

Scheme Benefits Transcript

0:00 – 0:09

thank you for coming to this afternoon session my name is Ruth Benson I'm the Employer Liaison Officer for NILGOSC I'm going to start with just a little bit of housekeeping I will be keeping

0:09 – 0:15

you all automatically muted just for um background noise um but you will be able to unmute yourself

0:15 – 0:21

at the end if you have any questions um as we go through today's session because of the number of

0:21 – 0:27

attendees I would like to keep the questions till the end of today's session if possible please but

0:27 – 0:33

please do feel free to type any questions you may have in in the chat um and I'll try to get to them

0:33 – 0:39

um towards the end of of today's session um so as I said my name is Ruth I'm uh the Employer

0:39 – 0:45

Liaison Officer for NILGOSC I'm here to talk to you today about the Scheme benefits um for

0:45 – 0:51

you as members and potential members of the Local Government Pension Scheme in Northern Ireland um

0:51 – 0:57

I do know that we have at least one employer who has forwarded this um pension information session

0:57 – 1:03

details to some teaching staff so apologies if you are um a member of the Teachers Pensions Scheme or

1:03 – 1:09

indeed the University Superann um this is not for you you're perfectly welcome to stay but this is

1:09 – 1:18

only for members and prospective members of um the NILGOSC pension scheme the LGPS NI um okay

1:18 – 1:25

so I am going to get stuck in I'm going to talk to you today for around about 40 minutes I'm going to

1:25 – 1:36

look at um a little bit of the background of the Scheme and what the overall benefits are of being a member we'll cover a little bit about how much you pay in um and then we'll look at what happens

1:36 – 1:41

whenever you leave the Scheme before retirement we're also going to look at the different types of

1:41 – 1:48

re retirement that are available um in this Scheme and there's even um a calculation for showing you

1:48 – 1:54

how a pension is worked out um at um roughly halfway through this session I'm going to hand

1:54 – 2:00

over to my colleague Sinead Nicholson who's going to take you through the online demonstration for

2:00 – 2:07

My NILGOSC Pension Online and then finally will come back to me um for any questions just before I

2:07 – 2:21

get started I see Kimberly has her hand raised do you want to unmute yourself and ask me a question Kimberly oh thanks very much and can I just check uh the um sessions were uh the information about

2:21 – 2:29

them were they circulated to everybody in NILGOSC they were all NILGOSC employers um and presumably

2:29 – 2:39

they will have forwarded that information on to their members okay because sorry forgive me because because that doesn't seem to be the case and I didn't understand then why I got an

2:39 – 2:47

invite but so you're saying you put it through to uh the college so the NILGOSC employer yes

2:47 – 2:54

we've given it to 169 of the employers that participate in the NILGOSC scheme um okay are

2:54 – 2:59

you not a member of our Scheme no I am a member I'm just curious as to why other colleagues didn't

2:59 – 3:09

get it (oh you'd have to speak to your College) there may be some reason I just didn't understand if you understand so I'll go back to the college okay thanks very much all right thanks sorry for

3:09 – 3:17

that everybody um okay so I'm going to get stuck in um first and foremost what is a pension with

3:17 – 3:23

the Local Government Pension Scheme in Northern Ireland we are a defined benefit scheme so that

3:23 – 3:30

puts us slightly different to the likes of the defined contribution schemes um like uh a personal

3:30 – 3:36

pension um that you may have or a private pension with the defined benefit scheme the benefits that

3:36 – 3:42

we pay you in the event of your retirement are set out in law so it doesn't matter about investment

3:42 – 3:47

performance or anything like that um the scheme regulations are what dictates what benefits will

3:47 – 3:55

pay you we are currently a career average revalued earning scheme sometimes it's referred to as a

3:55 – 4:01

CARE scheme or career average for short um for those of you that have been with us since before

4:01 – 4:07

2015 you'll remember whenever we were a final salary scheme we had two different versions of

4:07 – 4:12

the final salary scheme um and I'll cover that in a little bit more detail in in this afternoon's

4:12 – 4:18

session your pension when it comes into payment is payable for life so it's not like there's a

4:18 – 4:28

fi uh there's a pot of money with a finite amount of money in it that's eventually going to run out your pension once it comes into payment is payable for life however long you may live your pension

4:28 – 4:34

will be paid and of course it's index linked which means it'll rise each um year in line with

4:34 – 4:43

inflation the Scheme operates what we call contractual enrolment and essentially what

4:43 – 4:49

that means is it's a part of your contract of employment that if you're under 75 and you have

4:49 – 4:54

a contract of employment of 3 months or more then you will be a member of the Scheme from

4:54 – 5:03

day one although you can choose to opt out at any time if you wish um the main benefits um I'm

5:03 – 5:08

going to cover um just in brief on this slide first and foremost we have the fact that your

5:08 – 5:15

employer contributes most of our employers are paying 19% of your pay into the pension

5:15 – 5:20

scheme some of our employers do um depending on their admission agreement they may pay slightly

5:20 – 5:26

different amounts um if you opt out of the Scheme unfortunately you don't get to pocket that extra

5:26 – 5:34

19% you will just lose it so is a valuable part of your remuneration package um over above that

5:34 – 5:41

of course we will offer you a pension that pension as I explained is index linked and it'll rise each

5:41 – 5:47

year in line with inflation and it'll be payable for however long that you live in addition to the

5:47 – 5:54

pension um there is also redundancy protection if you are 55 or over and your employer makes you

5:54 – 6:01

redundant we will pay you out a pension from that point in time most importantly we won't

6:01 – 6:08

apply any early payment reductions um in the event of a redundancy um your benefits will be

6:08 – 6:17

protected from um reductions um we also offer ill health protection and with ill health protection

6:17 – 6:22

there is no minimum age requirement we just ask that you have two years membership in the Scheme

6:22 – 6:28

before you apply for ill health protection should anything happen to you and you're no

6:28 – 6:39

longer capable of carrying out the duties of your job from now until your State Pension age we will pay out an ill health pension that will include an enhancement which is dependent

6:39 – 6:46

upon the severity of your illness when it comes to death benefits we have two elements um that

6:46 – 6:52

are provided by the Scheme first and foremost we have life cover um now for an active member

6:52 – 6:57

in this Scheme if you should die while you're actively contributing to the Scheme we will

6:57 – 7:04

pay out a death grant to your loved ones to the value of three times your annual pay and that's

7:04 – 7:10

tax-free to that death grant that one-off lump sum we will also pay

7:10 – 7:17

any survivors pensions to any eligible survivors that you leave behind um as

7:17 – 7:33

I say I will cover each of these in more detail as we work through this afternoon's session okay so how much does this cost we have a range of contribution rates that span from 5.5 %

7:33 – 7:41

up to 10.5 % and the amount that you will pay is determined by your annual salary if you're

7:41 – 7:47

part-time it's your part-time pay that will determine what contribution rate you pay um

7:47 – 7:54

for example if you are earning 22,500 pounds each year you will fall into band two and it

7:54 – 8:02

means you'll pay 5.8% of your pay um in addition to your employee contributions we do of course

8:02 – 8:10

have the employer contribution which for most of our employers is 19% so what you pay into this

8:10 – 8:16

Scheme is determined by your earnings however there is a little bit of flexibility within the

8:16 – 8:21

Scheme there is one way that you can pay less into the Scheme and that's known as the 50/50

8:21 – 8:27

section and there are two ways that you can pay more into the Scheme the first one is additional

8:27 – 8:34

pension contributions or APC for short and the second way is additional voluntary contributions

8:34 – 8:40

or AVC for short and if we look first at the 50/50 section this was initially brought into

8:40 – 8:46

this scheme in 2015 um as an alternative to opting out we were finding that some members

8:46 – 8:53

were opting out maybe they were saving for um a mortgage or their house deposit or maybe they a

8:53 – 9:03

wedding coming up for whatever reason they were looking to save every penny coming in and we were finding that those people were opting out to do that the real drawback with

9:03 – 9:13

that is that it's not just your pension you're opting out from it's all the other benefits that come along with that your life cover your um ill health enhancement your survivors benefits all

9:13 – 9:20

of that um so this was initially brought in as as sort of like a halfway house um half in half

9:20 – 9:27

out if you'd like to join the 50/50 section in a nutshell you will pay half the contributions

9:27 – 9:33

and you will receive half the pension this is available to any member you can opt into or

9:33 – 9:39

out of the 50/50 section as often as you like um but it is important to note that while you're in

9:39 – 9:45

the 50/50 section you will still retain the same level of life cover and ill health enhancement

9:45 – 9:50

that you would if you were in the main section the reason why we can still afford to offer you

9:50 – 9:55

those benefits in full is because it's only your contributions that are halved we're still getting

9:55 – 10:02

the full 19% from your employer it is designed to be a short-term option the last thing we want

10:02 – 10:12

is somebody opting into the 50/50 section in their 20s and then turning around a handful of decades later and wondering where the rest of their pension is um so we have designed it

10:12 – 10:18

as a short-term option every 3 years in line with your employer's automatic re-enrolment

10:18 – 10:24

date anybody who's in the 50/50 section will be moved back into the main section so if you do opt

10:24 – 10:31

into it and forget about it the longest you can remain in the 50/50 section is three years that

10:31 – 10:37

doesn't mean though that you have to um remain in the main section if your employer moves you

10:37 – 10:43

back to the main section and you wish to operate permanently in the 50/50 section you can do that

10:43 – 10:48

but the onus is on you to fill in another form and make a conscious decision every three years

10:48 – 10:55

that yes I'm happy I want to opt out of half of my pension but the option's there and if you do

10:55 – 11:02

wish to opt into the 50/50 section or indeed back out of it there's a form LGS 12 or LGS 11 that

11:02 – 11:08

you need to fill in and give to your employer you can either download those off our website or you

11:08 – 11:14

can access them from My NILGOSC Pension Online I do have to point out while you're in the 50/50

11:14 – 11:19

section that your pension will not build up as quickly indeed it's only building up at half the

11:19 – 11:26

rate moving on to the first method of paying more into the Scheme we're going to look at

11:29 – 11:37

additional pension contributions or an APC for short with APCs you decide how much extra annual

11:37 – 11:51

pension you want to purchase for yourself it may be that you want to buy an extra 1000 pounds of of yearly pension or indeed you can go up to the maximum of 8,131 pounds of extra pension

11:51 – 12:00

you can choose to pay these extra contributions either via a lump sum or through your payroll

12:00 – 12:05

um you will of course receive tax relief whenever you are making additional um contributions just as

12:05 – 12:11

you would with your normal pension contributions um and it is important to note that if you are

12:11 – 12:18

looking to purchase extra pension you will have to pass a good health medical the reason for that

12:18 – 12:24

is should anything happen to you at some point during the contract um and you need to retire

