HSCPS Annual Report 2024/25

Business Services Organisation

Pensions Services

HSC Pensions

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HSCPS ANNUAL REPORT 2024-2025

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1. THE PENSION BOARD PURPOSE AND ROLE

HSC Pension Board

The HSC Pension Board provides scrutiny and assurance of the administration of the HSC Pension Scheme.

Role of the Board

The HSC Pension Board's role is to assist the Scheme Manager in securing compliance with all relevant pension law, regulations and directions – as well as the relevant Pension Regulator's codes of practice. This role is one of providing assurance in and governance of the scheme administration of the HSC Pension Schemes (both the new 2015 scheme and the old scheme consisting of the 1995 and 2008 sections).

Main responsibilities:

The Pension Board is responsible for assisting the Scheme Manager in:

- Providing overall assurance and governance of the HSC Pension Scheme administration;
- Assuring effective and efficient administration of the scheme;
- Seeking assurance that decisions made by the scheme administrator are fully legally compliant, including consideration of cases that have been referred to the Pension Regulator and/or the Pension Ombudsman; recommending changes to processes training and / or guidance where necessary;
- Supporting continuous improvements;
- Assuring the scheme administrator supports employers to communicate the benefits of the HSC Pension Scheme through effective communication to members;
- Assuring the scheme administrator supports members with a range of tools to improve their understanding of their pension benefits and to inform their personal financial and career planning;
- Supporting effective implementation of the Employer Charter;
- Enabling data quality improvements to deliver CARE pension outcomes;
- Compliance with the Pension Regulator's codes of practice;
- Fostering good working relationships with the Pension Regulator;
- Consideration of the annual report from the Pension Regulator, including any responses to recommendations;

- Producing an annual report outlining the work of the Board throughout the scheme year.

A Terms of Reference (ToR) is maintained by the Pension Board

Membership

The Pension Board has an equal number of employer and member representatives and is overseen by an independent chair.

Pension Board members are appointed after being nominated by HSC trades unions and employer organisations.

Non employer/member representatives such as Department of Health officials and HSC Pension Service representatives attend Pension Board meetings in an observer capacity.

Chair

The current independent chair is Paul Cummings

Employer Representatives

Brona McAuley	NIAS
Geraldine McAleer	Western Trust
Lesley Allen	Northern Trust
Eimear McAuley	Western Trust
Gillian Somerville	Belfast Trust
Johnny Burns	NIGPC

Member Representatives

Brenda Stevenson	UNITE
Gerry Mackin	BMA
Kevin Kelly	NIPSA
Andrew Doherty	RCN
Karen Murray	RCM
Stephanie Greenwood	UNISON

Annual Update from Independent chair

The work of the Pension Board often goes unseen and unheard by the members and retired members of the scheme, but it forms a vital role in the governance of the HSC Pension Scheme. Our role is to assist the scheme manager in ensuring that the scheme has effective governance and administration in place to ensure and effective and efficient pension service for all our members.

The Pension Board's overriding aim is to ensure that all members of the HSC pension arrangements receive, on time, their correct benefits under the scheme rules. We wish to ensure, as far as is possible, good outcomes for all members of the HSCPB pension arrangements and that their experience is one of excellence recognising the service they have given in their role to the HSC system.

Like the HSC wider system, the pension service is working in a challenging environment with significant change in a constrained financial climate. Implementation of the McCloud judgement and Partial retirement regulations has required additional resources which I am pleased to recognise have been secured. The Pension team staff have met the challenges and continue to deliver a high-quality service with activity level that are continually growing. I personally wish to thank them for their continued effort to meet this rising demand. The changing world of pension has meant that demand for workshops and advice has grown exponentially, and the expansion of this service has greatly benefited the members who have attended.

Finally, I want to thank the Board members for the contributions they make in ensuring that we continue to have a pension service that reflects the values of the HSC and meets the needs of HSC family that make up our members.

HSC Pension Service Senior Team

Martin Bradley MBE – Head of HSC Pension Service, Assistant Director of Finance

Heather Dougherty – Senior Manager HSC Pension Service

John Coyle – Senior Manager HSC Pension Service

HSC Pension Service senior management team and scheme administrators have continued to strive for excellence in the pursuit of delivering a best in class service to all of our stakeholders. We have achieved this by embracing innovative hybrid ways of working and enhancing our virtual & digital capabilities.

Key Achievements and Developments in 2024/25:

- Approximately 597,000 individual payments were made to pensioners and members in the year 2024/2025
- Significant progress has been made on the implementation of McCloud including system improvements, commencement of the provision Remediable Service Statements (McCloud choice) on retirement and successful recalculation of Annual Allowance liabilities for the Remedy period (2015-2022).
- Contributed to the successful approval of a business case for the implementation of Pension Flexibilities and have started recruitment of additional staff
- Successful introduction of the Cost Claim Back Scheme which allows members to claim back costs incurred for Accountancy Services/Financial Advice required as a result of the McCloud Remedy. We have also begun issuing Compensation Applications to claim back over paid Annual Allowance tax charges (with interest) following the recalculation of Annual Allowance liabilities for the Remedy Period. Approximately 70 claims were processed in 2024/25 with larger numbers expected in 2025/26
- Managed over 41,500 telephone calls from stakeholders.

Looking Ahead to 2025/26:

With the ongoing implementation of McCloud and the ever changing

landscape of pensions there will be challenges ahead in the coming year.

Key targets for the year ahead will include;

- Ensuring successful implementation of final aspects of the McCloud remedy whilst maintaining Business as Usual
- Roll out of the new Member Self Service Portal (Engage) for HSC & NIFRS members
- Collaborating with software providers to ensure system is up to date and capable of dealing with changing legislation
- Continued development of comprehensive communication strategy
- Further development of online tools to assist members and help them understand the McCloud Remedy

- Enhanced payroll solution to allow early calculation of pension and automate arrears.
- Implementation of Pension Dashboard– system capabilities and resourcing
- Provision of Scheme Data to Government Actuary Department (GAD) for 2024 Valuation and implementation of associated system changes

2. THE HSC PENSION SCHEME

2.1 Pension Administration Team

The Pension Administration Team (PAT) is responsible for the calculation of benefits due to members. These benefits include, but are not limited to, award of pension benefits, revisions, transfer of benefits and estimate of benefits.

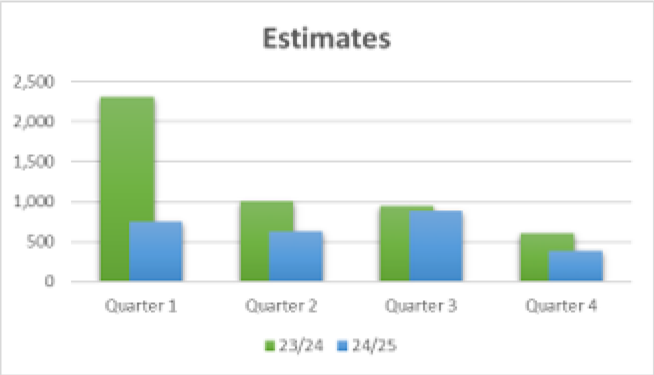
In 24/25 the PAT team began to send Remedial Service statement (RSS) to any McCloud affected members retiring after 31/12/2024, they have made a choice on how they wish to claim their remedy service benefits before their benefits are put into payment.

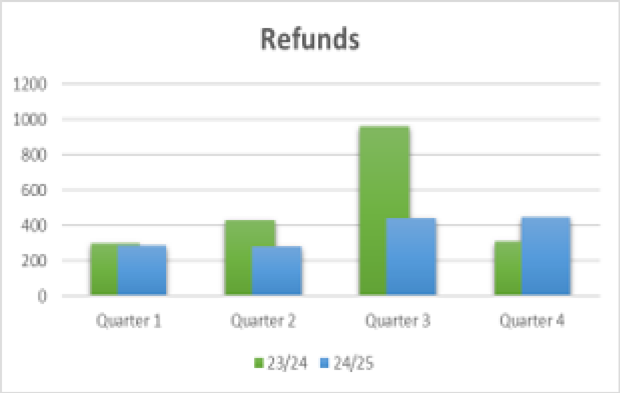
Retirement flexibilities (including partial retirement for 1995 scheme) were introduced by the DOH from 1st April 2024. The PAT team have been processing partial retirement for the 1995 scheme since they went live on 1st December 2024. The team attended workshops and training to prepare for this.

