

NILGOSC NEWS 2021



WELCOME TO THE **2021** NILGOSC ANNUAL PENSIONERS' NEWSLETTER

As we move into 2021, we're pleased to report that, despite the severe impact of the COVID 19 pandemic on global financial markets, the fund has continued to perform well and is now valued over £9bn (as of 31 December 2020). Scheme membership has continued to grow to 142,491 members by March 2021, which includes 39,913 pensioners. This newsletter not only sets out our review of the year but also contains notes on your payslip and P60. Therefore we recommend that you read this newsletter as it will answer many of the common questions we get asked. We hope you enjoy reading this edition.



WE RECOMMEND THAT YOU TAKE THIS OPPORTUNITY TO:



Update your
Death Grant –
Expression of Wish
SEE PAGE 10



Sign up to
My NILGOSC Pension
Online
SEE PAGE 12

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PENSION PAYMENT DATES

The table below shows the dates on which your pension will be paid each month.

TIMETABLE

2021	
30/04/2021	Friday
28/05/2021	Friday
30/06/2021	Wednesday
30/07/2021	Friday
31/08/2021	Tuesday
30/09/2021	Thursday
29/10/2021	Friday
30/11/2021	Tuesday
21/12/2021*	Tuesday
2022	
31/01/2022	Monday
28/02/2022	Monday
31/03/2022	Thursday

***Please note early payment of pension in December**



NEWS



NEW WEBSITE LAUNCH

You may have already noticed that NILGOSC launched its brand new, much improved website last month. If you haven't already had a look, why not visit the Pensioners' section of the website for everything you need to know about receiving and managing your pension with us.

COVID-19 IMPACT ON VISITORS TO TEMPLETON HOUSE

The pandemic has impacted all our lives and presented a number of unexpected challenges. While we hope the roll out of the vaccines is bringing us closer to a return to normality, there are still many unknowns ahead.

Although the office is currently closed to visitors, NILGOSC continues to function behind closed doors. We continue to operate a full service and queries can be answered over the telephone or by completing the enquiry form on the NILGOSC website.

We will, of course, continue to review the situation in line with Government advice. When it is safe to reopen, we intend to manage visits to Templeton House via an appointment-only basis. Please keep an eye on the NILGOSC website for up-to-date information.

GMP EQUALISATION HIGH COURT RULING

You may have read about a High Court ruling in 2018 stating that all pension schemes must equalise Guaranteed Minimum Pension (GMP) between men and women. The ruling will not change the vast majority of pensions paid by the public sector pension schemes including the NILGOSC scheme.

The Government is still considering what action to take for a specific small number of members. Once decided, NILGOSC will automatically add any monies owed - **there is no need to contact us to make a claim.**



YOUR PENSION

YOUR PAYSリップ AND P60 END OF YEAR CERTIFICATE

We have recently upgraded our [My NILGOSC Pension Online](#) service to allow the annual P60 and monthly payslips to be published and printed off as official documents. This means that should one go astray or is required in a hurry, it will be instantly available online. We have already uploaded your P60 and April payslip to your [My NILGOSC Pension Online](#) account for those members who have already registered. You will have received an e-mail or letter advising you of this.

For those members not registered for the online service or for whom we do not hold a valid e-mail address your P60 and April payslip have now been combined and these have been posted as normal.

Monthly payslips that can be printed at home is a new feature of our self-service facility. Currently pensioners not registered for [My NILGOSC Pension Online](#) will only receive a payslip in April of each year or if the pension payment changes by £5 or more. For those pensioners that historically have requested paper payslips, these will continue to be posted.

Your April payslip shows your annual and monthly pension rates for last year but also your new rate after the pension increase has been applied. Pensions which have been in payment for a full year have been increased by 0.5% from 12 April 2021. As the new rate only applied from 12 April 2021, April's pension includes a mix of the old and new pay rates. Your May 2021 payment will include the full increase for the whole month. The monthly rate will then remain the same for the rest of the year, assuming your annual rate of pension and tax code do not change.

