LGPS (NI) 2015

Local Government Pension Scheme 2015

A Guide for Payroll Departments

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NILGOSC
NORTHERN IRELAND LOCAL GOVERNMENT OFFICERS' SUPERANNUATION COMMITTEE

Contents

Introduction

This guide sets out the additional or changed requirements for Payroll departments since the new Local Government Pension Scheme for Northern Ireland (LGPS (NI)) came into effect on 1 April 2015. Please note that this is not a replacement for any previous requirements agreed with NILGOSC regarding information to be provided. The examples provided in each section of this document are for illustration only and do not override any regulatory or statutory requirements.

You may find it helpful to read this guide in conjunction with the Human Resources Guide and Employers' Guide as NILGOSC does not know how these functions are split within each employer.

The rules of the Local Government Pension Scheme are set out in Statutory Regulations made by the Department for Communities. The relevant regulations are the Local Government Pension Scheme Regulations (Northern Ireland) 2014 and the Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014. The regulations have since been amended by the Local Government Pension Scheme (Amendment No.2) Regulations (Northern Ireland) 2015 and the Local Government Pension Scheme (Amendment) Regulations (Northern Ireland) 2016. This guide is intended to inform Payroll departments of the expected minimum additions and/or changes needed to effectively manage the new Scheme. ~~**It is expected that there may still be some changes to the above legislation. Employers will be advised of these changes in due course.**~~

~~**NILGOSC has reviewed its administration and forms. Where possible template spreadsheets are available from the *Employer Section* of our website.**~~

A glossary provided at the end of the guide provides definitions of commonly used terms.

Acknowledgements

This guide is a 'Northern Ireland' version of a similar guide that has been produced in England and Wales. The assistance of the Local Government Association and the excellent work undertaken by the Administration Working Group in England and Wales is gratefully acknowledged.

1. New Additional Data Requirements

1.1 Table 1 below shows the data that will need to be held by employers for each Scheme member. This data will need to be made available to NILGOSC within two months of the end of each Scheme year (the Scheme year runs from 1 April to 31 March) (see Section 10, End of Year Annual Returns), or on termination of Scheme membership, in respect of each employment. If further pensionable payments are made after termination of Scheme membership in an employment and after data has already been submitted to NILGOSC, the revised data (if the payment is made in the year of leaving) or new data (if the payment is made in a year after leaving) should be submitted to NILGOSC together with the date the additional payment was made.

1.2 Termination of Scheme membership in an employment occurs when either the employee has opted out of the Scheme (in that employment) or has ceased that employment or has reached age 75. Termination does not occur when an employee moves between employments with the same employer (see definition of single employment relationships in Section 2 - Records).

1.3 It should be stressed, as noted in Section 2, that where an employee holds more than one employment with the employer, all of the fields in the table below are to be held per employment. The employee can be in the main section in one employment and the 50/50 section in another employment.

1.4 The below specification shows the additions/changes as a result of the new Scheme from 1 April 2015. **It does not replace or remove the requirement for any other data currently being supplied to NILGOSC (e.g. personal details, date joined the LGPS (NI), AVCs, etc - see Section 6 for more information on information required for pre 2015 members).**

1.5 Table 1: Data Requirements

Data	Description
Main section Cumulative Pensionable Pay (CPP1)	The total Pensionable Pay* (PP) and/or Assumed Pensionable Pay (APP) in the main section for the Scheme year (1 April – 31 March)
Main section Cumulative Employee's Contributions (CEC1)	The total employee's contributions in the main section for the Scheme year
50/50 section Cumulative Pensionable Pay (CPP2)	The total Pensionable Pay* (PP) and/or Assumed Pensionable Pay (APP) in the 50/50 section for the Scheme year
50/50 section Cumulative Employee's Contributions (CEC2)	The total employee's contributions in the 50/50 section for the Scheme year
Cumulative Additional Employee's Contributions (CAC) per type i.e.: - additional pension contribution (EAPC) - additional voluntary contribution (EAVC)	The total additional employee's contributions (per type) for the Scheme year i.e.: - additional pension contribution (EAPC) – both where the whole cost is to the employee and also the employee element of a shared cost APC - additional voluntary contribution (EAVC) – inclusive of non life assurance (whole cost to employee), life assurance (whole cost to employee), and employee element of a shared cost AVC for life assurance, pension salary sacrifice, or other part cost to the employee. EAVCs for savings and EAVCs for life cover may need to be held separately.
Cumulative Employer's Contributions (CRC)	The total employer's contributions in both sections for the Scheme year

Data	Description
Cumulative Additional Employer's Contributions (CARC) per type i.e.: - additional pension contribution (RAPC) - shared cost additional voluntary contribution (RAVC)	The total additional employer's contributions (per type) for the Scheme year i.e.: - additional pension contribution (RAPC) – both where the whole cost is to the employer and also the employer element of a shared cost APC - shared cost additional voluntary contribution (RAVC) – employer element of a shared cost AVC for life assurance, pension salary sacrifice, or other part cost to the employer
Dates of active membership during the Scheme year	Either: - the date of the beginning of the Scheme year, or - the date the employee became an active member in the employment during the Scheme year (if later) Plus - the date of the end of the Scheme year, or - the date the employee ceased to be an active member of the Scheme in the employment during the Scheme year (if earlier)
Section of the Scheme	Section of the Scheme the employee was a member of in the employment at the end of the Scheme year or at the date of cessation of active membership in the employment.
Date entered the main section of the Scheme	The date the member joined the main section of the Scheme
Date left main section of the Scheme	The date the member left the main section of the Scheme
Date entered 50/50 section of the Scheme	The date the member entered the 50/50 section of the Scheme
Date member left 50/50 section of the Scheme	The date the member left the 50/50 section of the Scheme
Actual Final Pay (AFP)	Actual pensionable pay as defined by the LGPS (NI) 2009 Scheme (i.e. excluding overtime and additional hours) in respect of the employment for the Scheme year
Full-time equivalent actual final pay (FFP)	Full-time equivalent pensionable pay as defined by the LGPS (NI) 2009 Scheme (i.e. excluding overtime and additional hours) in respect of the employment for the Scheme year

*Including the value of emoluments specified in the contract of employment as being pensionable such as the pensionable emolument value of salary sacrificed for such items as childcare vouchers.

2. Records

2.1 Separate payroll software records of cumulative amounts must be maintained for each job the employee holds unless the employer determines that a single employment relationship exists. This is the same requirement as under automatic enrolment legislation and, although not a change from current requirements, the need to calculate pensions on a year by year basis means that separate records per employment are essential.

2.2 Examples of where the employer may determine a single employment relationship exists are:

- Two concurrent employments where, if one is terminated, the other must be terminated at the same time
- Two sequential employments without a break (e.g. a promotion)

2.3 Where a single relationship does not exist separate records will be required for each job in order to calculate and hold the data needed to correctly determine the amount of pension accrued in each year for each job. Separate NILGOSC reference numbers will be issued for each job.

2.4 **Example 1**

An employee has two concurrent part-time jobs with the same employer. Two records should be held for this employee and the data should be supplied to NILGOSC as two lines of data both identifiable as the employee (e.g. NI Number, unique NILGOSC reference number for that job) and a unique employer identifier (e.g. post/payroll number). If one of the jobs ceases this should be treated as a leaver for pension purposes (with the data submitted to NILGOSC at the date of leaving).

2.5 **Example 2**

An employee is promoted to a new job and no termination of employment notice has been received by payroll. The data should be supplied to NILGOSC as a single set of cumulatives which include amounts from both jobs.

3. Main Section and 50/50 Section

3.1 The new Scheme contains two sections – the main section and the 50/50 section. The data requirements for both sections are the same apart from the employee contribution calculation, which in the 50/50 section is half of what would be due in the main section (see the Section 5 - Cumulative Contributions). The employer contribution is still the normal full contribution rate (not half).

3.2 An employee cannot choose to join the 50/50 section before commencing employment. The following groups of employees should automatically be put into the main section of the Scheme:

- a new employee
- an existing employee commencing an additional employment for which a separate record is required (see Section 2)
- an optant out electing to join the Scheme
- an employee who is being automatically enrolled or re-enrolled

The events in Table 2 may lead to a change of section during the Scheme year.

3.3 Table 2: Events Leading to a Change of Section

Event	Action
Notification that the employee has elected to move either way between the main section and the 50/50 section	Move the employee from the beginning of the next pay period following the election.
The employee is in the 50/50 section and goes onto no pay due to illness or injury	The employee must be moved back into the main section from the beginning of the next pay period if they are still on nil pay due to illness or injury at that time (but not if they are on nil pay for some other reason).
The employee is in the 50/50 section and goes onto no pay during ordinary maternity leave, ordinary adoption leave or paternity leave	The employee must be moved back into the main section from the beginning of the next pay period if they are still on nil pay at that time.
The employee is in the 50/50 section and the employer reaches its automatic re-enrolment date	The employee then must be moved back to the main section from the beginning of the pay period following the employer's automatic re-enrolment date.
A member has elected for the 50/50 section and the employer has not reached their automatic enrolment staging date.	The member does not need to join the main section at the initial staging date.

3.4 The dates an employee joined and ceased membership of a section must be held (per employment).

3.5 Separate in-year cumulative amounts for pensionable pay and employee contributions should be maintained for each section (as specified in Table 1 in Section 1). However, it is not necessary to maintain separate cumulative amounts for employer's contributions per section (other than as specified in Table 1 in Section 1).

3.6 **If a member moves to the 50/50 section:**

- any existing additional pension contribution (EAPC) contract which is at whole cost to employee must cease (unless it is to purchase an amount of pension "lost" due to industrial action or due to a period of authorised leave of absence or period of unpaid additional maternity, paternity or adoption leave where the member is paying the full cost of the APC in which case it continues unless the member elects to terminate the contract).

- any shared cost additional pension contribution (EAPC/ RAPC) contract must stop unless it is to purchase an amount of pension "lost" during a period of authorised leave of absence or during a period of unpaid additional maternity, paternity or adoption leave in which case it continues unless the member elects to terminate the contract.

- any AVC (EAVC) or Shared Cost AVC (EAVC/RAVC) contract continues unless the member elects to terminate the contract.

