



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 mail box.

Locum GPs should use GPLocums@hscni.net mail box.

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1. Consultation on Regulations - Employer's Contribution Rate

Following the outcome of the recent Department of Health consultation, the employer contribution rate will increase from 16.3% to 22.5% from 1st April 2019. All relevant forms have been updated to reflect the changes.

The consultation documents are now available to view on the DoH website at:-

<https://www.health-ni.gov.uk/consultations/hsc-pension-scheme-employer-and-employee-contribution-rates>

2. Annual Certificate of Pensionable Profit 2017/18

The deadline for submitting the Annual Certificate of Pensionable Profit 2017/18 was 28th February 2019. At this date we had received 84% of certificates due, therefore the Northern Ireland average profit for 2017/18 has been set at £78,821.00.

The Northern Ireland Average is used in the calculation to determine the amount of seniority due to an individual GP. See ranges below for entitlement:

Profit > £52,547	- 100% entitlement
Profit between £26,273 - £52,547	- 60% entitlement
Profit < £26,273	- no entitlement

If you have not yet submitted your Annual Certificate please do so as soon as possible. All returns should be sent to gpcertificates@hscni.net

3. Underpayments of Scheme Contributions and Overpaid Seniority Entitlement

As is the nature with Annual Certificates we are reconciling scheme contributions and seniority over a year after the end of the scheme year in which the certificate relates to. For various reasons, such as closures/mergers/retirements etc the dynamics of a Practice may change considerably in this time.

We are therefore unable to offer long periods to repay underpaid contributions or overpayments of seniority. For the 2017/18 year, we will aim to collect the full amount due on the first available payment run after the Annual Statement has been produced.



3. Underpayments of Scheme Contributions and Overpaid Seniority Entitlement - cont

If for some reason this is not possible, then in order to facilitate the practice, we can offer a maximum of 3 months in which to repay. This will need to be agreed in advance.

For current 19/20 year and subsequent years it is therefore important that the Payment on Account submissions accurately reflect the prospective earnings and any changes during the year a revised Payment on Account should be submitted.

4. Self - Assessment 2018/19 for Assistant GPs/Locums GPs

[Self-Assessment 2018/19](#) for Assistant GPs/Locum GPs is available on our website.

The completion of this form enables HSC Pension Service to reconcile earnings and contributions for 2018/19 year so that pension records can be updated with accurate information.

Once we have reconciled your Self-assessment we will contact you to confirm if refund/arrears are due. Any under/overpayments will be dealt with electronically via Direct Debit.

N.B. Members of the 2015 scheme should be aware that if you started or ended with practice in year and have not completed 365 days practitioner employment you should annualise your earnings figure to set the contribution tier. This is covered in more detail in the Guidance Notes for the Annual Certificate of Pensionable Profit and the Self-Assessment form.

5. Year End 2018/19 and forthcoming year 2019/20

2018/19 Year End

All [SR2](#) forms are now due to reconcile the Scheme Contributions for Salaried/Retainee GPs. If you have not submitted [SR2](#) forms for your practice already please do so as soon as possible.

2019/20 Year

As the new financial year commences on the 1st April we will require a new [Payment on Account](#) submission for all Practices to facilitate the deduction of pension contributions for the GP Partners. A new [SR1](#) form will also need to be submitted for any Salaried/Retainee GPs that are in position at 01/04/2019.



5. Year End 2018/19 and forthcoming year 2019/20 - cont

If you have not already sent these forms please do so as soon as possible.

***Please note that on processing SR2 returns we will only be reconciling the employer's contributions through the Global Sum. All employee's contributions will be reconciled when the member submits their Self-Assessment form for the year.*

A note from colleagues at Professional Support Unit BSO: TO ALL PRACTICE MANAGERS

Please send email to professionalsupportteam@hscni.net to notify BSO of any practice changes i.e:

- New Salaried GP
- New GP Partner
- Change of Status from Salaried GP to GP Partner
- Resignation or Retirement of Salaried GP/GP Partner

Failure to notify may result in inaccurate practice payments.

6. Annual Benefit Statements (ABS)/Annual Allowance Statements (AA)

Most GPs will now have received their Annual Allowance Statements for 16/17. The team are continuing to complete any outstanding for 16/17 and will shortly be commencing the 17/18 for those GPs where the Annual Statement of Pensionable Profit 17/18 has been finalised. The team will also produce Annual Benefit Statement for the corresponding year. All of these statements **will be made available on Member Self Service (MSS)** Please register for MSS facility if you have not already done so by following the links [here](#).

7. Estimate Requests (from members/financial advisers)

So that we can continue to improve the service we provide and supply information in an efficient way, we will no longer produce estimates where an Annual Benefit Statement or Annual Allowance Statement has already been processed.

In certain circumstances, such as Voluntary Early/Age/III Health Retirement, in the current financial year we may still provide an Estimate to the current date.

You should access MSS and provide your accountant/financial adviser with your Annual Allowance/Annual Benefit Statements. This will speed the process for you, reduce any potential risk of data breaches and further reduce postal charges. We must clarify that requests for additional information outside of standard responses from Accountants/Financial advisers for duplication of work already completed or copies of statements that have been made available to members may be subject to an administration charge .

[Schedule of Charges](#).



8. Scheme Pays Facility

Scheme Pays elections should be submitted by the deadline of 31st July in the year following the tax year. We will accept Scheme Pays election after this date if we receive the election within 1 month from the date the Annual Allowance statement was produced.