If you see 'Early Pay' or 'Deferred to Pensioner' on your April payslip, this refers to a one-off increase due on the lump sum that NILGOSC paid to you when you retired. This payment only applies to those members who left the Scheme in a previous tax year and whose pension came into payment between April 2020 and March 2021.

YOUR PAYSリップ AND P60 END OF YEAR CERTIFICATE

The P60 gives details of the pension we paid to you and any tax that has been deducted in the tax year 2020/21. It is an important document so please keep it in a safe place.



NILGOSC receives a large number of queries from pensioners about their tax codes. Unfortunately, we are unable to explain why HM Revenue & Customs (HMRC) has set or amended your tax code to a particular level.

These queries should be made to HMRC. They can be contacted on 0300 200 3300 or 0044 135 535 9022 if you live overseas. Remember to quote your National Insurance number and our Tax District Reference number which is 916/G82576.



CONTACT HMRC

Call: 0300 200 3300

Call from Overseas: 0044 135 535 9022

YOUR PENSION INCREASE THIS YEAR

Local government pensions in payment are revalued each April, in line with the Consumer Prices Index (CPI) measure of price inflation recorded in the twelve months to the previous September. The increase for this year is 0.5%. April's pension payment will be a combination of two different annual rates. The first is the current rate that applies from the 1st of the month to the 11th; the second is the increased rate that applies from the 12th to the 30th. Therefore, you won't get the full increase of 0.5% until May.

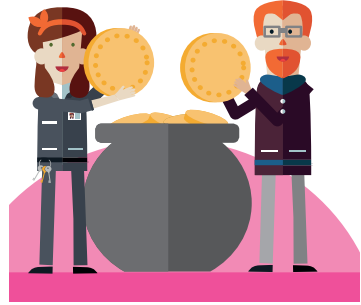
For members who reached state pension age before 6 April 2016 and were paying into the NILGOSC scheme before 5 April 1997, part of the 0.5% increase is paid by NILGOSC, the rest is paid through the State Pension.

If you retired during the last year, the percentage increase that you will receive depends on the number of months your pension has been in payment (see page 9). No increase is paid if you retired after 27 March 2021.



YOUR PENSION INCREASE THIS YEAR

If you only started drawing your pension for the first-time part way through the year, you will get part of the year's pensions increase as shown in the table below:

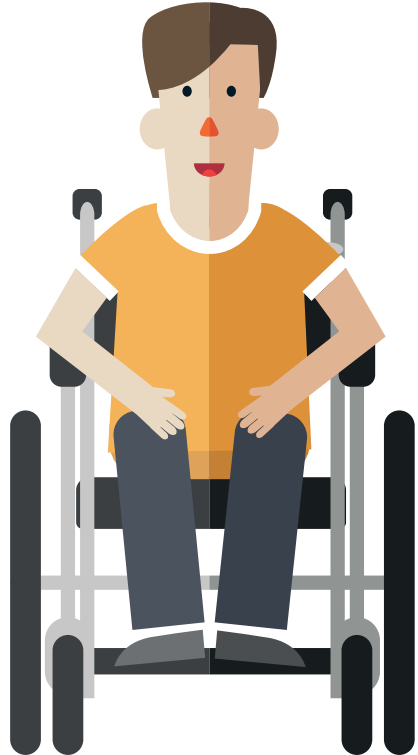


DATE OF RETIREMENT	INCREASE
28-Apr-20 to 27-May-20	0.46 %
28-May-20 to 27-Jun-20	0.42%
28-Jun-20 to 27-Jul-20	0.38%
28-Jul-20 to 27-Aug-20	0.33%
28-Aug-20 to 27-Sep-20	0.29%
28-Sep-20 to 27-Oct-20	0.25%
28-Oct-20 to 27-Nov-20	0.21%
28-Nov-20 to 27-Dec-20	0.17%
28-Dec-20 to 27-Jan-21	0.13%
28-Jan-21 to 27-Feb-21	0.08%
28-Feb-21 to 27-Mar-21	0.04%