- any existing contributions to an AVC/SCAVC, APC to purchase pension lost due to an industrial action/ strike or due to a period of authorised leave of absence or period of unpaid additional maternity, paternity or adoption leave where the member is paying the full cost of the APC, SCAPC to purchase pension lost during a period of authorised unpaid leave of absence or during a period of unpaid maternity, paternity or adoption leave, or ARCs, Added Year contributions, Preston part-time buy-back or additional survivor benefit contributions (ASBC) in force prior to 1 April 2015 are not reduced to half the rate. The contributions under such contracts continue to be paid in full i.e. the full percentage rate or flat sum due under the relevant contract/arrangement.

3.7 A member in the 50/50 section **cannot** commence payment of an additional pension contribution (EAPC) contract which is at whole cost to the employee (unless it is to purchase an amount of pension "lost" due to industrial action or due to a period of authorised leave of absence or period of unpaid additional maternity, paternity or adoption leave where the member is paying the full cost of the APC).

3.8 A member in the 50/50 section **can** only commence payment of a shared cost additional pension contribution (EAPC/ RAPC) contract if such a contribution is to purchase an amount of pension "lost" during a period of authorised leave of absence or during a period of unpaid additional maternity, paternity or adoption leave.

3.9 A member in the 50/50 section **can** commence payment of an AVC (EAVC) or Shared Cost AVC (EAVC/RAVC) contract.

3.10 **If a member moves to the main section:**

- any existing additional pension contribution (EAPC) (which is to purchase an amount of pension "lost" due to industrial action) must continue, unless the member elects to terminate the contract.
- any shared cost additional pension contribution (EAPC/ RAPC) contract must continue, unless the member elects to terminate the contract.
- any AVC (EAVC) or Shared Cost AVC (EAVC/RAVC) contract continues unless the member elects to terminate the contract.
- any additional regular contributions (ARC) contract must continue unless the member elects to terminate the contract.

- any added years contract must continue unless the member elects to terminate the contract.
- any additional survivor benefit contributions (ASBC) contract must continue unless the member elects to terminate the contract.
- any Preston part-time buy-back contributions must continue.

3.11 A member in the main section **can** commence payment of an additional pension contribution (EAPC) contract which is at whole cost to the employee.

3.12 A member in the main section **can** commence payment of a shared cost additional pension contribution (EAPC/ RAPC) contract.

3.13 A member in the main section **can** commence payment of an AVC (EAVC) or Shared Cost AVC (EAVC/RAVC) contract.

3.14 A member in the main section can commence payment of Preston part-time buy-back contributions.

3.15 **Example 3**

A monthly paid employee opts for the 50/50 section on 29th June (after the June payroll had closed). The payroll should be amended to show the employee in the 50/50 section from the July pay period. Movements between sections are unique to each employment unless a single employment relationship exists in which case movements will apply across all of the employments in that relationship.

3.16 **Example 4**

An employee with two concurrent employments opts for the 50/50 section. If no single employment relationship exists the employee may opt to be in the 50/50 section in either or both employments. If a single employment relationship exists the option applies to both employments.

3.17 **Example 5**

An employee finishes one employment and starts another without any notification that employment has ceased (e.g. they are promoted with the same employer). If the employee had opted for the 50/50 in the first employment that option should be carried forward to the second employment. If a notification was received from the employer that employment has ceased then the employments should be treated as a termination and a new starter and the employee put into the main section in the new employment.

3.18 Employers will need to provide the dates of movements between sections of the Scheme to NILGOSC when they occur, at year end (or date of leaving if earlier) and confirm to NILGOSC which section the member was in at that time. Each employer will need to determine the most effective method to achieve this which may or may not involve the payroll system holding these dates.

4. Pensionable Pay (PP)

4.1 Pensionable Pay - General

4.1.1 The definition of pensionable pay under the 2015 Scheme is, basically, the same as the 2009 Scheme – i.e. all payments in respect of the employment apart from those listed in regulations as exclusions.

4.1.2 The regulations define pensionable pay as follows:

An employee's pensionable pay is the total of-
(a) all the salary, wages, fees and other payments paid to the employee; and
(b) any benefit specified in the employee's contract of employment as being a pensionable emolument.

But an employee's pensionable pay does not include-
(a) any sum which has not had income tax liability determined on it;
(b) any travelling, subsistence or other allowance paid in respect of expenses incurred in relation to the employment;
(c) any payment in consideration of loss of holidays;
(d) any payment in lieu of notice to terminate a contract of employment;
(e) any payment as an inducement not to terminate employment before the payment is made;
(f) any amount treated as the money value to the employee of the provision of a motor vehicle or any amount paid in lieu of such provision;
(g) any payment in consideration of loss of future pensionable payments or benefits;
(h) any award of compensation (excluding any sum representing arrears of pay) for the purpose of achieving equal pay in relation to other employees; or
(i) any payment made by the employing authority to a member on reserve forces service leave
(j) Any non-consolidated non-pensionable payment paid to a member as part of an annual pay award
~~(i)~~ .

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4.1.3 There are three changes to the 2009 Scheme definition of pensionable pay:

1. The first significant change is that non-contractual overtime has been removed from the exclusions list and so, from 1 April 2015, non-contractual overtime becomes pensionable.
2. The second change is that a payment in consideration of loss of future pensionable earnings is not pensionable e.g. marked time payments.
3. The third minor change is that any actual pay paid by the Scheme employer to a reservist during reserve forces service leave is not pensionable. While on reserve forces service leave the employee and the Ministry of Defence pay contributions on the Assumed Pensionable Pay (APP) (see section 4.3).

4.1.4 Unlike in the 2009 Scheme, where benefits are based on the pensionable pay due for a period, not pensionable pay received in that period, benefits in the 2015 CARE Scheme will be calculated based on the pensionable pay that is received in the Scheme year (1 April to 31 March) and not the pay due during that period. There is therefore no need to adjust pensionable pay on payment of arrears or other payments which are paid in the current pay period but not related to the current pay period.

Any pensionable pay received after 31 March 2015 that relates to a period before 1 April 2015 should not be included in CPP1 or CPP2 – see Section 7.

4.2 Cumulative Pensionable Pay (CPP1 and 2)

4.2.1 Cumulative Pensionable Pay is the total of the Pensionable Pay (PP) and/or Assumed Pensionable Pay (APP) in either section of the Scheme in the Scheme year. They must be provided separately for each section (and per job) as different accrual rates will apply to each section. If the employee moves between sections more than once in a Scheme year there is no requirement to differentiate cumulatives between different periods in the same sections (although the dates the member was in each section need to be provided to NILGOSC). The cumulative amounts should contain all of the PP and/or APP in each section during the year.

4.2.2 Any pensionable pay received after 31 March 2015 which relates to a period before 1 April 2015 should **not** be included in CPP1 or CPP2.

4.2.3 **Example 6**

An Employee opts for 50/50 three months into the Scheme year at which point the accrued CPP1 is £3,000. They spend six months in the 50/50 section accruing £6,000 in CPP2 then opt back into the main section for the final three months of the year accruing a further £3,300 in CPP1. The cumulatives at the end of the Scheme year are CPP1 £6,300 and CPP2 £6,000.

4.3 Assumed Pensionable Pay (APP)

4.3.1 APP replaces the concept of notional or 'deemed' pay in cases of reduced **contractual** pay, or nil pay as a result of sickness or injury, or during relevant child related leave (i.e. ordinary maternity, paternity or adoption leave and any paid additional maternity, paternity or adoption leave), or whilst on reserve forces service leave. In these circumstances (and only in these circumstances) the amount added to the CPP should be the APP and not any PP received, unless the PP received for any given day in that period is greater than the APP (e.g. pay from Keeping in Touch (KIT) day(s), Shared Parental Leave in Touch (SPLIT) days or Stringer day(s)), in which case PP is added to CPP for that day and APP is added for the other days. The APP figure calculated prior to the KIT, SPLIT or Stringer day(s) is not recalculated following the KIT, SPLIT or Stringer day(s) i.e. the same APP figure continues to apply during the remainder of the relevant child related leave. Members on child related leave who receive pay which is greater than their APP for any part of that period, accrue benefits on that higher level of pay for that part of the period. Please also refer to Circular 03/2016 for further details.

4.3.2 **Calculation of APP**
APP is calculated as an annual rate then applied to the relevant period as a proportion of that rate. The annual rate of APP for employees is as follows:

4.3.2.1 **Paid other than monthly** - calculate the average of the pensionable pay (including any APP credited in that period) for the 12 complete weeks prior to the relevant event after removing any pensionable lump sum payments. Gross up to an annual figure. If the pensionable pay in the period has been reduced as a result of an absence due to a trade dispute or an absence authorised by the employer, the reduction is to be ignored when calculating the average pensionable pay for the 12 weeks. Where 12 complete weeks' pay do not exist use whatever number of complete periods is available.

If arrears of pay are paid in the 12 week period which relates to a period prior to the beginning of the 12 week period, the back pay can be treated as a non-regular lump sum payment and removed from the calculation.

The relevant event is the date on which the employee drops to reduced contractual pay or nil pay due to sickness or injury, or commences child related leave* (i.e. ordinary maternity, paternity or adoption leave and any paid additional maternity, paternity or adoption leave), or the date the member commenced reserve forces service leave.

The annual amount for a term-time worker in not based on 52.2 weeks but should be calculated on their term-time weeks e.g. 46.6 weeks.

* this does NOT include the unpaid additional maternity, paternity, shared parental or adoption leave available at the end of relevant child related leave; this is to be treated as unpaid leave of absence and no APP accrues during that period

4.3.2.2

Monthly paid - For a monthly paid employee three complete pay periods (including any APP paid in that period) should be used instead of 12 complete weeks but the calculation is the same. If the pensionable pay in the period has been reduced as a result of an absence due to a trade dispute or an absence authorised by the employer, the reduction is to be ignored when calculating the average pensionable pay for the 3 complete periods.