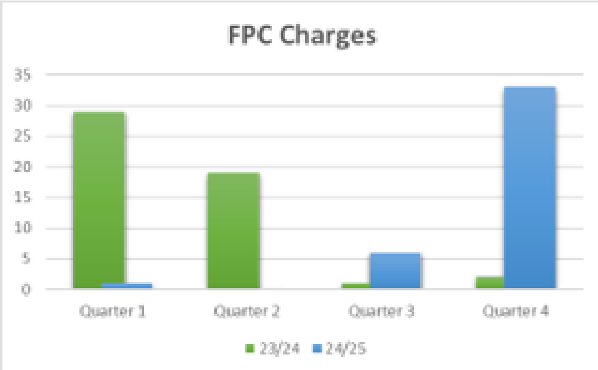
Scheme Activity	Annual 23/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual 24/25	KPI
New Pensions[1]	4,234	1,311	999	1,049	874	4,233	
Estimates	4,864	747	632	884	387	2,650	
Refund	1,999	290	283	440	449	1,462	

[1] These stats include new pensions calculated at pension level not member level. A member who receives a pension from 2 different schemes will be counted twice eg 1995 pension and 2015 pension.

Transfers	**923**	**161**	**178**	**166**	**138**	**643**	
FPC Charges*	**51**	**1**	**0**	**6**	**33**	**40**	
OHS Referrals	**421**	**129**	**130**	**121**	**120**	**500**	
Telecall's Rec'd	**29,004**	**8,330**	**7,362**	**6,884**	**9,007**	**31,583**	






FPC Charges
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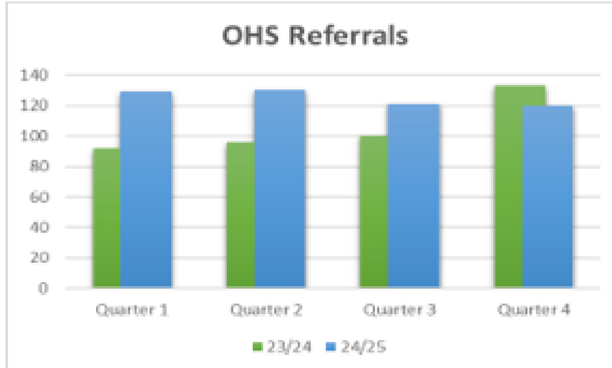
OHS Referrals
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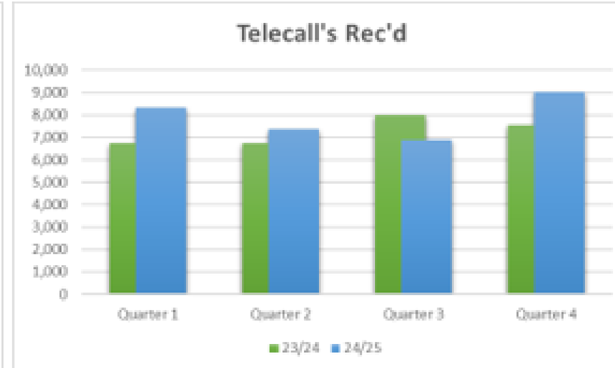
Telecall's Rec'd
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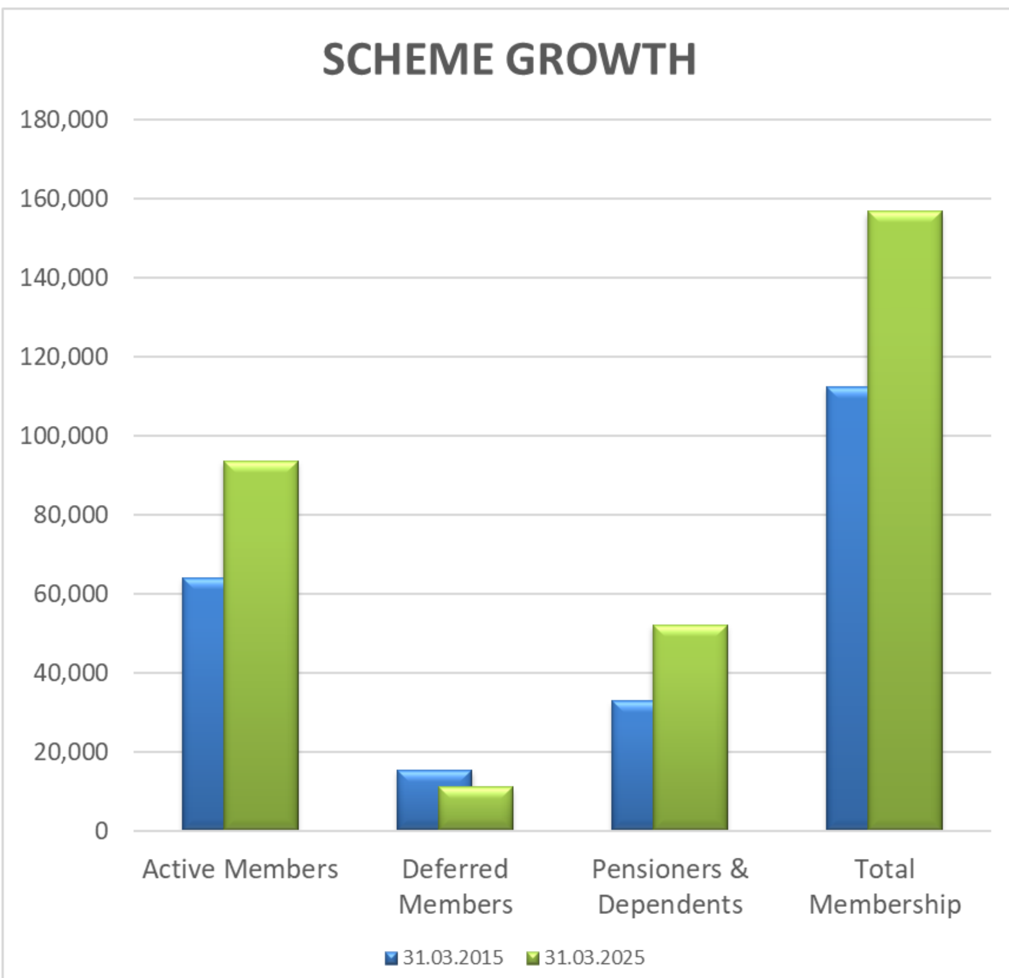
Quarter 2
Quarter 3
Quarter 4
23/24
24/25

Scheme Growth

SCHEME GROWTH	31.03.15	31.03.2025	Growth % in last 10 years
Active Members	64,106	93,591	46%
Deferred Members	15,422	11,116	-28%
Pensioners & dependents	32,927	52,086	58%
Total	**112,455**	**156,793**	**39%**

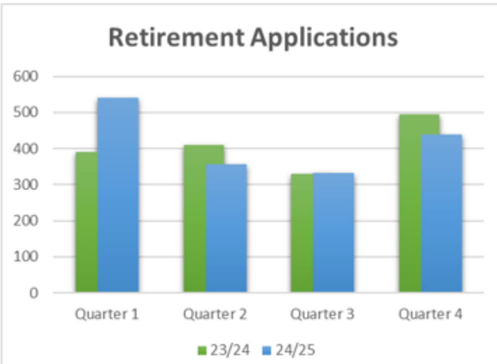


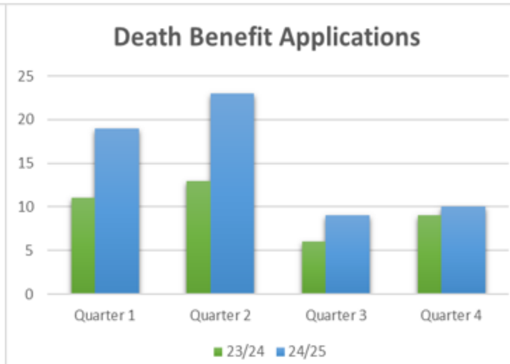
2.2 Payroll Pension Team

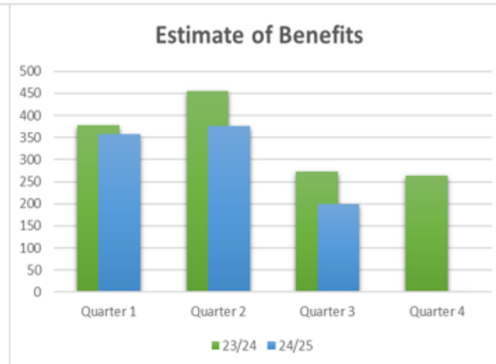
The PPT Team is responsible for managing a number of pension related processes including Pension Benefit applications, pensions on divorce and death in service calculations for dependants. This includes the calculation of Final Salaries, length of service and part time and additional hours across a range of multiple employments and contracts. Over year 2024/2025 the team has incorporated the calculation of CARE earnings for McCloud affected members in preparation for the production or Remediable Service Statements.