12:24 – 12:29

on health grounds we will treat that contract as paid in full even though it isn't so we just

12:29 – 12:40

need a bit of assurance up front that you're likely to be in good health for duration of the contract purchasing an APC is also how you cover lost pension for example if you've taken

12:40 – 12:47

a career break or any authorised unpaid absences of more than 30 days um if you wish to cover the

12:47 – 12:54

lost pension during that authorised absence you can do this via um an APC however there's

12:54 – 12:59

no medical required and if you are doing this within 30 days of returning from your absence

12:59 – 13:06

your employer is obliged to pay 2/3 of the cost whereas when you're buying extra pension although

13:06 – 13:17

the regulations permit your employer to share the cost in this day age nobody has any spare money and we really just don't see any employer sharing the cost for additional pension the cost

13:17 – 13:22

for additional pension is dependent on your age at the start of purchase the younger you are whenever

13:22 – 13:29

you start the more financially efficient it works out um and also it'll take into consideration

13:29 – 13:36

whether you're paying via a lump sum or the length of contract um there is a link to our website in

13:36 – 13:41

this slide that will take you to the additional pension calculator um and just please note there

13:41 – 13:47

are two calculators there one is for purchasing extra pension which is probably at full cost to

13:47 – 13:52

yourself and the other calculator is for lost pension where your employer will be paying 2/3

13:52 – 13:59

of the cost so just make sure you're using the right calculator but with an additional pension

13:59 – 14:05

contribution your contributions are coming to NILGOSC you are buying Scheme pension you know

14:05 – 14:11

upfront how much you're purchasing and that amount is guaranteed it is in fact index linked as well

14:11 – 14:18

so it'll increase each year in line with inflation the drawback is that you're probably going to be

14:18 – 14:28

funding this entirely yourself the other way of paying extra into the Scheme is the AVC now with

14:28 – 14:35

AVC your contributions don't come to NILGOSC and you don't know upfront how much you're getting

14:35 – 14:43

with an AVC you've got much more flexibility on how much you pay you can choose to pop in however

14:43 – 14:49

much you wish um you also have the ability to increase that or decrease it stop it start it

14:49 – 14:56

um you've got a lot more flexibility on how much is going in um the drawback is that it's not a

14:56 – 15:02

guaranteed benefit and you don't have control over how much it's going to be worth at the end

15:02 – 15:10

your contributions will go to the Prudential who administer our in-house AVC fund um and one of the

15:10 – 15:17

benefits about an AVC is the fact that usually you can take back your full AVC fund value as

15:17 – 15:26

tax-free cash as long as you are within the HMRC rules um and the 25% maximum which I will explain

15:26 – 15:34

in a bit more detail later on afternoon if you do wish to commence um paying um AVCs with the

15:34 – 15:39

Prudential you can either follow the link that's in your slide to the Prudential's website or I

15:39 15:47

will show you how you can access it on our website um slightly later on there is a telephone number

15:47 – 15:52

for the Prudential but please note this is only for um people who are already contributing to the

15:52 – 16:00

AVC scheme if you want to set up your account the only way to do that is on their website

16:00 – 16:10

I've put in a wee slide here just to mention about the fact that there are tax implications on pension savings obviously whenever you're paying into the Scheme um either to the normal

16:10 – 16:16

contributions or any additional you're going to get tax relief on your pension savings um however

16:16 - 16:22

the tax man is only happy that you're um getting all that tax relief if you are operating within

16:22 – 16:29

two limits one of them is the lifetime allowance and that is due to be abolished um shortly um in

16:29 – 16:36

the coming months um so I'll not dwell on that one um but the annual allowance is due to remain

16:36 – 16:42

um and this is the amount that your pension can grow by in a year without you having to pay any

16:42 – 16:49

add additional tax charges and currently that's 60,000 so it won't impact too many of us um but

16:49 – 17:00

if you are thinking of putting the maximum into APCs and AVCs I just wanted to draw your attention to the fact that you may wish to seek independent um specialist tax advice before doing

17:00 – 17:12

so okay so what happens if you leave the Scheme before retirement maybe you are um taking up new

17:12 – 17:18

employment elsewhere um if you have two years membership in the Scheme whenever you leave

17:18 – 17:29

you will be entitled to what we call deferred benefits if you're leaving the Scheme with less than two years membership you will be entitled to a refund now with deferred benefits we do

17:29 – 17:34

the same calculation that we do for somebody who is retiring the only difference is that we don't

17:34 – 17:44

bring it into payment immediately what we'll do is we'll get your final pay details from your employer and we will close off your account we will write out to you and let you know how

17:44 – 17:49

much your deferred benefits are with NILGOSC and then each year in line with inflation we

17:49 – 17:56

will increase your deferred pension account we'll send you an updated benefit statement

17:56 – 18:03

every August and you'll be able to keep track of your deferred benefits you do have some options

18:03 – 18:09

you can choose to transfer to another pension provider um most pension providers have a time

18:09 – 18:20

limit on when they will accept a transfer in and it's usually one year so if it is something you're considering doing don't wait get onto that immediately um there's no cost

18:20 – 18:30

or anything um involved with us providing a quotation and there's no obligation you don't have to proceed with the transfer if you wish to leave it with us you also have the option

18:30 – 18:40

that if you take up further employment with one of the NILGOSC employers in our Scheme you will have the ability to aggregate or combine your NILGOSC pension pots um but again there'll be

18:40 – 18:47

a time limit on that it'll be um only in your first year of rejoining the Scheme we do have

18:47 – 18:53

a guide that's specifically for leaving the Scheme before retirement and it's um the little gray icon

18:53 – 19:01

at the bottom of this slide you can access this either on your online account or on our website and there's a lot more information there that if that would be relevant to

19:01 – 19:09

you moving on to the different types of retirement that are available in the Scheme firstly we're

19:09 – 19:16

going to look at voluntary retirement voluntary retirement can either be early normal or late the

19:16 – 19:22

earliest that anybody in the UK can currently retire is age 55 however the government is

19:22 – 19:30

increasing the minimum retirement age from 55 to 57 from the 6th of April 2028 I think their

19:30 – 19:36

intention here is to keep the minimum retirement age within 10 years of the State Pension age so

19:36 – 19:42

as we see that increase to 68 in the future we may also see the minimum retirement age

19:42 – 19:48

increasing again but watch this space currently it's um age 55 and we're just going to wait and

19:48 – 19:55

see to see what protections are available for any current scheme members but normal pension

19:55 – 20:00

age in the career average scheme is the point in time that we will pay your pension out in full

20:00 – 20:05

without reductions and that's linked to your State Pension age whatever that is by the time

20:05 – 20:15

we get there there's a link there on the slides that will take you to the Government's website if you want to calculate your State Pension um or Sinead will show you how you can access that

20:15 – 20:22

on your online account if you want to retire any earlier than your state pension age we will apply

20:22 – 20:29

actuarial reductions in accordance with how many years early you are retiring similarly if

20:29 – 20:35

you decide to retire after your State Pension age we will apply increases on account of potentially

20:35 – 20:45

paying that over a shorter period of time so if you really love your job and you want to keep on working past State Pension age you can do so and you will still continue building up um pension

20:45 – 20:53

in the Scheme the only requirement is that your pension must be paid by your 75th birthday um

20:53 – 20:59

this next slide here if you can see the numbers this is looking at the the amount of reductions

20:59 – 21:05

that would apply if you wanted to retire early so if like me you have a State Pension age of 68

21:05 – 21:12

if you wanted to go at 55 that would be 13 years early and there would be a 45% reduction to your

21:12 – 21:24

pension I don't know about you but I can't afford to lose half my pension so I'm not retiring at 55 however I am assured that if I were to do that I'm not losing half my pension I'm instead having

21:24 – 21:31

my pension paid for twice as long as expected so that's the thinking behind these reductions the

21:31 – 21:37

design is for cost neutrality um we essentially have a pension pot that we are assuming that's

21:37 – 21:42

going to come into payment at a set point in time however if you want that starting point to kick

21:42 – 21:48

in any earlier it means that we have to spread that amount over a longer period of time so we

21:48 – 21:54

will instead apply the reductions bottom line is if you're thinking of going early get online and

21:54 – 21:59

run a retirement quotation and find out what the percentage reduction means to your bottom line

21:59 – 22:05

pay packet before you make any decisions I do want to mention um while we're here it's only

22:05 – 22:13

your CARE pot that would get um reduced by the 13 years if you have final salary benefits you will

22:13 – 22:19

still retain um an earlier payable age for your final salary benefits so not all your benefits

22:19 – 22:26

would be reduced by 45% you may see that some of your benefits would have smaller reductions

22:26 – 22:31

indeed if you have any 85 year rule protections that would um reduce the amount of reduction as

22:31 – 22:39

well other types of retirement in the Scheme we have um redundancy and business efficiency

22:39 – 22:45

um I'm not an expert in employment law um my understanding is with redundancy it's the post

22:45 – 22:56

that's going but with business efficiency it's the person that's going however as far as your NILGOSC pension goes you'll be treated exactly the same um if your employer makes you redundant

22:56 – 23:02

or you accept um termination of your employment on the grounds of business efficiency if you're

23:02 – 23:07

55 or over when this happens we will bring your pension into payment and the key thing is that

23:07 – 23:15

we won't apply that 45% reduction there is no reduction applied to your redundancy benefits

23:15 – 23:25

instead we will invoice your employer for the strain on the fund for paying the pension out for a longer period of time and that goes for whether it's compulsory redundancy or voluntary

23:25 – 23:30

there's no difference between those two level of benefits the same amount is payable that's

23:30- 23:43

not a choice that your employer has to make that is a protection that is built into the regulations for you um the next type of retirement is flexible retirement this was designed to be a

23:43 – 23:52

sort of gradual move into eventual retirement if you decide to at the age of 55 or over with your

23:52 – 23:57

employer's consent if you decide to either reduce the hours that you work each week or

23:57 – 24:04

you take a job with less responsibility and less pay you can draw your pension from that point in

24:04 – 24:10

time so you'll continue working on in a reduced capacity you'll still be getting wages albeit

24:10 – 24:18

reduced um and instead we will then give you the option to bring all or some of your benefits into

24:18 – 24:25

payment you'll also have the opportunity to take a tax-free lump sum you will remain an active scheme

24:25 – 24:31

member in your reduced post so you'll still have your ill health protection redundancy protection

24:31 – 24:36

things like that um and it also means then that at some point in the future when you do fully

24:36 – 24:47

retire there'll be another little pension pot that will come into payment and another opportunity to take tax-free cash you need your employer's consent because your employer needs

24:47 – 24:53

to ensure that normal operations can continue um so each employer will have a policy on when they

24:53 – 25:04

will agree to flexible retirement I know some employers have specified there needs to be a minimum reduction of a certain percentage um but if that's something you're interested in do have

