



HSC Pension Service

*Provided by ....*



Business Services Organisation

## Welcome to HSC Pension Service GP Newsletter

This newsletter is for all General Practitioners (GPs) who are members of the HSC Pension Scheme. This communication will include all relevant updates and procedures regarding the administration of Principal, Salaried and Locum GPs. Please read carefully and retain for future reference.

Principal and Salaried GP's should use [gpcertificates@hscni.net](mailto:gpcertificates@hscni.net) mail box.

Locum GPs should use [GPLocums@hscni.net](mailto:GPLocums@hscni.net) mail box.

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HSC (P) 03-20

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# 1. GP's Responsibility to share Earnings information - Principal & Assistant Posts

It is essential that GPs share monthly payslips from all sources with their accountants. This will enable Accountants to accurately account for pensionable earnings throughout the year and enables reconciliation with reported earnings and data received from shared services and other Employers. P60s are used for tax purposes but are not reliable to work out pensionable earnings especially where 'opt out'/'opt in' has occurred in year and/or where non pensionable earnings have been received.

## 2. 2018/19 Annual Certificate of Pensionable Profit

[The 2018/19 Annual Certificate](#) was issued on the 04<sup>th</sup> December 2019 to all registered accountants and is also available for download on the website together with [Guidance notes](#). Please note the recording of OOH is different to previous years, please read guidance notes on how this is entered on the certificate this year. The certificate is due on 28<sup>th</sup> February 2020. All submissions should be sent in excel form to [gpcertificates@hscni.net](mailto:gpcertificates@hscni.net) with 'Annual Certificate 18/19 Practice number ..... as the subject heading.

### Pension Overlap

When completing the Annual Certificate and the practice accounts has a different year end of the 31.03.XX and an overlap of pensionable profit has occurred for a GP in the practice can you continue to enter the overlap on the annual certificate until the overlap is used.

All submissions should be sent to [gpcertificates@hscni.net](mailto:gpcertificates@hscni.net) with 'Annual Certificate 18/19 Practice number ..... as the subject heading.

### **NIMDTA employments – clarification of Health and Personal Social Services (Superannuation) Regulation (Northern Ireland) 1995 in relation to practitioner pensionable earnings**

NIMDTA employments can be classed as either practitioner or officer status. For ease of reference this is an excerpt from Health and Personal Social Services (Superannuation) Regulation (Northern Ireland) 1995 to clarify practitioner NIMDTA employment.

Regulation 74 Schedule 2 3(2) (viii)

'practice based work carried out in educating or training, or organising the education or training of, medical students or practitioners'.



### 3. 2017/18 Annual Benefit Statement & Annual Allowance Information

Most Principal GPs have already received their Annual Benefit Statement (ABS) and Annual Allowance information for 17/18. The team will continue to complete any outstanding Annual Benefit and Annual Allowance information where 17/18 information has been finalised. The ABS will be available on the [Member Self Service](#) portal (MSS) and will show the value of benefits accrued and any potential death benefits. **MSS will not show yearly earnings.** Any request for additional estimate benefits may incur a charge. HSC Pension Service [Schedule of Charges](#) provides further information. Ill Health and voluntary early retirement estimates will continue to be processed upon request.

### 4. Scheme Pays - Estimating & Revising Scheme Pays Election (SPE2)

HSC Pension scheme members may not have received their Annual Allowance information before the HMRC deadline to assess if they are subject to an annual allowance charge (or/and tapered annual allowance charge) in the relevant tax year.

This is because the pension administrators will not have information on non-pensionable income that an individual has earned (for example in the private sector) or growth in any other pension schemes they may be members of.

HMRC confirms that if a member believes that they may exceed their Annual Allowance, an estimate of the liability to a tapered annual allowance and annual allowance charge should be based on available information.

To meet the scheme pays deadline you should consider completing an election using estimated amounts. It is important when estimating the annual allowance charge to provide us with a 'best estimate' on the [SPE2](#).