The calculation of APP can include pensionable pay before 1 April 2015 (i.e. where the 12 weeks / 3 months go back beyond 1 April 2015). This caters, for example, for members who would be on APP from day one of the 2015 Scheme (because on 1 April 2015 they are already on reduced contractual pay or no pay due to sickness or injury). If pensionable pay before 1 April 2015 is included, it is the pensionable pay as defined under the LGPS (Benefits, Membership and Contributions) Regulations (NI) 2009 that is included i.e. excluding non- contractual overtime and additional hours.

The annual amount for a term-time worker is not based on 52.2 weeks but should be calculated on their term-time weeks e.g. 46.6 weeks.

4.3.2.3 **Example 7**

A monthly paid employee has received the following pensionable pay in the three complete months prior to the relevant event.

Month 1 £1,400, Month 2 £2,500 (includes a £1,000 regular bonus) and Month 3 £1,400.

The calculation of APP is as follows:

Annual rate of APP = (£1,400 + £1,500 + £1,400)/3 *12) = £17,200

The £1,000 bonus is removed prior to the averaging and grossing up calculation. This is because the £1,000 has already been included in the CPP prior to going on to APP and so it would be inappropriate to include it again in the calculation of APP (as to do so would result in double counting).

4.3.3 **Lump sums**

APP may be increased at the time of calculation where the employer, at its sole discretion, decides to add back into the APP any regular lump sum payment made in the last 12 months. The employer must determine at the point APP commences that where there is a 'reasonable expectation' that a regular lump sum payment received in the previous 12 months would be paid again during the period where APP applies this is added back into the APP annual rate figure.

4.3.3.1 **Example 8**

In example 7, the member received a regular annual bonus of £1,000 in the period before going on to APP. In calculating the flat rate average APP the lump sum was removed. In deciding whether or not the lump sum should be added back into the APP annual rate the employer should reasonably assess if, in their view, the employee will still be on APP the next time the lump sum is due to be paid. Therefore if in the employer's reasonable assessment the period of APP will extend to 11 months or more and the £1,000 bonus would have been paid again then the amount should be added back into the annual APP rate i.e.

Annual rate of APP = [(£1,400 + £1,500 + £1,400)/3 *12] = £17,200 + £1,000 (future bonus) = £18,200

4.3.4 **Proportioning**

When determining the proportion of the annual APP rate to be added to the CPP the same method used for determining part periods for example industrial action / strike breaks should be maintained. Therefore, if you need to calculate one day's APP use whatever method you would normally use to calculate one day's pay from an annual rate. These methods can differ across employers.

4.3.4.1 **Example 9**

A monthly paid employee drops to reduced pay on 15th June and stays on that until 4th September when they return to normal working. The employee is in the main section throughout. CPP1 is therefore accrued as follows:

June – 14 days of Pensionable Pay plus 16 days at the APP rate
July – APP
August – APP
September – 3 days of APP plus 27 days of pensionable pay

4.3.5 **Keeping In Touch (KIT), Shared Parental Leave In Touch (SPLIT) and Stringer Days**

Keeping In Touch (KIT) and Shared Parental Leave In Touch (SPLIT) days are optional days that an employee can work during maternity, adoption or paternity leave. Stringer days are when an employee has been unable to take their holiday entitlement within a leave year due to sickness absence. These days can be carried forward into a new leave year.

Note that in cases of employees on relevant child related leave (i.e. ordinary maternity, paternity or adoption leave and any paid additional maternity, shared parental or adoption leave) who return for KIT or SPLIT days or in the event of Stringer days the PP (and not APP) for those days should be added to the CPP if the PP received for that day is higher than the APP daily rate. The APP applying after the KIT day, SPLIT day or Stringer day will be the same as that applying before the KIT, SPLIT or Stringer day (i.e. there is no need to recalculate APP simply because the employee has undertaken a KIT day during the period of relevant child related leave). Please see Example 19 to see how this works for both the CPP and CEC cumulatives.

4.3.6 **Increasing the APP figure by inflation**

The APP is adjusted where the APP figure continues for a period that crosses two 31 March dates. Where an employee is, for example, on long term sick leave, APP is adjusted at midnight on the second 31 March following the date APP commenced. The adjustment is the percentage adjustment in the consumer prices index of annual inflation published by the Office of National Statistics for the September preceding the end of the Scheme year for that (second) Scheme year ending on that 31 March. If the APP continues for a further year it will be revalued at midnight on the third 31 March following the date APP commenced. The adjustment is the percentage adjustment for that (third) Scheme year ending on that 31 March (and so on thereafter).

4.3.6.1 **Example 10**

A monthly paid employee goes on sick leave on reduced pay from 15th June. The annual APP figure is calculated as shown in example 8 and is £18,200. At the following 31 March the member is still on sick leave (and, by that time, is on no pay). The annual APP figure of £18,200 is not increased at that 31 March and continues to be used from 1 April. If the employee is still on sick leave (with no pay) at the subsequent 31 March the figure of £18,200 will be increased by the annual percentage increase as stated in 4.3.6. If this is 2%, then the annual APP figure from the second 1 April following the point when the person went onto sick leave on reduced / no pay will be increased to £18,564. The member returns to work on the following 4th September. The employee is in the main section throughout. CPP1 is therefore accrued as follows:

June – 14 days of Pensionable Pay plus 16 days at the APP rate (annual rate of £18,200)
July to March – APP at the annual rate of £18,200
April to March - APP at the annual rate of £18,200
April to August – APP at the annual rate of £18,564
September – 3 days of APP (at the annual rate of £18,564) plus 27 days of pensionable pay

4.3.7 **The 50/50 rule**

If the member was in the 50/50 section prior to dropping to nil contractual pay because of sickness or injury they should be placed in the main section from the beginning of the next pay period (provided they are still on no pay due to sickness or injury at that time) and the APP should be added to CPP1 rather than CPP2 as from the beginning of that pay period.

4.3.7.1 **Example 11**

A monthly paid employee in the 50/50 section drops to reduced contractual pay due to sickness on 15th June then on 15th September they drop to nil pay. They return to normal working on 1 December. The CPP accrued throughout is as follows:

June – 14 days of pensionable pay plus 16 days of APP is added to CPP2
July – APP is added to CPP2
Aug – APP is added to CPP2
Sept –APP is added to CPP2
Oct – APP is added to CPP1 (next pay period following the drop to nil pay and member has been put back into the main section of the Scheme)
Nov – APP added to CPP1
Dec – PP added to CPP1
Note that the employee remains in the main section unless and until they make another election to return to the 50/50 section.

4.3.8 **Exceptions to 50/50 rule for short periods of sickness**

The exception to the 50/50 rule above is for short periods of reduction where the employer has a policy of nil pay for the first few days of sickness. In these cases APP is applied in the pay period of reduction even if this is later than the date of the relevant event. Adjustments do not have to be made in arrears. The employee does not have to be placed back in the main section if they have elected for the 50/50 section unless the period of unpaid leave due to sickness or injury crosses two pay periods. For example, if an employer has a policy of nil pay for the first 3 days of sickness, if the first 2 days were the last 2 days of one pay period and the third day was the first day of the following pay period, the regulations require the member to be put into the main section from the beginning of that next pay period.

4.3.8.1 **Example 12**

An employee in the 50/50 section is off sick for two days in the middle of June and the employer has a policy of nil pay for the first 3 days of sickness. The adjustment to pay is not done until July when two days' pay are taken from that month's payment. The CPP accrued is as follows:

June – PP is added to CPP2
July – PP (which has been reduced by two days) plus 2 days of APP are added to CPP2

4.3.9 **Cessation of APP accrual**

APP ceases to accrue when a member ceases to be absent on reduced contractual pay or nil pay as a result of sickness or injury, or on ceasing relevant child related leave (i.e. ordinary maternity, paternity or adoption leave and any paid additional maternity, shared parental or adoption leave), or on ceasing reserve forces service leave.

4.3.10 **APP where a member retires with a Tier 1 or Tier 2 ill-health pension or dies in service**

APP will need to be calculated when an employer terminates an active member's employment on the grounds of ill-health with a Tier 1 or Tier 2 ill-health pension or an active member dies in service. The APP figure is calculated in the normal way but using the average of the pensionable pay for the 12 (weekly) or 3 (monthly) complete pay periods prior to the date of termination or death. Any regular lump sums which the employer determines there is a 'reasonable expectation' would have been paid to the member are added back into the annual rate of APP. This APP figure is needed to calculate the amount of the enhancement to the benefits due under the LGPS (NI).

If the Independent Registered Medical Practitioner (IRMP) certifies that the member was working reduced contractual hours or at a lower grade during the relevant 12 (weekly) or 3 (monthly) pay periods as a consequence of ill-health, the APP figure is to be calculated on the pay the member would have received during the relevant pay periods if they had not been working reduced contractual hours. NILGOSC will request this figure from an employer should it be needed.

5. In-Year Cumulative Contributions (CEC, CRC, CAC, CARC)

This section is split into sub-sections including cumulative employee contributions (CEC 1 while in the main section and CEC 2 while in the 50/50 section), cumulative employer contributions (CRC) and cumulative additional contributions (CAC and CARC).

Table 3 displays the contribution rates and bands that will apply from 1 April 20~~175~~20.

5.1 Cumulative Employee Contributions (CEC 1 & 2)

5.1.1 Employee contribution rates in the 2015 Scheme are banded as they are in the 2009 Scheme. However, there are fewer bands than in the 2009 Scheme (six instead of seven). In the 2015 Scheme the appropriate band is to be determined by the actual pensionable pay, not the full time equivalent (FTE) pensionable pay for the employee. CEC1 are the employee's contributions while in the main section of the Scheme. CEC2 relates to an employee's contributions while in the 50/50 section.

5.1.2 Contribution rates

The contribution bands for members from 1 April 20~~1786~~20 are detailed in Table 3. The employee pays contributions at the appropriate band rate on all pensionable pay received for each job (or at half that rate if the employee is in the 50/50 section). If a person holds more than one employment and these are treated as separate jobs, each job (and the pensionable pay from that job) is assessed separately when determining the contribution rate. Therefore, one job could have a rate of 5.8% and the other a rate of 6.5%. Conversely, if the employer determines that a single employment relationship exists (see Section 2) then the pay from each job should be combined to determine the single contribution rate.

