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To: Salaries and Wages
Human Resources
Pension Contacts

Circular 3/2022

16 March 2022

At: All Employing Authorities

Dear Colleagues,

Possible Strike

We understand that there may be strike action at some employing authorities beginning next week. This circular is to remind employers of the provisions in the Local Government Pension Scheme Regulations (Northern Ireland) 2014, as amended, relating to absence from work due to a trade dispute.

1. Pension Implications

A member remains an active member of the Scheme while absent due to a trade dispute, however, this period of absence does not count towards the member's pension and no employer or member contributions are payable during this time.

If the member wishes to cover the 'lost' pension for the period of absence, they may do so through an Additional Pension Contribution (APC) contract paid either over a period of time or as a one-off lump sum. A member may choose to cover this 'lost' pension while they are an active contributing member. Under the regulations there is no employer contribution towards the cost unless the employer chooses to do so.

Any pre-existing APC or Shared Cost APC contracts remain payable during the period of absence. Employer contributions to a Shared Cost APC also remain payable. The employee payments should be deducted if there is enough pay in the period from which to

deduct the payment. Otherwise, the employee payment that was due will rollover as a debt to be recovered from pay when they return to work.

Any pre-existing AVC or Shared Cost AVC contracts remain payable for as long as there is enough pay to cover them. Any member paying AVCs for additional life assurance will need to make arrangements to continue to pay these so that there is no lapse in their life assurance.

Any existing part-time buy back, ARCs and added years contracts must continue to be paid.

2. Actions for employers

What to tell members

Employers should inform those members who are absent due to a trade dispute of their right to purchase the amount of 'lost' pension during the period through an Additional Pension Contribution contract. They should also be advised that they will have no pension accrual for that period other than they choose to buy the 'lost' pension. Each day that they are absent will marginally reduce the amount of pension to be credited to their CARE pension account. It may also have a marginal effect on the final pay figure used to calculate final salary benefits for anyone who was in the Scheme before 1 April 2015 or who is eligible for the underpin if they leave within 12 months (or three years) in some cases of the end of the trade dispute. For a few members it could slightly extend the date when their 85-year rule date is attained.

What to tell NILGOSC

Employer using the online return on i-Connect or not yet on i-Connect

Those 40 employers who are now using the monthly online return and all employers who are not yet using i-Connect will need to complete and return the Service Break Return spreadsheet (SS35) and forward this to NILGOSC. This [spreadsheet](#) is available on our website.

Employer using a payroll extract file on i-Connect

Those employers who are already using a payroll extract file on i-Connect should ensure that the strike breaks are properly recorded on the payroll extract file. These breaks will then be uploaded and recorded on the relevant member's record.

3. More information

More information on trade disputes is available in section 6.5 of the [Employer Guide](#)

If you have any further queries or wish to speak to us then please contact either myself or any member of the Pensions Development Team.

Yours sincerely

Zena Kee

Head of Pension Policy