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28-May-20 to 27-Jun-20	0.42%
28-Jun-20 to 27-Jul-20	0.38%
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28-Sep-20 to 27-Oct-20	0.25%
28-Oct-20 to 27-Nov-20	0.21%
28-Nov-20 to 27-Dec-20	0.17%
28-Dec-20 to 27-Jan-21	0.13%
28-Jan-21 to 27-Feb-21	0.08%
28-Feb-21 to 27-Mar-21	0.04%

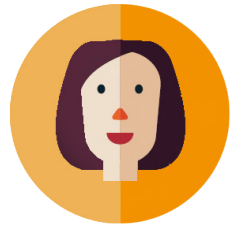
Are there any other reasons the increase might not apply?

Yes, if you are under 55, your pension won't start increasing until your 55th birthday, unless you retired on the grounds of ill-health.



DEAR ERIKA...

ERIKA BEATTIE, PAYROLL MANAGER, ANSWERS YOUR PENSION QUESTIONS.



1. What is the easiest way to manage my pension?

One of the best things you can do to make it easier to manage your pension is to register for our online portal - [My NILGOSC Pension Online](#). This means you won't lose track of your monthly pension, you can update your personal information and you can also view important documents such as your monthly payslips and P60 details. Further details can be found on page 12.

2. How do I nominate someone for my Death Grant?

If you die after retiring on pension, your loved ones may receive a payment, known as a Death Grant. You can let us know who you would like to receive the Death Grant using your [My NILGOSC Pension Online](#) account. You can also download the Expression of Wish form from the Pensioners' section of our website www.nilgosc.org.uk/pensioners/keep-us-updated and post it to us. A Death Grant payment is not payable under every circumstance. If you are over age 75 or have been receiving your pension for a certain length of time a Death Grant will not be paid. For more information visit our website www.nilgosc.org.uk/pensioners/death-benefits.

3. Do I need to inform you if I move address?

It is important to let us know if you move home because if we get undelivered mail returned to us, your pension will be stopped.

You can update your address through your [My NILGOSC Pension Online](#) account or you can contact the payroll team by phone, email, or post using the details on the back page.

4. How do I inform you of a change of Bank Account?

If you want us to pay your pension into a different account, you can update your bank details using [My NILGOSC Pension Online](#) or in writing by post. Unfortunately, **we cannot** accept bank changes over the telephone.

Please allow us enough time to make the change. Let us know three weeks before your next payday so we don't try to make the payment to your old bank account, which may have already been closed.

SURVIVORS' BENEFITS

While many of us don't want to think about dying, it may give you peace of mind to know that the Scheme provides survivors' benefits for your loved ones.

A pension could be paid to your:

- spouse
- eligible cohabiting partner
- civil partner
- eligible children

If you die after retiring on pension, your next-of-kin or person dealing with your estate must inform us immediately. Before any benefits are paid out, NILGOSC must check the eligibility of the claim.

In the case of a spouse or civil partner, it's quite simple and all we require to see is the marriage or partnership certificate and a copy of the spouse or civil partner's birth certificate. In the case of a cohabiting partner it will be necessary to prove that you were cohabiting partners (living together) and that the eligibility criteria, specified within the regulations have been met.

For more information on the criteria for cohabiting partners visit our website: www.nilgosc.org.uk/pensioners/death-benefits/cohabiting-partners-pensions.

The amount of pension payable to an eligible child depends on how many children there are and whether a survivor's pension is also being paid to a spouse, civil partner or eligible cohabiting partner.