5.1.2.1 Table 3: Provisional Contribution Rates from 1 April 20~~1876~~20

Band	Pensionable pay range for an employment	Contribution rate for that employment
1	Up to £~~14,15000~~15,000	5.5%
2	£~~14,15001~~15,001 to £22,900 ~~£2122,51300~~	5.8%
3	£~~2122,51301~~22,901 to £38,300 ~~£3536,9600~~	6.5%
4	£~~3536,9601~~38,301 to £~~4344,47000~~46,400	6.8%
5	£~~4344,47001~~46,401 to £~~8588,83000~~91,900	8.5%
6	More than £~~8588,83000~~91,900	10.5%

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The above table will be revised from 1 April 20~~1897~~20.

5.1.2.2 **Example 13**

An employee commences employment and is placed in band 2 by the employer. The employee will pay 5.8% (or 2.9% if in the 50/50 section) on all pensionable pay received until Payroll is notified of a different appropriate band (or the employer automatically moves the employee to a different band in accordance with their policy statement.

5.1.2.3 These bands and rates may change from time to time so should not be hard coded into payroll systems. Systems should have the ability to change both the rates, the pay figures in the bands, and the number of bands as required by Scheme regulations. In normal circumstances such changes will happen annually however there may be circumstances when changes may need to be made more frequently.

5.1.3 **Appropriate bands**

5.1.3.1 Employers will need to determine the correct band for the employee and notify payroll accordingly:

- on 1 April 2015 for existing Scheme members, and
- on commencement of employment for new employees, and
- on an employee opting into the 2015 Scheme, and
- on an employee being automatically enrolled or re-enrolled into the 2015 Scheme, and
- on an employee being enrolled following an extension of a contract of employment from less than three months to three months or more.

NILGOSC should be notified of the correct band via the annual return process or with new member information.

5.1.3.2 For part-time workers, workers on 'zero hours' contracts and workers on variable hours contracts, etc. this will require employers to make an assumption of the pensionable pay the person will receive in the Scheme year. Employees will remain in that band unless the employer determines that the band should be changed (or agrees an automated process with the payroll provider). Employers are required to reassess the appropriate band and rate each April (in the pay period in which 1 April falls) and may, under the regulations, review the appropriate band 'where there is a change in employment, or a material change which affects the member's pensionable pay in the course of a financial year'.

5.1.3.3 The pay bands will continue to be increased in line the Consumer Price Index (under the Pensions (Increase) Act 1971) every April. Payroll systems should have the facility to amend both contribution rates and pay bands based on the outcome of any review of employee contributions.

5.1.3.4 Any reductions in pensionable pay due to sickness, child related leave, reserve forces service leave or other absence from work are to be disregarded when assessing or reviewing the appropriate band.

5.1.3.5 **Example 14**

An employee commences part-time employment at a full-time equivalent (FTE) rate of £35,000 per annum but is contracted to work 17.5 hours per week where the full-time hours are 35. The appropriate band on commencement would normally be band 2 as the employee's actual pay will be £17,500 in the Scheme year.

5.1.3.6 **Example 15**

When the same employee completes one Scheme year it is clear that they are regularly working additional hours which brought their actual pensionable pay in the year up to £24,000. The employer may decide to place the employee in band 3 if they consider such hours will continue to be worked.

5.1.3.7 **Example 16**

The same employee agrees to go full-time part way through the second Scheme year and is issued with a new contract. At that point the employer would determine that the appropriate band is band 3 as the actual pensionable pay will be £35,000 from that point forwards.

5.1.4 **50/50 section contributions**

5.1.4.1 While the employee is in the 50/50 section the employee contributions are calculated using the same bands as above. However, the rate for each band is halved. Membership of the 50/50 section does not affect the appropriate band as the amount of pensionable pay does not change. When in the 50/50 section, employee contributions should be added to the CEC2 cumulative and not the CEC1 cumulative.

5.1.4.2 Employer contributions are payable at the full employer rate (and not 50% of the normal employer rate).

5.1.4.3 **Example 17**

The employee in example 16 opts for the 50/50 section in July. The contributions in July and August are:

July – PP in period x 6.5% added to CEC1 (and PP in period added to CPP1)
August – PP in period x 3.25% (6.5%/2) added to CEC2 (and PP in period added to CPP2)

Movements between the two sections of the Scheme will take effect from the next available pay period and, therefore, payrolls should not have to split contributions between CEC1 and CEC2 in the same pay period (or split PP between CPP1 and CPP2 in the same pay period).

5.1.5 **Contributions during periods of reduced or nil pay**

5.1.5.1 If the employee has a reduction in pay they will continue to pay contributions on the amount of pensionable pay (PP) received (if any) and NOT on any amount of APP being added to the CPP. The only exception to this is in the case of employees on reserve forces service leave. In those cases, the employee pays contributions on APP and not on any pensionable pay received from the Scheme employer. However, the employee contributions on the APP figure are not deducted via the employer's payroll but, instead, they are usually deducted by the MoD from the reservist's pay which they pay to the person. The contributions are then paid over to NILGOSC by the MoD. If the contributions were not deducted from the reservist's pay by the MoD, the member would have to pay the contributions directly to NILGOSC and claim the tax relief from HMRC via self-assessment.

5.1.5.2 If the employee is in the 50/50 section and goes onto no pay due to sickness or injury, the employee must be moved back into the main section from the beginning of the next pay period if they are still on nil pay due to sickness or injury at that time.

5.1.5.3 **Example 18**

An employee in the 50/50 section (and contribution band 4) drops to reduced pay on 15th June due to sickness and then on 15th September they drop to nil pay. They return to normal working on 1st December. The contributions calculated and CEC accrued throughout is as follows.

June – PP x 3.4% added to CEC2
July – PP x 3.4% added to CEC2
Aug – PP x 3.4% added to CEC2
Sept – PP (i.e. 14/30 of normal month's pensionable pay) x 3.4% added to CEC2
Oct – PP x 6.8% (= £nil) added to CEC1 (next pay period following drop to nil pay)
Nov – PP x 6.8% (= £nil) added to CEC1
Dec – PP x 6.8% added to CEC1

Note that although pensionable pay dropped to half from 15th June and to no pay from 15th September, the reductions in pensionable pay are ignored when determining the relevant contribution band. Thus, the employee remains in band 4 (6.8%), equating to 3.4% whilst in the 50/50 section.

5.1.6 **Keeping In Touch (KIT) days / Shared Parental Leave In Touch (SPLIT) / Stringer days**

5.1.6.1 When on child related leave the employee may return for KIT or SPLIT days or an employee may have Stringer days. On these days contributions should be taken on the pay received for that day at the rate appropriate for that pay period.

5.1.6.2 **Example 19**

A monthly paid employee goes onto maternity leave from 16th June 2015 and her ordinary maternity leave and paid additional maternity leave run out after 39 weeks (i.e. on 15 March 2015). She is in the main section of the Scheme and is paying a contribution rate of 6.8%. She returns for a KIT day in November. PP is accrued on that KIT day and is added into CPP1 and APP is not added to CPP1 for that day. The calculations for CEC1 and CPP1 are:

Month	CEC1	CPP1
June	PP x 6.8%	15 days of PP plus 15 days of APP
July	PP x 6.8%	APP
Aug	PP x 6.8%	APP
Sept	PP x 6.8%	APP
Oct	PP x 6.8%	APP
Nov	PP x 6.8% (KIT day at 6.8%)	One month less one day of APP plus PP on KIT day
Dec	PP x 6.8%	APP
Jan	PP x 6.8%	APP
Feb	PP x 6.8%	APP
March	15 days' PP x 6.8%	15 days' APP
April	Nil	Nil

5.1.6.3 **Example 20**

For the example above and assuming an unreduced monthly pay figure of £2,976 (£684.89 per week), conditions of service providing 6 weeks at 9/10ths pay, followed by 12 weeks at half pay plus SMP of £136.78 per week, followed by SMP of £136.78 per week for 21 weeks and an APP monthly rate of £2,976 (£684.89 per week i.e. £2,976 x 12/52.143) the amounts allocated to CEC1 and CPP1 cumulatives would be as shown in the following table. Please note that this is one example of the methodology. It is not the only one as we are aware that the methodology adopted by employers to pay SMP varies across employers.

Month	CEC1	CPP1
June	(15/30 x £2,976) + (2.2 weeks x £684.89 x 9/10) x 6.8% = £193.40	(15/30 x £2,976) + (15/30 x £2,976) = £2,976
July	(3.8 weeks x £684.89 x 9/10) + (0.8 weeks x £684.89 x 0.5) + (0.8 weeks x £136.78) x 6.8% = £185.35	£2,976
Aug	(4.2 weeks x £684.89 x 0.5) + (4.2 weeks x £136.78) x 6.8% = £136.87	£2,976
Sept	(4.4 weeks x £684.89 x 0.5) + (4.4 weeks x £136.78) x 6.8% = £143.38	£2,976
Oct	(2.6 weeks x £684.89 x 0.5) + (2.6 weeks x £136.78) + (2 weeks x £136.78) x 6.8% = £103.33	£2,976
Nov	(3.8 weeks x £136.78) + KIT day £99.20 x 6.8% = £42.09	£2,876.80 plus £99.20 KIT day = £2,976
Dec	(4.6 weeks x £136.78) x 6.8% = £42.78	£2,976
Jan	(4.4 weeks x £136.78) x 6.8% = £40.92	£2,976
Feb	(4 weeks x £136.78) x 6.8% = £37.20	£2,976
March	(2 weeks x £136.78) x 6.8% = £18.60	(15/30 x £2,976) = £1,488
April	Nil	Nil

5.2 Cumulative Employer Contributions (CRC)

5.2.1 Employer contributions are not spilt between the two sections of the Scheme and are based on:

- the actual pensionable pay received by the employee in the pay period or part pay period i.e. the amounts added to CPP1 and CPP2 (not including any APP) except where the bullet point below applies, in which case the employer contributions are payable on the APP figure and not on any pay received whilst APP is in operation. CRC = (CPP1(not including any APP) + CPP2(not including any APP)) X employer contribution rate

