

A GUIDE TO ADMINISTERING THE HSC PENSION SCHEME FOR OUT OF HOURS PROVIDERS

CHAPTER		Page
1	About this Guide	3
2	The HSC Pension Scheme	4
3	The HSC Pension Service Responsibilities	5
4	Out of Hours Providers Responsibilities	6
5	Pension Records & Contributions	7
6	Other Pensions Issues	10

Chapter 1: About this Guide

The purpose of this Guide is to provide pension administration guidance and instructions to Out of Hours Providers (OOHP's) who are HSC Pension Scheme Employing Authorities.

The Guide is divided into several chapters covering different aspects of HSC Pension Scheme administration; further help is available from the HSC Pensions website www.hscpensions.hscni.net.

HSC Pensions address is:

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

Telephone Number: - **028 71319111**

The office telephone lines are open:

09.00am to 5pm Monday to Thursday
09.00am to midday Friday

This Guide must be made available to anyone dealing with HSC Pensions.

Chapter 2: The HSC Pension Scheme

The HSC Pension Scheme is administered by the HSC Pension Service based at Waterside House, Londonderry.

HSC Pension Service administers two pension schemes, the HSC Pension Scheme and the HSC Pension Scheme 2015.

The HSCPS Contracted out number (SCON) is: S2731084A
The Employers Contracted out Number (ECON) is: E3900002R

The HSCPS offers a range of index-linked pension benefits at retirement and life assurance cover. Employer contributions are based on 16.3% of pensionable pay. Employee contributions are tiered and range from 5% to 14.5 % and attract tax relief.

HSCPS benefits are paid for by the contributions made by members and employers and are underwritten and guaranteed by the Government, (i.e. Treasury). The HSCPS 'fund' is not invested in stocks or shares and is, therefore, not subject to the vagaries of the Stock Market, unlike most private pension schemes.

The terms of the Scheme are set out in statutory regulations, which can be viewed on HSC Pensions website.

The HSCPS offers: -

- An annual pension and tax-free lump sum at retirement for 1995 membership.
- An annual pension for 2008 and 2015 Scheme membership.
- Life Assurance benefits including a death gratuity, nominated spouses/partner pensions, and child allowances for dependent children under the age of 23.

Pension benefits are index linked to protect their value. Pensions awarded from age 50 do not attract cost of living increases until age 55 unless the member retires due to ill health.

The Normal Pension Age (NPA) under the 1995 section of the HSC Pension Scheme is 60; under the 2008 section it is 65. The NPA under the Pension Scheme 2015 is linked to the members State Pension Age (SPA).

HSCPS members may retire voluntarily before normal pension age; however, their benefits would be actuarially reduced.

Chapter 3: HSC Pensions Responsibilities

HSC Pensions operational functions are to:

- Maintain records of Scheme members and pensioners;
- Award pension benefits;
- Ensure that Employing Authorities make timely and correct payments of employers' and employees' contributions and maintain and implement such information and other systems as may be necessary to fulfill these functions;
- Preserve benefits for early leavers;
- Provide basic estimates of benefits entitlement on request;
- Pay transfer values for members moving out of the Scheme and receive payments for people transferring into the Scheme;
- Pay refunds of contributions;
- Process applications to purchase additional benefits under the Scheme;
- Publicise the Scheme and encourage awareness among HSC staff about the Scheme and the benefits available.
- Comply with all relevant pensions' legislation including The HSCPS Regulations, The Pensions Act, The Data Protection Act, and The Occupational Pension Scheme (Disclosure of Information) Regulations.

Chapter 4: Out of Hours Providers Responsibilities

All OOHPs (that are Employing Authorities) are legally bound to administer the HSCPS locally under the Pensions Acts of 1995 and 2004, as well the HSC Pension Scheme Regulations.

Those OOHPs that are Employing Authorities are obliged to offer the Scheme to all of their eligible employed staff, including those who work part-time and on 'the bank'. The Scheme's inherent good value will ensure that most staff view membership as a real plus point aiding recruitment and retention.

Broadly stated the OOHPs' responsibilities are to:

- Maintain pension records.
- Deduct employee contributions and forward these along with employer contributions (at the correct rate) to HSC Pensions on time, i.e.: by the 19th day of the month following payment of salary. **Please note that different rules apply for GPs.**
- *Deduct employee and employer contributions in respect of all types of GPs (except freelance GP Locums) and forward to HSC Pension Service at the correct rate and on time; i.e. by the 19th day of the month following payment.
- Inform HSC Pensions (through the use of forms J2 & 55A (Non GP Staff) SS14 (GP's)) when a pensionable employee joins or leaves.
- Provide form SD502 on request only, to those employees who choose to opt out of the Scheme; GPs cannot opt out of selective OOHs posts.
- Complete benefit claim forms.
- Pay initial widows/widowers and dependants pensions.