For more information on children's pension and the criteria for eligible child visit our website:

www.nilgosc.org.uk/pensioners/death-benefits/childrens-pensions/

McCLOUD JUDGEMENT UPDATE

You may have heard about this case on the news. This judgement relates to two employment tribunal cases where it was found that the protections for older members when new public sector pension schemes were introduced in 2015, were unlawful on the grounds of age discrimination. This also affects the LGPS (NI) where the protection was by an 'underpin'. The Government is currently working on a solution and, if you are affected, **you do not need to do anything** as your benefits will be corrected to remove the inequality in due course.



For more information, please visit our website:

www.nilgosc.org.uk/pensioners/help-and-support/mccloud-court-case.

MY NILGOSC PENSION ONLINE

Why not join the over **5000** pensioners who have already signed up so far? We know that having access to your pension details when needed is important to you, so it's important to us. It's simple and secure and allows you to instantly view and update your information – wherever and whenever.

HOW DO I REGISTER?

Don't worry, it's easy all you need is an internet connection and computer, tablet or smartphone. Get online in 3 simple steps:

1. Visit www.nilgosc.org.uk and click on 'Register' at the top of the page
2. You will need your National Insurance number and your email address to request an Activation Key.
3. Once you have the Activation Key you can complete the registration by creating your username, password and security responses

WHAT CAN I DO?

As a pensioner member, once you are logged into [My NILGOSC Pension Online](#), you can:

- View and update your personal information and contact details
- Make or alter your Expression of Wish - Death Grant nomination, so your family are taken care of should anything happen to you
- View details about your pension
- Update your communication preferences
- View and print payslips and P60s
- Upload documents directly to NILGOSC



PAYSLIPS AND P60S

If you received your P60 and April payslip by post this year but would be interested in all future payslips and P60's being available to view and download online, this can be updated through your [My NILGOSC Pension Online](#) account.

Just log in and update your payroll communications preference in the 'Payroll' section by clicking on the Communication Preferences option.

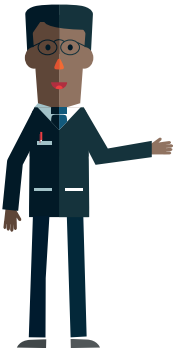
There is no need to contact us if you currently get your payslip and P60 by post and want this to continue. NILGOSC will continue to post a payslip and P60 to your home address each April.

GENERAL COMMUNICATIONS

If you would like to receive general communications such as this yearly newsletter electronically you can tell us in the following four ways:

- register your preference on our website at www.nilgosc.org.uk/contact/communication-preferences;
- via [My NILGOSC Pension Online](#) - you can choose your communication preference under the 'My Details' section by clicking on the Edit button at the bottom of the page;
- email the team at payroll@nilgosc.org.uk; or
- write to us or telephone our office on 0345 3197 326

Please note that your general communications preferences are held separately from your payroll preferences which means that you can decide to still have a paper copy of your newsletter and an electronic copy of your P60 and payslips.



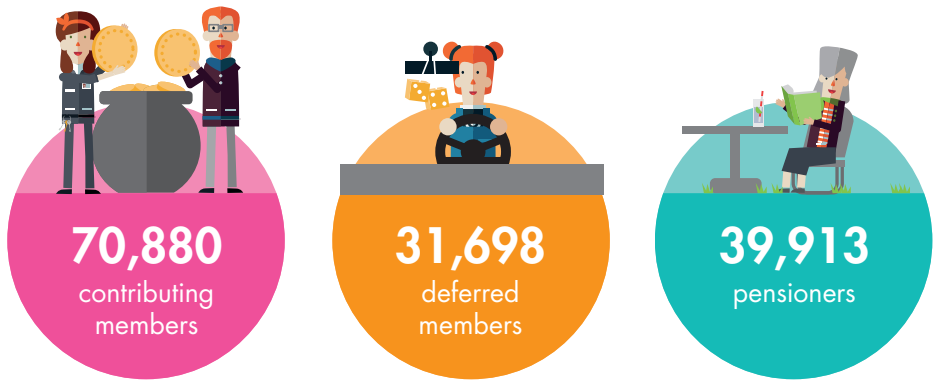
www.nilgosc.org.uk

REVIEW OF THE YEAR 2020/21

The last year has been a busy one for NILGOSC with membership increasing to **142,491** members by 31 March.