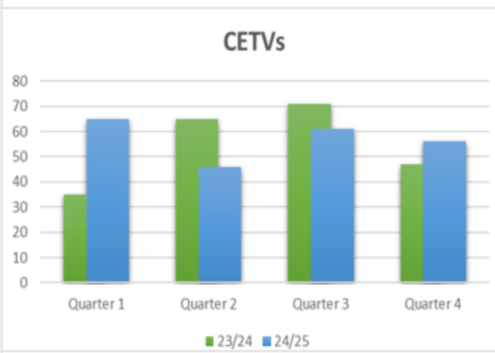
Activity	Annual 2023/24	Quarter 1	Quarter2	Quarter 3	Quarter 4	Annual 24/25
Retirement applications	1626	541	356	333	439	1669
Death Benefit app	39	19	23	9	10	61
Estimate of benefits	1370	357	377	199	0	933
CETVs Cash eq Tran value	218	65	46	61	56	228
Leaving salaries T55As	13733	3788	3808	3546	308	11450
General queries	2968	910	464	367	467	2208
Protect of Pen Pay	14	3	10	2	6	21
Benefit Revisions	80	20	50	23	252	345
CARE Earnings	14582	4323	2021	5280	6195	17819

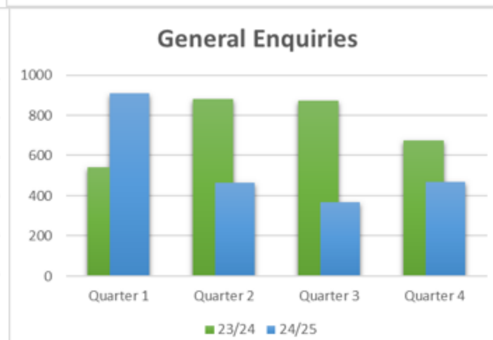
Pension Payroll Team Activities – 2024/2025

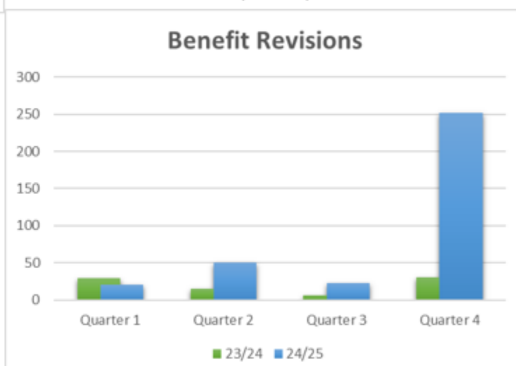


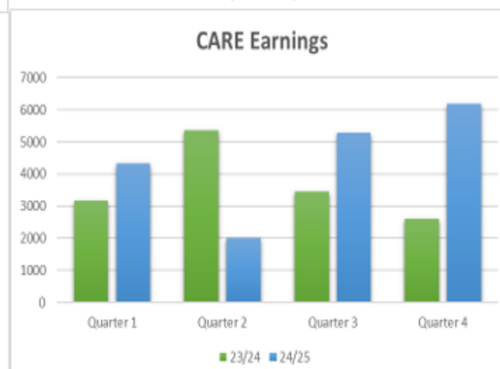












2.3 Annual Allowance Team

The Annual Allowance Team must inform those Scheme members who have exceeded the Standard Annual Allowance by the 6th October each year. Before the Annual Allowance could be processed for the 2023/24 tax year the team had to implement the McCloud Remedy and process the 2022/23 Annual Allowance.

The implementation of the McCloud Remedy involved working closely with our software provider Heywood to store current Annual Allowance data before this was deleted back to 31/03/2015. The Annual Allowance for the years 2015/16 - 2021/22 was rerun and the revised Annual Allowance data reflected the pension growth based on the rollback of service into the Legacy Scheme. The 2022/23 Annual Allowance bulk calculation was then processed. 1,855 Remediable Pension Savings Statements (RPSS) were issued to members.

Prior to the 2023/24 Annual Allowance bulk calculation HSC Pension Service had to implement a calculation change required due to the introduction of the linking of open and closed public service pension schemes for Annual Allowance purposes following the 2023 Spring Budget. We worked with Heywood to ensure the pension input in the 1995/2008 Scheme displayed as a minus figure if there is negative pension growth where historically this would have been displayed as a zero. The 2023/24 Annual Allowance was processed and 19 breach emails were issued.

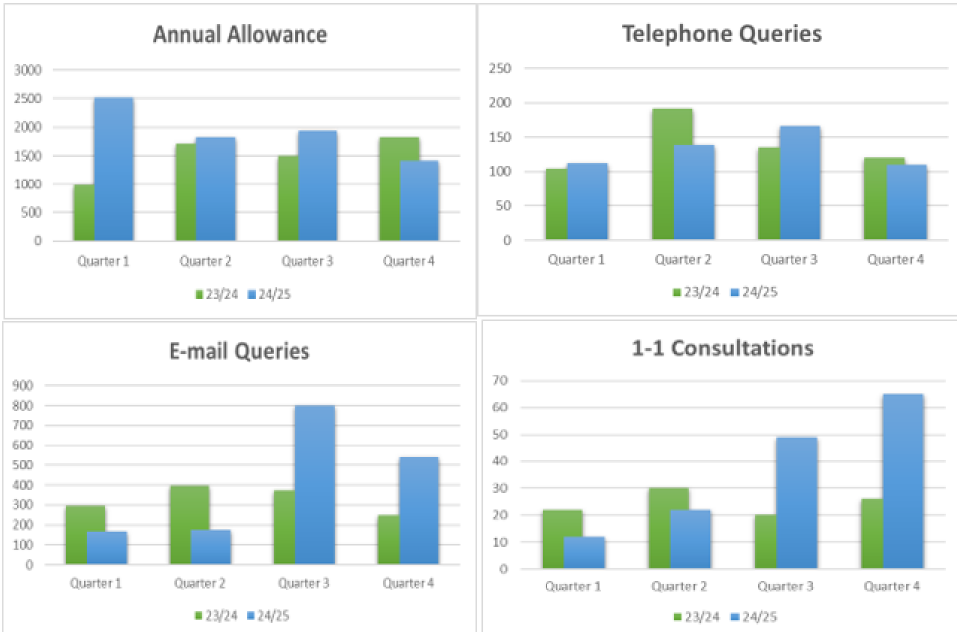
The team in conjunction with the Pension Liaison Team carried out Annual Allowance Workshops during November and December with Members and Accountants to provide guidance and information regarding the impact of the McCloud Remedy on Annual Allowance, to provide an overview of the RPSS as this was new Statement and also the Negative Pension Input Amount (NPIA) change. The team also carried out one to one consultation's which allowed the member to discuss their individual Annual Allowance situation.

In February 2025 the team received the first CSV file from HMRC which consisted of three spreadsheets and detailed any Direct / Indirect Compensation due, any revisions to previous Scheme Pays Elections and any new Scheme Pays Elections. The Team will continue to work through these and notify members if they are due Compensation and issue application forms, we expect to start receiving completed applications from members early 2025/26.

Below are details of the work completed this financial year by the team:

Area of Activity	Annual 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual 2024/25
Annual Allowance	6034	2514	1831	1943	1417	**7705**
Telephone Queries	553	112	139	167	110	**528**
E-Mail Queries	1316	167	175	801	541	**1684**
1-1 consultations	98	12	22	49	65	**148**

Annual Allowance Activities - 2023/2024



2.4 Data Management Team

The Data Management team receives data via the monthly interface from Payroll Shared Service Centre (PSSC). The team works to ensure that data is accurate and consistent prior to uploading to member's records in Altair. The Data Management Team works in partnership with PSSC to resolve any issues that may arise from quality assurance checks.

Regular meetings are ongoing with colleagues in PSSC so that procedures can be streamlined. This will allow updates to member records to be completed in bulk e.g. Terminating 55a spreadsheet to update leaver pay, hours, contributions and pensionable dates.

