



HSC Pension Service

Business Services Organisation

Provided by

HSC Pension Service

**Welcome to the
HSC Pension Service
Member Newsletter**



This newsletter is for all active and deferred members of the HSC Pension Schemes and contains important information about your HSC Pension Scheme Benefits

October 2022



Changes to Member Contributions

Following a consultation carried out by The Department of Health (DoH) which sought views on changes to member contributions with effect from 2022, a new tiered member contribution structure will be implemented from 01 November 2022. The proposals set out in that consultation aimed to preserve participation in the scheme while protecting its substantial value for members in retirement.

The consultation document set out a number of proposals:

- Members' contribution rates would be based on actual pensionable pay instead of members' notional whole-time equivalent pay
- Rebalancing the contribution structure by narrowing the range of contribution rates.
- Increasing tier boundaries in line with annual AfC pay awards
- Phasing in the new member contribution structure over 2 years

The new Contribution structure will be implemented from 01 November 2022 using actual annual rates of earnings instead of a member's whole time equivalent pensionable earnings. These changes will be implemented in phases with the first phase of changes coming into force on 01 November 2022. The second phase introducing further amendments to the contribution tier structure and rates will take place on a date to be confirmed in 2023.

Table 1 below outlines the interim Contribution Rates effective from 01st November 2022 and Table 2 shows the contribution rates effective in phase 2 from 2023 (date to be confirmed)

Table 1

Tier	Pensionable Earnings	Contribution rate from 1 November 2022 until introduction of phase 2
1	£0.00 - £13,231.99	5.1%
2	£13,232.00 to £15,431.99	5.7%
3	£15,432.00 to £21,478.99	6.1%
4	£21,479.00 to £22,548.99	6.8%
5	£22,549.00 to £26,823.99	7.7%
6	£26,824.00 to £27,779.99	8.8%
7	£27,780.00 to £42,120.99	9.8%
8	£42,121.00 to £47,845.99	10%
9	£47,846.00 to £54,763.99	11.6%
10	£54,764.00 to £70,630.99	12.5%
11	£70,631.00 and over	13.5%

Changes to Member Contributions - Cont

Table 2

Tier	Pensionable Earnings	Contribution rate from introduction of phase 2
1	£0.00 - £13,231.99	5.2%
2	£13,232.00 to £22,548.99	6.5%
3	£22,549.00 to £27,779.99	8.3%
4	£27,780.00 to £42,120.99	9.8%
5	£42,121.00 to £54,763.99	10.7%
6	£54,764.00 and above	12.5%

Current Contribution Rates to 31st October 2022

Tier	Pensionable Earnings	Contribution rate
1	Up to £15,431.99	5.0%
2	£15,432.00 to £21,477.99	5.6%
3	£21,478.00 to £26,823.99	7.1%
4	£26,824.00 to £47,845.99	9.3%
5	£47,846.00 to £70,630.99	12.5%
6	£70,631.00 to £111,376.99	13.5%
7	£111,377.00 and over	14.5%

Annual Benefit Statements 31st March 2022

Annual Benefit Statements for 31st March 2022 are available on the Member Self-Service (MSS) portal. These statements are not posted out to members and must be accessed online.

We would encourage all members who have not yet registered for MSS to do so as soon as possible. To register go to <https://mypension.hscni.net/>

You can find help to register on the system at <http://www.hscpensions.hscni.net/quick-links/member-self-service/>

**When will I
get my
Statement?**

Annual Allowance 5th April 2022

Annual Allowance details for 5th April 2022 are available to view on the Member Self Service (MSS) portal from 6th October 2022.

Annual Allowance does not affect everyone, we have published an [Annual Allowance Notice 2021-22](#) on our website which you may find helpful.

If you are approaching retirement and wish to use Scheme Pays for a tax charge we must receive the Scheme Pays Election form prior to your retirement date.

