



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

January 2021



## Public Service Pension Scheme Consultation Update - McCloud Case

The Public Service Pension Scheme consultation to remove the discrimination identified by the courts in the 2015 pension reforms has closed on 18<sup>th</sup> November 2020 and feedback is being analysed by the Department of Finance.

The Department of Finance will publish its response, including options for legislative changes to the Public Service Pensions Act (Northern Ireland) 2014 to implement the solution.

An update will be available to view on the [Public service pensions consultation](#) page when this has been completed.

HSC Pension Service will continue to keep members, employers and other stakeholders informed of all legislative changes as soon as this information becomes available.

## Submission of AW6 - Retirement Application Form

If you are considering retirement, HSC Pension Service would recommend that you start the process at least 4 months before your proposed retirement date. The steps to be taken are as follows:

1. Agree a retirement date with your line manager
2. Download the Pension Application form AW6 from the HSC Pension Service website
3. Complete parts 1-9 of the form and send to your HR Department

Your HR Department will complete part 10 and forward on to HSC Pension Service. HR contact details can be found at <https://payrollquery.hscni.net/hr-contact-details/>.

It is important that the form is received as soon as possible by HSC Pension Service to allow all relevant checks be made to your pension record. Failure to submit the form within the recommended timeframe may result in a delay in the payment of your pension and/or Lump sum.

Please note: members **do not** need to have attended a one to one pension consultation in order to retire.



## HSC Pension Service One to One Consultations

HSC Pension Service will continue to provide One to One pension consultations BY PHONE for those staff who have attended one of the generic Pension Workshops.

**At the moment we are fully booked, for the most part, up to the end of March 2021.**

Your HR Team will advertise dates for upcoming one to one consultations available in your Trust/ Organisation and the contact details for applying.

**N.B** In the last quarter 23 one to one consultations were not attended and no prior notice given to HSC Pension Service. As these appointments are in such high demand, it is important to inform us (by email or telephone) if you are unable to attend. This allows us to allocate the appointment to another member of staff.

## Member Self Service Portal (MSS)

Members are encouraged to register for access to the HSC Pension Service Member Self Service (MSS) Portal

There is valuable information such as details of Pensionable Service, Annual Allowance and Annual Benefit Statements available to view on MSS.

Your Annual Benefit Statement will display details of the pension benefits you have accrued to date and those survivors benefits payable to your family in the event of your death.

We currently have approximately 17,500 Scheme Members registered for the Member Self-Service (MSS) portal. We would encourage all members who have not yet registered to do so as soon as possible.

To register click [here](#)

You can find help to register on the system [here](#)

The Activation key you receive for registration on the Member Self-Service contains a link to register to your own personal Pension Record and should therefore not be shared with anyone else.



## Survivor Benefit Nomination Forms

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 otherwise.

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.

**[DG3 Form](#)** – 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.

## Frequently Asked Questions

HSC Pension Service receives a significant number of similar questions each week from Scheme members and we have decided to relay these questions through our newsletter. We will continue to build on these questions and create and publish a FAQ document on the Scheme Website.

**Q.** I saw an advertisement on TV saying I can claim 25% of my Pension Pot as a tax free lump sum. When can I get this?

**A.** The advertisement you saw on TV mostly refers to defined contribution pension schemes. The HSC Pension Scheme is a Defined Benefit pension scheme with a strict set of rules of when you can access your benefits. In order to access your benefits you must retire from HSC employment.

Some members of the HSC Pension Scheme will receive an annual pension plus an automatic lump sum on retirement, some members will receive an annual pension only. However all members have the option to convert part of their annual pension to have a tax free lump sum equal to 25% of their pension pot but they must retire from HSC employment.

**Q.** What happens to my pension if I work beyond my normal retirement age?

**A.** Quite simply if you work beyond your normal retirement age, you will continue to build up more pension benefits until you eventually retire and claim your pension. Membership of the HSC pension Scheme is open to all members up to age 75 or until they have accrued maximum permitted membership which is limited to 45 years in the 1995 or 2008 sections of the scheme. There is no limit on service in the 2015 scheme

**Q.** I intend to retire in the next few months, when will I receive my first pension payment and my lump sum?

**A.** HSC Pension Service strives to pay all pensions on the last working of the month following retirement. If you are entitled to a retirement lump sum this will be paid on **a** Friday following retirement. The date a lump sum paid can be affected by banking transaction periods etc.