In 2024/25 a vast amount of work was completed by the Data Management team in preparation for the 2024 Valuation. Regular meetings between HSCPS, GAD and Heywood have continued in order for the 2024 Valuation to be planned and completed by the end of 2025. The table below is a continuation of the outstanding work of 2023/24, which is now completed within BAU.

The team are now preparing for the 2025 Annual file from PSSC, HSC Employers and Directional Bodies. They are also preparing the bulk calculation for the 2025 Annual Benefit Statements which will include the McCloud dual calculation for any affected members for the first time.

Valuation Task	Total Outstanding	Completed by Qtr 4	Remaining	Comments
Pay Data Missing for Active Members	6523	6355	168	
Members Listed as Active who are not currently active (Undecided leavers)	5962	4374	1588	
Members missing from the Valuation Extract	6351	2769	3582	
Missing Deferred Members Pension Amounts	1	1	0	
Queries with Payroll	722	456	266**	**These are historic queries with Payroll and do not include ongoing queries
TOTAL	**19,559**	**13,955**	**5,604**	

2.5 Trust Liaison Team

The Trust Liaison Team work side by side with Employers to provide assistance where needed with complex queries as well as training for HR staff. In particular this year training has been delivered to Trust HR teams in relation to the complexities of the HSC Pension Scheme such as, impacts of McCloud Remedy, Protection of Pensionable Pay, Ill Health Retirement and Pension Flexibilities. The team is also responsible for the communication of all updates in legislation as well as other points of interest to staff and employers.

In 2024/25 Pension Flexibilities went live for all Employers. We collaborated with HR Teams to provide Information Sessions for both HSC Staff and Managers in relation to how Flexibilities worked and the processes involved. Feedback has been positive with high numbers in attendance and sessions will continue into 2025/26.

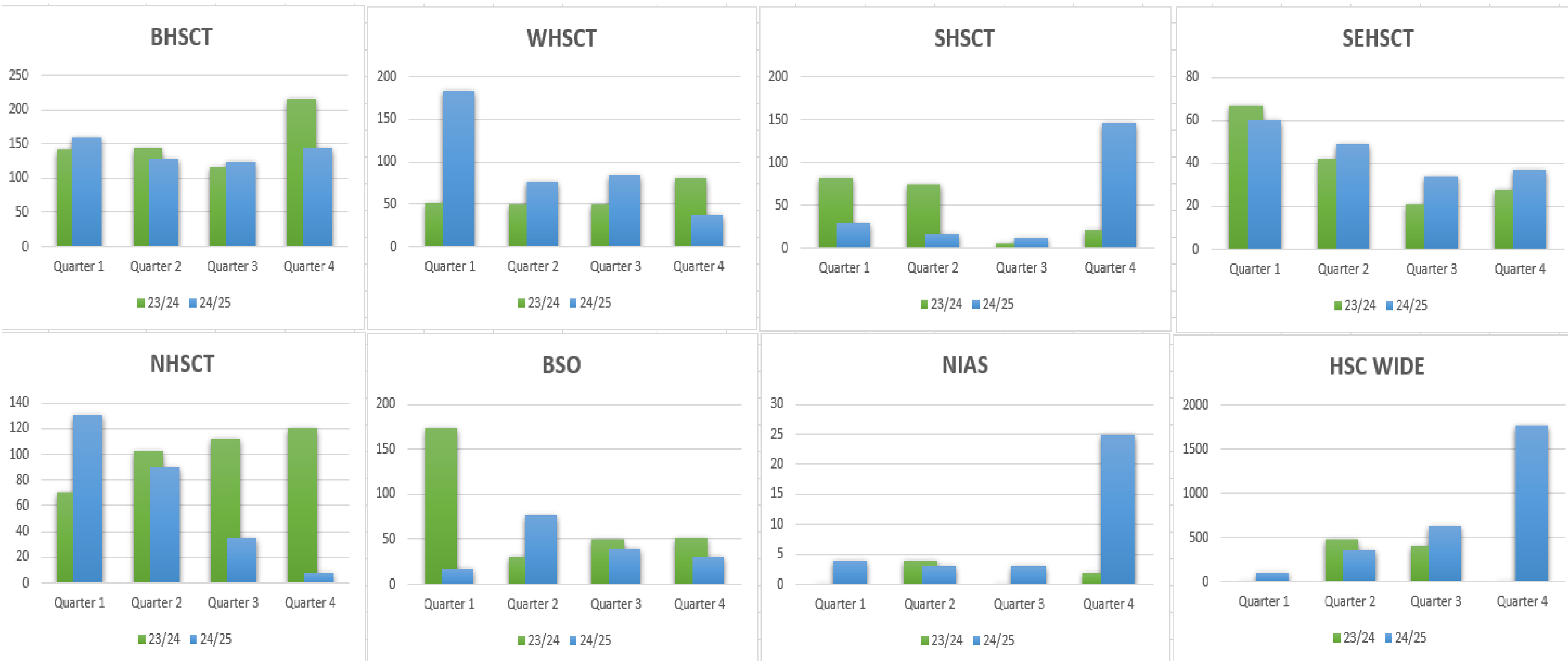
McCloud specific workshops continue to be delivered across all Trusts/Organisations and are addressing the majority of concerns raised and continue to receive positive feedback as evidenced in our Customer Surveys.

Below are details of the work completed this financial year by the team:

HSC Pension Scheme Member Workshops Delivered & Attendees – 2024/25

	Annual	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual
Employer	**2023/24**	**No.**	**Attended**	**No.**	**Attended**	**No.**	**Attended**	**No.**	**Attended**	**2024/25**
BHSCT	**16 – 618**	4	159	4	128	4	125	3	143	**555**
WHSCT	**16 – 232**	6	184	4	77	4	84	3	37	**382**
SHSCT	**16 – 184**	4	29	4	17	4	12	3	146	**204**
SEHSCT	**10 – 261**	4	60	4	49	3	34	3	37	**180**
NHSCT	**13 – 391**	5	131	4	90	8	35	3	8	**264**
BSO	**12 – 198**	4	17	4	77	7	39	3	31	**164**
NIAS	**4 – 31**	4	4	4	3	1	3	3	25	**35**
HSC Wide	**4 – 248**	1	102	2	362	4	625	9	1774	**2863**
Total	**107 - 2803**	**32**	**686**	**30**	**803**	**37**	**957**	**30**	**2201**	**4647**

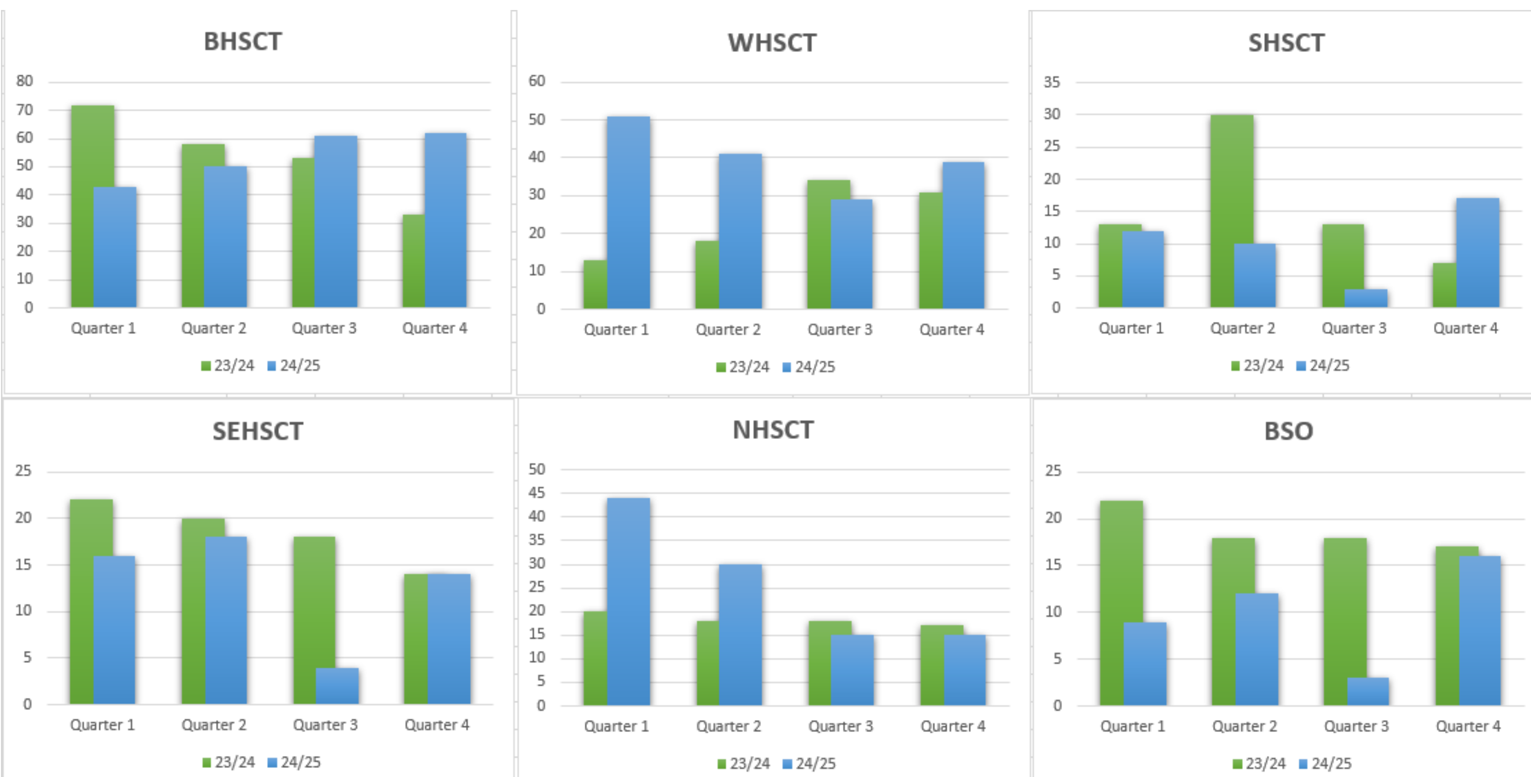
HSC Pension Scheme Member Workshop Attendees – 2024/25



