

## **ABATEMENT POLICY**

### **Northern Ireland Local Government Pension Scheme**

#### **Committee's Policy Statement on Pension Abatement**

##### **1. Introduction**

- 1.1 Under regulation 66 of the Local Government Pension Scheme (Administration) Regulations (Northern Ireland) 2009, the Committee must formulate and keep under review its policy concerning abatement i.e. the extent, if any, to which the amount of retirement pension payable to a NILGOS pensioner should be reduced or suspended where the pensioner has entered new employment with a scheme employer.
- 1.2 Before formulating its policy the Committee must consult with the employing authorities contributing to the scheme.
- 1.3 In formulating its policy on abatement the Committee must have regard to:
  - The level of potential financial gain at which it wishes abatement to apply.
  - The administrative costs which are likely to be incurred as a result of abatement in the different circumstances in which it may occur, and
  - The extent to which a policy not to apply abatement could lead to a serious loss of confidence in the public service.
- 1.4 The Policy Statement, which has been in place since May 2009, has now been reviewed and the Committee has agreed to continue with a no abatement policy.

##### **2. *Policy Discretion***

***2.1 The Committee will have a policy of no abatement and any pensioner currently re-employed or re-employed in the future with a Scheme Employer subject to the Northern Ireland Local Government Pension Scheme will not be subject to a reduction or suspension of his / her pension***

##### **3. Implementation**

- 3.1 The Committee approved the review of its Policy Statement on 28 June 2011 and the existing policy continues in operation.
- 3.2 The policy will be reviewed if the new Scheme planned to be introduced by May 2015 does not remove the abatement provision as recommended by Lord Hutton in his Independent Public Service Pensions Commission's Final Report dated 10 March 2011.