



HSC Pension Service

Provided by



Business Services Organisation

EMPLOYER TECHNICAL UPDATE

CONTENTS

- 1. Executive Summary**
- 2. Tiered Contribution Thresholds for Employees for 2023/24 & 2024/25**
- 3. Special Class & Mental Health Officer Abatement Provisions**
- 4. Partial Retirement Legislation**
- 5. Contact Us**



HSC (P) 01 2024-25

May 2024

1. Executive Summary

The purpose of this Employer Technical Update (ETU) is to inform employers and other stakeholders of important changes to the regulations governing the HSC Pension Scheme.

The ETU provides details on the amendments to the regulations including the uplift in the Tiered Contributions Thresholds for 2023/24 in line with the AFC Pay Uplift and also the new tiered structure for HSC Pension Scheme Member Contributions effective from 01 April 2024.

There is also reference to other updates in the regulations, including changes to abatement provisions for Special Class and Mental Health Officer members and minor amendments to the Partial Retirement Regulations.

2. Tiered Contribution Thresholds for Employees for 2023/24 & 2024/25

In accordance with the Scheme regulations, the tiered contribution thresholds for 2023/24 have been amended to reflect the AFC uplift in pay. The revised thresholds are displayed in Table 1 below.

The amended thresholds, whilst applicable from 01/04/2023 to 31/03/2024 will be applied retrospectively for these dates and will be implemented simultaneously with the 2023/24 pay award in June 2024. There will be a regionally agreed FAQ Document made available to staff to show how the revised tiered contribution thresholds are impacted by the AFC Pay Award.

Table 1: 01 April 2023 – 31 March 2024

Tier	Pensionable earnings	Contribution rate
1	Up to £ 13,246	5.1%
2	£13,247 to £17,673	5.7%
3	£17,674 to £24,022	6.1%
4	£24,023 to £25,146	6.8%
5	£25,147 to £29,635	7.7%
6	£29,636 to £30,638	8.8%
7	£30,639 to £45,996	9.8%
8	£45,997 to £51,708	10.0%
9	£51,709 to £58,972	11.6%
10	£58,973 to £75,632	12.5%
11	£75,633 and above	13.5%

2. Tiered Contribution Thresholds for Employees for 2023/24 & 2024/25

From 01 April 2024 the Employee Tiered Contribution Structure has reduced to 6 tiers which are displayed below in Table 2

Table 2: 01 April 2024 – ongoing

Tier	Pensionable earnings (based on actual salary)	Contribution rate (before tax relief) (gross)
1	Up to £13,259	5.2%
2	£13,260 to £26,831	6.5%
3	£26,832 to £32,691	8.3%
4	£32,692 to £49,078	9.8%
5	£49,079 to £62,924	10.7%
6	£62,925 and above	12.5%

From 01/04/2024 the employer contribution rate has increased to 23.2%

Action for Employers: please ensure relevant staff including Finance and HR are made aware of the new contribution structures. Also ensure this information is disseminated to all employees

3. Special Class & Mental Health Officer Abatement Provisions

From 25 March 2020, the UK government's emergency legislation to help address the Coronavirus Pandemic suspended some regulations to facilitate the return to HSC Employment for retired members of the HSC Pension Scheme

It also allowed retired members who have already returned to work to increase their commitments if needed, without affecting their pension benefits.

The limit on earnings (commonly referred to as abatement) normally imposed on Special Class Nursing Staff (SCN's) or Mental Health Officers (MHO's) on return to HSC Employment after retirement and before age 60 was one such regulation which was suspended.

As part of the amended regulations this rule has been abolished meaning that SCN's or MHO's who retire after age 55 and return to HSC Employment before age 60 will no longer be subject to the abatement regulation

Action for Employers: Please ensure this information is disseminated to all staff

4. Partial Retirement Legislation

Following the change to the Scheme Regulations to extend Partial Retirement to include members with benefits accrued in the 1995 section of the scheme, there have been some amendments to these regulations as follows:

- Salary Sacrifice cannot be used to achieve a 10% reduction in pensionable pay in order to meet the criteria for Partial Retirement
- Members who had achieved maximum service in the 1995 section of the HSC Pension Scheme are eligible to apply for Partial Retirement

Action for Employers: Please ensure staff who will be managing Partial Retirement applications are made aware of these points are that they are noted in all Partial Retirement guidance material.

5. Contact Us

By writing to us at:-

HSC Pension Service

Waterside House

75 Duke Street

Londonderry

BT47 6FP

By Telephone: 028 7131 9111

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: hscpensions@hscni.net

