

# EMPLOYER

## circular

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## 1. New Ill Health Retirement Application Form – (AW33-09)

Employer circular HSS(S) 09/2008 explained that a new ill health retirement application form was being developed to support the introduction of the two tier ill health arrangements. This form is now available and can be downloaded from website: [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) under the heading 'Scheme Forms'. This form builds on **and will replace** the existing AW33-Int from 6 September 2009. Applications for ill health retirement from 6 September 2009 must be made using the new form AW33-09. Form AW33-Int will not be accepted after 6 September 2009. The relevant Factsheets on the Pension Service website have also been updated to reflect these changes.

In addition we have also produced a comprehensive guide to ill health retirement to assist Occupational Health Physicians and employers involved in the ill health retirement benefit process: '*The HSC Pension Scheme – A Guide to Ill-Health Retirement*'. This guide is available on our website: [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) under the heading 'Scheme Guides'.

### **Part A of AW33-09 – To be completed by the Employing Authority**

The main change relates to the provision of information about the management of sickness absence, in particular the structured review process and rehabilitation

### **Part B of AW33-09 – To be completed by the member**

Scheme members must provide information about the training they have received and the experience they have gained during their HSC/NHS career and details of any other training and/or jobs held not in the HSC/NHS.

### **Part C of AW33-09 – To be completed by the Occupational Health Doctor**

Comprehensive guidance to assist Occupational Health Doctors complete Part C can be found in Chapter 9 of the '*HSC Pension Scheme – A Guide to Ill Health Retirement*'

A word version of Part C of AW33-09 is available to download from the website: [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) under the heading 'Scheme Forms' but it must be printed in hard copy and attached to Parts A & B before it is sent to HSC Pension Service.

## 2. Pension Choice Exercise – Employer Seminars/Payslip Message

### Employer Seminars

Employers and staff side representatives are reminded that information seminars on the forthcoming Pension Choice Exercise (PCE) are scheduled as follows:-

- Tuesday 22 September - L'Derry
- Monday 28 September - Belfast
- Tuesday 29 September - Belfast

Anyone involved in dealing with the PCE is invited to attend. Names of attendees and preferred venue should be e-mailed to [modernisation@dhsspsni.gov.uk](mailto:modernisation@dhsspsni.gov.uk).

Those attending will be notified by e-mail of the time and venue once details have been finalised.

### Payslip Message

Payroll Managers are reminded to publish the 'Pension Choice' information message to all staff via their October payslip.

## 3. The Budget 2009 – Important information about the proposed changes to pensions tax relief and the introduction of a special annual allowance

The Budget 2009 included proposals to make changes, which if confirmed, will limit the availability of tax relief on pension contributions from April 2011, for individuals earning £150,000 or more. Also included was a proposal for a Special Annual Allowance, to prevent those earning £150,000 or more from taking advantage of current pension tax relief by making changes to their existing pension savings arrangements between April 2009 and April 2011.

To assist members who may be considering making changes to their existing pension savings HSC Pension Service provides the following information. It is based on our understanding of draft legislation published by HMRC on 22 April 2009, which is expected to be the effective date. Please note that the proposed legislation may change during the consultation process.

### Who would be affected by the special annual allowance?

The special annual allowance affects HSC Pension Scheme members if **all** of the following apply:

- Their taxable income in the relevant tax year (or in either of the two previous years) is £150,000 or more;
- Their total pension input exceeds £20,000 in the tax year; and
- They change their normal pattern of pension savings.

### Notes:

Taxable income includes salary, bonus, dividend payments and bank interest.

Pension input means:

- The value of benefits accrued in a defined benefit scheme such as the HSC Pensions Scheme, calculated as the sum of:-
  - (a) 10 times the increase of the accrued pension and
  - (b) the increase of any lump sum, over the relevant tax year; plus
- Contributions a member pays to a money purchase scheme, e.g. HSC MPAVC Schemes or to a personal pension.