One to One Consultations

	Annual 2023/24	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual 2024/25
Employer						
BHSCT	**216**	43	50	61	62	**216**
WHSCT	**84**	51	41	29	39	**160**
SHSCT	**63**	12	10	3	17	**42**
SEHSCT	**74**	16	18	4	14	**52**
NHSCT	**75**	44	30	15	15	**104**
BSO	**75**	9	12	3	16	**40**
Total	**587**	175	161	115	163	**614**

One to One Consultations 2024/25



2.6 Medical/Dental Practitioner Team

This team administers pension records for all general medical and dental practitioners which includes the verification of GP pension certificates submitted on an annual basis and calculates the rates of Seniority to be paid to eligible members. The team also administers pension records and provides training workshops for staff employed in GP practices and other directional bodies.

HSC Pension Service issued the General Medical Practitioner Annual Certificate of Pensionable Profit for 2023/24 on the 06th January 2025 with a submission deadline of the 28th February 2025, the new annual certificate takes account of the HMRC legislation changes were all practices have to have an accounting year end of the 31.03 each year and any overlap has to be utilised.

As of 31st March 2025, we have received 1100 Annual Certificate returns, which are currently being processed with payment plans being created to reimburse the practice for overpayment of contributions, or deduct any outstanding contributions due as a result of underpayment of contributions. The Northern Ireland average has now been calculated as £99,547.00, this figure has now been used to review seniority paid to each GP in the 2023/24 year and all seniority payments will be reconciled to ensure correct amount has been claimed by GP's, any over or underpayments will be reconciled via the practice monthly GMS Payments.

During the 2024/25 year the team has successfully delivered the following workshops:

- 1 On-line practice manager refresher training workshops
- 5 In-person stakeholder led practice manager training workshops
- 2 Locum workshops for newly registered GP's

GP Staff Starters and Leavers 2023/2024 & 2024/2025

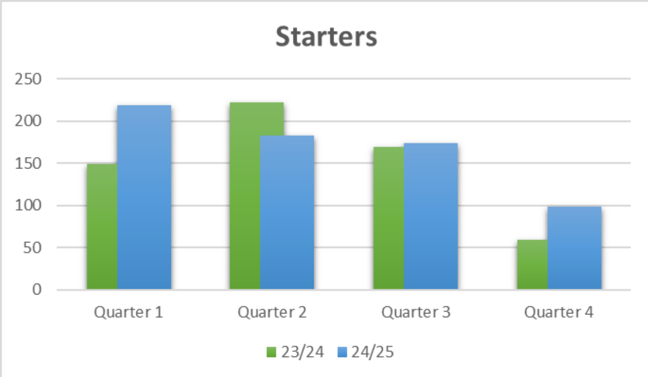
Additional processes identified in 2023/24 has allowed the team to request and identify delayed submissions from practices for their staff since April 2024 for new starters and leavers of the HSC Pension Scheme. This is demonstrated in the tables below

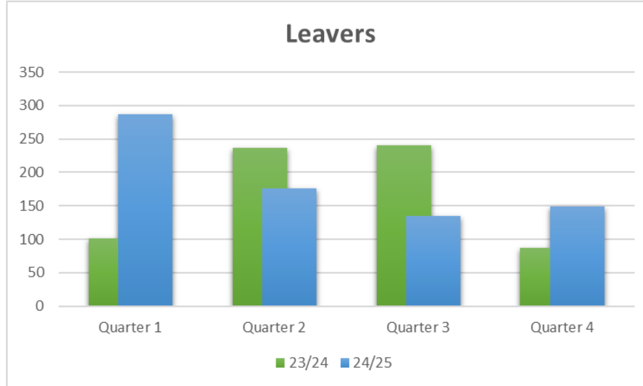
GP Staff - Starters and Leavers 24/25

Quarter of Completed	Process: Leavers	Process: Starters
Quarter 1 2024/25	287	219
Quarter 2 2024/25	176	183
Quarter 3 2024/25	135	174
Quarter 4 2024/25	149	98

GP Staff - Starters and Leavers 23/24

Quarter of Completed	Process: Leavers	Process: Starters
Quarter 1 2023/24	102	149
Quarter 2 2023/24	237	222
Quarter 3 2023/24	241	169
Quarter 4 2023/24	87	59

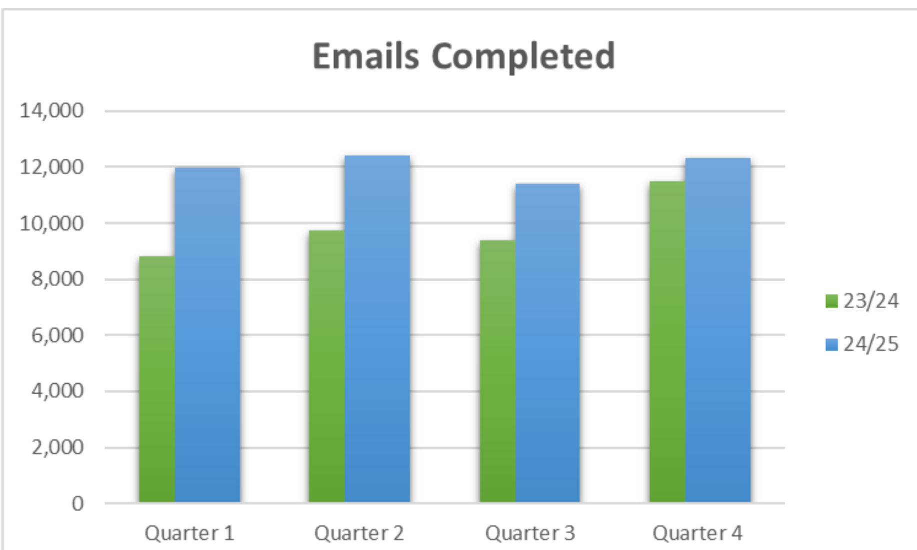




2.7 Business Support Unit

The Business Support Unit is the first point of contact for many HSC Pension Service members. We ensure their first point of contact experience, is that of a first-class member focused service. The team are responsible for answering and triaging member queries, uploading member documents and ensuring member records are accurate. It is also responsible for the in-house administration of the Storm cloud-based telephone system.