****OOHPs must never send in pension forms in respect of Principal GPs employed on a sessional basis directly to HSC Pensions. The Principal GP must declare their OOH income and contributions by completing Page 7 (Declaration of Other Employing Authority Solo Income) of their annual certificate of pensionable profit which must be verified by the OOHP.***

****A GP who sets themselves up as a unique limited company for the purposes of their OOHs work cannot pension their OOHs income.***

Chapter 5: Pension Records & Contributions

Almost all HSC staff are eligible to join the HSCPS; they also have the freedom to opt out. OOHPs have a legal duty to make their staff aware of their pension rights. If anyone requires advice they should always be referred to an independent financial advisor.

Pensionable non-GP staff employed by OOHP are afforded 'Practice Staff' HSCPS rights. That is, they are afforded the same HSC pension rights as GP Practice staff.

GPs are always afforded 'Practitioner' HSCPS rights unless employed in an administrative/managerial role.

Joining the HSCPS

HSCPS rules require all **non-GP** staff (i.e. employed staff who are not GPs) to be automatically joined by using the starter form J2 which must be completed and forwarded to HSC Pension Service, Waterside House, together with the New Employee Questionnaire.

The J2 joiner form must include:

- The member's full name and permanent address.
- Their National Insurance number.
- A verified date of birth.

***The J2 joiner form must not be used for GPs;
Form SS14 must be used for all GP's employed on a salaried basis.
Form SS14 must be used for all employments for GP's who are not Principals
whether fee based or salaried.***

Opting Out

If a non-GP employee does not wish to join the HSCPS they must formally opt out on form SD502. More information regarding joining the Scheme and which section of the Scheme they will join can be found at www.hscpensions.hscni.net

GPs cannot opt out of pensioning their OOHPs income if they have other GP pensionable posts.

Updating Records

The following instructions under this heading, apply only to employed staff that are not GPs.

In respect of pensionable (non-GP) employed staff an OOHP must complete the annual GP55A update form every year covering the period 1 April to 31 March. The GP55A must include the following information.

- A record of part-time hours if the member is on a PT contract.
- A record of any changes during the period; i.e. PT to WT or vice-versa.

- A record of main (and any additional) Scheme contributions.
- Pensionable pay.

The GP55A must be completed and sent to HSC Pensions within two months of year-end; i.e. no later than the 31st of May.

There is no minimum number of hours that can be pensionable in the HSCPS. The maximum numbers of hours that can be pensionable are the normal whole-time hours for the relevant job; i.e. the standard whole-time working week. If a part-timer works additional hours they are pensionable up to the standard whole-time equivalent working week. If a non-GP employee has 2 or more posts, which together will exceed the whole-time hours, the aggregated hours in excess of the whole-time are not pensionable.

AW171; to be used when pensionable pay, hours, or contributions have changed **after** pension benefits have been awarded.

Costs & Contributions

Please ensure you set the correct tier for the deduction of contributions, details of rates can be found on our factsheet at [Costs and Contributions](#).

OOHPs must take note of Employer Newsletters and should refer to HSC Pensions website (the 'Employers' section) on regular basis for updated guidance on tiered contributions.

OOHPS must ensure that they take account of a GP's global HSC pensionable GP income when collecting tiered employee contributions and not just the OOHs income. In most cases GPs will pay 7.1%, 9.3% or 12.5% even if their OOHs income is relatively low. HSCPS contributions must reach HSC Pension Service by the 19th day of month end.

Chapter 6: Other Pensions Issues

Abatement

Abatement basically means the amount a person can earn in HSC re-employment, after taking their pension, before it affects their HSC pension benefits. Abatement may apply where a member retires on ill health grounds or is a 'special class' and retires before 60 in the 1995 section or retires before 65 on ill health grounds if they are in the 2008 section.

Added Years

Although the option to take out a new added years contract no longer exists, OOHPs must ensure that existing contracts (i.e. additional contributions) are honoured.

Added years contributions are deducted at a fixed percentage rate from the member's pensionable pay (in addition to the mainstream contributions) from a chosen birthday until the end of the added years contract which can be their 55th, 60th or 65th birthday. When the contract has ended the member will be credited with the amount of membership bought.

OOHPs should ask new staff if they have an existing added year's contract.

Many GPs elect to buy added years. Their added years contributions must be collected from the OOH's income and forwarded to HSC Pension Service.

A Scheme member may terminate their added year's contract before its normal end date however only prospectively.

Additional Pension

The additional pension was introduced in April 2008 and replaced added years. More information can be found at <http://www.hscpensions.hscni.net/>

You should ask new staff if they have an existing additional pension contract.

Certificate of Pensionable Income/Profits

Since April 2004 GP Providers and non-GP Providers have been legally required to complete an annual Certificate in respect of each GMS/PMS/APMS contract they are a party to.

