

How do I join?

If you work for one of our employing authorities and are eligible to join, you will automatically be brought into the Scheme on your first day of work, unless your contract is for less than three months, in which case you can opt to join by informing your employer in writing.

If you have already opted out of the Scheme you can opt back in at any time.

If you have opted out of the Scheme and your employer has reached its automatic enrolment date they may bring you back into the Scheme at certain times. Your employer will notify you if this happens and you can then opt out again if you wish.

How much will I pay?

Your contribution rate depends on how much you are paid, but it will be between 5.5% and 10.5% of your pensionable pay. The table below shows the contribution rates from April 2018 to March 2019. The pay bands will increase each April in line with inflation.

Band	Pensionable pay	Employee contribution rate
1	Up to £14,500	5.5%
2	£14,501 to £22,100	5.8%
3	£22,101 to £36,900	6.5%
4	£36,901 to £44,700	6.8%
5	£44,701 to £88,300	8.5%
6	More than £88,300	10.5%

How do I opt out of the Scheme?

If you do not wish to remain in the Scheme, you can opt out by completing an Opt-out Notice and giving this to your employer. You can download the Notice from our website www.nilgosc.org.uk, email optout@nilgosc.org.uk, or contact us on the details below to request a form.

You cannot opt out until you have started your employment and joined the Scheme.

50/50 Section

Instead of opting out of the Scheme why not try the 50/50 section? This allows you to pay half the contributions and build up half the amount of pension, plus you will still keep the full value of life cover. This can be used as a short-term option if your financial circumstances are difficult, instead of opting out of the Scheme.

Where can I find more information?

For more information on being a member of the Scheme please visit our website, www.nilgosc.org.uk or contact us using the details below. The LGPS (NI) Member Guide provides useful information and can be downloaded from our website or is available on request from NILGOSC.

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Welcome to the Local Government Pension Scheme (Northern Ireland)

2018/2019



NILGOSC
NORTHERN IRELAND LOCAL GOVERNMENT OFFICERS'
SUPERANNUATION COMMITTEE



About the Local Government Pension Scheme (Northern Ireland)

The Local Government Pension Scheme (Northern Ireland) is a career average, defined benefit scheme that offers you a **guaranteed pension when you retire**, along with a wide range of other benefits. Your employer contributes towards the cost of providing these benefits, making them an extremely valuable and important part of your employment package.

Each year, if you are in the main section of the Scheme, 1/49th of your pensionable pay is added to your pension account PLUS a revaluation amount so that your pension keeps up with the cost of living. When you retire the value of your pension account is then paid out as a pension. At retirement you have the option to take part of your pension as a lump sum.

The Scheme currently has over 118,000 members, 176 employers and manages a pension fund of over £7.0bn.

“...an extremely valuable and important part of your employment package”



10 Reasons to join

- Your employer shares the cost - most of our employers currently pay around 20% whereas members pay between 5.5% and 10.5%.
- The 50/50 section allows you to pay half the contributions and build up half the amount of pension, but keep the full value of life cover.
- You can boost your pension benefits by paying extra contributions.
- You can retire early from age 55 without your employer's permission (pension benefits may be reduced for early payment).
- You can transfer other pension benefits into the Scheme during your first twelve months of membership.
- A lump sum of three times your yearly assumed pensionable pay is automatically paid if you die and you can nominate who you would like to receive it.
- Protection if you ever have to retire on ill-health grounds at any age (providing you meet the requirements).
- You get tax relief on all your pension contributions.
- Your benefits will be paid without reductions if you are made redundant or retired on efficiency grounds and are aged 55 or over.
- Survivors' pensions may also be paid to your spouse, civil partner, eligible cohabiting partner and eligible children.



"You get tax relief on all your contributions"

Example of how a pension is calculated

In 2018/19 Alice earns £20,000. She will build up pension savings in that year of:

$$1/49 \times \text{£}20,000 = \text{£}408.16$$

Each year more savings are added to her pension account.

When Alice retires, she will receive a pension based on the total of all her pension savings plus revaluation adjustments so that her pension keeps up with the cost of living.

The table below shows how her pension will build up over five years in the main section of the Scheme, assuming that the rate of revaluation is 2% and her pensionable pay stays at £20,000.

Year	Opening Balance	New pension savings	Total pension savings	Revaluation of 2%	Closing Balance
Year 1	£0	+ £408.16	= £408.16	+ £8.16	= £416.32
Year 2	£416.32	+ £408.16	= £824.48	+ £16.48	= £840.96
Year 3	£840.96	+ £408.16	= £1,249.12	+ £24.98	= £1,274.10
Year 4	£1,274.10	+ £408.16	= £1,682.26	+ £33.64	= £1,715.90
Year 5	£1,715.90	+ £408.16	= £2,124.06	+ £42.48	= £2,166.54
Total pension:					£2,166.54