25:04 – 25:10

a chat with your HR department and find out what your employer's terms are for agreeing to flexible

25:10 – 25:17

retirement on the last type of retirement then is ill health retirement I mentioned

25:17 – 25:27

at the start of this session that there is no minimum age requirement for ill health retirement the only requirement is that you have 2 year scheme membership um or if you

25:27 – 25:32

have less than that but you have transferred in benefits that will automatically entitle you um

25:32 – 25:38

to qualify for the ill health retirement if um for whatever reason you're no longer capable

25:38 – 25:44

of carrying out the duties of your job from now until your State Pension age we will pay

25:44 – 25:51

you out an ill health pension um that pension importantly will get paid out we won't apply

25:51 – 25:58

any reductions for early payment instead we will add on an enhancement and the enhancement um there

25:58 – 26:09

are two tiers tier one is really for the most severe types of illnesses really where you're never going to work again um if that's the case if you're assessed by one of our doctors and they

26:09 – 26:16

confirm it's a tier one you will get your pension paid out and the enhancement will include 100% of

26:16 – 26:21

the future pension that you would have built up if you remained working in the Scheme up to your

26:21 – 26:28

State Pension age with tier two you still have to be permanently incapable of carrying out your

26:28 – 26:33

duties in this job from now until State Pension age but there is a possibility that at some point

26:33 – 26:39

down the line you might be capable of undertaking gainful employment at some point down the line if

26:39 – 26:50

that's the case we'll still pay out your pension we'll still add on an enhancement but this time it's only a quarter of the future pension that you would have built up um that gets added on

26:50 – 26:57

to your um current pension savings something that we hope none of us ever needs um but it

26:57 – 27:05

is a very valuable protection should um we find ourselves unable to continue with employment um

27:05 – 27:15

and it is important to note that this is linked the enhancement is linked to your State Pension age so as we see that increasing we'll also see the level of enhancement increasing as

27:15 – 27:25

well so how exactly a pension is worked out essentially what we need to do is we need to

27:25 – 27:30

have a separate pension account for each job or employment that you hold it may be that you have

27:30 – 27:37

deferred benefits with another um NILGOSC employer or indeed if you have two part-time jobs you will

27:37 – 27:43

have two separate pension accounts with us your pension in a career average scheme builds up at

27:43 – 27:49

a rate of 1/49th of your pay each year so your employer will tell us what your earnings are

27:49 – 27:54

for that year we'll take that pay we'll divide it by 49 and that's the amount of pension that

27:54 – 28:01

gets banked into your account each year it is a revalued earning scheme and this is where

28:01 – 28:09

inflation um comes in your pension account will be increased each year in line with inflation and

28:09 – 28:15

apologies if you're not a numbers person um I'll do my best to try to keep this slide as simple as

28:15 – 28:22

I can um this is an example of somebody being in a CARE um scheme from when it started back

28:22 – 28:28

in 2015/2016 if you look at the bottom of the table there that was year 1 you'll see that the

28:28 – 28:41

opening balance in year one was zero because that was the start of the career average scheme so we all started with zero in our opening balance come the end of the year um the employer tells us what

28:41 – 28:48

the pay is and for simplicity only I have kept the pay at 22,000 for each year um they were in

28:48 – 28:54

the main section of the Scheme so the build-up rate is a 49th so we take that 22,000 divide it

28:54 – 29:01

by 49 and the amount of earned pension is 448.98 and that's how much gets banked into the pension

29:01 – 29:06

account each year please note however if you do work more than that during the year maybe

29:06 – 29:13

you had a period of acting up or perhaps you put in a lot of overtime in one year um as your pay

29:13 – 29:19

increases so will the amount of earned pension it will simply be your total pay for that year

29:19 – 29:25

divided by 49 if you're in the 50/50 section the build-up rate becomes a 1/98th and that's

29:25 – 29:31

where you see half the amount of pension then being banked into your pension account we have

29:31 – 29:38

a closing balance which is the current year's pension savings plus the total of all the previous

29:38 – 29:45

year's worth of pension savings that then gets um linked to inflation and in April of last year

29:45 – 29:51

we had a nice 10.1% increase that we got to apply to everybody's benefits however that's not always

29:51 – 29:58

the case if we look back to year 1 in 2015 we were actually in a negative inflation situation

29:58 – 30:05

so we had to actually reduce everybody's CARE pots by 0.1 % and it meant that that 448.98 in

30:05 – 30:11

year 1 got reduced to 448.53 thankfully since then we've had positive inflation so we've been

30:11 – 30:18

able to increase everybody's accounts since then but I do want to point out that negative inflation

30:18 – 30:25

will only impact your pension pot while you're actively contributing if you have left the Scheme

30:25 – 30:30

either as a deferred member or as a pensioner we will never reduce the pension once we have

30:30 – 30:37

calculated it um the worst we'll do in um an a negative inflation position is we will keep it

30:37 – 30:43

the same value that it was last year it's only as an active member that you can see negative

30:43 – 30:48

inflation having an impact on your pension savings I think the thinking behind that is while you're

30:48 – 30:53

an active member um you've got an opportunity to make additional contributions if you want to um

30:53 – 31:01

offset any negative um inflation but as I say last year we had a whopping 10.1% increase and

31:01 – 31:10

it has then at the end of this um example CARE pot a total annual um pension in the CARE pot of

31:10 – 31:21

4,229 pounds and some pence um this coming April I think the inflation is set to be 6.7% so we are

31:21 – 31:27

going to see another increase this coming April um but just not quite as big as we saw last year

31:27 – 31:34

year it's at this point that I highlight the importance of a pension benefit statement back

31:34 – 31:40

when we were um in a final salary scheme I used to get my annual benefit statement every year

31:40 0 – 31:45

and it would always be based on the current pay whereas in a final salary scheme your current

31:45 – 31:51

pay doesn't matter the only pay that matters is your final pay at some point in the future so it

31:51 – 32:01

was all fine and well to get your annual benefit statement and put it in your drawer of important things to think about at a later date but now that we're in a career average scheme every

32:01 – 32:07

year counts so it is so very important that you do look at your annual benefit statement

32:07 – 32:12

and you check that pay figure because if for whatever reason your employer has given us the

32:12 – 32:19

wrong pay we'll take that wrong pay and divide it by 49 and bank the wrong amount of pension

32:19 – 32:24

in your account um if you do spot the errors it is highly unlikely because we have so many checks

32:24 – 32:29

in place but if um the odd one slips through and you do spot an error you just need to get

32:29 – 32:36

into contact with your employer um and they'll let us know to put in the correct pay um Sinead

32:36 – 32:41

whenever she gets to do her demonstration she'll show you the bit that I want you to check each

32:41 – 32:49

summer okay so what about for those of you who joined before April 15 when the CARE scheme

32:49 – 32:57

started if you have membership dating back to um before April 2009 you will have membership

32:57 – 33:04

in our old 80th scheme um that was a final salary scheme and the accrual rate was an 1/80th so we

33:04 -33:09

sometimes refer to it as the old 80th scheme when you're calculating a pension in a final

33:09 – 33:15

salary scheme we take your final pay and now that is your final pay in the future whatever

33:15 – 33:21

it may be by the time you leave it's not the pay that happened when this Scheme closed in

33:21 – 33:28

2009 it is still linked to your current and future final pay so one when we know that

33:28 – 33:£9

we'll take that pay we'll multiply it by the length of years and days you have membership in the Scheme and we'll divide it by the accrual rate which is 80 so in this example I've used a

33:39 – 33:46

final pay um of 22,000 and 20 years in the 80th scheme that would result in an annual pension of

33:46 – 33:53

5,500 pounds one of the benefits of the old 80th scheme was that you were entitled to an automatic

33:53 – 34:00

tax-free lump sum on retirement and that was equal to three times your annual pension so

34:00 – 34:06

in this example of 5,500 pounds of annual pension they were getting a one-off tax-free lump sum of

34:06 – 34:17

16,500 then in April 2009 we moved to um the 60th Scheme it's still Final Salary so it's

34:17 – 34:23

still linked to your future final salary um whatever that may be and we multiply it by

34:23 – 34:28

your length of years and days membership in the 60th scheme I've put in six years because

34:28 – 34:34

that's the maximum um that anybody had um when they were contributing through from April 09

34:34 – 34:42

to March 2015 but we've increased the accrual rate from an 80th up to a 60th um so it means

34:42 – 34:48

that the 22,000 multiplied by the years and days divided by 60 would have given an annual pension

34:48 – 34:55

of 2,200 pounds so if you have membership of either of these two Schemes we will have

34:55 – 35:00

extra calculations that we do for you when we're working out your benefit we will have

35:00 – 35:06

potentially up to three different calculations that we have to do and in this example we had

35:06 – 35:11

the 80th scheme membership which resulted in an annual pension of 5,500 pounds there wa

35:11 – 35:18

the 60th scheme me um membership which had an annual pension of 2,200 and there was the CARE

35:18 – 35:28

pot which was just a little bit over 4,229 pounds we'll do all those calculations in the background

35:28 – 35:36

and we will give you one pension amount when you come to retire and in this example it's coming out at just shy of 12,000 pounds per year with an automatic tax-free lump sum of

35:36 – 35:46

16,500 pounds when you come to retire you will have the option to increase your tax-free lump

35:46 – 35:51

sum even if you were never a member of the old 80th scheme you may not have any automatic lump

35:51 – 35:57

sum at all but everybody no matter what Scheme you are a member of and no matter what type of

35:57 – 36:04

retirement you're facing everybody gets the option to elect for some lump sum instead of pension and

36:04 – 36:10

it works on a ratio of 1 to 12 so for every 1 pound you give up of annual pension it will buy

36:10 – 36:17

you 12 pounds in your tax-free lump sum there is a maximum that HMRC will let you take as tax-free

36:17 – 36:25

cash and that is 25% of your total pension value um we will work out what your maximum is and we'll

36:25 – 36:30

let you know um I do want to point out that the value of lump sum may not replace the value of

36:30 – 36:37

pension given up in its most simplest of terms if you had a crystal ball and you knew you were

36:37 – 36:42

going to live um in retirement for longer than 12 years you would know if you've done yourself out

36:42 – 36:47

of money by going for the maximum conversion but that's the option that's there everybody

36:47 – 36:56

has this choice and you just have to weigh up for your own circumstances what's going to work for you some people like the added security of having the maximum amount of pension coming into

36:56 – 37:06

them each month um but you may have something sensible that you want to do with the lump sum that will provide um an income in retirement or indeed maybe you just want to clear off any debts

37:06 – 37:12

or maybe any outstanding mortgage so as you have less outgoings in retirement but it's entirely up

37:12 – 37:18

to you you just need to make sure that you can afford to live off that reduced pension in our