Please note if you wish to avail of Scheme Pays for a tax charge incurred in year 2021/22 you must submit your Scheme Pays Election form by the 31st July 2023.

Unpaid Leave/Career Breaks and Pension Implications

From 1st April 2008 members had the option to continue to pay contributions during periods of authorised unpaid leave (including career breaks). However, this is not compulsory and if the member decides not to pay contributions their pension record will be closed down by the Employer on the day before the leave commences.

If a member is on unpaid leave (not including unpaid sick, maternity, paternity adoption or parental leave) and has ceased paying pension contributions the following implications should be considered;

- **Death and Survivors Benefits** – If a member dies whilst on unpaid leave they are treated as a former member of the scheme. Therefore they will not be entitled to the Death in Service benefits afforded to active members. Please see the [Life Assurance and Family Benefits](#) factsheet for further information on benefits payable.
- **Ill Health Retirement** – if a member suffers ill health whilst on unpaid leave and wishes to apply for their benefits through the Ill Health Retirement facility they will be treated as a former member of the scheme. This means they will need to satisfy the criteria for Tier 2 but only be eligible for Tier 1 benefits. Please see the [Ill Health Retirement](#) factsheet for more information.

It is important to note that on return to employment following a Career Break it is up to the member to opt back into the Pension Scheme by completing a re-joiner form which should be submitted to the Employer.

Estimates of Benefit

Members can use a combination of their Annual Benefit Statement and the HSC Pension Service On Line Calculators available [here](#) to forecast potential benefits available at retirement. By using the calculators you can provide yourself with free of charge estimates of benefits for many different scenarios such as voluntary early retirement or applying different retirement dates/service accrued etc.

Any member within 1 year of their normal retirement age can request one estimate of benefits statement per year free of charge. Additional requests for estimates will be processed at a cost of £45 per estimate - administration charge.

Members requesting an Estimate must now complete the [Member Request for Pension Estimate Form](#) which should then be forwarded to:

Payroll Pension Team

HSC Pension Service

Waterside House

75 Duke Street Derry

BT47 6FP

Or email the form to: aw6.est.ppt@hscni.net

Pension Benefit Application Process

Members who are considering retiring should begin the process of applying for your benefits at least 4 months in advance of your proposed retirement date. The following steps should be taken to ensure a smooth transition into retirement.

- Agree the retirement date with your line manager and complete any necessary paperwork to confirm this date, i.e. letter of resignation etc.
- Contact your HR Department for a retirement pack which should include the pension application form AW6. Alternatively you can download the AW6 form from the HSC Pension Scheme Website at [Pension Benefit Application – HSC Pension Service \(hscni.net\)](#)
- Complete parts 1 to 9 of the AW6 Pension Application form and return it to your employer who will complete part 10. Include a copy of your birth certificate.
- Your employer will forward the completed AW6 form to Payroll Pension team in HSC Pension Service.
- If you have [included an e-mail address on your AW6 application form](#), a confirmation e-mail will be issued to you to let you know that your form has been received and your application is being processed.
- In the month that your pension and lump sum are due to be paid you will receive a letter confirming the value of benefits payable. If you have included an e-mail address on your AW6 application form this letter will be e-mailed to you

You should note that if your retirement date is the last day of a month you are not due any pension payment until the following month.

Death Benefit Nominations

It is important to keep HSC Pension Service informed of where you wish survivor benefits to be paid in the event of your death by submitting the relevant nomination forms (see below). If you are married or in a civil partnership benefits will automatically be paid to your spouse/partner unless you tell us otherwise.

If you are single/widowed or divorced benefits will be paid to your estate unless you tell us other-wise.

You can use the forms below if you wish to specifically nominate an individual or individuals for payment of a death gratuity or if you are co-habiting but not married or in a civil partnership to nominate your partner for a survivors pension.