MEMBERSHIP

At 31 March 2021, the Scheme had:



- We pay over **39,900** pensioners every month
- Total pensions of over **£192 million** were paid during 2020/21
- Pensions were increased in April 2021 by 0.5%

SATISFACTION SURVEY

97% of pensioners rate customer satisfaction as good or excellent

HERE'S WHAT SOME OF OUR PENSIONERS HAD TO SAY...



Excellent service always very helpful and friendly.

Your service has been excellent during my 28 years retirement



I am so pleased to have the support of NILGOSC which has made my retirement easy, thank you.



HOW WE INVEST

At 31 December 2020 the fund had a total value of over £9 billion.

As a pension scheme with benefits payable far into the future, NILGOSC takes a longer-term approach to investment to avoid undue focus on short-term events and volatility. We have therefore set an investment target which looks at returns over 3 and 5 year periods.

Our target is the Consumer Price Index (CPI) + 3.5%. Total investment returns to 31 December 2020 compared to our target are shown in the table below:

	3 Years	5 Years
NILGOSC	7.90%	10.76%
CPI + 3.5%	4.98%	5.89%

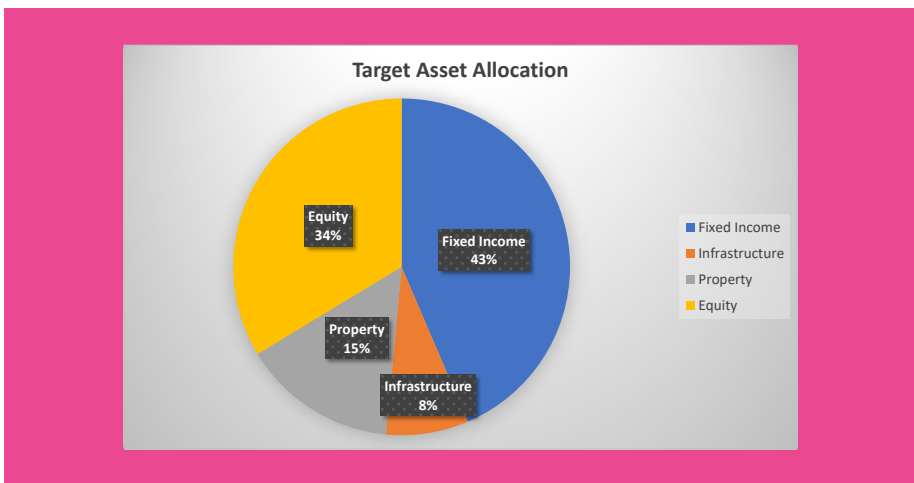
As is often quoted, past performance really is no guarantee of future returns in financial markets and our focus remains firmly on the future and achieving solid longer-term investment returns within an acceptable level of risk. With this in mind, NILGOSC has established a strategic planning process which allows it to identify and achieve its long-term strategic objectives. A key part of this process is the triennial strategic review, the last of which took place in October 2017, which resulted in a change to both its strategic asset allocation and overall investment target.



A transition plan was put in place to allow funds to be moved across asset classes in a timely and controlled manner, with the investment strategy projected to be implemented in full during 2021. The first stage of the transition was successfully completed in March 2018, with £828m transferred from active UK equity mandates to passive index linked gilts.

The second stage was completed in March 2019. This involved a £2.2 billion transfer of assets from equities, passive holdings and existing fixed income to four new specialised fixed income mandates. The third part of the process was the appointment of a new investment manager, CBRE, in February 2020 to manage a £250 million Global Property portfolio. The mandate is gradually being funded over 12-18 months as suitable opportunities arise. The final stage of the transition will be the appointment of a specialised Emerging Market Equity manager to manage a mandate of c. £200 million. This appointment will take place during 2021. The next investment strategy review is scheduled for later in 2021.