## Frequently Asked Questions - Cont

However, it should be noted, if forms are not received at least 3 months prior to retirement then this may cause a delay to your payment.

A member of the HSC Pensions Awards Team will contact you in the month your pension is due for payment, to advise you of the amounts payable.

**Q.** I intend to reduce my hours of employment. How will this affect my pension?

**A.** The effect on pension benefits as a result of a reduction of hours will depend on which section of the scheme you are member of.

**1995 and 2008 Section Membership** – A reduction in hours will mean that you accrue pensionable service at a slower rate. For example, a member who works full time will accrue 365 days service each year. If a member decided to reduce their hours by 20% for one year (reduce from 37.5 hours p.w to 30 hours p.w or reduce from 40 hours p.w to 32 hours p.w) they would accrue 80% of 365 days which equates to 292 days

It would therefore take this member longer to build up 1 full years service.

The pensionable pay used to calculate the members benefits will still be based on their whole time equivalent pensionable pay, in other words their pension will be calculated on what their actual pensionable service accrued is and their pay as if they were working full time.

You can read up on the pay used to calculate your pension benefits on the scheme website by clicking [here](#).

### 2015 Scheme

In the 2015 scheme, benefits are calculated solely using your pensionable pay. A member will build up an annual pension of 1/54<sup>th</sup> of your pensionable earnings each year. If you reduce your hours of employment then you will reduce your pensionable earnings and therefore reduce the amount of pension you build up each year you reduce your hours.

For example if a member of the 2015 scheme worked full time and their pensionable pay was £27,000 per annum they would build up an annual pension each year of £500 ( $£27,000 / 54 = £500$ )

If that member reduced their hours to 80% their pensionable pay would reduce to £21,600. Therefore the pension they accrue each year they are on reduced hours would also reduce to £400 ( $£21,600 / 54 = £400$ )

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You can read up on the pay used to calculate your pension benefits on the scheme website [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net)



## Transfer of Benefits

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 a transfer of benefits into the scheme?

- To request a transfer of benefits you must first complete a transfer in 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.



## Protection of Pensionable Pay

There are two provisions under which a member can protect their pensionable pay:

Protection of pay through no fault of the member (1995 & 2008 Sections of the Scheme)

Voluntary Protection of Pay (1995 Section only)

### Protection of Pay (through no fault of the member)

A member, who has at least two years qualifying service and suffers a reduction in earnings through no fault of their own, may apply to protect their pension benefits.

Examples of accepted reasons for protection of pay are:

- A change in the nature of the duties performed, for example due to ill health
- A move to a lower paid post because of pending or actual redundancy.
- Being transferred to other employment with an employer.

To apply a member must complete Form [PROPAY1](#) and submit to their employer **within 3 months** of the date their pay reduced.

### Voluntary Protection of Pay

If a member of the 1995 Section of the Scheme has attained minimum pension age and chooses to 'step down' to a less demanding role where their new or remaining duties are less demanding and carry less responsibility than their previous duties, they may be able to apply for voluntary pay protection, if their pay reduces by at least 10%.

To apply a member must complete Form PROPAY1 and submit to their employer **after 12 months and within 15 months** of the date their pay reduced.

HSC Pension Service will assess each application to ensure it meets the eligibility criteria and notify the member of the outcome.

Further information on protection of pensionable pay can be found [here](#).

## Added Years/ERRBO/Additional Pension Purchase Contracts

If you are currently paying additional contributions to purchase Added Years, Additional Pension or an ERRBO and change jobs/employer, you must inform Payroll Shared Services of the additional pension contributions percentage you are paying.

This must be done by completing a HSC Pension Scheme Re-Joiner Form which can be accessed [here](#)

If you fail to complete and submit the re-joiner form your contract will be terminated from the last day you paid contributions.

If you had an Added Year's contract which was terminated, you **cannot** re-start it at a later date.

If you had an Additional Pension or ERRBO contract which was terminated you cannot re-start the original contract but can take out a new one under new terms from the next available start date.



## Annual Allowance Scheme Pays

If you have an annual allowance charge you can either pay the charge directly to HMRC yourself or share the responsibility for the payment with HSC Pension Service using the scheme pays facility.

HSC Pension Service offers both mandatory and voluntary scheme pays facilities.