37:18 – 37:24

example that had a standard pension of just below 12,000 pounds and an automatic lump sum of 16,500

37:24 – 37:32

pounds if we do the calculation that works out what the maximum tax-free cash is it will reduce

37:32 – 37:39

this the pension down from just shy of 12,000 down to just over 8,500 pounds it will increase

37:39 – 37:46

that tax-free lump sum from 16,500 all the way up to just over 57,000 pounds and whilst that

37:46 – 37:52

can be attractive please note it is a one-off payment and once it's spent it's spent whereas

37:52 – 37:58

you need to be able to ensure that you can afford to live off that reduced annual pension and this

37:58 – 38:07

is very often where people see the benefit of AVCs because if you've been managing to squirrel away whatever you can into your AVC fund over the years it means that you'll be

38:07 – 38:14

sitting with an AVC pot and depending on the value as long as it's under that 25% you can

38:14 – 38:21

take that back as tax-free cash without having to give up your standard pension um but Sinead will

38:21 – 38:30

show you how to work out your own conversion options when you get to your online account

38:30 – 38:35

um the last thing I'm going to talk to you about in the slides today is death and

38:35 – 38:40

survivors benefits and there are two elements to the death and survivors benefits if we look first

38:40 – 38:47

at the survivors pensions if when you die you leave behind an eligible survivor for example a

38:47 – 38:55

spouse a civil partner or a cohabiting partner as long as um you are free to marry them um they will

38:55 – 39:01

be entitled to survivors pension payable for the rest of their life after you have gone there are

39:01 – 39:13

also children's pensions that would be payable to any eligible children that you leave behind and what I mean by that is the definition of an eligible child includes a natural or adopted child

39:13 – 39:19

a stepchild or a child accepted by you as a member of the family providing they were dependent on you

39:19 – 39:27

at the date of your death if they're under 18 we will pay a pension to them up until age 18 we will

39:27

continue paying that up to a maximum of age 23 if they remain in full-time education similarly

39:33 – 39:39

if there's a physical or mental impairment that means that they are um dependent on you um we

39:39 – 39:50

pay that for the duration of that impairment so if that's permanent um it would potentially be paid permanently to the child after your death um however when it comes to survivors pensions we

39:50 – 39:58

will pay to whatever survivors you leave behind at that point in time so you don't need to elect or

39:58 – 40:05

nominate any survivors pensions but you can elect or nominate for the death grant this is over and

40:05 – 40:11

above any eligible survivors pensions that we may pay out we'll also pay a death grant while you're

40:11 – 40:16

an active member of the Scheme we will pay three times your assumed pensionable pay what we mean

40:16 – 40:26

by that is the pay that you would have earned had you been working normally maybe there's been some sickness you've been on reduced pay or indeed no pay um before you die if that happens we're not

40:26 – 40:32

going to pay three times your reduced pay we'll pay three times the um amount that you would have

40:32 – 40:38

earned had you been working normally if you're part-time it's your part-time earnings now it is

40:38 – 40:44

important to note that NILGOSC retains absolute discretion as to who we will pay the death grant

40:44 – 40:51

to doesn't mean whether we pay it or not we will always pay it um but to enable us to be able to

40:51 – 40:56

pay that completely free of inheritance tax um we have to retain absolute discretion as to who

40:56 – 41:02

we pay that to and it means then that there's no tax paid on the death grant um but that is

41:02 – 41:08

why it is so very important that you either complete an LGS 20 form or you go online and

41:08 – 41:14

update your Expression of Wish you can choose who you would like that death grant to go to so

41:14 – 41:19

you can nominate for your death grant you can nominate a partner or children or siblings um

41:19 – 41:32

whereas with the survivors pensions you don't need to nominate there they're they're just automatic if you leave behind an eligible survivor we will pay a pension to the survivor um at this

41:32 – 41:37

point I'm going to step away from the slide so if you bear with me I'm going to share my other

41:37 – 41:56

screen um hopefully you can all see our NILGOSC website um this is just nilgosc.org.uk there

41:56 – 42:07

is a plethora of information on our website um so if you do ever have any questions have a wee nosy to see if you can find anything out on the website but there's a couple of key things that I just want to draw your attention to um first underneath this More Options there's a drop-down function in

42:07 – 42:13

here we have a wee section called videos now we have a list of videos they're all just a couple

42:13 – 42:13

of minutes long if you ever find yourself with a few minutes spare do get online and have a

42:18 – 42:29

we um play through some of these videos because they're they're they explain things in a really simple manner um so there that was just in under More Options videos the other thing that we have

42:29 – 42:34

is the search function um for example if you wanted to know about McCloud you can type in

42:34 – 42:42

McCloud and it will give you all the times McCloud is mentioned on our website um or indeed um if you

42:42 – 42:51

know the name of the form like the LGS 20 you can pop that detail in there and it'll bring it to you um but back to the main section the last thing I'm going to show you on our website is within the

42:51 -42:58

member section now this is to do with paying extra into the Scheme so if we go to the member section

42:58 – 43:12

then along the top here we have some options and I want to go to the Boosting your Pension session section so if I click here that will take us to our Boosting your Pension part of our website and

43:12 – 43:18

down here the first two we have the additional pension contributions and the additional AVCs

43:18 – 43:24

that I talked about so for the APC this is when you're buying scheme pension it's guaranteed

43:24 – 43:34

you know upfront how much you're getting and it's index linked so it'll rise each year in line with inflation if you're looking to go down the route of an APC come on to this part of our

43:34 – 43:39

website there's lots of information some FAQs um that you can have a wee read through in your own

43:39 – 43:45

time but most importantly we have the calculator so if we click on this calculator this is where

43:45 – 43:50

you have the choice to either quote and apply for buying extra pension where it's probably going to

43:50 – 43:56

be at full cost to yourself or on the right hand side we have the option to quote and apply for

43:56 – 44:01

buying lost pension this is where your employer is going to pay 2/3 of the cost if you're covering

44:01 – 44:07

that lost pension within 30 days of returning from your authorised unpaid leave of more than

44:07 – 44:14

30 days so that's the APC calculator you can go on there pop your details in and find out how much

44:14 – 44:20

it would cost you if you wanted to purchase some additional pension alternatively if you want to

44:20 – 44:27

know more about the AVCs that that has a separate page here again it has a wee video that will sort

44:27 – 44:35

of sum up everything that um I can tell you about AVCs in a nice um and easy to understand format

44:35 – 44:43

um again there's lots of useful information that I would recommend you read through in your own time um but there's a couple of links down here that I want to draw your attention to first and

44:43 – 44:49

foremost we have the Prudential Fund Guide now when you're paying an AVC you have to choose

44:49 – 44:55

what um level of investment you want to go with um and our fun and the fund guide will break down

44:55 – 45:02

each of the different funds some of them have higher risk um and it goes down the scale to

45:02 – 45:09

minimal um through medium to um minimal risk um and you'll be able to find out more about each of

45:09 – 45:14

the different investment types I do have to point out that nobody in NILGOSC is qualified um to give

45:14 – 45:20

financial advice um so but we can certainly give you information and this is one of those times we

45:20 – 45:30

would recommend if you're going down this route have a wee read through the Fund Guide and see what level of risk you're comfortable with um and there's also a Performance Guide that gets updated

45:30 – 45:36

each year and that will show you how each of the funds have actually performed over the last year

45:36 – 45:41

and then finally if you want to go ahead and set up your AVC fund if you've decided what fund you

45:41 – 45:48

want to invest in um you click on this link and it brings you to the Prudential website we the

45:48 – 45:56

Prudential do the in-house ABC fund for all the Local Government Schemes well for a lot of them in England and Wales so you need to select your scheme name so this is where you need

45:56 – 46:02

to find the Northern Ireland local government um officer superannuation committee so we're down in

46:02 – 46:08

the ends um Northern Ireland Local Government Pension Scheme so you select that then you can

46:08 – 46:13

follow on through and pop in your details so I just wanted to show you where you could get a

46:13 – 46:20

bit more information um on your paying extra but now I'm going to hand over to my colleague Sinead

46:20 – 46:27

Nicholson I'll just stop sharing and Sinead's going to take you through the online demonstration

46:27 – 46:34

Ruth um if just bear with me I'll just share my screen can everybody see the screen there

46:34 – 46:41

yeah yeah okay so um back to our website here um so what I'm going to do is I'm going to take

46:41 – 46:50

you through a quick demonstration of My NILGOSC Pension Online so the easiest way to get to it is if you go to our website which is nilgosc.org.uk if you notice up the top here we have a Register

46:50 – 46:57

and a Sign-in button so if you click on one of those that'll bring you um to My NILGOSC Pension

46:57 – 47:07

and this is what it'll look like whenever you get there so what you need to do is if you're already registered you just want to pop in your user name and your password in here um and go through the

47:07 – 47:12

login process if you're not registered there's a couple of different ways that you can do that um

47:12 – 47:18

we have the register with an activation key and register without an activation key unless we've

47:18 – 47:28

sent you out a letter or communication with um an activation key which will be like a jumble of letters and numbers um most people won't have that activation key so it'll be the second one that

47:28 – 47:35

you'll go through say unless we've actually sent you a key out so if you just click in here it'll

47:35 – 47:41

ask you for some personal details and then you sign up um if we hold the email address that you

47:41 – 47:47

put in here on our um administration software then you'll get an email to that email address straight

47:47 – 47:56

away and you can go through the registration process and set up a username and a password if we don't hold the email address that you provide with us on our administrations software

47:56 – 48:05

you um it'll be a day or two before you get the email and that's just because we want to do some verification in-house to make sure that you are who you say you are to make sure it's all secure

48:05 – 48:14

one thing I'd just like to point out here while we're doing this is we would really encourage you to give us your personal email address and not your work email address um if you've already

48:14 – 48:22

signed up with your work email address I'll show you how you can go in and change that um and the reason for that is you wouldn't believe the amount of times that if if you someone leaves

48:22 – 48:31

their employment moves to a different employer and um and they forget to update their email address with us and it means when we're sending out notifications for your benefit statement or

48:31 – 48:40

any other things we're sending them to your work email address and you're not there anymore the other issue that you might come across with that is if you're on annual leave and your emails are

48:40 – 48:51

forwarded to your manager or somebody else um now we'll never send personal information in those emails but it's just it's just not ideal um and one of the other things that we actually had

48:51 – 48:57

most recently was if you put in if you give us your work email address your IT department will

48:57 – 49:03

have can have quite strict um rules in place and um just before Christmas we sent out a

49:03 – 49:09

communication regarding McCloud and one of our employers um blocked all the emails um because

49:09 – 49:19

they sort of thought they were coming through as spam so really would encourage you to give us your personal email address please um so that's how you would sign up so what I'm going to do is I'm