Scheme Activity	Quarter 1	Quarter2	Quarter 3	Quarter 4	YTD
Emails Completed	**11,971**	**12,416**	**11,412**	**12,339**	**48,138**



Digitisation Process

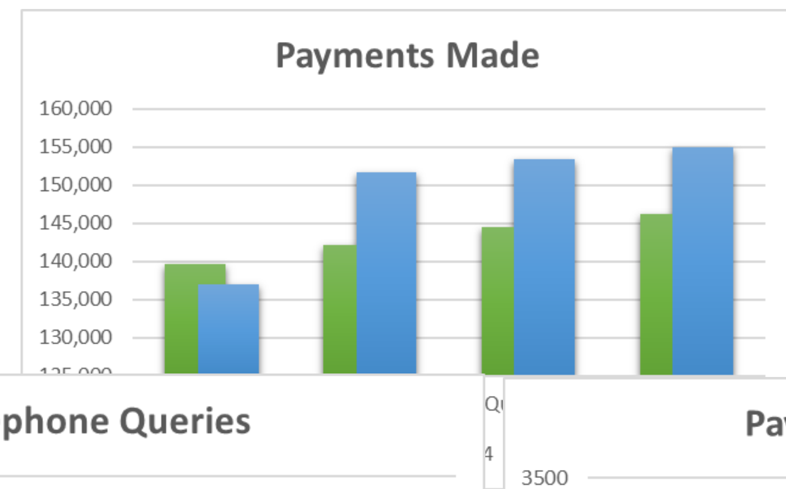
The HSC Pension Service, in partnership with Xerox, has completed the digitisation of **61,340** member files. Records are now available electronically, greatly improving retrieval times and supporting hybrid working practices. To deliver the project, two temporary staff were recruited to index and upload the scanned files, ensuring a smooth transition from paper to digital record management.

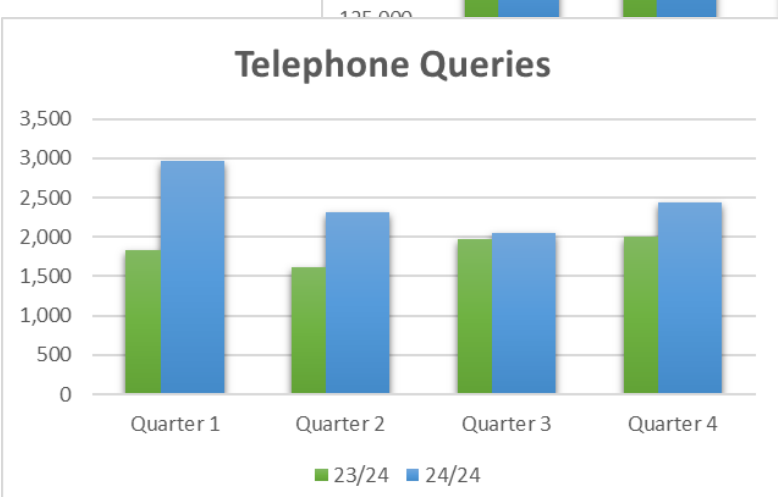
2.8 Payroll Team

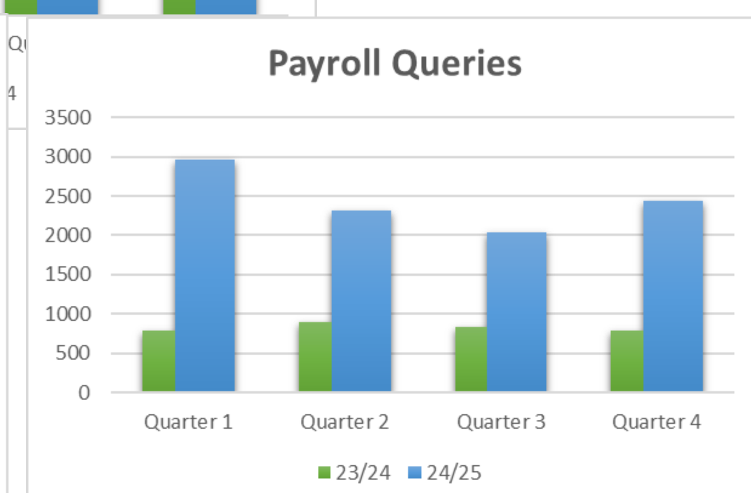
HSC Pension Service Payroll team are critical in ensuring HSC Pension Service delivers new and existing pensioners their pension payments and lump sums on time and ensuring these are accurate. It is also responsible for ensuring proper financial governance in relation to its statutory obligations, relevant to payments made to our members and HMRC.

- All HSC Pension Payrolls were run successfully and on time in the last year.

Scheme Activity	Quarter 1	Quarter2	Quarter 3	Quarter 4	YTD
Payments made	**136,942**	**151,615**	**153,333**	**154,856**	**596,746**
Telephone queries	**2,960**	**2,315**	**2,043**	**2,434**	**9,752**
Payroll Queries	**1,002**	**890**	**649**	**778**	**3,319**







2.9 McCloud Implementation

Communications

- HSCPS continues to reach out to scheme members, employers and other stakeholders regarding the changes in legislation and how this can impact benefit accrual in the scheme, procedures and processes. Such communication includes Employer and Member newsletters and workshops, updates to the scheme website and social media, and development of McCloud specific scheme literature and videos.

- HSCPS continues to attend NIPSPG meetings and HMRC webinars and ongoing collaboration continues with NHS E&W to ensure consistency on the development of documentation.

- McCloud Project Board has been established and currently meets on a bi-monthly basis.

Member Specific Communications:

- Remediable Service Statement – Deferred Choice
  From 1st December 2024 HSCPS have commenced Choice on Retirement for members. Member newsletters in December have been generated with information on this development. HSCPS have also updated the website with supporting information and a video is currently in development to aid members in completing the form.

  - Total RSS issued – 352
  - Total RSS received from members – 305
  - Legacy choice – 221
  - CARE choice –84

- HSCPS have set up McCloud specific workshops and 1-1's for member knowledge and understanding of completing their RSS and a how to guide for understanding the pension commutation calculators which are available on our website.

- We have completely redesigned the HSCPS website to include McCloud guidance and developed a number of helpful information videos to aid members with their decisions on completing their pension application forms and RSS decision forms

System Development

Implementation To Date:

- We have successfully rolled back all McCloud affected members into their legacy scheme for the remedy period.
- Issued ABS based on rollback at 31st August 2024.
- Recalculated all 7 years of Annual Allowance and issued 1,830 RPSS statements to date to members affected by 6th October 2024.
- Developed 3 new data views to hold original information of member Annual Allowance.
- Commenced Deferred Choice Election (RSS) for Active to Retirements in December 2024.
- Set up McCloud specific workshops and 1-1's for member knowledge and understanding.
- Redesign the website to include a number of helpful information videos to aid members with their McCloud choice and retirement decisions.
- Implemented and developed up to 10 new calculations within our IT system.
- Moved eligible members back into their 1995 scheme under the choice 2 exercise.
- 414 Ill Health applications which required reassessment under McCloud have been provided to our medical advisors and have been completed and returned. 204 have had a change from original decision and these members will be offered an Immediate Choice Election.
- All CETV's revised from 1st October 2023 to include dual figures.
- Commenced dual transfer information to other schemes.
- Commenced CETV's for disclosure to include McCloud.
- The team continue working on ensuring correct legacy and CARE Scheme pensionable pay information is ready and available for members retirement choice calculations. They have identified 10,647 recalculations due. 6,500 of these have completed final checks.
- 15,250 CARE earnings for active members over the age of 50 have been completed out of a total of 27,000.
- 16 RSS have been issued since February 2025 for GP and Dentist members going on retirement. 8 issued to GP's and 8 issued to dental with all 16 choosing the Legacy option for their remedy benefits.

- 525 RPSS have been sent to dentists and there are approximately 100 still to be checked as they are more complex. 9 Dental breaches in 23/24 and all have been identified.
- Year-end certificates are now being received for GP/Medical and the team will begin the process of calculating their RPSS statements.

Work planned – Our Next Steps

- Offer Immediate Choice Election (RSS) to members already retired
- Bulk upload revised pay figures for 10,647 retirees impacted by remedy
- Issue Dual ABS/RSS to all active McCloud affected members
- Issue Dual ABS/RSS to deferred McCloud affected members
- Revise all Transfers within the remedy period.
- Ongoing Members specific communication.

Work continues with Heywood to ensure that the HSCPS software system is fit for purpose and meets the requirements of the legislation. HSCPS and Heywood continue to liaise on the process and development for recalculations and agree a format of how the system will display and writeback the results in line with our Remedial Service Statements.

Regular fortnightly meetings take place between the implementation teams in Heywood & HSCPS and an additional fortnightly meeting has been set up between the calculation team at Heywood and all teams within HSCPS to input and identify issues in the early stages of the development work.