- the APP figure for the pay period (or part pay period) during which the member is on relevant child related leave (i.e. ordinary maternity, paternity or adoption leave or paid additional maternity, shared parental or adoption leave), or on sick leave on reduced contractual or no pay, or on reserve forces service leave. Note, however, that during reserve forces service leave the Scheme employer does not directly pay employer contributions on the APP (and so there is no employer contribution to deduct via the payroll). Instead, the employer contributions on the APP figure are remitted by the MoD directly to NILGOSC. CRC = (CPP1 (i.e. APP) + CPP2 (i.e. APP)) X employer contribution rate

5.2.2 The employer contribution rate will be a single rate for all employees of that employer and will be subject to change possibly annually but almost certainly after each triennial valuation of the Scheme. Rates should therefore not be hard coded into payroll systems. Employers will be responsible for notifying payrolls of the employer contribution rate and any subsequent changes to it. **If the employee is in the 50/50 section, the employer rate is still paid in full (not at half rate).** ~~**From 1st April 2017 the actuary has also applied capital deficit repayment sums to employers in addition to the percentage of payroll.**~~

5.3 Cumulative Additional Contributions (CAC, CARC) – per employment

5.3.1 Additional Pension Contributions (APC)

5.3.1.1 Additional Pension Contributions can be made by either the employee or both the employee and employer. The cost of an APC can be met in full by the ~~employee, or~~employee or may be split between employee and employer (in any proportion agreed between the employee and the employer, but not 100% cost to the employer). A shared cost APC (SCAPC) arises when an employer and employee both contribute. APC / SCAPC contributions may be one off or regular and will always be cash amounts not percentages. If the contributions are regular the Payroll Department should be notified of the employee amount per pay period, and the employer amount (if any) per pay period, and number of payments in the APC contract. If the employee has more than one pensionable employment the notification must specify the employment to which the APC contract is to be attached.

5.3.1.2 **Example 21**

The Payroll Department is notified that an employee has elected to pay a one-off APC of £500. This amount should be deducted in the pay period following notification and £500 added to the EAPC CAC cumulative for that employment.

5.3.1.3 **Example 22**

The Payroll Department is notified that an employee has elected to pay an APC of £50 per month for the next 60 pay periods. This deduction should commence in the pay period following notification and £50 should be added each month to the EAPC CAC cumulative for that employment.

5.3.1.4 Employers may agree to share the cost of APC contracts either on a one-off or regular basis, except for SCAPC contracts taken out to cover the pension 'lost' during a period of unpaid leave of absence (including any period of unpaid additional maternity, shared parental or adoption leave following a period of relevant child related leave). However the employer share can vary across employees but the combined amount in respect of any individual employee will be consistent throughout the contract. Where a SCAPC contract is taken out to cover the pension "lost" during a period of unpaid leave of absence, the cost for any individual period of absence up to 36 months is shared 1/3rd employee, 2/3rds employer. The cost of purchasing "lost" pension for a period of absence beyond 36 months will be at full cost to the employee, unless the employer chooses to contribute towards the cost.

5.3.1.5 **Example 23**

The Payroll Department is notified that the employer has agreed to share equally with the employee a one-off APC of £500. The employee’s £250 should be deducted in the pay period following notification with £250 added to the EAPC CAC and £250 added to the RAPC CARC cumulatives for that employment.

5.3.1.6 **Example 24**

The Payroll Department is notified that an employer has agreed to share equally with the employee an APC of £50 per month for the next 60 pay periods. The employee’s deduction of £25 should commence in the pay period following notification and £25 should be added each month to each of the EAPC CAC and RAPC CARC cumulatives for that employment.

5.3.1.7 Table 4: Payment of APC/ SCAPC contracts under various types of absences.

Absence Event	Action
Sickness on reduced contractual pay	Pre-existing APC / SCAPC contracts remain payable. The payments need to be added to the EAPC CAC and, as appropriate, the RAPC CARC cumulatives for that employment.
Sickness on no pay	Employee contributions for the APC/SCAPC are deemed to have been paid but the deemed contributions are not to be added into the EAPC CAC cumulatives for that employment. The employer contributions to an APC / SCAPC should always be collected and added into the RAPC CARC cumulative for that employment.
Relevant child related leave (ordinary maternity leave, ordinary paternity leave, ordinary adoption leave, paid shared parental leave, paid additional maternity leave, paid additional paternity leave, paid additional adoption leave	Any pre-existing APC / SCAPC contracts remain payable and the payments need to be added to the EAPC CAC and, as appropriate, the RAPC CARC cumulatives for that employment. If the employee is in receipt of no pay, the employer contributions to a SCAPC remain payable and should be added to the RAPC CARC cumulative for that employment. The employee payments due to an APC or SCAPC which could not be collected roll over as a debt to be recovered from pay upon return to work (when they will be added into the EAPC CAC cumulative for that employment) or, failing that, by direct payment by the individual to NILGOSC.

Absence Event	Action
Other child related leave (i.e. during unpaid additional maternity leave, unpaid additional paternity leave, unpaid additional adoption leave or unpaid shared parental leave)	Pre-existing APC / SCAPC contracts remain payable. Although the employee is in receipt of no pay, the employer contributions to a SCAPC remain payable and should be added to the RAPC CARC cumulative for that employment. The employee payments that were due to an APC or SCPAC which could not be collected roll over as a debt to be recovered from pay upon return to work (when they will be added into the EAPC CAC cumulative for that employment) or, failing that, by direct payment by the individual to NILGOSC.
Industrial action or unauthorised unpaid absence	Any pre-existing APC / SCAPC contracts remain payable. Although the employee is in receipt of no pay for the period of the industrial action, the employer contributions to a SCAPC remain payable and should be added to the RAPC CARC cumulative for that employment. The employee payments that were due to an APC or SCAPC should be deducted and added to the relevant EAPC CAC cumulative for that employment if there is enough pay in the period from which to deduct the payment. Otherwise, the employee payment that was due to an APC or SCAPC will roll over as a debt to be recovered from pay upon return to work (when they will be added into the EAPC CAC cumulative for that employment) or, failing that, by direct payment by the individual to NILGOSC.
Reserve forces service leave	Any pre-existing APC / SCAPC contracts remain payable (other than the employer contributions to a SCAPC) but not via Payroll. The employer sends the relevant details to the reservist to pass on to MoD in order to get them to arrange the relevant deductions from MoD reservist's pay and for MoD to pay these over NILGOSC.
Other period of authorised leave of absence	Any pre-existing APC / SCAPC contracts remain payable. Although the employee may be in receipt of no pay, the employer contributions to a SCAPC remain payable and should be added to the RAPC CARC cumulative for that employment but any of the employee payments that were due to an APC or SCPAC which could not be collected roll over as a debt to be recovered from pay upon return to work (when they will be added into the EAPC CAC cumulative for that employment) or, failing that, by direct payment by the individual to NILGOSC.

5.3.2 Additional Voluntary Contributions (AVC)

5.3.2.1 Additional Voluntary Contributions (AVCs) can be made by the employee or, in the case of a shared cost AVC (SCAVC), by both the employer and employee. Such contributions will be either a cash amount or a percentage of pensionable pay. The Payroll Department is notified by Prudential of the employee amount or percentage per pay period and, in the case of a SCAVC, the employer amount or percentage per pay period. AVCs can be made as additional pension savings or for life insurance cover and NILGOSC may need employers to be able to account for these separately.

5.3.2.2 The split between an employee's and employer's additional contributions for an SCAVC can be agreed as any ratio but **not** 100% cost to the employer.

The 2015 Scheme will continue to limit an employee's AVC contributions to 50% of pay. However, at retirement an employee will be able to withdraw up to 100% of their AVC fund as cash, subject to HMRC limits. ~~Amending regulations will be required.~~

5.3.2.3 **Example 25**

The Payroll Department is notified that an employee has elected to pay an ongoing (life assurance) AVC of £100 per month. This amount should be deducted in the pay period following notification and £100 added to the EAVC CAC cumulative each month in the Scheme year for that employment.

5.3.2.4 **Example 26**

The Payroll Department is notified that an employee has elected to pay an ongoing (non-life assurance) AVC of 5% of pay per month. This deduction should commence in the pay period following notification and the amount of AVC collected each month added to the EAVC CAC cumulative in the Scheme year for that employment.

5.3.2.5 Employers may agree to share the cost of an AVC contract. This share can vary across employees but the proportion for any individual employee will not vary.

5.3.2.6 **Example 27**

The Payroll Department is notified that the employer has agreed to a shared cost (non-life assurance) AVC with an employee, with the employee contributing £60 per month and the employer contributing £40 per month. The AVCs should be deducted in the pay period following notification with the contributions from the employee's £60 per month deduction added to the EAVC CAC and the amount from the employer's £40 per month contribution added to the RAVC CARC cumulatives each month in the Scheme year for that employment.

5.3.2.7 **Example 28**

The Payroll Department is notified that the employer has agreed to a shared cost (non-life assurance) AVC with an employee, with the employee contributing 3% of pay per month and the employer contributing 2% of pay per month. The AVCs should be deducted in the pay period following notification with the contributions from the employee's 3% deduction added to the EAVC CAC and the amount from the employer's 2% contribution added to the RAVC CARC cumulatives each month in the Scheme year for that employment.