The chart below shows the different asset classes and allocations in which the pension fund will be invested when the transition is complete:



Like many investors, NILGOSC encountered a volatile period during 2020/21 in respect of its investment portfolio, particularly as equities rallied in the aftermath of the initial wave of the global pandemic. For further details of how the NILGOSC fund is invested and of fund performance, please refer to the NILGOSC website: www.nilgosc.org.uk/pension-fund.

Collaboration is one of NILGOSC's six strategic themes and during 2020/21 we continued to work together with other UK LGPS Funds on infrastructure investments to help achieve the mutual benefits of scale investing, which include better commercial terms and reduced costs. NILGOSC currently has ten such infrastructure co-investments.

RESPONSIBLE INVESTMENT

NILGOSC continues to take its responsibilities as a global investor seriously and strongly believes that environmental, social and corporate governance (ESG) issues can and do affect the long-term performance of investments. It is therefore our policy to take these factors into account when managing our investments, subject to the overriding fiduciary duty to maximise the financial return for pension scheme members and beneficiaries.

As a responsible investor, NILGOSC has a legitimate interest in the management of the companies in which it invests. NILGOSC sees voting as a means of expressing concern over ESG issues and votes, if possible, at all company meetings within its actively managed equity portfolios. From 1 April to 31 December 2020, NILGOSC exercised its voting rights at 199 company meetings held by 186 globally listed companies.



From 1 April to 31 December 2020, NILGOSC showed its dissatisfaction and voted against management recommendations on 29.4% of resolutions, with the main areas of concern being executive pay and board and committee composition.

As a means of demonstrating its commitment to responsible investment practices, NILGOSC has adopted the United Nations Principles of Responsible Investment (PRI) and engages with the companies in which it invests: by writing directly to UK and European companies when it has voted against resolutions at Annual General Meetings to outline the rationale for the decision; in collaboration with like-minded investors through the PRI and other investor groups, and indirectly via its Fund Managers. From 1 April to 31 December 2020, NILGOSC participated in several collaborative initiatives including:

- officially supporting the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD);
- signing letters to the UK Government and to EU heads of state and government, calling for a sustainable resilient recovery in the aftermath of the initial wave of the pandemic;
- the CDP's 2020 Non-Disclosure Campaign; and
- the CDP's 2020 Climate Change, Water and Forests campaign.

Detailed information on how we invest the Fund, including our responsible investment practices, is available in the Pension Fund section of our website at:
www.nilgosc.org.uk/pension_fund



THE CHANGING CLIMATE

Climate change is a global challenge for governments, corporations and institutional investors alike. NILGOSC acknowledges that the changing climate will have a significant impact on the global economy, corporations and society, whether through direct physical impacts, tighter regulations or reputational damage suffered by those who fail to adequately address the issue of global warming.

NILGOSC believes that climate change presents a material financial risk to the Fund and will therefore take climate risk considerations into account as part of its investment policy. NILGOSC considers that this approach is consistent with its legal duty to act in the best long-term interests of its members and to deliver the long-term returns necessary to ensure an affordable and sustainable pension fund.

NILGOSC will only appoint fund managers and consultants who have demonstrated that they meet an acceptable threshold for ESG capabilities and encourages its fund managers to address climate risks and opportunities in their investment research, analysis, decision making and engagement activities.

NILGOSC has not banned investments in particular industries. NILGOSC has however instructed its active fund managers to take account of climate risk considerations in their decision-making process, provided the primary financial obligation is not compromised. Where climate change produces a financial risk for a particular investment, NILGOSC expects this to be a fundamental part of the investment decision making process and will monitor such decisions accordingly.

