaranteed minimum pension

As the Scheme is contracted out of the State Second Pension, this is the minimum amount of pension you will receive from the Scheme.



HMRC

Her Majesty's Revenue and Customs (formally the Inland Revenue).

HSC Staff

Most employees working for the HSC.

HSC worker

A general term used in this guide to cover all types of HSC related employees and contractors who are able to be in the HSC Pension Scheme.

Ill health retirement

Being awarded a pension due to being too ill to continue to work.

Injury Benefits Scheme

A scheme that pays you money if you are injured or become ill as a result of your work.

Maximum lump sum

The maximum cash you can take from your pension benefits when you retire. HMRC determine this as being the lower of

- 25% of the available lifetime allowance.
- 25% of the capital value of your benefits to be paid.

Membership

The time you spend at work and contribute to the HSC Pension Scheme that counts towards your pension.

Minimum retirement age

This is the earliest age you can take your pension benefits.

Normal retirement age

The normal retirement age is the age at which pension benefits can be claimed without an actuarial reduction for early payment, and without an actuarial enhancement for late payment. This is sometimes referred to as your normal pension age.



The normal retirement age for members of the 1995 section of the HSC Pension Scheme is 60.



Members of the 2008 section of the HSC Pension Scheme have a normal retirement age of 65.

Members of the Special Classes (which only applies to certain categories of member in the 1995 section of the HSC Pension Scheme) have a normal retirement age of 55.

Pension

An annual amount of income paid once you have retired from the Scheme.

Pensionable pay

The amount of your salary that is used to calculate the amount of contributions you pay.

Pensionable earnings

The amount of your income that represents your earnings for HSC work and is used to calculate the contributions you pay and how much your pension will be. Some members may have been restricted by a maximum amount set by HMRC (the earnings cap) for membership between 1 June 1989 and 31 March 2008 when the limit was removed. Dentists may have previously been affected by a restriction called the Maximum Allowable Remuneration but this was removed from 31 March 2008. Affected members will receive pensions based on capped earnings before the change and uncapped earnings after the 31 March 2008.

Personal pension

A separate pension that you can take out to save towards your retirement.

Practice and Approved Employer Staff

Staff who work for a General Practice or for other employers connected to the HSC for whom agreement has been reached that they can participate or continue in the HSC pension arrangements.

Practitioners

HSC medical, dental and ophthalmic practitioners, including assistants and some locums.

Reckonable pay

The annual average of the best three years' consecutive pensionable pay in the 10 years before leaving or retirement, re-valued by increases in the Retail Prices Index. Some members may have been restricted by a maximum amount set by HMRC (the earnings cap) for membership between 1 June 1989 and 31 March 2008 when the limit was removed. Additionally dentists may have been affected by a restriction called the Maximum Allowable Remuneration but this also has been removed from 31 March 2008. Affected members will receive pensions based on capped earnings before the change and uncapped earnings after the 31 March 2008.

Retirement lump sum

A cash payment made at the time of retirement. Normally this is three times your pension amount but you can choose to take a bigger lump sum and have a smaller annual pension if you want to. There are some members whose lump sum may be less than 3 x pension if they started membership before 25 March 1972 or if they have elected to buy benefits for a spouse or partner by having a deduction taken from their retirement lump sum.



Revaluation factor

A way of increasing the recorded value of each year's pensionable earnings to maintain their buying power by reference to current earnings values. Historically these have been linked to the relevant earnings of each group. These have also been called Indexation Factors and Dynamising Factors.

Regulations

The legal framework that sets out the rules of the Scheme.

Scheme

In this guide, the Scheme refers to the HSC Pension Scheme.

Special Class Member

Nurses, midwives, health visitors, physiotherapists and mental health officers in post before 1 April 1995.

State pension

A pension paid when you reach State Pension Age based on your National Insurance payments or credits.

State Second Pension

A separate part of the State pension based on the amount of your earnings since 6 April 1978 on which you have paid National Insurance contributions. Before April 2002, the Second State Pension was known as the State Earnings Related Pension Scheme (SERPS). The Scheme is contracted out of the State Second Pension.

Step down

Choosing to work in a lower paid job as you start to reach retirement.

Up-rated earnings

The final value of pensionable earnings after adding all year's earnings and applying revaluation factors.

Transfer

Moving your pension benefits into or out of a registered pension scheme.

Voluntary early retirement

Choosing to take your pension earlier than the normal retirement age.



the Scheme is contracted
out of the State Second
Pension

Health and Social Care Pension Scheme - joiner questionnaire

Surname: _____ Other names: _____

Title: _____ Date of Birth: _____ NI No: _____

1. I have membership in an NHS Pension Scheme (Scotland, England & Wales or the Isle of Man) and have: Yes No
- **not** had a break in membership of 5 years or more;
 - **not** had a refund of contributions;
 - **not** transferred out the service to another pension provider after 1st April 2008.

2. I have had a previous employment, which was or is now, part of a TUPE transfer to the HSC? Yes No

If you have answered 'Yes' to any of the above questions please provide the following information. If you have answered 'No' to both of the above questions there is no need to complete this questionnaire as you have been assigned to the correct section of the pension scheme and no further action is required.

3. Name and address of your previous pension provider:
- _____
- _____

4. Your membership number as provided by your previous pension provider: _____

5. What were the start and end dates for this employment? Start / / End / /

6. Please provide the name and address of your previous employer:
- _____
- _____

7. Was this job full-time or part-time? Full Part

If you have any documentation from your previous scheme confirming your membership or TUPE status, please send a copy to us with this completed form.

8. Declaration
- I confirm that all the information I have given on this form is true to the best of knowledge and belief.
 - I understand that HSC Pensions may need to contact my previous pension provider to confirm the information I have provided and grant permission for them to do so.
 - I understand that if I have previous membership of an NHS pension scheme or TUPE protection that the HSC Pension Scheme (Northern Ireland) will be unable to review my scheme membership until they receive this completed questionnaire and any supporting evidence.
 - I understand that completing this questionnaire will, where appropriate, not result in my NHS membership being transferred to the HSC Pension Scheme (Northern Ireland). For more information please refer to the Transferring Benefits section of the Scheme Guide.

9. Signature: _____ Date: _____

Once completed please send **as soon as possible** to:

HSC Pension Service, Waterside House, 75 Duke Street, Londonderry, BT47 6FP

Once HSC Pensions receive your completed questionnaire we will verify the information provided and write to you to confirm which Section of the Scheme you have been assigned.

For HSC Pension Service use only