5.3.2.8 Table 5: Payment of Additional Voluntary Contributions/ Shared Cost contracts under various types of absences.

Absence Event	Action
Sickness on reduced contractual pay or no pay	Any pre-existing AVC / SCAVC contracts entered into after 31 March 2015 remain payable only whilst there is enough pay to cover them. The payments need to be added to the EAVC CAC and, as appropriate, RAVC CARC cumulatives for that employment. No AVC / SCAVC contributions are payable whilst the employee is on no pay and nothing is to be added to the EAVC CAC or, as appropriate, RAVC CARC cumulatives for that employment whilst the employee is on no pay.
Relevant child related leave (OML, OPL, OAL, paid AML, paid SPL, paid AAL)	Any pre-existing AVCs / SCAVC contracts entered into after 31 March 2015 remain payable whilst there is enough pay to cover them. The payments made need to be added to the EAVC CAC and, as appropriate, RAVC CARC cumulatives for that employment.
Other period of child related leave (i.e. during unpaid AML, unpaid SPL and unpaid AAL)	The member may continue with any pre-existing AVC / SCAVC entered into after 31 March 2015 and, if the member does so, the employer must meet the cost of the employer element of any SCAVC. However, in reality this is not an option on the payroll as there is no pay from which to collect AVCs / SCAVCs.
Industrial action	The member may continue with any pre-existing AVC / SCAVC contracts entered into after 31 March 2015 and, if the member does so, the employer must meet cost of the employer element of any SCAVC. The employer contributions to a SCAVC should be added to the RAVC CARC cumulative for that employment and the employee contributions to the AVC or SCAVC should be added to the EAVC CAC cumulative for that employment.
Reserve Forces Leave	Any pre-existing AVCs / SCAVC contracts entered into after 31 March 2015 remain payable (unless the member, or the employer in the case of a SCAVC, elects to end the contract) but (other than the employer contributions to a SCAVC) not via payroll. The employer sends the relevant details to the reservist to pass on to MoD in order to get them to arrange the relevant deductions from MoD reservist's pay and for MoD to pay these over to the AVC provider.
Any other period of authorised leave of absence	The member may elect to continue with any pre-existing AVC / SCAVC contracts entered into after 31 March 2015 and, if the member does so, the employer must meet the cost of the employer element of any SCAVC. However, in reality this is not an option on the payroll as there is no pay from which to collect AVCs / SCAVCs.

See section 6.4 on AVC/SCAVC contracts entered into before 1 April 2015.

6. 2009 Scheme Data

This section deals with the data requirements for Scheme members who have pre-2015 benefits. It contains information on final pay, part-time hours, breaks in membership and existing additional pension contracts.

6.1 Final Pay (AFP and FFP)

6.1.1 Employers will still be responsible for calculating and providing NILGOSC with:

a) Final Pay at each 31 March, and on ceasing membership of the Scheme (opting out or termination of pensionable employment), for use in calculating pre-2015 benefits, and

b) Final Pay at Normal Pension Age (NPA) (under the 2009 Scheme this is defined as normally age 65) or at date of cessation of active membership, if earlier, to enable NILGOSC to calculate the underpin on the post-2015 benefits for those members to whom the underpin applies. The underpin applies to those who:

- were active members on 31 March 2012, and
- were within 10 years of their NPA on 1 April 2012, and
- have not (after 31 March 2012) had a continuous break of more than five years in membership of a public service pension scheme, and
- have not already drawn any benefits from the 2015 Scheme in relation to that employment (e.g. upon flexible retirement), and
- have either ceased to be an active member before NPA (2009 Scheme definition) or are still an active member at NPA (2009 Scheme definition).

- The final pay figure (2009 Scheme definition) for the underpin is the pay due for normally the 12 months preceding the date of cessation or NPA, whichever is the earlier. The underpin is calculated at NPA for those who continue working beyond NPA. The 2009 definition of final pay excludes non-contractual overtime and additional hours.

6.1.2 For the purposes of (a) and (b) above, if the employee elects to cover the whole of the amount of any pension 'lost' during a period of absence due to industrial action/ skrike, authorised unpaid leave of absence or unpaid additional maternity, shared parental or adoption leave by the payment of contributions under an Additional Pension Contribution (APC) contract or shared cost APC contract, in calculating the final pay for the employee, they must be treated as having received the pay they would otherwise have received but for the absence. If, however, the employee does not make such an election, or has a period of unauthorised unpaid leave of absence, the final pay (if the absence falls in the final pay period – usually the last 12 months) will be the pay received during that final pay period divided by the number of paid days in that period multiplied by 365.

6.1.3 The 2009 definition of final pay continues to apply i.e. the pay used in calculating retirement benefits for the final pay period is either the last 12 months' pay or that in either of the two preceding years, if that is higher.

6.1.4 Where a Scheme member is subject to a reduction or restriction in pay, regulations 8 and 10 of the LGPS (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009 continue to apply for the purposes of the final pay calculation for (a) and (b) above regardless of whether the reduction or restriction in pay occurs before, on or after 1 April 2015.

6.1.5 Where a Scheme member is in receipt of fluctuating emoluments, regulation 11 of the LGPS (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009 continues to apply for the purposes of the final pay calculation for (a) and (b) above regardless of whether the fluctuating emoluments are paid before, on or after 1 April 2015.

6.1.6 Where a Scheme member is in receipt of child related leave payments it is the pay that they would have earned but for the absence that is reported as the final pay for the purposes of the final pay period.

6.2 Changes in contractual part-time hours and/ or contractual weeks per year

6.2.1 For part-time employees with LGPS (NI) membership prior to 1 April 2015 employers will still be required to notify NILGOSC of changes of hours in respect of:

- employees to whom the underpin calculation applies - see Section 6.1(b) where the change occurs prior to NPA (2009 Scheme definition – usually age 65) so that the underpin can be calculated accurately,
- members who have an added years contract, as the added years contract needs adjusted on a change in contractual hours, and
- members covered by regulation 20(7) of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009 (minimum ill-health enhancement for those who were active members before 1 April 2009, were aged 45 or over at that time, have been in continuous membership since then, and have not already received any benefits in respect of that membership) as a change in contractual hours can affect the level of the minimum ill-health enhancement.

6.2.2 Employers will still be required to notify NILGOSC of changes in contractual weeks / contractual days per year but only for:

- members to whom the underpin calculation applies where the change occurs prior to NPA (2009 Scheme definition – normally age 65) so that the underpin calculation can be accurately performed,
- members who have an added years contract, and
- members covered by regulation 20(7) of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009 (minimum ill-health enhancement for those who were active members before 1 April 2009, were aged 45 or over at that time, have been in continuous membership since then, and have not already received any benefits in respect of that membership) as a change in contractual weeks can affect the level of the minimum ill-health enhancement.

6.2.3 The change in hours/ contractual weeks/ days notifications should be provided to NILGOSC as and when they occur for all such employees. Employers must keep a record of changes of hours/ weeks/ days for relevant employees for up to 8 years (as the underpin will no longer apply after 31 March 2022). This information will be used to calculate the member's benefits for the purposes of Annual Benefit Statements and the annual allowance.

6.3 Breaks in membership

6.3.1 Employers will still be responsible for providing details of breaks in "membership" that occur before Normal Pension Age (NPA) due to:

- industrial action/strike, or
- authorised unpaid leave of absence, or
- unpaid additional maternity, shared parental or adoption leave
- unauthorised unpaid absence

but only for those members to whom:

- the underpin calculation applies, or
- the 85 year rule applies and

who have not taken out an Additional Pension Contributions (APC) contract to cover the whole of the pension that would have accrued during the industrial action/strike, or taken out an APC or Shared Cost APC contract to cover the whole of the pension that would have accrued during the period of unpaid leave of absence (with compulsory employer contributions to a shared cost APC being limited to cover a maximum of 36 months) or unpaid period of additional maternity, shared parental or adoption leave.

6.3.2 Notification of service breaks is required so that NILGOSC can determine whether the final salary benefit underpin for these members at NPA exceeds their post 31 March 2015 CARE pension and when the member meets the 85 year rule (as a break can potentially put back the date when the 85 year rule is achieved).

6.4 Existing additional pension contracts

6.4.1 Existing Additional Voluntary Contribution (AVC), shared cost Additional Voluntary Contribution (SCAVC), Additional Regular Contribution (ARC), Preston part-time buy-back, added years, and Additional Survivor Benefit Contributions (ASBC) contracts in force immediately prior to 1 April 2015 will continue.

If a member paying additional contributions under such contracts moves to the 50/50 section of the Scheme, the additional contributions under such contracts remain payable in full and are not reduced to half rate.

6.4.2 Additional Voluntary Contributions (AVCs)

6.4.2.1 Contributions made by an employee to an AVC or, made by both the employer and employee in the case of a shared cost AVC (SCAVC) continue to be payable for a contract taken out before 1 April 2015 (unless the employee, or the employer in the case of a SCAVC, elects to end the contract). These contributions will be either a cash amount or a percentage of pensionable pay, payable per pay period. Where a member is paying a percentage of their pensionable pay towards their AVC and the contract was taken out before 1 April 2015 the amount deducted from their pay in each pay period will be based on their pensionable pay (as defined under the 2009 scheme) in that pay period.

During any period of:

- sickness or injury on reduced contractual pay or no pay, or
- relevant child related leave (ordinary maternity, adoption or paternity leave, plus paid additional maternity, paternity or adoption leave), plus unpaid additional maternity, paternity or adoption leave, or
- reserve forces service leave, or
- absence due to industrial action/strike, or
- jury service on reduced or no pay, or
- any other period of authorised leave of absence, or
- any period of unauthorised unpaid absence

the employee can continue with any pre-existing AVC / SCAVC contract entered into before 1 April 2015 (or can elect to cease the contract). If the member continues with the contract, and is paying AVCs for additional life assurance cover, they will have to make arrangements to continue to pay the life assurance AVCs during any period when there is not enough pay to cover them if they wish to ensure their AVC life assurance cover does not lapse.

6.4.3 Additional Regular Contributions (ARCs)

6.4.3.1 Contributions under existing ARC contracts entered into before 1 April 2015 continue to be payable (but the member can elect to cease the contract). Payments under these contracts are flat sums payable per pay period (not percentages of pensionable pay).

6.4.3.2 During any period of:

- relevant child related leave (ordinary maternity, adoption or paternity leave, plus paid additional maternity, paternity or adoption leave), plus unpaid additional maternity, paternity or adoption leave, or
- reserve forces service leave where the reserve forces pay is equal to or greater than the pay that would have been paid had the member continued to be employed by the Scheme employer, or
- absence due to industrial action/strike, or
- jury service on reduced or no pay, or
- any other period of authorised leave of absence, or
- any period of unauthorised unpaid absence

the employee must continue to pay contributions under any pre-existing ARC contract entered into before 1 April 2015 (unless the employee elects to end the contract).

6.4.3.3 During any period of absence due to sickness or injury on full or reduced pay the member will continue to pay the contributions under the ARC contract on the pay received. They do not pay contributions under the ARC contract during a period of sick leave on no pay.

6.4.3.4 During any period of reserve forces service leave where the reserve forces pay is less than the pay that would have been paid had the member continued to be employed by the Scheme employer, the employee is not required to pay contributions under the ARC contract (the contributions are deemed to have been paid).

