

Pension Policy for Staff Who Are Members of the Local Government Pension Scheme (NI)

Date: October 2015

Review Date: in line with
legislative requirements



Policy Title	Pension Policy for Staff Who Are Members of the Local Government Pension Scheme (NI)
Policy Number:	<i>POL 052</i>
Version	1.1
Policy Sponsor	<i>Director of Business Support</i>
Policy Owner	<i>Head of Human Resources</i>
Committee	<i>Business Support</i>
Date Approved	<i>15 October 2015</i>
Date Screening Documentation Signed	<i>17 February 2016</i>
Date Set For Review	<i>In line with legislative requirements</i>
Related Policies	<i>Discretions Policy on Pension Pension Policy Guidelines</i>

Libraries NI Pension Policy for Staff Who Are Members of the Local Government Pension Scheme (NI)

1. Background

- 1.1 On 1 April 2015 the Local Government Pension Scheme LGPS (NI) was updated. One of the features of the Scheme is the requirement for members to pay different contribution rates in accordance with actual pensionable pay as determined by the employer irrespective of full time or part time status.

2. Purpose

- 2.1 This policy specifies how and when contribution bands will be allocated by Libraries NI.

3. Policy

3.1 Joining the Local Government Pension Scheme (NI)

- Employees will be eligible to join the pension scheme, providing they are employed under a contract of employment lasting for more than three months. If a contract is known to extend beyond three months then the individual will be contractually enrolled at the date of appointment, or if not known to last for three months, then the individual will be contractually enrolled at the end of the three month period. The employee can subsequently opt out of the Scheme.
- Employees who opt out of the Scheme and later apply to rejoin the Scheme will be admitted in accordance with criteria set out in this policy and automatic enrolment regulations if applicable.

3.2 Banding

- The banding rates applicable will be as determined by the Department of Environment annually.
- For a new start or 'opt ins' throughout the year, the calculation will be the actual annual salary and an annualised figure for any applicable enhancements. Members will be notified in writing of the actual percentage being applied based on the above.
- Any appeal against a decision regarding an employee's pension contribution banding, or any other decision relating to an employee's rights or liabilities under the scheme, will be as detailed in paragraph 18.

4 Authority

4.1 Policy Sponsor

The Director of Business Support has overall responsibility for the Pension Policy.

4.2 Policy Owner

The Head of Human Resources is responsible for ensuring the effective operation of the Policy and associated procedures and for its regular review.

4.3 Policy Contact

Any member of staff who requires further information about the Pension Policy should contact Human Resources.

5 Related Documents

- Pension Policy Guidelines
- Discretions Policy on pensions

Pension Policy Guidelines

1 Change in Employment/Material Change

- 1.1 Where there is a permanent change or a temporary change (for a period of three months or more) in employment which reflects the member's pensionable pay in the course of a financial year, Libraries NI will determine a contribution rate reflecting the different pay range that should be applied. Libraries NI shall inform the member of the contribution rate applicable in writing.

2 Changes to Working Hours

- 2.1 All assessments with regard to banding are based on the actual pensionable pay for the post; so reductions in working hours, changes to working patterns, flexible working, job share, etc. may necessitate a reassessment of the employee's contribution band. Libraries NI shall inform the member of the contribution rate applicable in writing.

3 Term-time Members

- 3.1 Term-time only members will have their contribution band assessed by reference to their actual pensionable pay and not the full time equivalent grossed up to 52 weeks.
- 3.2 In the event of an employee moving from a 52 weeks contract to for example a 38 weeks term-time contract, the rate will be reassessed as follows:
1. Hourly Rate of Pay x Weekly Hours x 38
- 3.3 If an employee is admitted to the Scheme outside the annual re-assessment of banding, (see paragraph 14) the contribution rate will be based on actual pay at that point in time.

4 Multiple Job Members

- 4.1 Employees with more than one contract of employment (i.e. holds two or more jobs, e.g. Library Assistant and Cleaner) have the right to choose which posts they wish to be pensionable (opt out in all or some of their employments).
- 4.2 Where a member has more than one contract of employment their contribution band will be assessed separately based on the actual pensionable pay of each contracted position.

5 Concurrent Members

- 5.1 Employees with more than one employee record for HR/Payroll purposes, due to working at more than one location, will have their banding based in the actual pensionable pay of the combined records.

6 Maternity/Paternity/Adoption/Shared Parental Leave and Sick Leave

- 6.1 Members on maternity, paternity, adoption, parental or sick leave who go on to reduced pay during the year must continue to pay contributions on their allocated band albeit on the reduced amount of pensionable pay they receive. When determining a contribution rate for staff already on half pay or nil pay at 1 April, the contribution rate will be based on Assumed Pensionable Pay.
- 6.2 Members paying Additional Regular Contributions (ARC's), contributions to purchase Added Years, Additional Pensionable Contributions (APCs) or Additional Voluntary Contributions (AVCs) for life cover must continue these contributions during any periods of maternity / paternity / adoption / parental / sick leave. The employee should contact NILGOSC directly with regard to making these payments. For further information visit:

<http://www.nilgosc.org.uk/additional-pension-contributions-apcs>

7 Career Break

- 7.1 Throughout the duration of a career break the employee will remain as an active member of the scheme. However this will be deemed as a 'lost pension' period unless the employee opts to buy back the lost pension.
- 7.2 To buy back the 'lost pension' they must opt to do so within 30 days of returning to work by purchasing an APC. The employer shall pay 2/3rds of the cost up to a maximum of 36 months. Further information on purchasing APCs can be sought from NILGOSC directly and an APC calculator is available on the NILGOSC website at www.nilgosc.org.uk.