As we pay voluntary scheme pays earlier than mandatory scheme pays this will help reduce the amount of interest HMRC will ask you to pay if you change your election because the annual allowance charge to be paid by voluntary scheme pays has increased.

#### **Pension savings information received**

When you receive notification that the pension savings (Annual Allowance) data is available on Member Self Service (MSS) you can then work out if you have an actual annual allowance charge. If this is the case you will then need to amend your tax return and original estimated scheme pays election. More information about correcting a tax return can be found at: [www.gov.uk/self-assessment-tax-returns/corrections](http://www.gov.uk/self-assessment-tax-returns/corrections).

HMRC has also imposed a deadline for changing an election. We must receive your change no later than the 31 July that follows the end of the period of 4 years from the end of the tax year to which your annual allowance charge liability relates.

## 5. GP's Working in Federations

We have recently been given confirmation that GPs, if they wish, can pension any Federation work. Federation work will be treated as 'officer' employment, therefore Federation support teams should complete a [J2](#) (Joiner) form and forward to HSC Pension Service for processing. The contributions are collected via the monthly [GP1](#).

## 6. FPPS - S/A for Salaried GP - Employer Contributions from 18/19 onwards

You may notice on the remittance sheet on FPPS an entry similar to this :

Other Payment - Additional Employers  
S/A for Salaried GP

The HSCB are currently completing an exercise regarding practices to ensure that the correct allocation for salaried GPs employer contributions have been paid across to the practices from 18/19 onwards. This will show under the section "OTHER" and the entry will be as per excerpt above. If there are any queries in relation to this entry please contact: [Maria.Coyle@hscni.net](mailto:Maria.Coyle@hscni.net)

## 7. Opting in & out across different employments

Members can 'opt out' of HSC Pension Scheme membership at any time. GPs must either pension all of their practitioner employments or none of their practitioner employments. Remember to notify all your employing authorities, not just HSC Pension Service. GPs can pension their practitioner employments but 'opt out' of officer employments. Form [SD502](#) is available on our website, members are reminded to read the [Guidance Notes](#) before deciding to 'opt out' of the HSC Pension Scheme.

## 8. Life Assurance - the effect of opting out of the scheme

If you opt out of the pension scheme, you are no longer classed as an "In Service, or Active" member of the scheme. Life Assurance benefits vary based on the scheme and your membership status at the time of your death.

For 1995 and 2008 scheme members, please see:  
[Scheme Guide 1995—2008](#)

(Page 39 – 1995 Scheme)  
(Page 40 – 2008 Scheme)

For 2015 scheme members, please see:  
[Scheme Guide—2015](#)

(Page 21)



## 9. SS14 - Start of Pensionable Employment

Please complete form [SS14](#) – Start of Pensionable Employment for each individual practitioner post. This form enables HSC Pension Service to accurately determine your status in the scheme and update your pension record accordingly.

## 10. Financial Advice

HSC Pensions are receiving calls from scheme member's requesting advice on what they should do regarding Pension lump sum choices, opting in and out of the scheme and how much should GP's estimate on their annual allowance return. HSC Pension staff cannot provide financial advice, GP's should discuss this with their independent financial advisor or accountant. In particular lump sum choices regarding tax implications should be considered and finalised before submission of form [AW6](#) (Application for Scheme Retirement Benefits). [Calculators](#) are available on our website to assist with lump sum choices.

## 11. Inclusion of Pension Scheme Registry Numbers & Employer Pension Scheme Reference Number - Auto Enrolment

Shared Services will periodically as part of their pension scheme auto enrolment obligations, opt 'in' members who had previously 'opted out' of the HSC Pension Scheme. Where this is the case Shared Services will write to you to inform you of the auto enrolment and the process to follow if you wish to 'opt out' again. For GP Practice Staff – running their own payroll – you will be asked to provide the following details for any members affected by auto-enrolment:

Pension Scheme Name – HSC Pension Service

Pension Scheme Registry Number

2015 Scheme Members – 10276692

1995/2008 Scheme Members – 10000725

Employer Pension Scheme Reference Number – 916/G78000

## 12. Notification of changes to personal details

If you have changed address, please inform us by writing to us, use your National Insurance Number as a reference number. If you have **any** employments that are administered by Shared Services Payroll, you need to inform them of the change as well. Whilst we can update your pension record, if the payroll record is not updated your address may default to the previous address held by payroll when they send any pay data to us. Such employments may include but are not restricted to any posts with any Health Care Trust, any OOH Provider, HSCB and NIMDTA.