### Mandatory scheme pays

This is available if the pension input amount in either the 1995/2008 HSC Pension Scheme or the 2015 HSC Pension Scheme is more than the standard annual allowance. To avail of this facility for 2019/2020, you must make an application using the Scheme Pays Election ([SPE2](#)) form. This must be completed and returned to HSC Pension Service by the 31 July 2021 or before retirement or age 75, whichever is earlier.

### Voluntary scheme pays extension of 2018/19 deadline

The HSC Pension Service is sympathetic to the situation that HSC staff currently find themselves in during the Coronavirus (COVID-19) pandemic and is keen to support members of the HSC Pension Service who are front line healthcare workers.

Following careful consideration, we extended the voluntary scheme pays deadline for 2018/19 until 31 March 2021.

Where a member is accepted for voluntary scheme pays, the liability for the charge and any interest payable on the charge remains with the member. HSC Pension Service will not pay the interest charge on late payment of an Annual Allowance charge.

To avail of this facility, you must make an application using the Scheme Pays Election ([SPE2](#)) form. This must be completed and returned to HSC Pension Service by the 31 March 2021 or before retirement or age 75, whichever is earlier.

HSC Pension Service does not have the authority to extend the mandatory Scheme Pays Election deadline for 2018/19 of 31 July 2020 as this is confirmed in legislation.

If you have not received a pension savings statement you can estimate your liability to an annual allowance charge in order to meet HMRC's deadline. You should not delay your election to wait for a statement.

Further information can be found in our [Scheme Pays Election Guide](#) or you can contact our Annual Allowance team by emailing [aaqueries@hscni.net](mailto:aaqueries@hscni.net).





## HSC Pension Service Website

The HSC Pension Scheme website is a resource we would urge all members to look at when considering any pension related issues. There are various factsheets and FAQs available explaining all areas of our Schemes, including details on how you can increase your benefits at retirement through purchasing Additional Pension or taking advantage of the Early Retirement Reduction Buy Out (ERRBO) facility which is available for members of the 2015 Scheme.

Please refer to the website for any general enquiries you may have relating to features of the HSC Pension Schemes as this is where you will find the most comprehensive information.

We also publish quarterly Newsletters such as this one to keep members abreast of current issues and any upcoming changes.

### Scheme Calculators

The Scheme website has a section with a wide array of calculators which members can use to forecast potential benefits at retirement.

The calculators are pretty straight forward to use and have basic instructions to help you complete the required fields. It is beneficial if you have a copy of your 2020 Annual Benefit Statement (ABS) when using the calculators. You can find your ABS on the Member Self Service Portal [here](#)

## Canceling Added Year's/Additional Pension Purchase or ERRBO Contracts

If a member wishes to cancel an existing Added Years , Additional Pension Purchase or ERRBO Contract you must submit your request in writing to HSC Pension Service detailing the reason why you wish to cancel the contract, e.g. financial hardship etc.

HSC Pension Service will review the request and contact Payroll Shared Services to confirm the cessation of the contract. The member should review their next month contributions from their payslip to confirm the contract has been terminated and their monthly contributions reduced to reflect this.

In respect of an Added Years contract the member will be credited with the additional service purchased up to the date of the cessation of the contract.

Additional Pension Purchase (APP), if you terminate the APP contract within 12 months you will have any contributions paid refunded to you, if you terminate the contract after 12 months you will be credited with the amount of additional pension you had purchased up to the date of the termination of the contract.

Early Retirement Reduction Buy Out (ERRBO), if you terminate the ERRBO contract within 12 months you will have any contributions paid refunded to you. If the period during which additional contributions have been paid is 12 months or more, then additional contributions paid during any part Scheme year will be repaid and the buy out period is limited to the end of the previous Scheme year.



## Contacting HSC Pension Service - include an e-mail address

If you are contacting HSC Pension Service through any medium such as submitting an application form, sending a letter, by telephone etc. please include or inform a member of staff of your e-mail address.

During the current Coronavirus Pandemic, we have a significant percentage of staff working from home and the most efficient way we can keep in contact with our members and other stakeholders is by e-mail.

By using e-mail we will be in a better position to provide a faster response to any queries you may have relating to your HSC Pension Scheme benefits.





## 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](mailto: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](mailto:john.coyle@hscni.net)