49:19 – 49:29

going to log in we have a demo account here um so I'm going to log in with it so if you bear with me

49:29 – 49:43

you put your username and password in and then as part of the process there's an additional security question this is just an extra layer of security so put that in and all being well this

49:43 – 49:53

brings you into your online account um before we start going through here I'm I'm basically just going to do a quick whiz through some of the uh the bigger um ties I'm not going to go through

49:53 – 50:04

everything just want to point out this is a live demonstration hopefully the technology works with us but bear with me if we have any hiccups um this system is connected to in real-time to our

50:04 – 50:09

administration software which is um great because it gives you real-time information but sometimes

50:09 – 50:20

if there's a lot of people on the system there can be a bit of a lag so just bear with it um if you're getting the wee spinny wheel for a while um and also just to mention that although everybody's

50:20 – 50:26

account might look the same on the on the front there will be differences between the one that

50:26 – 50:34

I'm about to show you and potentially in your account for example if you have if you're paying additional contributions like Ruth mentioned there with additional uh buying additional

50:34 – 50:42

pension you might have some more information than someone else has um if you are married um or have

50:42 – 50:51

a cohabiting partner or whatever you'll have a survivor's pension in here if you're single or divorced you won't so um just bear with this is a demo account so if you see anything slightly

50:51 – 50:57

out of whack it it's just because we've got this set up as a demo so when you log in this is your

50:57 – 51:03

home screen you can see up here the basic details this uh Mr Demo is an active member um if he had

51:03 – 51:09

more than one account with us so either say he has two or three different part-time jobs or if he was

51:09 – 51:18

an active member in his current job but he also had a deferred record with us or if he also had a pension in payment there would be a little green arrow up here and that's how you flick

51:18 – 51:24

between the different records that you have so this member just has one active pension account in

51:24 – 51:30

the Your Details tile I'll show you this um it has your personal details in here but the good thing

51:30 – 51:38

about it has in here is your contact details which you can update and this is where I was saying if you've give us your work email address if you can please go in here and change it to your personal

51:38 – 51:44

email address that would be great so you simply click on the Edit button if you move house you

51:44 – 51:53

can change your address you can give us your phone number email address in here so this is where if you want to change your email address do it in here the other thing that we have in here is

51:53 – 51:58

your communication preference um in the last sort of years we've made an effort to move some of our

51:58 – 52:04

communications online so most of our deferred mem or sorry most of our active members um so people

52:04 – 52:13

actively paying into the Scheme will be defaulted to electronic that means that you'll get your pension benefit statements your newsletters and everything online now if you don't want that and

52:13 – 52:19

you want to have your um things posted to you you can go in and change that to "keep me informed by

52:19 – 52:25

post" otherwise um or if you've got it set to "post" you can change it to electronic um and

52:25 – 52:34

then you can click "submit" and what that will do is that'll update any of those details instantly in real-time so you used to have to phone us if you changed your address or anything now you

52:34 – 52:42

can do it yourself um in there okay so that's the Your Details tile membership details again

52:42 – 52:51

just tells you um who your employer is what's your contribution and that type of thing you can have a look at that yourself Pension Benefits tile we have a couple of different things in here

52:51 – 52:56

say if you're paying additional benefits they'll be in there but not everybody um will have that

52:56 – 53:05

um Ruth mentioned about the annual allowance which is some tax charges again that doesn't apply to very many people but you can have a look in there and it'll tell you what um what

53:05 – 53:10

limit you've used the CARE account history is that scary table that Ruth showed you with all

53:10 – 53:20

the numbers um for every year you're a member of the Scheme and it'll show you what your pension build-up was every year and your latest pension value is just as it says there if you

53:20 – 53:25

click in there it'll tell you what your pension is um at a this certain point of time and it'll

53:25 – 53:34

break that down into your career average and your final salary pension but what I want to show you is our some of our calculators and the main one that I'm going to show you is

53:34 – 53:42

the voluntary retirement one so again this is where this is connecting to our administration software so just just be patient with it and give it a minute because it's going to give you real

53:42 – 53:49

time information so sometimes it can just take a while to load okay so whenever you go into this

53:49 – 53:59

calculator um there is a little video at the top that talks you through how to use the calculator but it's it's fairly simple so whenever you click into it it brings you to this section

53:59 – 54:11

and as you can see there the selected date in there is your normal pension date so for this member they're due to retire without reductions on the 31st of December 2031 and if they retire

54:11 – 54:21

at that time without any reductions their annual pension that they will receive will be just under 8.5 grand a year now as you can see Ruth talked about depending on when you were a member of

54:21 – 54:26

the Scheme you might have an automatic lump sum um this member joined after I think they joined

54:26 – 54:32

in 2011 or something so they don't have that automatic lump sum but as Ruth mentioned you

54:32 – 54:37

can convert some of your annual pension into lump sum up to a maximum figure so what we can do is we

54:37 – 54:43

can use these sliders to go back and forward and you can drag it along and it'll tell you so if I

54:43 – 54:51

want the maximum I can get a maximum lump sum of 36,256 pounds and that will reduce my pension from

54:51 – 54:57

I think it was about 8.5 grand down to 5.5 grand a year and what you can do is you can pull that

54:57 – 55:03

and go anywhere in between and it'll just give you an idea of what you're likely to receive um and if

55:03 – 55:09

you want to convert any of that to your lumpsum so as Ruth mentioned if um you're due to retire and

55:09- 55:17

somebody's getting married or you have a mortgage that you want to pay off and that's a certain amount say you had 9,000 pounds left to pay off your mortgage you can say right well I only need

55:17 – 55:24

a lump sum of 9,000 so if I go to that then I'll know that will reduce my pension from 8,500 or so

55:24 – 55:30

it was down to 7,700 and you can play about with that and this is great because in the past you

55:30 – 55:40

would have had to phone us up and get a quotation and you would have had to give us an exact date or an exact amount of lump sum that you would want um whereas now you can go on at any time and you

55:40 – 55:52

can play about with this and get as many figures as you want rather than having to contact us wait for 2 weeks and we'll only give you maybe 2 or 3 options so that's um that's that there there's

55:52 – 56:01

other information that you can put in here one of of the things Ruth mentioned and I'll show you on the pension benefit statement page but it's also here is what your pay is and this is the pay that

56:01 – 56:06

your employer has provided us and this is the pay that we'll divide by 49 to bank into your

56:06 – 56:14

pension pot so make sure that CARE pay is correct um and if it's not please contact your employer um

56:14 – 56:20

so it'll also give you more information up here as I mentioned this person joined after 2009 so

56:20 – 56:27

they don't have an automatic lump sum this shows what their survivor's pension would be um this is

56:27 – 56:35

basing this information on the projected salary of 17,500 now you can change that down here um if you

56:35 – 56:41

know um all this information a lot of times we sort of tell you just leave it as it is unless

56:41 – 56:51

you're 100% sure that what you're putting in is correct because if you put in an annual salary increase of 10% and you're only going to get 1% or 0% as it is at the moment for a lot of

56:51 – 56:57

people that'll throw your calculation way off so unless you're sure um for any like inflationary

56:57 – 57:03

increases best to leave it at 0 um and that way at least you'll be underquoted and not overquoted

57:03 – 57:13

but if you do know those details you can click this little button here you can put in if you know the inflationary increase you're going to get Ruth mentioned to you about how you can join

57:13 – 57:18

the 50-50 section of the Scheme um if you knew you were going to go into the 50-50 section and

57:18 – 57:27

how long you were going to be in that section for you can put that information in there and it'll take that all into account for whenever it's calculating your pension figure the other

57:27 – 57:32

thing we can do is so that's if we're retiring at this selected date the other thing we can do is we

57:32 – 57:43

all want to know when's the earliest time we can retire so you can change that date so say I want to go a year early so I'm going to change that from 2031 to 2030 and you can change this date

57:43 – 57:48

um to whatever you want you can also change the day in the month um if you notice here there's a

57:48 – 57:54

little calendar icon where you can go in um or you can just type over it so I've put in that

57:54 – 58:06

I want to go with a year early and you can see that that's dropped my annual pension um I think it was 8,400 and it's dropped it down to 7,700 and and again then from that starting point I can play

58:06 – 58:12

around with the lumpsum conversion again if I want to see about if I'm going to go 2 years early you

58:12 – 58:23

can just type in the dates there and change them um and it'll tell you exactly what you're due to get and that way you can look and see what's the earliest I can afford to go basically um and you

58:23 – 58:28

can download and print copy of of those quotations um and hit if you change the date you can either

58:28 – 58:37

hit calculator or just hit the enter button so that is the voluntary retirement calculator is probably the one that's most used so I'm not going to go in and show you all the other ones

58:37 – 58:42

they're all the same sort of principle we've got a redundancy one so if you're made redundant or uh

58:42 – 58:52

let go on redundancy or business efficiency grounds and your aged 55 or over you could that'll show you the pension that you're due to get um deferred is if you're moving to an

58:52 – 59:03

employer who's not on our Scheme say you get a new job uh in the next few months you can go in there and that'll tell you what your close-off figure is from us or God forbid if you die in service that

59:03 – 59:13

will tell you that's the thing Ruth talked about where you generally have a payout of three times your sal your annual salary and that will tell you in there um and you can put in there how many if

59:13 – 59:19

you have a spouse or how many kids you have or um and that'll work that out for you so that's

59:19 – 59:25

the calculator one of the other things following on from that death in service calculator Ruth

59:25 – 59:35

mentioned was your Expression of Wish so this is where if God forbid anything happens and you die as a member of the Scheme so you get that 3 times your annual salary what would be really helpful

59:35 – 59:43

is if you could tell us who you want that to go to um so that's where you can do this in here uh Ruth

59:43 – 59:54

talked about a form called an LGS 20 that you can fill in but you can do it online um very quick and easily um so in here this person has said their husband um obviously if you're filling this in

59:54 – 59:59

your husband's actual name or your wife or whoever um their date of birth the percentage that you

59:59 – 1:00:09

want to give them the date you were married and contact details so you can put there for spouse or civil partners child beneficiaries this person has their daughter again date of birth and they're

1:00:09 – 1:00:21

getting 50% so they're doing 50% to their husband 50% to their daughter what you can do is if you've more than one child you place this little plus button and you can add in um as many children

1:00:21 – 1:00:27

and you can press the minus button to get rid of some of them um the other things you could do is

1:00:27 – 1:00:32

other beneficiaries so again you can press plus so this is someone who's not your spouse or child so

1:00:32 – 1:00:38

this is where you can put in um your mom your dad your niece a charity um if you have a cohabiting

1:00:38 – 1:00:44

partner um put them in here because up here in the spouse civil partner section it asks you for

1:00:44 – 1:00:54

a date of marriage or civil partnership so if you have an eligible cohabiting partner if you put them down in the other beneficiaries bit um because it doesn't have a date section in there

