



HSC Pension Service

Provided by



Business Services Organisation

EMPLOYER TECHNICAL UPDATE

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HSC (P) 02 2024-25

Oct 2024

1. Executive Summary

This Employer Technical Update (ETU) provides you with details of the consultation launched by the Department of Health (DoH) to amend the current member contribution rate structure in order to meet the 9.8% yield of pensionable earnings required to keep the HSC Pension Scheme sustainable.

Within the consultation is also a slight amendment to wording contained with the 2015 regulations

2. Meeting the 9.8% Yield

The HSC Pension benefit structure requires 9.8% of pensionable earnings to be contributed by members collectively ('the yield'). Under the current member contribution structure, a yield of 9.6% is being achieved, meaning the scheme has been running under yield by 0.2%.

A number of UK public service schemes are currently under yield and this shortfall is no longer sustainable. All public sector schemes are required to take the appropriate measures to ensure that their target yield is collected by April 2025.

The Department aims to maintain parity with its GB counterpart, the NHS Pension Scheme. The proposals will maintain the same basic structure of contribution tiers and rates, as previously agreed, whilst ensuring that our yield commitment is met. The proposals will also ensure that the current shortfall in the contribution structure of 0.2% will be collected in future years.

The consultation document sets out examples of how the amended tiered contribution structure will impact member's take home pay across the tiered structure.

The Department proposes that the new member contribution rates and changes to rectify the pre-existing error may be introduced from 1 April 2025.

The consultation documentation including details on how to respond can be found at: [HSC Pension Scheme Yield Member Contribution and Amendment - Consultation | Department of Health \(health-ni.gov.uk\)](https://www.health-ni.gov.uk/hsc-pension-scheme-yield-member-contribution-and-amendment-consultation)

Actions for Employers – Ensure all scheme members and other stakeholders are made aware of the consultation

3. 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