Challenges ahead

- Fixed Term Contracts staff employed through McCloud are ending on 31st December 2025.
- Budget constraints
  - Resources required to maintain BAU post McCloud
  - System Capabilities to automate the delivery of McCloud
- Partial Retirement and other flexibilities leading to an increase in work which provides challenges on current resources
- Valuation – 4 yearly cycle
- Implementation of Pension Dashboard– system capabilities and resourcing

The forthcoming year, 2025/26 is expected to be quite a testing one. As we move from implementing the McCloud remedy to including it as part of Business as Usual (BaU), along with the full implementation of Pension Flexibilities, the scheme valuation and the launch of Pension dashboards, many challenges lie ahead.

In addition to resourcing and system upgrades, applying a broad spectrum of completely new and wide-ranging legislation to an already complex field, will throw up many challenges for HSC Pension Service Staff. This is particularly applicable to the McCloud Remedy and the many contingent decisions and rulings it will impose on many elements of the scheme regulations.

Ensuring data quality and system capability in the extract of data for the upcoming Scheme Valuation will put considerable pressures on both HSC Pension Service and Payroll Shared Service. Government Actuaries Department, the Department of Health and the Department of Finance will be inspecting our returns to ensure that we comply with all requirements and there is no risk to qualification of the Scheme Accounts.

Having measured the current number of applications received for partial retirement is of utmost importance that HSC Pension Service is adequately resourced to implement pension flexibilities. Failure on this front will lead to delays in benefit payments and a loss in confidence in the service and wider BSO. HSC Pension Service will continue to engage with HSC Employers and the Department of Health on this issue and will provide regular updates on progress made.

The Pensions Dashboard programme was developed as a result of the legal framework established from legislation included in the Pensions Schemes Act 2021 and the Pensions Dashboards Regulations 2022. The HSC Pension Scheme is legally required to connect to the Pensions Dashboard by 31st October 2025. HSC Pension Service will be working closely with our software provider, Heywood Technologies to ensure all legislative requirements and deadlines are met.

2.10 Website/Communications

The new HSCPS website has been evolving over the past year since its launch on 13/05/2024, with various new features being implemented. The new site layout has improved the user's experience and ability to navigate and understand HSC Pension Scheme information.

- In accordance with BSO IT policy, our Project Support Officer (PSO) has created a new website to incorporate BSO/HSC branding with modern themes, without diminishing our own unique service to members. Whilst evolving the website, the PSO is regularly updating the website with any legislative changes and information relevant to all stakeholders.
- The majority of scheme guides and factsheets have been digitalised for the updated website. In order to enhance user experience, various forms of communication are being utilised to deliver key messages to all users. A user feedback section has been included, which will allow members to provide feedback and suggestions. This feedback and the use of analytics, will support evolving our website and service.
- This website has been built in a way that is accessible to all. The site allows the text to be increased in size by 200% with any text spilling off the page for those who have sight issues, and there is also a read aloud function which will aid anyone who may be blind. BSOs head of communications has advised that the website will be reviewed by Tapestry to ensure it complies with current accessibility regulations and any feedback and advice will be provided if required.
- In order to comply with current accessibility regulations, we have moved away from publishing content in word/pdf format unless absolutely necessary. Some of the scheme guides and application forms which could not be fully digitalised in a modern format are still available and downloadable for members, this has been highlighted in our Accessibility Statement to ensure complete integrity of the website. The most commonly used forms have been digitised and are now available to complete online without the need to download/post them to us which further enhances the user experience and improves accessibility to users who have difficulty writing or using word formatting software.
- The websites views and users have increased steadily since the new site has been published. In the year since the new website has launched, website views are up 34.6% from the same period last year, and in the first year since the site has been published we have had over 2.6 million website clicks.

Progress:

- Several new explanatory videos have been created and published to the website, including an AW6 completion tutorial video, 4 videos relating to MSS usage and navigation for active members and pensioners, and videos explaining both ABS and RSS statements. We hope that these videos will reduce the amount of email and phone queries we get regarding these topics.
- The updated website was launched on 13/05/2024, analytics from each quarter have been used to track user engagement and they have been displayed in the table below.

Area of Activity	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
Website Views	108k	151k	158k	232k	645k
Website Clicks	359K	502k	523k	758k	2.14 Million
Average time spent on website	2 minutes 49 seconds	3 minutes 02 seconds	2 minutes 38 seconds	3 minutes 10 seconds	
Active Users	12k	27k	27k	38k	104k
New Users	25k	9k	22k	31k	87k
Bounce Rate	26.39%	23.95%	24.35%	21.8%	

* *Bounce rate for any website below 40% is deemed to be engaging with the user.*

The figures above illustrate a clear and continued increase in website usage from our members throughout the last year, since the new website launched. The website analytics allow us track user engagement and identify areas of potential improvement by moving site content to the forefront if it’s evidenced that there is an increase in member queries and searches about particular topics at any given time.

- Digital AW6 form with a Partial Retirement addition has been relaunched, and has been submitted 340 times in total since its initial launch.
- Partial Retirement section has been updated which includes; a new Factsheet, Forms and Calculator to further support members, this section will be updated and added to throughout the coming months as partial retirement begins to progress. A Flexible Retirement options video has been added to this Partial Retirement section, to help inform members of possible options to reduce hours and claim pension benefits.
- Website content on Contingent Decisions has been added to the website along with a factsheet, a decision tree and a calculator.
- All Scheme forms and documents have been updated with the new HSC Pensions address and republished through a new plugin which allows all forms to be downloaded directly from the search function within the website which will make locating and accessing forms much easier for our members.

3. Accommodation

HSCPS were informed during 2023/24 that Waterside House would be closing and all staff including HSCPS staff are expected to be relocated to Orchard House by the end of July 2024. This was delayed due to various factors however; all staff were successfully relocated to Orchard House in December 2024.

HSCPS and BSO SMT have been allocated 46 workspaces and access to meeting/training rooms via an online booking system. Staff have settled in well despite some initial connection issues which have now been resolved.

4. SAB Update

- **Member Contributions**

The tiered contribution thresholds for 2023/2024 were amended to reflect the AFC uplift in pay. The amended thresholds were applied retrospectively for 2023/2024 and were implemented simultaneously with the 2023 pay award in June 2024.

From 01 April 2024 the employee tiered contribution structure has reduced to six tiers.

- **Yield Factor**

DoH confirmed that the pension scheme was running under yield for several years. The pension scheme requires to collect 9.8% in scheme membership contributions. Up to 2024/25, the pension scheme had been only collecting 9.6%. The majority of public sector schemes in Northern Ireland were also running under yield and Treasury has asked that all schemes take steps to ensure that the correct amount is collected.

DoH suggested a raise of 0.2% on scheme membership contributions would be the fairest approach to ensure that the yield is met.

GAD completed analysis on the yield and the impacts of different scenarios. GAD produced a paper outlining 2 scenarios as follows:

1. add 0.2% onto all tiers
2. protect the lowest tier by adding the 0.2% onto all tiers except the lowest

As there are very few members in the lowest tier, not adding the 0.2% onto that tier has a negligible impact on the overall yield. The preference of the SAB members present was option 2 and the Department proceeded on that basis.

The regulations relating to the Yield Factor were laid on the 5 February 2025 and will come into effect on the 1 April 2025.

- **Employer Levy**

DoH gave background to the policy proposal to introduce an employer levy to fund the administration of the pension scheme, similar to E&W. This would create a link between the level of work in running the scheme and the level of funding.

The actual costing figures are currently being worked out. DoH also clarified that introducing an employer levy provided the scheme with a link that if the number of member's increases then their funding increases in line with this. It also brings more clarity to the costs involved.

Employer representatives asked further conversations be held before the introduction of such a levy which was agreed by DoH.

- **GP Annual Certificate of Pensionable Profit**

  The DoH confirmed that HMRC had made changes, in that from 6 April 2024 the profits of an unincorporated business must be taxed on a tax year basis. This impacted approximately 24% of GP Practices in N. Ireland that don't align their annual accounting period with the tax year.

  A minor change in the scheme regulations allowed affected GP's to spread their pensionable profits in the same way as they choose to spread their tax liabilities, if they wish to do so.

- **2024 Valuation**

  Following the completion and sign off of the 2020 Valuation and in recognition that the 2024 Valuation was imminent, HSCPS took significant steps to ensure that the Data extract for valuation will be fit for purpose and robust in accuracy in order for GAD to complete their evaluations.

  A draft specification was received from GAD in March 2024 followed by a meeting to discuss the additional non-critical items that were included and if they were reportable. An amended Specification was issued in June 2024 and was shared with Heywood.