1:00:54 – 1:01:00

so one of the things just to point out to you one of the slight limitations of this system is your

1:01:00 – 1:01:05

percentages in here have to equal 100% exactly and it doesn't take into consideration decimal points

1:01:05 -1:01:16

so if you're putting three people and say you've got three kids and you want to put all three of them in it won't let you do 33.3333% um you have to sort of pick your favorite one and give that

1:01:16 – 1:01:24

child 34% and the other two 33% um now if if that's an issue for you what you can do is fill

1:01:24 – 1:01:34

this in and then if you give us a ring we can make a note on our system that if it ever happened that we would split it equally it's just the system needs you to add up to 100 and it doesn't allow

1:01:34 – 1:01:40

for decimal points in here so the last thing I want to mention here um is whenever you're filling

1:01:40 – 1:01:45

this in so you just click submit there and that'll put it through um we whenever you're on every

1:01:45 – 1:01:56

summer checking your annual benefit statement we recommend the people come in here um and just review this and even if you don't change anything please just go get the habit of every year go in

1:01:56 – 1:02:01

and click this submit button and the reason why we ask you to do that is it date and time stamps

1:02:01 – 1:02:08

it and if anything was to happen to you if you've give us these details 20 years ago things could

1:02:08 – 1:02:14

have changed and we're not aware of that um and it leaves it open to challenge if anybody comes

1:02:14 – 1:02:21

in if you have a new partner or anything like that and they come in to challenge it whereas if you just get into the habit even if it hasn't changed of clicking the submit button every year and just

1:02:21 – 1:02:27

leaving everything the same it means that we can see well this person confirmed that's who they

1:02:27 – 1:02:32

wanted this money to go to six months ago and it just makes things a lot easier um rather than if

1:02:32 – 1:02:40

you haven't updated those in 20 years um so that's the Expression of Wish tile the annual benefit

1:02:40 – 1:02:46

statement um so this is where you'll get an email each year unless you've requested these by post

1:02:46 – 1:02:56

that your statement's online and this is where you look at it one of the things I'll not go through the whole thing that again Ruth wanted me to point out to you was here this pay your CARE pensionable

1:02:56 – 1:03:06

pay it's in section 3 please go on and make sure that's correct because that's the pay that we will have used to bank your pension and make sure every year whenever you log on to look at your statement

1:03:06 -1:03:15

that it's really important um now that we're a career average scheme that you do check your statement every year and you check that figure and make sure it's correct and if you're not

1:03:15 – 1:03:20

sure speak to your employer so I'll not go through the rest of the statement in much detail it's got

1:03:20 – 1:03:27

your personal details up here here it shows what your benefits are worth as of the 31st of March

1:03:27 – 1:03:33

the previous year um it shows you the breakdown it shows you what your pension would be worth if you

1:03:33 – 1:03:39

stay in the Scheme up until your normal pension age and here this is telling this person's normal

1:03:39 – 1:03:45

pension age so the State Pension age is age 67 um and it'll give you some again Ruth mentioned the

1:03:45 – 1:03:55

lifetime allowance is being abolished but um as you can see it's over a million pounds and this person's only used 5.43% so it's not that many people that have to worry about the lifetime

1:03:55 – 1:04:00

allowance um there's also a section in there for notes if there's any of your statements that you

1:04:00 – 1:04:10

don't understand there's a whole raft of notes in there that you can read um the last bit that I'm just going to show you then before I hand you back to Ruth is the document section and this is where

1:04:10 – 1:04:16

you can send us documents and we can send you documents so in the My Document section it's some

1:04:16 – 1:04:25

this is something that we haven't really used that much yet but we're going to start using it um as you can see because this is a demo account there's loads of um sort of rubbish stuff in here but if

1:04:25 – 1:04:36

we've sent you something and we tell you log onto your online account we've sent you a document of some description it'll be in here and the name should be much more meaningful than these um test

1:04:36 – 1:04:42

documents here they're just PDF documents so if you just click on them they'll open for you and

1:04:42 – 1:04:51

the other thing is if we ask you for a document so say when you join the Scheme or you get married we need a copy of your birth certificate or your marriage certificate and you simply can

1:04:51 – 1:04:56

take a picture of it on your phone or scan it into your computer and go into document upload

1:04:56 – 1:05:01

select the files to upload and that will access your browser um or your file explorer choose the

1:05:01 – 1:05:10

file and click upload and that will send your birth certificate your marriage certificate whatever it is that will send it straight to us so you no longer have to post these things um

1:05:10 – 1:05:17

back into us so I think that's it unless anybody has any questions um unlock the other tiles are

1:05:17 – 1:05:22

fairly self-explanatory uh there was one question that popped up a couple of times if you don't mind

1:05:22 – 1:05:28

can you show where members can see if they have already transferred in some people maybe did it

1:05:28 – 1:05:39

a number of years ago and they can't remember if they did it or didn't so can you just show what tile they need to go into okay so um in the Membership Details tile sorry I clicked that quite

1:05:39 – 1:05:48

fast so in this one here this is the one I said it shows you about your um who your employer is what's your contribution rate and it'll have service details in here so as you can see this

1:05:48 – 1:05:55

person um transferred in um it doesn't give you a massive amount of detail but it shows you here if

1:05:55 – 1:06:00

there's any service breaks or transfers in um so this shows you the date they started the date they

1:06:00 – 1:06:05

ended back whenever this person transferred in it was in the old Scheme so it brought you years

1:06:05 – 1:06:11

of pension rather than a value of pension but if you have a transfer in it'll show you here

1:06:11 – 1:06:20

similarly like this person you can see they went and strike for a year so if they have or if you took a career break or anything it'll show you in this section so that's in the Membership Details

1:06:20 – 1:06:28

section thank you Sinead any there was a couple of questions that came in to do with pay some people

1:06:28 – 1:06:34

were saying is this last year's pay um and I just wanted to highlight that yes nine times

1:06:34 – 1:06:40

out of 10 it will be last year's pay most of our employers are moving on two monthly returns but

1:06:40 – 1:06:45

currently our biggest employers are still only giving us financial information once a year so

1:06:45 – 1:06:52

for your online account it may be showing the the most recent pay as at the 31st of March last year

1:06:52 – 1:07:02

so yes if you got any increments in April or if there's been any rises since then or if you've had any promotions since then that will not be included um but that's just where we were

1:07:02 – 1:07:07

where Sinead had said about airing on the side of caution and at least then if you're using the old

1:07:07 – 1:07:13

pay it's going to be an underquote rather than an overquote um but you can change that pay if

1:07:13 – 1:07:21

if you wish um other than that I will come back to the questions in a moment I do have a couple more

1:07:21 – 1:07:30

slides that I want to take you through if you bear with me till I get that shared again um I will

1:07:30 – 1:07:42

come back to the questions at the end so don't worry about that but we're nearly there um if I press present and choose resume that should get me back to where I want to be okay um so this wee

1:07:42 – 1:07:53

slide was just um an overview of everything that Sinead talked you about with your online account the things that you can do online um but what I wanted to get talking to you now was how much

1:07:53 – 1:08:05

money do we actually need I don't know if this is something that you've thought about but whenever I tried to think about it I'm like how will I know how do you know um now I had seen this um website

1:08:05 – 1:08:11

retirement living standards.org.uk the Government has created this um they had spent a lot of time

1:08:11 – 1:08:16

talking to people that were approaching retirement some people that already are in retirement asking

1:08:16 – 1:08:21

questions about their lifestyle and their hopes for what sort of lifestyle they're planning to

1:08:21 – 1:08:32

live in retirement they looked at all the money coming in all the money going out and they they came up with these figures now they're a rule of thumb they're not fact and obviously it's going to

1:08:32 – 1:08:43

be different dependent on your own requirements and your own wishes for what sort of lifestyle you wanna lead in retirement but as a starting point um the Government has published these um

1:08:43 – 1:08:52

standards and as I say if you can follow the link to retirement living standards.org.uk there's a lot of information there down for how they've come up with these figures and it it's really

1:08:52 – 1:08:58

quite interesting it talks about um how much they assume you're going to be paying for each gift

1:08:58 – 1:09:08

um depending on on what lifestyle you're hoping for but essentially what they're saying is for a single person the minimal amount of pension you want to aim to have coming in in retirement to

1:09:08 – 1:09:16

cover all your needs with a little bit left over for fun is 12,800 pounds a year now if you are in

1:09:16 – 1:09:23

a couple um the combined income between the pair of you they're recommending be should be about

1:09:23 – 1:09:29

19,900 if you look at the moderate section that's where you've got a bit more financial security

1:09:29 – 1:09:35

and a bit more flexibility I think they're assuming you're taking the odd holiday abroad um

1:09:35 – 1:09:43

and they're saying to aim for 23,300 or 34,000 if you're um in in a couple and then we can all dream

1:09:43 – 1:09:49

about the comfortable lifestyle where I think it's three weeks in Europe every year um well

1:09:49 – 1:09:56

you have to have saved an awful lot more than that um but please note that they um are based on 2022

1:09:56 – 1:10:07

prices so they haven't taken into consideration any of the increases that we've seen in the last year they also assume you don't have any housing costs in retirement so if you will have housing

1:10:07 – 1:10:17

costs in retirement you'll need to factor that in and add that on to the amounts that they're suggesting here um and it's at this point whenever I say don't panic don't forget you've got your

1:10:17 – 1:10:23

State Pension um your NILGOSC pension will come into payment whenever you retire but your State

1:10:23 – 1:10:29

Pension um won't kick in until you hit your State Pension age now if you want to get a quote to find

1:10:29 – 1:10:42

out how much State Pension you're entitled to you can log on to the website that I have at the top of this slide um but I think more conveniently if you download the HMRC App you'll be able to

1:10:42 – 1:10:49

put in your government Gateway ID and it'll show you your State Pension right in front of you um

1:10:49 – 1:10:54

to qualify for the full State Pension you need to have 35 years worth of National Insurance

1:10:54 – 1:11:00

contributions um and the current state or the current full State Pension is 10,600 pounds a

1:11:00 – 1:11:07

year um thanks to the "triple lock" we're going to see I think it's an 8.5% increase in April so

1:11:07 – 1:11:13

that is going to be going up to um around about 11,500 pounds but as I say you need to have 35

1:11:13 – 1:11:20

years worth of National Insurance contributions or equivalent um to um qualify for that again if

1:11:20 – 1:11:27

you get online to the app you can see immediately if you have your 35 years if you have any breaks

1:11:27 – 1:11:33

you do have the option to cover those breaks I think you can go back six years but if you use

1:11:33 – 1:11:38

the app on your phone um they'll be able to tell you if you have breaks and if you can cover them

