



#### **Business Services Organisation**

## **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





## **Department of Health Consultation**

The Department of Health is consulting on amendments to the Regulations that provide the rules for the HSC Pension Schemes. The Consultation will run from 14<sup>th</sup> November 2023 until 5pm on 22<sup>nd</sup> January 2024.

In summary, the proposals amend the HSC Pension Scheme Regulations as follows:

- Changes to the member contribution structure from 1 April 2024
- Changes to the employer contribution rate from 1 April 2024
- Changes to abatement provisions for special class status (SCS) members
- Changes to scheme access policy

The Department would welcome views on the proposals set out in the document. Details of how to respond can be found in the Consultation document linked below. <u>doh-hscp-bp2-consultation-document.pdf (health-ni.gov.uk)</u>

#### Annual Allowance 2022-23

HSC Pension Service usually inform members by the 6<sup>th</sup> of October each year if the total pension input from their HSC Pension Scheme benefits exceeds the Standard Annual Allowance. However, due to the McCloud Remedy the 2022/23 Annual Allowance information will not be calculated by this date for all of our members. For those members not impacted by the McCloud Remedy, HSC Pension Service have calculated their 2022/23 Annual Allowance and published this to their Member Self Service (MSS) account and informed them if they had exceeded the Standard Annual Allowance by the 6<sup>th</sup> October 2023.

For those members impacted by McCloud, HSC Pension Service will not be calculating or issuing 2022/23 Annual Allowance information for the 6<sup>th</sup> October 2023. HMRC have extended this deadline from 6<sup>th</sup> October 2023 to 6<sup>th</sup> October 2024 to allow Schemes time to recalculate and issue Remedial Pension Savings Statements for the Remedy period and then calculate the 2022/23 Annual Allowance Pension Savings Statements.

A member will be impacted by the McCloud Remedy if they were a member of a public service pension scheme on or before 31<sup>st</sup> March 2012 and still a member on or after 1<sup>st</sup> April 2015 with continuous pensionable service.

For those members impacted by the McCloud Remedy and therefore will not receive their 2022/23 Annual Allowance figures by the 6<sup>th</sup> October 2023, HMRC have confirmed that members will not need to report any Annual Allowance charge for 2022/23 on their Self-Assessment Tax Return by the 31<sup>st</sup> January 2024 deadline but members must still complete and submit a Self-Assessment Return to report and pay any other tax charge they may be liable for by 31<sup>st</sup> January 2024.

If you have any queries please contact the Annual Allowance Team by emailing:

AAQueries@hscni.net



### **McCloud**

Following legislation coming into effect on 1st October 2023, HSC Pension Service, are working with our Software providers to ensure that we get our systems fully functional to implement the McCloud Legislation and regulations.

We are working hard to ensure all the data, processes and systems are in place to allow us to provide you with information as soon as reasonably possible. This includes updating our systems so we can include options for the Remedy period as part of our standard Annual Benefit Statements and provide details of your available options i.e. benefits for the remedy period paid from either their legacy scheme or CARE scheme as part of the normal retirement process.

Members who have retired or are due to retire will be offered a retrospective choice, along with personalised information to help them make their choice. If a member chooses to keep their existing benefits, no changes will be needed. If a member chooses to receive different pension benefits for the remedy period, adjustments will be made to their pension payments accordingly. Any changes will be backdated to the date of retirement.

For now, there is nothing you need to do. We'll contact all affected members, whether active or retired directly, in phases, when action needs to be taken. More information will be available on our website over the coming weeks.

#### **Previous Public Sector Pension Scheme (McCloud)**

Scheme members who were in the HSC Pension Scheme on or before 31 March 2012 and remained in the Scheme on or after 1 April 2015 will be eligible for the McCloud Remedy. This includes members who are currently active, deferred or retired.

If you joined the HSC Pension Scheme on or after 1 April 2012 you may still be eligible for some McCloud Remedy protections if you have service in another UK public service pension scheme that includes a period which falls prior to 01/04/2012.

You must not have had a continuous break of more than five years in either UK or NI public service pension scheme service. If you feel you are eligible for any McCloud remedy protection please complete the Public Service Pension History Form at the link below. A public service pension scheme includes Firefighters' Pension Scheme, Teachers' Pension Scheme, Local Government Pension Scheme, Police Pension Scheme, Armed Forces Pension Scheme, Civil Service Pension Scheme, Judicial Pension Scheme and NHS Pension Schemes.

If you have transferred in service from a public service pension scheme which refers to the period prior to 01/04/2012 and does not have a 5 year break until joining the HSC Pension Scheme we will have recorded this on your HSC Pension Scheme Record and you will automatically be afforded McCloud Remedy Protection

McCloud Remedy - HSC Pension Service (hscni.net)





## **Proposed Pension Flexibilities**

HSC Pension Service are receiving a high volume of enquiries requesting information on the proposed flexibilities including partial retirement which was consulted on by the Department of Health (DoH).

At present we are waiting on the DoH to publish the outcome of the consultation and to provide us with details if and when the proposed flexibilities may be introduced. When confirmation is received from DoH, HSC Pension Service will update members through the Member Newsletters and the Scheme Website.

Until such information becomes available we must continue to apply the scheme regulations as is, which means that Partial Retirement is not yet available under the 1995 Section of the Scheme.

## Lump Sum Choice at Retirement

If you are considering converting a proportion of your pension to increase the value of your Tax Free Lump Sum you should access the <u>Pension Calculators</u> available on the Scheme Website which will provide you with quotations.

You will make your choice at Part 6 of the AW6 pension application form. This should be completed in full prior to the submission of your application to avoid any delays in the payment of your benefits.

If you are in any doubt regarding your options you should seek the assistance of an Independent Financial Adviser.

Important: HSC Pensions Service will not be able to amend your decision regarding the commutation of pension to take a tax free lump sum once the benefit has been paid.

\*\*Please note that final pension calculations cannot be processed until the month that they are due and you will not receive your final award letter until this has been completed e.g. if your last day of service is 31/03/2024 your pension is due from 01/04/2024 and will be processed in April.\*\*





#### 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

# Please note there will be no telephone service from Mon 25<sup>th</sup> Dec until Wed 27<sup>th</sup> Dec 2023 or Mon 1<sup>st</sup> Jan 2024



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Find us on Facebook - HSC Pension Service

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