Normal pattern of pension savings means if a member changes their pattern of pension savings after 22 April 2009, for instance, if they started making regular additional payments into a pension scheme or they made a lump sum payment then this would be regarded as a change to their normal pattern of pension savings.

This includes new or additional pension saving made on behalf of the member or in respect of the member by the member's employer.

#### **What happens if a member is affected?**

Members affected will pay tax – at 20% in 2009/2010 – on any excess contributions and/or benefit accrual over £20,000. This tax will be known as the Special Annual Allowance charge and will be assessed and collected through the self-assessment process. The rate of tax may increase to 30% in 2010/2011.

#### **Further information**

Members who believe they may be affected are recommended to visit the HMRC website [www.hmrc.gov.uk](http://www.hmrc.gov.uk) for further information, or consult an independent financial advisor before confirming changes to their current pension savings.

Please note that there is no obligation for employers as local scheme administrators to provide this information to their members. However, as a duty of care, affected members may appreciate a notification of these proposed changes.

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## **4. Joiner Questionnaire Mailing**

To comply with revised Scheme regulations the HSC Pension Service will be writing to members who joined the scheme for the first time between 1 April 2008 and 30 September 2008 to complete a joiner questionnaire.

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## **5. GP Locums and other types of GPs**

The following guidance outlines how freelance GP locums and other types of GPs should be treated under the statutory HSC Pension Scheme Regulations.

#### **Freelance GP Locums**

A freelance GP Locum is defined under the Scheme regulations as a “GP who deputises for an absent GP or assists in the provision of primary medical services on a temporary basis”

Scheme membership is triggered by the GP Locum completing GP Locum form A & B. These forms can be obtained from the HSC Pension Service website: [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net) under the fastlink heading ‘Scheme Forms’.

If a fee (session) based GP is engaged on a long term regular basis they do not fall under the definition of a GP Locum under the scheme regulations; they are an assistant medical practitioner (GP performer).

#### **Assistant Medical Practitioners**

A salaried GP employed by a GP Practice, HSC Trust, HSC Board, or an OOHP to perform primary medical services (including out of hours) is afforded assistant medical practitioner status and not officer status. Although a Salaried GP may be directly employed by a Practice, HSC Trust, HSC board or OOHP their employer for HSC Pension purposes is the Regional Health and Social Care Board.

A GP who is engaged or contracted by GP Practice, HSC Trust, HSC board or OOHP to work sessions under a regular long term fee based arrangement is also regarded under the scheme regulations as an assistant medical practitioner; not a GP Locum. The organisation that has commissioned the services of the GP (e.g. the Practice) is responsible for paying the employer contributions.

From 2009/2010 all assistant medical practitioners will have to complete an annual certificate declaring their total GP HSC pensionable income.

### **Principal Practitioners**

GP Partners, single-handed GPs, and GP shareholders in GMS, PMS and APMS are regarded as Principal Medical Practitioners.

All Principal Practitioners must complete an annual certificate declaring their HSC pensionable income. A certificate must be provided in respect of each GMS, PMS and APMS contract.

A non-GP Provider must also complete an annual certificate.

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## **6. How to Contact Us**

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### **How to contact us:**

#### **By writing to us at:-**

HSC Pension Service  
Waterside House  
Londonderry  
BT47 6FP

**Via e- mail at:-** [superannbr@hscni.net](mailto:superannbr@hscni.net)

**By Fax:-** 028 71 319144

#### **For urgent enquiries only, you can contact us by Telephone:**

Switchboard -	028 71 319000 (9.00am to 5.00pm – Monday to Friday)
Scheme Administration ( <i>estimates, retirements, membership etc</i> )	028 71 319120
Practitioners	028 71 319125
Pension Payroll	028 71 319110

**If you have any comments about the content or format of this newsletter please email them to [superannbr@hscni.net](mailto:superannbr@hscni.net)**