

Supporting staff to move to the 2015 HSC Pension Scheme from 1 April 2022

Employers should communicate these three key messages to staff that are currently in the 1995/2008 Sections of the HSC Pension Scheme, as they will be moved to the 2015 Scheme on 1 April 2022 as part of the **McCloud remedy**.

1. Pension already built up in the 1995/2008 Schemes will not be lost.

Myth: “I need to retire before 1 April 2022 otherwise I’ll lose my 1995/2008 pension.”

Facts:

- Staff will not lose any pension they have already earned in the 1995/2008 Schemes. This can still be claimed after 1 April 2022 in line with the existing rules for these schemes.
- Pension benefits from the 1995/2008 schemes will continue to be linked to the member’s final salary.
- From 1 April 2022, staff will build up pension in the 2015 Scheme. This means that their full pension pot at retirement is likely to be made up of a combination of 1995/2008/2015 Scheme benefits.

Myth: “If I don’t retire before 1 April 2022, I’ll have to wait until state pension age to claim my pension.”

Facts:

- From 1 April 2022, pension benefits from the 1995/2008 Schemes can be accessed at the same time as they can now.
- Staff with Special Class and Mental Health Officer status will still be able to take their 1995 Scheme pension without reduction from age 55, providing they continue to meet the eligibility criteria.

2. All members will be in the 2015 Scheme from 1 April 2022.

Myth: “I’ve got protection, so I won’t have to move to the 2015 Scheme.”

Facts:

- The 1995/2008 Schemes will both close on 31 March 2022.
- All active scheme members will therefore be in the 2015 Scheme from 1 April 2022, including those that previously had full or tapered protection.
- Members will be automatically moved to the 2015 Scheme on 1 April 2022 and do not have to do anything to ensure continuous pension scheme membership.

Myth: “The 2015 Scheme is worse than the 1995/2008 Schemes.”

Facts:

- The 2015 Scheme and the 1995/2008 Schemes are all very generous.
- Depending on individual circumstances, many members will benefit from moving to the 2015 Scheme.
- Members will not lose any pension already built up in the 1995/2008 Schemes.

3. You do not need to make any decisions now.

Myth: “I’m being moved to the 2015 Scheme, so I need to make a decision now about my pension for the remedy period.”

Facts:

- Those **affected** by the McCloud remedy will be asked to make a choice about some of their pension benefits.
- Staff do not need to do anything until they come to retire.
- Those retiring after 1 October 2023 will be asked to make the choice as part of their retirement process.
- Staff planning to retire before 1 October 2023 should make decisions based on the current rules. Once the required legislation is in place, these individuals will be contacted by HSC Pensions and offered their choice of pension benefits retrospectively. Any resulting changes to pension payments will be backdated to the date of retirement.