  GAD confirmed that they believe that they now had received sufficient data to significantly reduce the probability of any limitations or qualifications of the Scheme Accounts. HSC Pension Service continued to work collaboratively with relevant stakeholders to ensure all data required would be fit for use in the valuation.

  Regular meetings were held between HSC Pension Service and Payroll Shared Services to monitor and manage the accurate transfer of data required for the valuation.

- **HSC Penson Scheme Flexibilities**

  The DoH consulted on amending the scheme regulations to include a number of retirement flexibilities. The flexibilities which were consulted on were designed to offer staff increased options at the end of their careers, enabling them to partially retire or return to work seamlessly and continue to build pension after retirement, if they wish to do so.

  The consultation primarily focused on:

  - Pensionable re-employment
  - Partial retirement
  - Removing the 16-hour rule

  The proposals were seen as a way to retain with the HSC, the knowledge, skills and experience of staff who may previously have left which would ultimately help support patient care. The amended regulations became effective from 01/04/2024.

5.Pension Flexibilities

Prior to the implementation of Pension Flexibilities HSC PS had measured the potential uptake of Partial Retirement, this was done by analysing the number of scheme members eligible to apply for Partial Retirement and provided a report estimating the expected numbers to both the DoH and HSC Employers.

This report also focused on the expected increase in pension applications and pension related activities per month over the 3 years from implementation which would arise as a result of the introduction of Pension Flexibilities. HSC Pension Service, having consulted with colleagues in NHS England and Wales (who introduced Pension Flexibilities at an earlier date) estimated the uptake to be 5% of eligible members or approximately 80 applications per month.

On this basis a Service Development Plan was submitted to DoH and subsequently to HSC Employers to request funding for additional resources to manage the expected increase in pension applications. Of the requested resources, HSC PS were allocated 25%. From the outset HSC PS relayed to both DoH and HSC Employers that the resources allocated were insufficient and would to considerable backlog of pension applications, resulting in delays for members to receive benefits, complaints being lodged and a loss of faith in the service.

Following regional consultation, on 01st December, HSC Employers and HSC PS rolled out Partial Retirement documentation including regional policies, application forms, guidance material and on-line calculators. It is important to note at this point that whilst actual documentation may not have been made available until December, members were eligible to apply for Partial Retirement from 01/04/2024 and any arrears of benefits built up would be backdated and paid. Some members did avail of this option and were paid their benefits.

At this point, HSC PS had recorded a considerable number of member queries relating to Partial Retirement (5,000+). HSC PS in collaboration with regional HR Colleagues delivered bespoke Partial Retirement workshops for members to understand the criteria, benefits and procedures and for HSC Managers to understand the process which needed to be followed when considering or authorizing a partial retirement application.

In the 4 months from December 2024 to March 2025 (availability of documentation required for applying) the number of applications received by HSC PS was 385 with a further 100+ awaiting final sign off from regional HR Teams.

Given the limited resources HSC PS had in place to manage this additional work, HSC PS took the extraordinary step to inform BSO Senior Management, the DoH and HSC Employers that there was a very serious risk to HSC PS's ability in meeting the normal KPI's for payment of benefits and it was most likely that there would be backlogs building, delays in benefit payments and complaints being raised by members and their representatives.

Further meetings were arranged with DoH and HSC Employers to take place in April/May 2025 to discuss resourcing issues and plans to address the backlog of cases building.

Appendix A

Record Keeping; data improvement

All public service scheme administrators are obliged to review scheme data regularly and maintain accurate records. HSCPS has various tools in place to ensure full compliance in maintaining common and scheme specific data.

Scheme specific data

Accurate scheme specific data is maintained in the following ways

- monthly and annual interfaces with Payroll Shared Services
- annual and quadrennial full funding valuations with GAD
- bulk Annual Benefit Statement processes
- Annual Allowance process with Pension Input Amounts (PIA's)

Additionally, HSC Pension Service regularly runs reports across all member records to ensure the accuracy of member data, known as "common data".

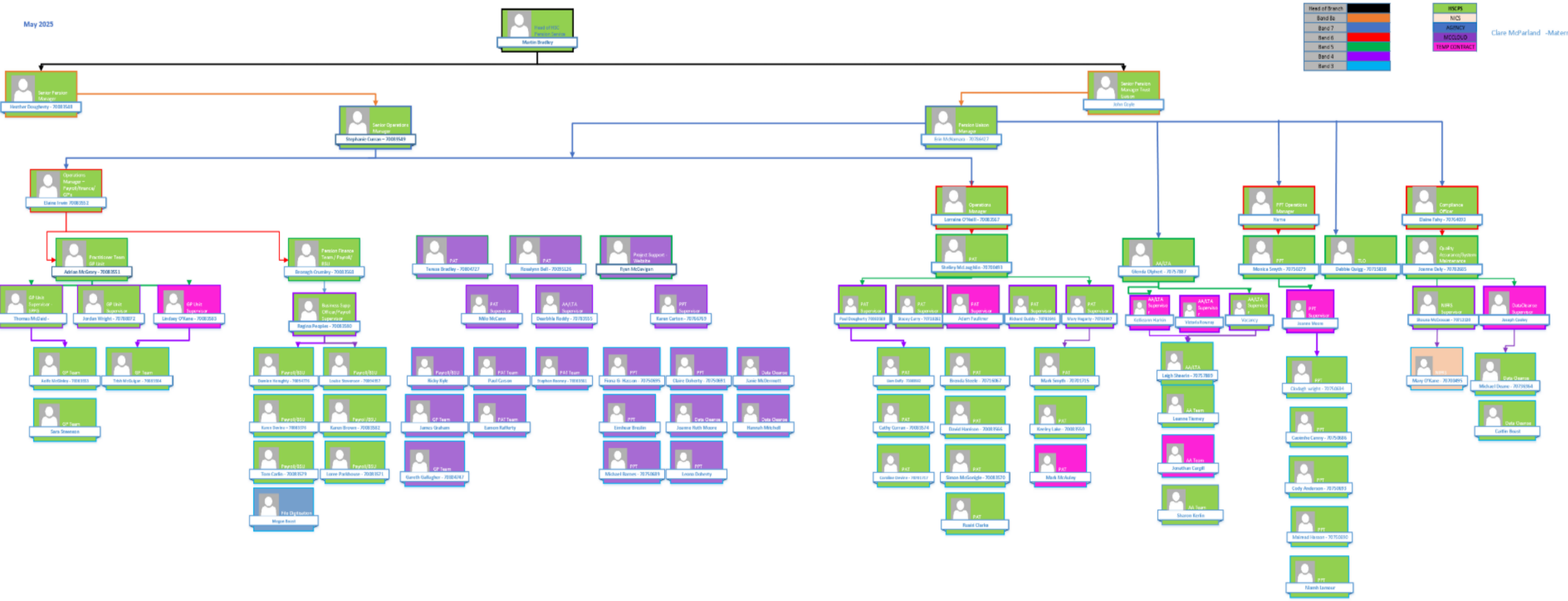
The table below shows the latest data check on 16.01.24 across 400,038 records revealed that 13 National Insurance numbers were missing. Investigations revealed the members were dependants

13296 records were missing a postcode and again, this was due to the member having left the scheme. The correct address and postcode will be obtained once a new pension event has been triggered.

Common Data checks	No of errors / missing data	Reason	Action
NINO	13	Dependant members	Records updated
Surname	nil		
Forename	nil		
Postcode	13296	All deferred members/or no liability	No action until a pension event is triggered as member may have changed address
Sex	nil		
Date of birth	nil		

APPENDIX B

Organisational Chart



6. GOVERNANCE

6.1 Risk Management

Throughout the year board members received copies of the HSC Risk Register including key risk areas, an assessment of likelihood and impact of the short, medium and long-term risks, threats and opportunities.

The Board has an opportunity to discuss and challenge the risks, and if appropriate, reconsider a risk assessment and the mitigating actions to bring the risk within the HSC Pension Board's risk appetite.

6.2 Reporting to The Pensions Regulator (TPR)

The HSC Pension Scheme had no incidents to report to the TPR in this financial year.

6.3 Membership Changes to Pension Board

During the 2024/25 scheme year, the Pension Board met on 4 occasions. The Board will endeavour to meet in person at least once per year. There has been 2 new appointments to the Pension Board within 2024/25 year. These are Johnny Burns and Kevin Kelly who replaced Desmond Lowry and Terry Thomas respectively.

6.4 Pension Board Training