Form DG3 – This form is used to nominate who you wish the Death Benefit Lump Sum to be paid to in the event of your death. If you have not completed this form any death gratuity payable will be paid to your surviving spouse/civil partner/nominated partner. If you do not have a surviving spouse/civil partner/nominated partner the payment will be made to your estate/personal representatives on receipt of relevant documentation.

PN1 Form – This form is used if you are single/widowed or divorced and are living with your partner, you can nominate your partner to receive a survivor pension in the event of your death. For a nomination to be accepted certain conditions must be met, these are listed on the form.



McCloud Remedy

The 1st of April has passed and it brought with it the first stage of the implementation of the McCloud Remedy, where all active members of the HSC Pension Scheme are now accruing benefits in the 2015 Reformed Scheme.

HSC Pension Service are understandably experiencing an increase in queries relating to the McCloud Remedy and how it might affect you as members. You may wish to consider catching up on the latest information available on the [McCloud Remedy Page](#) of the HSC Pension Scheme website.

The page which is located in the Quick Links section of the home page of the [HSC Pension Scheme website](#) includes FAQ's, a Decision Tree on who is affected by the Remedy, Factsheet, Myth Buster and Timelines which might find useful.

Transfer of Benefits into the HSC Pension Scheme

If you have recently joined HSC NI and wish to move previously built up pension rights to the HSC Pension scheme you need to let us know by completing an Application for Transfer In of Pension Rights.

The Transfer In application form can be found on the Scheme website where you will also find the Transfer in Guide informing you of what pension rights that you can transfer and the rules that apply. You can access the guide and the application form [here](#).

The most important thing for you to remember about transferring in your pension is that you only have **12 months** from the day you join the HSC Pension Scheme to apply. Please remember that if you confirm on your Joiner Questionnaire you have service you wish to transfer this does not equate to a transfer request. The Joiner Questionnaire is returned to HR and will not be sent to HSC Pensions so you must follow the instructions in the Transfer in Guide to ensure your Transfer is actioned.

HSC Pension Service recommends that you consider taking independent financial advice before making a decision about transferring benefits.

Transferring into the HSC Pension Scheme

Please note if you wish to transfer previous service to the HSC Pension scheme you must:

Request a transfer of pension benefits within 12 months of becoming eligible to join the Scheme
Be under your normal pension age.

If your transfer request is not within HSC Pension time limits it will be rejected.

How do I request to transfer into the scheme?

To request a transfer you must first complete a transfer in request form. This is available [here](#).

Previous NHS Service in England & Wales, Scotland or the Isle of Man

Please be aware that transfers do not automatically happen regardless if they were previously with another NHS Pension Scheme including NHS Pensions Agency England & Wales or Scottish Public Pensions Agency (SPPA) or NHS Isle of Man.

Change to time limits for transfer quotes

For all transfers (apart from NHS England & Wales, Isle of Man and SPPA Club transfers) members will receive a quote as there will be a difference in service or CARE earnings transferred between HSC Pension scheme and the scheme you were previously with. HSC Pensions will send your quote to you by post. We will ask that you give this your immediate attention as transfer quotes are only guaranteed for three months. Once this window passes the quote will be re-issued; some pension schemes will then charge for a new quote to be processed.

To avoid this and delays in transfers we have amended our processes for transfer in quotes. If you do not respond to the first quote one final reminder letter will be issued. You will then have four weeks from this point to respond to the quote. If we do not receive a response from this letter we will automatically close your case.

Please note members who transfer in from a personal pension will not be able to take a refund of contributions even if they subsequently leave with less than two years membership.





Contact Us:

By writing to us at:-

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

Via e- mail at:- hscpensions@hscni.net

By Telephone: 02871319111

10.00 am to 12.00pm / 2.00 pm to 4.00pm - Monday to Thursday
10.00 am to 12.00pm - Friday



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If you have any suggestions for the newsletter or would like a particular topic covered in future publications please do not hesitate in contacting us by emailing: john.coyle@hscni.net