Many OOHs GPs are also GP Providers by virtue of having their own Practice. As they declare their OOHs income on their Certificate it is essential that the OOHP complete page 7 (Declaration of Other Employing Authority Solo Income) of the certificate on time.

Death in Service

If an employee dies in service, and is a member of the HSCPS, HSC Pensions must be contacted straightaway.

Maternity & Paternity Pay

When an OOHP employee goes on maternity (or paternity) leave and intends to return to work they can pension the whole period of leave. Their employee contributions are based on their actual pensionable pay. If their HSC pay stops the employee contributions are based on their pay immediately before pay was suspended. The contributions should be collected during the absence or immediately upon a return to work.

If a person chooses not to pay pension contributions during unpaid maternity/paternity leave, HSCPS membership ceases on the day the person last paid contributions.

If a person changes their mind and decides not to return to work or decided to opt out of the HSCPS then the last date of pensionable membership will be the date contributions were last paid.

In all cases employers (16.3%) contributions are based on the person's actual pay before any reduction in pensionable pay for the time the person is on reduced pay.

Refunds of Employee Contributions

HSCPS members who have less than 2 years total HSCPS membership when they leave HSC employment or opt out of the Scheme within 2 years may claim a refund of Scheme employee contributions.

Only the employee contributions are refunded and they are subject to deductions for Tax (at approximately 20%) and National Insurance (to buy the member back into the Second State Pension).

Self Assessment Form – Career OOHs GPs

A GP who is an Assistant Medical Practitioner will have to complete a self-assessment form to ensure that they have paid tiered employee contributions at the correct rate.

If an OOHP engages the services of a career OOHs GP or a (Practice based) Salaried GP they may be asked to assist in the completion of this form.

Sick Pay

When a salaried employee is on full pay sick leave then HSCPS contributions are payable on all the sick pay.

If they go onto reduced or half pay sick their employee contributions are payable on the **reduced** amount. However any contributions deducted for an added years or additional pension contract should be deducted from the unreduced pay.

The employers 16.3% contributions are based on the members 'normal' **unreduced** pay.

When the member goes on to 'no-pay' then no contributions are payable by either the member or the OOHP. However, the employer should consider if the member should be offered the opportunity to apply for the ill-health HSC pension.

Transfers In Or Out Of the HSCPS

The HSCPS can accept transfers from most pension schemes, although there are different types of transfer. A transfer value is treated as a single payment and converted into membership, which reckons for pension benefits in the HSCPS.

The HSCPS cannot accept a transfer from a personal pension policy taken out under Section 226 (also referred to in Sections 619-623 of the Income and Corporation Taxes Act 1988).

A member has 12 months from first joining the HSCPS to request a transfer, providing they are not 'over age'. HSC Pensions always recommends that the member seek independent financial advice, should they be in any doubt that a transfer is the best option for them.

There is more detailed information available on HSC Pensions website www.hscpensions.hscni.net

Unauthorised Leave

Any period of time where contributions are not paid due to unauthorised absence, such as strike days, must be recorded as disallowed days on the GP55A/SD55B.

Frequently Asked Questions

Q1. A part-time medical manager in an OOH Provider. Is this employment treated as 'officer' status and linked to previous service accrued as Houseman/SHO working in hospital or as Practitioner and earnings recorded on a GP Solo form and attached to the annual certificate?

A. A part time medical manager in an OOH Provider in a salaried position is treated under the scheme regulations as 'Practice Staff' and attributed the same benefits. Contributions should be deducted at source and based on the WTE rate of pay for this post only. Form J2 should be completed by OOH Provider and forwarded to HSC Pensions. Annual 55A form should be completed and forwarded to HSC Pension Service.

Q2. A Principal GP is employed to work a fixed number of monthly hours in an OOH Provider. This is paid at 80% of the normal hourly rate to account for the benefits of employment - holiday pay and sickness benefit. How should this employment be treated for superannuation purposes? Should these earnings be recorded on the Page 7 on the GP Certificate of Pensionable Profit?

A. A Principal GP formally employed by an OOHP is regarded as being an Assistant Medical Practitioner. Contributions should be deducted at source by the OOHP and forwarded to HSC Pensions. The OOH Provider must notify HSC Pension Service of the GP joining their employment by completing form SS14 and record details of earnings on form SD55B which should be forwarded to HSC Pension Service on an annual basis.

Q3. A "sessional" GP chooses to work occasional extra hours (in OOH). How is this income recorded for pension purposes?

A. It is the responsibility of the OOHPs to inform HSC Pension Service of this employment through the SS14, this income is then added to the GPs mainstream Practice based income to form one 'all inclusive' pension record.