All active fund managers are also instructed to engage, on NILGOSC's behalf, with those companies where ESG policies and disclosures, including consideration of climate risk, fall short of acceptable standards.



NILGOSC continues to work together with other like-minded investors on initiatives which seek to reduce the threat and impact of climate change. NILGOSC is a member of the Institutional Investors Group of Climate Change (IIGCC), which is the European membership body for investor collaboration on Climate Change. IIGCC represents over 275 investors with €35 trillion in assets. NILGOSC is also a supporter signatory of Climate Action 100+, an investor initiative, launched in 2017, which aims to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.

NILGOSC believes the best way to bring about change in corporate behaviour is to remain as an active and influential investor. Alongside this it will continue to seek suitable investments in low carbon opportunities where these yield an attractive level of return for an acceptable level of risk. To this end it will continue to engage with governments and policy makers to establish long-term policies which create a range of attractive opportunities and technologies of the future.

NILGOSC's Climate Risk Statement acknowledges the importance of climate risk as an investment issue and sets out the steps which will be taken to address it. NILGOSC has also prepared a briefing note and short video for members on how it is responding to climate change. Both can be viewed on our website:

www.nilgosc.org.uk/pension-fund/being-a-responsible-investor/climate-risk/

Further information on how we invest the Fund, including our responsible investment practices and approach to climate risk, is available in the Pension Fund section of our website at: www.nilgosc.org.uk/pension-fund.

DATA SHARING AND ACCESSIBILITY

DATA PROTECTION

NILGOSC is a data controller under UK data protection law. This means we store, hold and manage your personal data in line with statutory requirements to enable us to provide you with pension administration services. To enable us to carry out our statutory duties, we are required to share your information with certain bodies but will only do so in limited and specified circumstances.

For more information about how we hold your data, who we share it with and what rights you have to request information from NILGOSC, please refer to the Privacy Notice for Members and Scheme Beneficiaries, available on our website at: www.nilgosc.org.uk/data-protection.

If you do not have access to the internet, or if you would like a hard copy of this Privacy Notice, please contact us using the details on the back cover.

Requests in relation to accessing your personal data or exercising any other rights under data protection legislation should be made in writing or via email to the Data Protection Officer at NILGOSC at governance@nilgosc.org.uk.

NATIONAL FRAUD INITIATIVE

In order to prevent and detect fraud, we may share information with other bodies responsible for auditing or administering public funds.

We participate in the National Fraud Initiative (NFI) run by the Northern Ireland Audit Office, which has statutory powers to conduct data matching exercises. As part of this initiative, we provide details of pensioners and deferred members so that the information can be compared to that held by other public bodies. This will ensure, for example, that a pension is not being paid to someone who has died or is no longer entitled.



For further information about our participation in the National Fraud Initiative, please refer to the NFI Privacy Notice available on our website at www.nilgosc.org.uk/about-us/data-protection or contact our Governance Manager at governance@nilgosc.org.uk. If you would like a hard copy, please contact us using the details on the back cover.

ACCESSIBILITY FOR OUR MEMBERS

We are always happy to provide documents and Scheme communications in an alternative format (such as audio or large print) or an alternative language for those whose first language is not English.

For more information and an alternative communications form, please refer to the 'Alternative Methods of Communication' booklet which can be downloaded from our website at www.nilgosc.org.uk/about-us/equality-scheme-reports or obtained from NILGOSC.

If you would like to raise an equality issue with NILGOSC, please contact the Equality Officer on **0345 3197 320** or email equality@nilgosc.org.uk.

CONTACT DETAILS



NILGOSC
Templeton House
411 Holywood Road
Belfast BT4 2LP



www.nilgosc.org.uk



0345 3197 326
From Overseas:
0044 28 90 764196
Typetalk (for minicom users):
18001 0345 3197 326



info@nilgosc.org.uk

NILGOSC

NORTHERN IRELAND LOCAL GOVERNMENT OFFICERS'
SUPERANNUATION COMMITTEE