8 Keep in Touch Days (KIT)

- 8.1 Pension contributions on Keep in Touch Days (KIT) days are payable based on the pay received.
- 8.2 If a KIT day is taken then it is deemed to be pensionable at whatever stage of the maternity leave period it is received.

9 Overtime/Additional hours

- 9.1 All overtime/additional hours are included in pensionable pay.

10 Acting-Up/Secondment/Additional Responsibility Allowances

- 10.1 Acting-up/secondment/additional responsibility allowances are normally temporary; therefore the member's contribution rate will be adjusted during the year based on actual earnings only if the arrangement is to extend beyond three months. If the acting-up/secondment/additional responsibility allowance is to apply for the whole of the next year it will be taken into account when determining the band at reassessment (April).

11 50/50 Section

- 11.1 The Scheme has a 50/50 section where a member can elect to pay 50% of the contributions and accrue pension at 50%.
- 11.2 An employee must be an active member of the main scheme prior to opting into the 50/50 section. Libraries NI will continue to make full employer's contribution while a member is in the 50/50 scheme.
- 11.3 An employee wishing to opt into the 50/50 scheme should complete an LGS12 which details the impact this decision has on their Scheme benefits.
- 11.4 A member going on to no pay sickness or injury must be moved back into the main section of the scheme from the beginning of the next pay period.
- 11.5 A member in the 50/50 section must be automatically moved back into the main section at Libraries NI automatic re-enrolment date.
- 11.6 There is no restriction on the number of times a member can choose to opt in and out of the 50/50 section of the scheme.

12 Unpaid Leave

- 12.1 If an employee in the Scheme has a period of authorised unpaid leave/absence no pension deductions will be taken at the time of absence.
- 12.2 At the time the unpaid leave is authorised Libraries NI will write to the employee informing them of the option to purchase APCs relating to authorised unpaid leave in respect of each post. Members must elect to buy the lost pension within 30 days of the unpaid leave ending, or from the date of Libraries NI letter providing a statement of 'lost pension',

whichever is the latest. The application must be made by completing form LGS 27B available from:

<http://www.nilgosc.org.uk/covering-lost-pension>

- 12.3 There is no facility to purchase APCs for periods of unauthorised leave.

13 Industrial Action

- 13.1 No contributions are payable during a period where a member is absent for one or more days because of industrial action and that period will not count towards the member's pension benefits. However, a member may elect to cover this by taking out an APC contract. There will be no employer contribution towards an APC to cover a period of lost pension due to industrial action.

14 Reassessment of Banding

- 14.1 Libraries NI will re-assess bandings for all members every April unless there is a material change to the contract which results in a promotion/demotion/ change in hours/working pattern in which case an immediate reassessment will take place.
- 14.2 Libraries NI will not re-assess pension contribution bandings after a backdated pay award.
- 14.3 A backdated pay increase due to Job Evaluation is a permanent material change which affects pensionable pay. However while the pay increase may be backdated, the revised contribution rate will not be backdated but will be changed at the next payroll date. In instances where a pay increase is backdated over previous years the contributions due on arrears will be deducted at the rate already set for the year (i.e. the rate the member was paying in that year).
- 14.4 All employees who are members of the scheme shall be informed in writing that the reassessment has taken place.

15 Appeals

- 15.1 An employee is entitled to appeal against Libraries NI's decision with regard to contribution banding, setting out the grounds for the appeal in writing, normally within 10 working days of the decision.
- 15.2 The written notice of appeal should be sent to the Human Resources Department, Business Support Unit, Portadown Library, 24-26 Church Street, Portadown, BT62 3LQ.

- 15.3 Appeals will be dealt with by the Director of Business Support or his/her nominee and Head of Human Resources or his/her nominee. The employee will be invited to attend a meeting to consider the appeal. The employee will be informed of the right to be accompanied by a trade union representative or a work colleague at that meeting. Appeals will be held within 10 working days of receipt of written correspondence from the employee or as soon as possible thereafter if a suitable date cannot be agreed between the parties within 10 working days.
- 15.4 The employee will be informed of the outcome of the meeting within 5 working days; this may be later by mutual agreement.
- 15.5 If the employee remains dissatisfied, he/she may refer the matter to the County Court.
- 15.6 You will be able to access actual banding thresholds on the Libraries NI staff Intranet and NILGOSC website www.nilgosc.org.uk).

16 Consultation

- 16.1 The policy was consulted with trade unions at the Negotiating Committee for Libraries NI on 5 October 2015. Any changes or amendments to the policy will normally be consulted at the NCLNI