Q4. There are currently 2 forms of organisation that provide OOH cover - Trusts and Mutuels. Do both have access to the HSC Pension Scheme? There are also a variety of doctors that work for both organisations and are GP trained.

GP principals

Sessional GPs (locums)

Trust employed doctors.

Any of these can work under different "contracts"

1. As sessional doctors with no long-term contract who are paid 20% more than Employed doctors who are paid 20% less to account for sick pay/holidays.
2. Doctors, who are employed as managers by either the Trust or Mutual.

A. Any Trust OR Mutual which is recognised as being a HSC Pension Scheme Employing Authority has access to the scheme. Please check with HSC Pensions if you have any concerns.

1. Principal GP's who are paid on a fee basis are regarded as sessional, income and contributions should be recorded on the Annual Certificate of Pensionable Profit, however this income must not be pensioned twice.

2. Any non GP Work in OOH Providers, i.e. Managers should be treated as Practice Staff status. Forms J2 and 55A's should be completed by the OOH Provider and forwarded to HSC Pensions Service

Q5. If a member is working full time in an officer post with a Trust can they be superannuable in an Out of Hours practitioner post?

A. Yes. This post would be treated as an Assistant Medical Practitioner. Form SS14 must be completed by the OOHP's and forwarded to HSC Pension Service.

Q6. Is both sessional and salaried OOH work to be treated as GP SOLO income? If a doctor were to have a contract with a Trust/OOH Provider for certain hours would this be classed as GP SOLO or 'officer' status income?

A. Sessional OOH work is regarded as GP Solo income. This should be declared on the Annual Certificate of Pensionable Profit if the GP is a GP Provider. Salaried OOH work is regarded as an Assistant Practitioner Post. Contributions for this post should be deducted at source and form SS14 should be forwarded to HSC Pensions by OOHP. The OOH Provider must ensure that HSC Pensions are aware of the contract of employment and forward all relevant documentation.

Q7. How do you treat locum doctors who work OOH as well as in Practices and locum doctors who solely work in out of hours? Does the doctor need to complete a GP Solo form. Who is responsible for informing pension service of the member starting employment? How are contributions paid, is it from the OOH Provider, or the GP themselves?

A. Locum Doctors who work in OOH Providers should be treated as Assistant Medical Practitioners. Contributions should be deducted at source and forwarded to HSC Pension Service. Form SS14 should be completed by OOHPs and forwarded to HSC Pension Service

Q8. Does an OOH Provider need to sign off Page 7 of the Annual certificate of Pensionable Profits for GP's?

A. The OOH Provider sends HSC Pension Service an annual return. HSC Pension Service then reconcile the entries on the Annual Certificate with those provided by OOH Provider.

Q9. Is it the responsibility of the OOH Provider to forward joining forms to HSC Pensions Service?

What procedures are in place to record all OOH Service accrued by a GP/Assistant/Salaried Practitioner?

A. If a member holds a post which is deemed to be 'Officer Status or Practice Staff' it is the responsibility of the employer to forward joining and update forms to HSC Pension Service.

If this is the only employment for Assistant/Salaried GP then the OOH Provider should complete form SS14 and forward to HSC Pension Service.

Any fee based income for a principal practitioner is recorded on the Annual certificate of Pensionable Profits which must be checked and verified by the OOHP.

Q 10. Does a GP who has not worked in any superannuable employment for 3 months need to reapply to join the scheme?

A. Yes, a GP employed in a sessional or salaried position who does not work in your employment for a period of 3 months must re-apply to join the scheme. The employer is responsible for completing a terminating 55B Form up to last date of employment. A new SS14 (joining form) must be completed from the first day of service after the 3 month break. (This rule is not applicable for Principal GP's employed on a sessional basis)

Q 11. I am an Assistant Medical Practitioner who regularly works in a GP Practice. I occasionally work for an OOH Provider; does the 3 month rule still apply to me in my OOH employment as I am in continuous superannuable employment with the GP Practice?

A. Yes, the 3 month rule is applicable to you in your OOH Employment. Your pension service record is made up of all your individual employments. These employments are treated as being separate under the scheme regulations and must be treated as such. The 3 month rule is specific to each individual employment and must be applied as such.

Q 12. I am an OOH Employer. I have a number of GP's who work on a sessional basis. They may not work for me for a period of 3 months or more, however, they are also employed as locums in daytime GP Surgeries and therefore will not have had a break of 3 months in Superannuable employment. Do I need to apply the 3 month rule to their employment with me?

A. Yes, the Scheme Regulations are quite clear in this situation. If a GP does not work in YOUR EMPLOYMENT for 3 months then under the scheme regulations they must be treated as having left the scheme in YOUR EMPLOYMENT therefore a terminating 55B must be completed at the day they left and if they return to employment after the 3 month period an SS14 (joining form) must be completed to permit them to re-join the scheme in YOUR EMPLOYMENT.