1:11:38 – 1:11:45

and if so how much it's going to cost um but if you don't use the app the link is there in your

1:11:45 – 1:11:51

slides the other thing that surprised me although the Government are the ones who tell us when our

1:11:51 – 1:11:57

State Pension age is um apparently payment is not automatic for your State Pension you do

1:11:57 – 1:12:03

need to fill in a claim form so do get online or use the app at least a couple of months ahead of

1:12:03 – 1:12:09

your State Pension age to get that um requested so as you can start the ball rolling for it um if

1:12:09 – 1:12:15

you're thinking of deferring your State Pension um payment I think the only reason why you might

1:12:15 – 1:12:20

want to do that is for tax reasons but if you do want to defer payment it works out as uh an

1:12:20 – 1:12:28

increase of 1% for every 9 weeks that it's delayed which equates out to 5.8% for each year you defer

1:12:28 – 1:12:38

payment this next slide gives you some information on things that you can do now um at the top of the

1:12:38 – 1:12:44

slide here Trace Loss Pensions the Government does have a pension tracing service where maybe

1:12:44 – 1:12:53

you worked for an employer a number of decades ago and you can't remember maybe you paid into the Scheme or maybe you got a refund you're not sure um the Government does have a trans uh

1:12:53 – 1:12:58

a pension tracing service um at this link on the slide where you can pop your details in and find

1:12:58 – 1:13:04

out who the pension provider is um I have put in a wee note here to say any sort of Google search

1:13:04 – 1:13:10

or any online search will give you um a list of companies that will do this for you but please do

1:13:10 – 1:13:16

note that um some of these companies will charge you a fee um why would you pay a company a fee

1:13:16 – 1:13:27

to do it if the government will do it for you for free so please do use the online Government website first and foremost um the other things you can do is request a State Pension quote either go

1:13:27 – 1:13:32

online and do it or download the app and get your State Pension quotation find out if you're going

1:13:32 – 1:13:38

to be getting that full um State Pension and if not find out how much you will be getting

1:13:38 – 1:13:46

instead and if you have any options to cover any gaps in your National Insurance contributions the

1:13:46 – 1:13:52

Government has also provided some help to us in the form of MoneyHelper um Moneyhelper are

1:13:52 – 1:13:58

completely impartial and they can provide guidance on um any day everyday money questions that you

1:13:58 – 1:14:06

may have they can look at um your budget for now in this current day and age they can look um at

1:14:06 – 1:14:16

all your incomings and outgoings um and they can help you with the budget planner there's a wee link there but importantly you can also use that budget planner to plan for your future

1:14:16 – 1:14:22

income in retirement um that would will help you see to make sure that you're you're covering for

1:14:22 – 1:14:28

everything that you should be covered the other link that MoneyHelper has there is

1:14:28 – 1:14:33

for the Midlife MOT I did this myself during the summer and I found it really useful they

1:14:33 – 1:14:39

do recommend that you're 45 or over when you do the it Midlife MOT um I'm not quite there

1:14:39 – 1:14:48

but I ticked the box to say that it was just so as I could get through the questionnaire and it was actually really helpful it looks at all the expenditures that you have and all the savings

1:14:48 – 1:14:59

and and bits and pieces that you're doing the debt you may have and it will really weigh it all up it'll show you what's important what is the debt that you want to clear first or what is the

1:14:59 – 1:15:10

bits that you haven't maybe thought about that you maybe should be thinking about now um it's really quite useful so so do get online um and run through that Midlife MOT of course you've got your

1:15:10 – 1:15:16

online account um Sinead's taken you through that demonstration I would recommend um well personally

1:15:16 – 1:15:26

what I do I get my email every summer telling me that my benefit statement's online I log into the online account first thing I do is check my pay and my annual benefit statement is right then I

1:15:26 – 1:15:33

go to the Expression of Wish and I hit that submit stamp um to give NILGOSC an up-to-date time stamp

1:15:33 – 1:15:39

and then I immediately go to the early retirement calculator to see if I can uh retire early yet um

1:15:39 – 1:15:44

but do get online get used to it you can click on everything you can't wipe it out you can't

1:15:44 – 1:15:50

erase your savings you can't break it in any way so do get on there click things and find

1:15:50 – 1:15:57

out what they do and and start to really take control of your own um planning for retirement

1:15:57 – 1:16:02

um if any of you are in your first year of joining you will have some decisions that you have a time

1:16:02 – 1:16:07

limit on things like transferring in from another pension provider or aggregating another NILGOSC

1:16:07 – 1:16:14

pension pot you've only got a year to do that um so if that's um you if you're in your first year

1:16:14 – 1:16:20

get a wriggle on and fill in those forms for us and then finally Pension Wise is a branch

1:16:20 – 1:16:25

of MoneyHelper which again is from the Government it's independent it's impartial they can give you

1:16:25 – 1:16:31

advice and guidance um for your retirement they know the NILGOSC scheme quite well they won't

1:16:31 – 1:16:40

be able to confirm figures for you or anything like that but they'll be able to talk about our Scheme in general they'll also be able to help you with any personal pension queries that you

1:16:40 – 1:16:48

may have or any AVC queries um but lastly the last thing I want to mention is pension scams

1:16:48 – 1:16:57

the Government has been working really hard in recent years to really crack down on pensions liberation but but unfortunately there are still some unscrupulous bodies out there that would love

1:16:57 – 1:17:03

to get their hands on your defined benefit pension um so there's some um warning signs that they

1:17:03 – 1:17:10

recommend we tell you to watch out for um first and foremost contact out of the blue is illegal

1:17:10 – 1:17:16

so whether that's a text message an email a phone call if you haven't requested that contact it is

1:17:16 – 1:17:26

illegal and you should be con or you should report the company to the Information Commissioner's Office but just hang up the phone immediately don't talk to them um similarly if you've got

1:17:26 – 1:17:32

anybody guaranteeing high returns nobody can guarantee any returns let alone high returns

1:17:32 – 1:17:37

um so that is a warning sign that you should pay attention to similarly if they're promising access

1:17:37 – 1:17:45

before the UK minimum retirement age that's simply not possible um again up-front cash incentives if

1:17:45 – 1:17:51

somebody's promising you anything that probably sounds too good to be true chances are it is too

1:17:51 – 1:17:57

good to be true um time limited offers as well I didn't want to forget that one no reputable

1:17:57 – 1:18:08

company is going to put pressure on you to make a decision now so these are all wee things that you can watch out for and if you're unsure just end the conversation um and you can find out more

1:18:08 – 1:18:16

about the company afterwards um that has taken me to the end of today's presentation thank you all

1:18:16 – 1:18:25

for bearing with me for this long I know pensions isn't an easy subject to sit through so thank you for that um I just want to point out if if you do want to find any more information do have a

1:18:25 – 1:18:34

wee look on our website we do update it regularly for example if you want to find out anything to do with McCloud get onto that search box and type McCloud in and it'll give you all the information

1:18:34 – 1:18:40

you'd ever need to know about that um or if you have any specific queries you can drop us an email

1:18:40 – 1:18:46

um if you email info@nilgosc.org.uk it will get through to our reception team um who will divide

1:18:46 – 1:18:52

it out to the relevant um section that will deal with the query and you can give us a call at

1:18:52 – 1:19:01

any time our office are open Monday to Friday 9 to 5 and you can even make an appointment to come in and see us over in the Holywood Road in East Belfast we would just ask that you give us a call

1:19:01 – 1:19:08

before you do that to make sure that we have um a an interview room available um to discuss with

1:19:08 – 1:19:13

you this is the point in time that I get on to any questions and before I give you free reign

1:19:13 – 1:19:20

to unmute yourself and ask me I'm going to talk about a number of things that came up in the chat

1:19:20 – 1:19:27

um first and foremost there was a question about McCloud McCloud protections are available um for

1:19:27 – 1:19:33

certain people who have membership at certain periods of time and that's membership of um a

1:19:33 – 1:19:40

public sector pension scheme either in Northern Ireland or across the water um we are currently

1:19:40 – 1:19:50

going through a massive exercise to collect all the information that we need to make sure that anybody with um McCloud protections will get that automatically so there's nothing that you

1:19:50 – 1:20:00

have to do yourself to make that happen there's no election form or anything like that um if you are protected by McCloud those protections will kick in automatically um but we have written out

1:20:00 – 1:20:07

to some members that we are looking to ask if you have had membership of um a public sector pension

1:20:07 – 1:20:14

scheme um before you were with NILGOSC if um we issued our members news in December there if you

1:20:14 – 1:20:21

got an LGS 10 from us that's the form that you can use to fill in and tell us if you have other

1:20:21 – 1:20:32

public sector pension schemes membership that will mean then that we can apply those McCloud protections um as I say more information is available on our website um it's key to point

1:20:32 – 1:20:39

out that if you have another public sector pension you don't need to have transferred it into us nor

1:20:39 – 1:20:49

do you need to have aggregated your separate NILGOSC pension pots if you have them separate you're already entitled if it's a NILGOSC pension pot we'll know about it so don't panic but if it

1:20:49 – 1:20:56

is another um Public Service pension scheme you'll need to fill in the LGS 10 to let us know um there

1:20:56 – 1:21:02

was another question that came up about the 85 year rule um the 85 year rule was a provision

1:21:02 – 1:21:09

in older regulations that meant when your age and length of service added together added up

1:21:09 – 1:21:16

to 85 you could retire early without reductions to your benefits now to qualify for the 85 year

1:21:16 – 1:21:21

rule you had to have membership in the Scheme before the 1st of October 2006 um so if you

1:21:21 – 1:21:27

have membership prior to then you will have some 85 year rule protection for example if you got

1:21:27 – 1:21:35

to age 60 and you'd 25 years membership in the Scheme 60 plus 25 adds up to 85 so that would

1:21:35 – 1:21:40

mean that that would have allowed you to retire early without reduction however it's gone from

1:21:40 – 1:21:46

the regulations so it's no longer in place but any membership that you have prior to that will

1:21:46 -1:21:52

have some protections up until the 31st of March 2022 so if you have that membership you will will

1:21:52 – 1:21:59

have 85 year rule protections if you want to go early with 85 year rule protections if you are

1:21:59 – 1:22:05

looking at a retirement date of age 60 or later the online calculator will automatically include

1:22:05 – 1:22:12

those um 85 year rule protections but if you're looking at a retirement date before age 60 the

1:22:12 – 1:22:18

online calculator doesn't include the 85 year rule protections in which case you'll have to

1:22:18 – 1:22:29

phone the office and request the Calculation team provide you with a quotation um for the Rule of 85 switched on in full um apologies if you joined after the Scheme um or if you joined

1:22:29 – 1:22:37

the Scheme after the first of October 2006 um the 85 year rule is not relevant for you um somebody