6.4.3.5 No new ARC contracts can be taken out after 31 March 2015 (but the member can take out an Additional Pension Contributions contract).

6.4.4 Added Years Contracts

6.4.4.1 Existing contracts entered into by members who elected before 1 April 2009 to purchase added years of membership continue in force (unless the member elects to cease the contract). Payments under these contracts are expressed as a percentage of the member's pensionable pay (2009 Scheme definition of pensionable pay). The contributions should only be deducted on the 2009 Scheme definition of pensionable pay i.e. excluding any pay that is pensionable in the 2015 Scheme but which was not pensionable in the 2009 Scheme – such as non-contractual overtime.

6.4.4.2 During any period of:

- relevant child related leave (ordinary maternity, adoption or paternity leave, plus paid additional maternity, paternity or adoption leave), plus unpaid additional maternity, paternity or adoption leave, or
- reserve forces service leave where the reserve forces pay is equal to or greater than the pay that would have been paid had the member continued to be employed by the Scheme employer, or
- absence due to industrial action/strike, or
- jury service on reduced or no pay, or
- any other period of authorised leave of absence, or
- any period of unauthorised unpaid absence

the employee must continue to pay contributions under any pre-existing added years contract entered into before 1 April 2009 (unless the employee elects to end the contract).

6.4.4.3 During any period of absence due to sickness or injury on full or reduced pay the member will continue to pay the contributions under the added years contract on the pay received. They do not pay contributions under the added years contract during a period of sick leave on no pay.

6.4.4.4 During any period of reserve forces service leave where the reserve forces pay is less than the pay that would have been paid had the member continued to be employed by the Scheme employer, the employee is not required to pay contributions under the added years contract (the contributions are deemed to have been paid).

6.4.5 Additional Regular Contributions (ARCs)

6.4.5.1 Contributions under existing ARC contracts entered into before 1 April 2015 continue to be payable (but the member can elect to cease the contract). Payments under these contracts are flat sums payable per pay period (not percentages of pensionable pay).

6.4.5.2 During any period of:

- relevant child related leave (ordinary maternity, adoption or paternity leave, plus paid additional maternity, paternity or adoption leave), plus unpaid additional maternity, paternity or adoption leave, or
- reserve forces service leave where the reserve forces pay is equal to or greater than the pay that would have been paid had the member continued to be employed by the Scheme employer, or
- absence due to industrial action/strike, or
- jury service on reduced or no pay, or
- any other period of authorised leave of absence, or
- any period of unauthorised unpaid absence

the employee must continue to pay contributions under any pre-existing ARC contract entered into before 1 April 2015 (unless the employee elects to end the contract).

6.4.6 Additional Survivor Benefit Contributions (ASBCs) for eligible~~nominated~~ cohabitee survivor's pension

6.4.6.1 Any existing ASBC contracts continue to be paid (unless the employee elects to end the contract). Members who have not entered into an ASBC contract for all or part of their pre 6 April 1988 membership to count for an eligible ~~nominated~~ cohabitee survivor's pension will not be able to enter into a contract to achieve this after 31 March 2015. Payments under existing ASBC contracts at 31 March 2015 are expressed as a percentage of the member's full time equivalent pensionable pay (2009 Scheme definition of pensionable pay). The contributions should only be deducted on the 2009 Scheme definition of pensionable pay i.e. excluding any pay that is pensionable in the 2015 Scheme but which was not pensionable in the 2009 Scheme – such as non-contractual overtime).

6.4.6.2 During any period of:

- relevant child related leave (ordinary maternity, adoption or paternity leave, plus paid additional maternity, paternity or adoption leave), plus unpaid additional maternity, paternity or adoption leave, or
- reserve forces service leave where the reserve forces pay is equal to or greater than the pay that would have been paid had the member continued to be employed by the Scheme employer, or
- absence due to industrial action/strike, or
- jury service on reduced or no pay, or
- any other period of authorised leave of absence, or
- any period of unauthorised unpaid absence

the employee must continue to pay contributions under any pre-existing ASBC contract entered into before 1 April 2015 (unless the employee elects to end the contract).

6.4.6.3 During any period of absence due to sickness or injury on full or reduced pay the member will continue to pay the contributions under the ASBC contract on the pay received. They do not pay contributions under the ASBC contract during a period of sick leave on no pay.

6.4.6.4 During any period of reserve forces service leave where the reserve forces pay is less than the pay that would have been paid had the member continued to be employed by the Scheme employer, the employee is not required to pay contributions under the ASBC contract (the contributions are deemed to have been paid).

7. Payments in respect of a period prior to 1 April 2015 which are made after 31 March 2015

7.1 Where a payment is made after 31 March 2015 that relates to a period prior to 1 April 2015 the employee contribution rates applicable at the time the payment relates to should be applied to the pre (and post) 2015 pensionable pay. The employer contribution rate is the current rate at the date that the back dated payment is made. Note, however, that the pensionable pay for the pre 1 April 2015 element should be based on the 2009 Scheme definition of pensionable pay (e.g. excluding non-contractual overtime) and not the 2015 Scheme definition of pensionable pay, which would include non-contractual overtime.

7.2 Any pensionable pay received after 31 March 2015 which relates to a period prior to 1 April 2015 should **not** be included in CPP1 or CPP2.

8. Absences spanning 31 March 2015 / 1 April 2015

8.1 Where an absence spans 31 March 2015 and 1 April 2015 the absence prior to 1 April 2015 should be dealt with in accordance with the 2009 Scheme rules and the absence post 31 March should be dealt with in accordance with the 2015 Scheme rules. The rules relating to the 2009 Scheme are set out at 8.2. The rules relating to the 2015 Scheme are described in the HR Guide section 14 and section 5.3 of this guide.

8.2 **2009 Scheme – rules for absences before 1 April 2015**

8.2.1 Authorised unpaid leave of absence

For any period of authorised unpaid leave of absence falling before 1 April 2015, employee and employer pension contributions must be paid for the first 30 days of absence (or up to 31 March 2015 if the 30 day period extends beyond that date). The contributions are payable on the pay the person would have received but for the absence. Where the absence extends beyond 30 days the employee may elect, within 30 days of returning to work (or within 30 days of leaving if the employee does not return) or such longer period as the employer may allow to pay contributions for the remainder of that part of the absence that falls before 1 April 2015 (subject to a maximum absence period of three years). Those contributions would, just like the contributions due for the first 30 days of absence, be based on the pay the person would have received but for the absence. If they make such an election the employer must also pay contributions on that amount of pay. Where contributions are paid, the period counts as pre-2015 membership

8.2.3 Unauthorised unpaid absence

Any absence falling before 1 April 2015 which is unauthorised by the employer and for which the employee receives no pay does not count as membership and contributions cannot be deducted in respect of the absence, whatever the length.

8.2.4 Jury Service

Jury service is a special type of absence. Employee and employer pension contributions are mandatory for the whole of any jury service falling before 1 April 2015 (and not just the first 30 days) and are based on the pay the person would have received but for the absence.

8.2.5 Industrial Action/Strike

Absence due to an industrial action is treated, initially, the same as unauthorised absence, in as much as no pension contributions are payable and the membership does not count. However, the employee may elect within 30 days of returning to work (or within 30 days of leaving if the employee does not return) or such longer period as the employer may allow to make a payment in respect of that part of the absence falling before 1 April 2015. The payment is the equivalent of 16% of the "lost" pay falling before that date and, if paid, entitles the member to count the period of absence due to an industrial action prior to 1 April 2015 as membership. No employer contributions are due for that period.

8.2.6 Child-related leave

During any period of ordinary maternity, paternity or adoption leave and during any paid additional maternity, paternity or adoption leave falling before 1 April 2015 an employee must continue to pay pension contributions on the actual pay, if any, they are receiving. Benefits will continue to accrue as if they were working normally on full pay. The employer pension contributions are payable on notional full pay.

The employee can elect within 30 days of returning to work (or within 30 days of leaving if the employee does not return) or such longer period as the employer may allow to pay pension contributions for any period of unpaid additional maternity, paternity or adoption leave falling before 1 April 2015 so that the period of absence will count in full for pension purposes. The contributions will be calculated on the rate of pay (or reduced pay) that they were entitled to receive immediately before they commenced the period of unpaid leave. If they elect to pay contributions for this period, the employer will pay contributions on the employee's notional full pay for that period.

8.2.7 Reserve forces service leave

During any period of reserve forces service leave falling before 1 April 2015 the employee will continue to accrue membership but will only have to pay pension contributions on their reserve forces pay if it equals or exceeds their normal pay for that period; otherwise, no employee contributions are due from their reserve forces pay. The Ministry of Defence will be responsible for employer contributions during that period of time.

8.2.8 Additional contributions

The rules governing the payment of contributions under various types of added years, additional pension and AVC contracts that were entered into before 1 April 2015 are set out in section 6.4.

9. Monthly payment of contributions

9.1 Employers participating in the Scheme are required to pay over to NILGOSC on a monthly basis all contributions paid by employees (both basic contributions and employee contributions to an APC or SCAPC) and employer contributions set as a percentage of payroll~~the employer~~. The amounts must be paid over as described below.

9.2 The employee contributions deducted from pay and the employer contributions set as a percentage of payroll must~~have to~~ be paid over to NILGOSC by the first working day of the month following the month to which the contributions relate. ~~The employer will pay all employee and employer contributions on a monthly basis by~~ These monthly contributions must be paid by bank electronic credit transfer. The employer must~~will~~ forward details of the payment amount on an LGS6 to NILGOSC before the payment~~ due~~ date. If payment is made more than 10 working days late then interest may be charged in accordance with the regulations.

9.3 Employee contributions to the in-house AVC provider, Prudential, should be made directly from the employer to Prudential and shall be paid within 10 days of the deduction. Employee contributions to the in-house AVC with Equitable Life are paid to NILGOSC for onward transmission to Equitable Life.

9.4 If payment of contributions, including AVCs, is not made by 19 days after the end of the month in which the contributions were deducted from pay, NILGOSC may notify the Pensions Regulator and the members and the Pensions Regulator may levy a fine. Any fines levied in this respect will be recharged to employers.