Form SPE2 should be used if you want to make an election. Please note that the amount recorded at Part B is the amount of the charge you want HSC Pension Service to pay to HMRC on your behalf and not the total breach over the Annual Allowance threshold.

The Scheme Pays facility has been updated for the 17/18 scheme year to allow the election to include tapered annual allowance. A Scheme Pays Guide and updated SPE2 forms for use for 17/18 onwards will shortly be available on our website following quick links Tax Information.

Current information about the Scheme Pays facility is available [here](#).

9. Considering retirement? - What to do next

When a GP wishes to retire they should complete form [AW6](#) and send to HSC Pension Service approximately 3 months prior to the intended retirement date. This allows time for HSC Pension staff to make sure we have everything we require without causing delays to your benefits being paid.

*****If any additional posts are held e.g. HSCB, a HSC Trust, an AW6 must be completed for each employment and sent to the relevant employer.**

If a GP no longer pays into the HSC Pension Scheme e.g. opted out due to LTA, they should instead complete form [AW6P](#). We will acknowledge receipt of all pension applications received 3 months prior to retirement, however, calculations cannot be run until the month that the pension is due to be paid. A pension notification letter detailing the benefits payable will be sent when the pension has been processed for payment. Please note below some important points to remember:

- Remember to include all necessary certificates such as Birth/Marriage certificate and Life-time Allowance Protection certificate (LTA) if appropriate.
- All GPs must take a 24 hour break from all HSC employment (even if not currently paying into Scheme and in a current post that you will continue in following retirement that has 16 hours or less). If a GP returns to work they must not work any more than 16 hours per week for the first month post retirement (after the initial month contact HSC Pensions to check if abatement applies).
- If a GP continues to work as a partner in the practice after taking pension benefits they must still complete an Annual Certificate for seniority purposes. If they retire mid-year 2 Annual Certificates will be needed for that year i.e. one to show the pensionable profit up to the date of retirement plus a second to cover the whole year.

N.B. It is only necessary to inform the BSO when you retire from General Practice entirely, notification should be sent to ProfessionalSupportTeam@hscni.net



10. Added Years Contracts

If a GP has an added years' contract this must be paid across all employments and it is the GP's responsibility to inform each new employing authority that the contract exists. This is to ensure arrears are not due to be paid at a later date.

When a GP decides they no longer wish to pay into the HSC Pension Scheme they will inevitably also opt out of any Added Years contracts that they may have been contributing to.

If the GP later opts back into the Scheme, the Added Years contract will also recommence. However, if there has been a break of one year or more (365 days or more) this will count as a disqualifying break and the Added Years contract cannot be reinstated. Please complete [SS14](#) form when opting back into the HSC Pension scheme and ensure a revised Payment on Account (POA) is forwarded so that we can deduct your pension scheme contributions.

11. Pension Liberation

To many people, to liberate your pension sounds like a good thing, but, in the pensions world, pension liberation is normally linked to fraud and accessing your pension benefits before the age of 55.

Pension liberation fraud can occur when you try to transfer your pension benefits to an unregulated scheme before the age of 55. Organisations offering these opportunities frequently refer to them as 'pension loans' and offer cash incentives to sign over your pension benefits.

Warning signs to watch out for :

- Being approached out of the blue over the phone or via text message.
- Pushy advisers, often unregulated, who claim to be able to help you access your pension before age 55.
- Companies that offer a 'loan', 'saving advance' or 'cashback' from your pension.
- Any reference to 'loopholes', overseas investments, creative or new investment techniques.

The Pensions Regulator has worked with other agencies, to produce information illustrating the threat to your pension if you are taken in by such offers. More information for members of pension schemes looking to understand the consequences of these offers can be viewed [here](#). Be alert to offers like this and if in any doubt take advice from a regulated financial adviser. If you think you may have been made an offer contact Action Fraud on 0300 123 2040. If it sounds too good to be true, then it normally is!



12. Correspondence Addresses

Please update us with any change to personal details such as address or third party authority by completing the form [Correspondence Details](#)

13. HSC Pension Service website

Please visit our website at www.hscpensions.hscni.net regularly for technical updates, current forms, latest news, factsheets, scheme guides, calculators and much more. All Newsletters produced each quarter to include Employers, GP Practice Staff, Employer Technical Updates, are published on line. Most of the information you need is available through the Quick Links section of the website.

14. FAQ's

Q. I have received my Annual Allowance Statement but I am unsure how the pension growth has been calculated?

A. There are many factors that impact on pension growth for practitioners.:

- Your pension grows each year regardless of which scheme you are currently in, as practitioner earnings are dynamised and updated annually.
- The value of the prior officer (FVEC) will differ for each GP
- Any variation in pensionable earnings will produce higher growth figures
- Added years as practitioner and officer will be updated each year – the growth for these remains in the 1995 scheme. GPs have different added years contracts and therefore this has an impact on the amount of pro rata growth per year
- Growth will remain solely in the 1995 scheme until the tapered date occurs for CARE 2015 membership. Some members will have a tapered date – the date they move to CARE 2015 scheme – this will be later than 01.04.2015 and will depend on their date of birth.
- The factor for 1995 growth will remain at 19 (16 for pension and 3 for lump sum). The 2015 Care factor will be 16 (as no lump sum in this scheme)
- % to increase the opening pension

HSC Pension Service is currently producing a Factsheet that covers all of the scenarios that impact upon pension growth for Practitioners – this will be sent to all Accountants when finalised and will be available on our website.



