

Increase in employer's superannuation

In April 2019, the employer's pension contribution rate rose from 16.3% to 22.5%.

This resulted in additional contributions due from GPs, in their capacities as both individuals and employers. Naturally, they expected a reimbursement to compensate them for these additional expenses. During 2019/20, the matter was out put on hold. Eventually, in March 2020, the Board did their sums and paid each practice a sum of money to compensate them for this. You will see this in your BSO statement for March 2020.

In that March statement, you will also see an increased deduction in respect of GP's superannuation. From April 19 to February 20, the Board had been deducting a monthly amount based on the estimate which you (or your accountants) submitted in March 19. In March 20, they revised this calculation based on 22.5% rather than 16.3%, resulting in a much larger deduction for that month.

Was that it? Well, no. There was still the extra contribution due in respect of staff salaries. This could not be calculated until the GP55as had been submitted and checked. That payment should have been taken by HSC Pensions in either June 20 or July 20.

In an ideal word, the amount received and the amounts paid would have been the same. Unsurprisingly, this was not the case, and there were some winners and losers.

Some practices complained that the method of calculating the reimbursement amount was unfair. In June 2020, the Board sent each practice a letter, explaining that they had changed the way in which this figure was to be calculated. This has resulted in a much fairer situation.

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