9.5 Payments in respect of monthly agency invoices must be made within 30 days of the date of the invoice.

9.6 There are other payments that employers may have to pay to NILGOSC but these are unlikely to impact on payroll – see section 21 of the HR guide.

10. Payment of Deficit Recovery Contributions

10.1 Deficit Recovery Contributions will be invoiced in April each year and must be paid either upfront upon receipt of the invoice or in 12 equal monthly instalments.

10.2 If payment is made monthly along with monthly employee and employer contributions, this must be noted in the Comments box on the LGS6.

11. End of year annual return

Within two months of each Scheme year end (by 30 April), each Scheme employer must send NILGOSC a statement detailing all employees who have been active members of the LGPS (NI) during that Scheme year. At the date of introduction of the new Scheme~~this stage~~ it was~~is~~ expected that the following information would~~ill~~ be needed~~. but until our own software suppliers have provided us with their specification it is difficult to provide a detailed specification. It may be that the current annual return format continues and a supplementary return is provided to give the information that is asterisked below.~~. A detailed specification is provided in a circular each year.

Table 6: Draft Specification and End of Year Annual Return (for 2016). Later years are described in a circular. (All fields should be Text and uppercase.)

Information	Format
Scheme year ending	ddmmyyyy 8 characters Acceptable characters: 0 to 9
Surname	Alphanumeric 25 characters Acceptable characters: A to Z, apostrophe, hyphen
Forename(s). Full forenames must be provided. Initials are not acceptable.	Alphanumeric 25 characters Acceptable characters: A to Z, space
Gender	Alphanumeric 1 character Acceptable characters: F, M
Date of birth	ddmmyyyy 8 characters Acceptable characters: 0 to 9

National Insurance number	Alphanumeric 9 characters Acceptable characters: A to Z, 0 to 9 Must be 9 characters in length and conform to the general NI number format 2 letters + 6 digits + 1 letter HMRC NINO reference - http://www.hmrc.gov.uk/MANUALS/nimmanual/nim39110.htm A NINO is made up of two letters, six numbers and a final letter, which is always A, B, C, or D. The characters D, F, I, Q, U and V are not used as either the first or second letter of a NINO prefix. The letter O is not used as the second letter of a prefix. In addition the following administrative prefixes that were previously used are no longer accepted by HMRC MW, NC, PP, PY, PZ, TN.
NILGOSC Reference number	Alphanumeric Acceptable characters: 0 to 9 Must include any leading zeros
Unique ID for the employment	Alphanumeric 15 characters Acceptable characters: any character

Information	Format
Date joined the Scheme in the employment if this was during the Scheme year	ddmmyyyy 8 characters Acceptable characters: 0 to 9
Date ceased active membership of the Scheme in the employment if this was during the Scheme year	ddmmyyyy 8 characters Acceptable characters: 0 to 9
CPP1: Cumulative pensionable pay received in the employment during the Scheme year whilst in main section (including the assumed pensionable pay the member was treated as receiving during the Scheme year whilst in the main section) *	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
CEC1: Cumulative employee contributions (if any) deducted from pensionable pay in previous field	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
CPP2: Cumulative pensionable pay received in the employment during the Scheme year whilst in 50/50 section (including the assumed pensionable pay the member was treated as receiving during the Scheme year whilst in the 50/50 section) *	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
CEC2: Cumulative employee contributions (if any) deducted from pensionable pay in previous field	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
Section of the Scheme the employee was a member of in the employment at the end of the Scheme year (or at the date of cessation of active membership in the employment if on or after the start of the Scheme year and before the end of the Scheme year)	Alphanumeric To be defined

Information	Format
LGPS MAIN from date: The date the member entered the LGPS Main Scheme *	ddmmyyyy 8 characters Acceptable characters: 0 to 9
LGPS MAIN to date: The date the member left the LGPS Main Scheme *	ddmmyyyy 8 characters Acceptable characters: 0 to 9
LGPS 5050 from date: The date the member entered the 50/50 Scheme *	ddmmyyyy 8 characters Acceptable characters: 0 to 9
LGPS 5050 to date: The date the member left the 50/50 Scheme *	ddmmyyyy 8 characters Acceptable characters: 0 to 9
CRC: Cumulative employer contributions deducted from pensionable pay in respect of the employment	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
EAPC CAC: Cumulative additional pension contributions (APCs), if any, paid in respect of the employment by the employee	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
RAPC CARC: Cumulative additional pension contributions (APCs), if any, paid in respect of the employment by the employer	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
EAVC CAC: Cumulative additional voluntary contributions (AVCs), if any, paid in respect of the employment by the employee	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
RAVC CARC: Cumulative additional voluntary contributions (AVCs), if any, paid in respect of the employment by the employer	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
For employees with membership of the LGPS prior to 1/4/15	
FTE Final pay for year	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period
Actual final pay for year	Text representing a number to 2 decimal places Acceptable characters: 0 to 9, period

* May need to be provided on a supplementary return

~~10.1~~10.3 Glossary

Term	Definition
Additional Pension Contributions (APCs)	These allow Scheme members to buy additional pension by either regular or lump sum contributions. The maximum additional pension that can be bought is £~~6,6448435787~~7,127 per annum (~~20178/189 figures~~2020/21).
Assumed Pensionable Pay (APP)	This replaces notional or deemed pensionable pay. Assumed Pensionable Pay (APP) is used in cases of reduced pensionable pay or nil pay as a result of sickness or injury, relevant child related leave (i.e. ordinary maternity, paternity or adoption leave and any paid additional maternity, shared parental or adoption leave) or while on reserve forces leave. This means that pensions for that period are worked out using the Assumed Pensionable Pay rather than the reduced rate of pay received.
Additional Voluntary Contributions (AVCs)	These voluntary contributions allow Scheme members to pay more to build up extra pension savings. AVC contributions are limited to 50% of pensionable pay. AVCs can be made for both pension savings and life cover. The in-house AVC provider is Prudential.
Automatic enrolment date	The latest date by which an employer has to have an automatic enrolment scheme in place for its employees.
Career Average Revalued Earnings (CARE)	Pension benefits built up from 1 April 2015 are worked out using the pay in each Scheme year rather than the final pay, as under a final salary scheme.
Normal Pension Age (NPA)	Normal pension age is now linked to a member's state pension age for benefits built up from April 2015. If members take their benefits before their normal pension age, the benefits are reduced. If the benefits are drawn after normal pension age then they are increased. Benefits built up before 1 April 2015 are payable without reduction from age 65 but these benefits cannot be drawn earlier than the post 31 March 2015 benefits.
Pensionable Pay	The new definition of pensionable pay includes non-contractual overtime and additional hours. The full list of exclusions from pensionable pay is shown at section 4.1.2.

Term	Definition
Revaluation Adjustment	This is the amount by which a pension account is revalued at the beginning of the next Scheme year. It is usually the percentage change in prices in the Consumer Price Index (CPI) to the previous September.
Shared Cost Additional Pension Contributions (SCAPC)	A Shared Cost Additional Pension Contribution (SCAPC) occurs when a member decides to pay APCs to buy an additional amount of pension and the employer contributes towards the cost. SCAPCs can be one off or regular payments. SCAPCs can be used to cover the pension 'lost' during a period of unpaid leave of absence or unpaid child related leave providing the member makes an SCAPC election within 30 days of returning to work. In these cases the cost is shared 1/3 employee, 2/3 employer.
Staging Date	All employers need to enrol their workers into a workplace pension. The date when an employer must do this is known as its staging date. The Pensions Regulator will write to each employer with its exact date nearer the time.
Underpin	These are protections that apply to members who are close to retirement to ensure that they receive a pension at least equal to that which they would have received had the Scheme not changed on 1 April 2015. Those members who are protected by the underpin have to meet the criteria below: • Were active members on 31 March 2012, and • Were within 10 years of their Normal Pension Age on 1 April 2012, • Were active members immediately before the underpin date and receive payment of benefits on or after the underpin date, • Have not had a disqualifying break in service of more than 5 years, and • Have not drawn any benefits before the underpin date. The underpin date is the date you reached age 65, or the date you died in service or the date you left the Scheme with an immediate entitlement to pension (including flexible and voluntary early retirement).
50/50 Section	The 50/50 section allows members to pay half the contributions and build up half the pension. The employer continues to pay the full level of employer's contributions, not half.

~~10.2~~10.4 Glossary of Acronyms

APC:	Additional Pension Contributions (paid by scheme member)
APP:	Assumed Pensionable Pay
ARC:	Additional Regular Contributions (paid by scheme member)
ASBC:	Additional Survivor Benefit Contributions (paid by scheme member)
AVC:	Additional Voluntary Contributions (paid by scheme member)
CAC:	The total additional employee's additional contributions (per type) for the Scheme year in respect of the employment
CARC:	The total additional employer's additional contributions (per type) for the Scheme year in respect of the employment
CEC1:	Cumulative employee contributions (if any) deducted from pensionable pay in previous field
CEC2:	Cumulative employee contributions (if any) deducted from pensionable pay in previous field
CPP1:	Cumulative pensionable pay received in the employment during the Scheme year whilst in main section
CPP2:	Cumulative pensionable pay received in the employment during the Scheme year whilst in 50/50 section
CRC:	Cumulative employer contributions deducted from pensionable pay in respect of the employment
EAPC CAC:	Cumulative additional pension contributions (APCs), if any, paid by the employee in respect of the employment
EAVC CAC:	Cumulative additional voluntary contributions (AVCs), if any, paid by the employee in respect of the employment
FTE:	Full-Time Equivalent final pay in respect of the employment for the scheme year
FPP:	FTE Final Pay
KIT:	Keep In Touch day
LGPC:	Local Government Pensions Committee
LGPS:	Local Government Pension Scheme
RAPC CARC:	Cumulative additional pension contributions (APCs), if any, paid by the employer in respect of the employment
RAVC CARC:	Cumulative additional voluntary contributions (AVCs), if any, paid by the employer in respect of the employment
SCAPC:	Shared Cost Additional Pension Contributions (cost met by scheme member and the employer)
SCAVC:	Shared Cost Additional Voluntary Contributions (cost met by scheme member and the employer)
SPLIT:	Shared Parental Leave in Touch day