## 13. FAQ's

**Q.** I have received an email from HSC Pension Service Practitioner Section telling me that I have breached Annual Allowance in year and that the information is available to view on Member Self Service(MSS). I haven't registered for this service, what should I do?

**A.** All HSC Scheme members should register for MSS. You should have an email address that ends in @hscni.net. If you do not have this secure email address contact BSO IT on 02895 362400.

To complete your registration please visit our website at <https://mypension.hscni.net/> Current information regarding your Annual Benefit Statement and Annual Allowance can be accessed from your 'Active' record, selecting Annual Allowance and Annual Benefit Statement from the dashboard.

The information provided to you on MSS should be shared with any third party such as your accountant or financial adviser.

**Q.** My Accountant will submit my Annual Certificate of Pensionable Profit 2018/19 by the due date of 28<sup>th</sup> February 2020. When can I expect to receive information about my Annual Allowance for 2018/19.

**A.** This information is likely to be available from June 2020 onwards. Please refer to [GP Newsletter 2019-20](#) –Section 2 for a summary of Process of Work completed for Principal GPs.

**Q.** I am unsure about my lump sum choice at retirement and want to keep within tax free limits if possible.

**A.** The Capital value of your pension is worked out by calculating pension x 20 plus any lump sum.

Eg Pension of £50,000 and a standard lump sum of £150,000. Capital value is £1,150,000.

The current Life Time Allowance (LTA) is £1,055,000. The current tax free limit on this amount is £363,750 (25%)



## 13. FAQ's - cont

Therefore in this case there is a breach of £95,000.00 over the LTA (£1,150,000 less £1,055,000)

As the standard lump sum of £150,000 has not been breached the charge for the excess will be applied to the pension.

HSC Pension pay the LTA tax charge to HMRC on the member's behalf.

The pension LTA tax charge is 25%, therefore HSC Pension service pay £23,750.

In order to reflect this payment to HMRC, HSC Pension Service apply a factor to the figure, this then becomes a debit (reduction) on the pension account. Eg £23,750 / 21.66 (factor) = £1,096.49

Factors are dependent on age at retirement and scheme membership (1995/2008/2015)

The pension in payment will then amount to £50,000 less £1,096.49 = £48,903.51 with lump sum of £150,000.

Members can choose to have a higher lump sum by giving up part of their pension. [Calculators](#) are available on our website to assist with making this choice.

**Q.** Am I still within time limits to apply for IP2016 and how to do I apply for this?

**A.** Currently HMRC have not set a time limit to applications for IP 2016. The capital value of your pension at 05.04.2016 is available from the dashboard on the Annual Allowance section of Member Self Service (MSS). Take the total value of your closing pension (s) at 05.04.2016, multiply this by 20 and add on any lump sum amounts. This is the capital value of your benefits.



## 14. Contact Us

By Post: GP Payment Section      Via e-mail: [GPCertificates@hscni.net](mailto:GPCertificates@hscni.net)  
HSC Pension Service                      [GPlocums@hscni.net](mailto:GPlocums@hscni.net)  
Waterside House  
75 Duke Street  
Londonderry  
BT47 6FP

**Please do not send any returns to individual team members email accounts.**

By Telephone: 028 7131 9111 option 3.  
9.00am to 4.00pm – Monday to Thursday  
9.00am to 12.00pm - Friday



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**Employer Technical Updates are available at:**

<http://www.hscpensions.hscni.net/employer-technical-updates/>

**All Newsletters produced this quarter are available at:**

<http://www.hscpensions.hscni.net/quick-links/newsletters/>

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](mailto:hscpensions@hscni.net)