1:22:37 – 1:22:43

had asked a question about transferring out you can transfer out of the Scheme um at any time

1:22:43 – 1:22:49

you would need to opt out um and transfer out and yes you can transfer to um a personal pension um

1:22:49 – 1:22:56

however I can't think under what circumstances you would would like to do that um also the Government

1:22:56 – 1:23:04

has recently put in extra um legislation that requires you to seek independent financial advice

1:23:04 – 1:23:17

um depending on the level of your transfer I think if your transfer value is worth more than 30,000 you have to have taken independent um financial advice before we are permitted to pay any transfer

1:23:17 – 1:23:23

out but yes you can investigate a transfer there's no um cost for us providing a transfer out quote

1:23:23 – 1:23:33

um there's no penalty or fear or anything like that um I think it's just that we only provide 1 quotation a year if you're looking an updated one within a 12-month

1:23:33 – 1:23:39

period I think we would charge it at that point um but usually one a year is enough

1:23:39 – 1:23:44

for you um to to take that to various other pension providers and and investigate those

1:23:44 – 1:23:49

transfers um apologies um if there's been any questions that have come in since I've

1:23:49 – 1:23:57

been talking I haven't been able to look at them um I'm happy to stay on on I I know some of you have had to leave but if anybody does have any questions that I haven't covered yet

1:23:57 – 1:24:14

um please do feel free to unmute yourself you can ask me and I'll do my best to answer for you um hi hi there um hi I I guess I'll be a bit confused I haven't yet transferred

1:24:14 – 1:24:19

and I only joined the Scheme in the end of November there and I haven't transferred

1:24:19 – 1:24:26

in from from Superannuation then from NHS Superannuation but so for on your advice then

1:24:26 – 1:24:35

or from what you're saying I need to both look at an LGS 10 and an LGS 8 is that correct yes okay so

1:24:35 – 1:24:42

I have to do both and then is there some way then there's an illustration as to whether the McCloud

1:24:42 – 1:24:48

is left in the NHS or brought across or is that you can't give that advice at the minute you don't

1:24:48 – 1:24:54

have to bring it across if you have membership in the NHS that qualifies you for McCloud protections

1:24:54 – 1:25:00

you'll get that automatically from us you don't need to transfer for that to happen right okay

1:25:00 – 1:25:06

okay I understand I think I'll wait until I get the submission through get the LGS 8 in

1:25:06 :1:25:14

and then we'll be able to contact them we'll do a calculation to show you what your benefits would be worth if you transferred it into us um then once you have the information in front of you you

1:25:14 – 1:25:20

can weigh up is it going to be best to leave it separate um and potentially access one pot before

1:25:20 – 1:25:26

another or if you want to combine them both and have them all in your current pension pot um it's

1:25:26 – 1:25:36

it's entirely up to you um but yes once you have the figures it should make it easier for you to decide okay you don't know how long that usually takes a few months maybe I guess yes it's months

1:25:36 – 1:25:41

um but do keep keep on us um get the forms in as soon as you can and just check in every now

1:25:41 – 1:25:48

and again until we've got it resolved okay that's great thank you all right thank you um who else I

1:25:48 – 1:25:57

have somebody raised their hand there sorry is that Kimberly McKnight do you want to unmute yourself and ask me a question thanks Ruth sorry um can I thank you for answering my question in

1:25:57 – 1:26:05

the chat okay so I have been trying to find out about flexible retirement yes you sent a leaflet

1:26:05 – 1:26:12

to me which my employer also sent to me right so I don't understand and I know that's not for you

1:26:12 – 1:26:19

to call go back to my employer but all I need to uh establish is how where do I get the application

1:26:19 – 1:26:24

from is it the employer just need to request in writing tell your employer make the request that

1:26:24 – 1:26:31

you would like to reduce your hours and release your pension okay okay right okay and that's not

1:26:31 – 1:26:42

okay I'll take it up with them that's not for you that's fine thank you very much okay thank you thank you there's a K McK um would you like to unmute yourself and ask me a question hi hi

1:26:42 – 1:26:51

Ruth yes thank you I have 19 years under 85 year rule are they free from reduction um you it will

1:26:51 – 1:26:59

depend with the 85 year rule um protections are so individual no two people have the same level

1:26:59 – 1:27:05

of protections um and it depends first of all there are a number of groups that depend when

1:27:05 – 1:27:11

you were um born and when you reach age 60 so there's four different groups and then there

1:27:11 – 1:27:17

are different periods of membership um what I would recommend is um you get a quotation because

1:27:17 – 1:27:23

that will confirm exactly how much your your protections are but yes if you have membership

1:27:23 – 1:27:29

usually it's your oldest membership that has the most protection so it's usually anything before um

1:27:29 – 1:27:36

April 2008 will have the most protection and it is quite often unreduced but then going forward

1:27:36 – 1:27:44

from 2008 that's where the protections start to reduce gradually um so the the reductions will be

1:27:44 – 1:27:50

lesser well okay the protections will be lesser as you as you move on sorry apologies the 85

1:27:50 – 1:28:01

year rule because it's so individual for everyone there's no rule of thumb or or general overview unfortunately um but I hope that helps um Leah Waters do you want to unmute yourself and ask me a

1:28:01 – 1:28:12

question hello can you hear me I can yes yep okay um yeah I

1:28:12 – 1:28:23

just oh October sorry apologies I didn't quite hear that that's okay um so I've returned back

1:28:23 – 1:28:28

from a career break um since October and just I suppose this is new knowledge to me about the

1:28:28 – 1:28:36

lost pension and recovering it back um so just really from what you've said um can I surmise

1:28:36 – 1:28:42

that I'm outside the window of been able to ask for your employer should have given you

1:28:42 – 1:28:48

the option to cover that break within 30 days of your return um and the regulations do permit an

1:28:48 – 1:28:54

employer to extend that 30-day limit um and usually an employer will extend it if it's

1:28:54 – 1:29:00

their fault if they've forgotten to tell you then usually they will but have a chat with them and

1:29:00 – 1:29:07

if need to be sure you can contact me separately um that's lovely another question is um can you

1:29:07 – 1:29:15

opt out of APCs once you've set it up or yes it does it have to be a long-term thing once you've

1:29:15 – 1:29:25

set it up um presumably you're going to have a a length of maybe 5 years that you're going to set this up if something happens you decide uh-oh I can't do this anymore you can stop it at any

1:29:25 – 1:29:36

time and you will get awarded a pro rata so for example if you've if you've done it for half the time you expected to you'll be credited with half the amount of pension um but it means

1:29:36 – 1:29:41

then once you've stopped it if you want to restart it at some point it will be a new contract based

1:29:41 – 1:29:52

on your age at the new contract which will be higher which means it'll probably work out to be more expensive than it would have had the original contract continued um so yes you can

1:29:52 – 1:30:04

stop it and you may restart it but it will be more expensive um whereas if you've gone down the AVC route you can stop it and start it as frequently as you wish okay yeah just when

1:30:04 – 1:30:10

you mentioned AVC um you said that the rate of benefit that you would get from that um

1:30:10 – 1:30:15

fluctuates or you're not you can't really comment on that is that right yeah it depends on the um

1:30:15 – 1:30:21

investment options you've gone for um some of the more risky ones have a possibility that they'll

1:30:21 – 1:30:27

pay out and give you a big increase but with the higher risk you know there's a potential that your

1:30:27 – 1:30:34

um value can be worth less than what you'd paid in um you could be if you're most risk averse you

1:30:34 – 1:30:39

can go for the minimal I think it's is it a cash fund um where essentially they're not promising

1:30:39 – 1:30:45

you any great leaps um but you know that it's um you're still getting your 20% tax relief so

1:30:45 – 1:30:50

you're you're getting the benefit of that um but yes you can't predict that you won't know

1:30:50 – 1:30:56

you'd um you can look at the um the online um guides that we have on our website that shows

1:30:56 – 1:31:02

you how the funds have performed in the past but we can't we can't promise you what would happen in

1:31:02 – 1:31:09

the future that's lovely thanks very much thank you Jackie would you like to unmute yourself

1:31:09 – 1:31:20

and ask me a question yeah sorry um I joined in 2008 and I brought 12.5 years in from a personal

1:31:20 – 1:31:29

pension does that mean I'm still entitled to the 85 Rule or not when did you join the Scheme April

1:31:29 – 1:31:39

2008 no you had to be a scheme member before the 1st of October 2006 right so in the years

1:31:39 – 1:31:48

it doesn't count that's correct sorry thanks for that all right um anybody else want to ask me a

1:31:48 – 1:32:00

question Brona do you want to ask me something yes can you hear me okay I can yeah I just checked my

1:32:00 – 1:32:08

service history there so I actually rejoined the Scheme on the 29th September 2006 um being

1:32:08 – 1:32:18

a deferred member uh up until 2005 I think at 15 years service then and did you combine I no

1:32:18 – 1:32:24

no I chose to defer to keep them separate okay what I would recommend if you don't mind just

1:32:24 – 1:32:30

because we're talking specifics would you give me a call either tomorrow um tomorrow after 11

1:32:30 – 1:32:37

or Friday after lunch and I can I can I can check that out for you okay thank you all right thank

1:32:37 – 1:32:47

you who's next Jeffrey do you want to ask me a question hey Ruth um hi your slide 12 on the AVC

1:32:47 – 1:32:55

and it's all the AVC fund can be taken cash at retirement subject to tax rules I understand the

1:32:55 – 1:33:03

tax rules is that 25% of your total pension which would be across both NILGOSC and the Prudential

1:33:03 – 1:33:16

for the AVC um uh uh so the question is about the question is when you go to the Pru. to lift your

1:33:16 – 1:33:25

or to to take your AVC fund as cash retirement do they then come to you to understand the total

1:33:25 – 1:33:33

of the pension pot i.e. their element plus yours or how does that work in practice how how does uh

1:33:33 – 1:33:39

the Pru. determine your pension pot when they only have the AVC part and do you have the other part

1:33:39 – 1:33:45

well they don't we do um whenever you're coming to retirement we'll contact the Prudential and

1:33:45 – 1:33:52

we'll get confirmation of what your fund value is um we'll then be able to work out the amount

1:33:52 – 1:33:58

of our pension plus any lump sum you might have with us plus your AVC fund will then work out

1:33:58 – 1:34:10

what the total pension fund value is and then it's a quarter of that that you can then take as the tax-free cash um so we will show you that whenever you get there um this slide I have here

1:34:10 – 1:34:16

that basically showed you the example um the maximum lump sum when you factor in the amount

1:34:16 – 1:34:23

of the AVC fund came out as 57,000 now they have a standard lump sum already of 16,500 so

1:34:23 – 1:34:30

we're looking at the difference between 16.5 up to 57 so there's an extra 40,000 and as long as

1:34:30 – 1:34:42

your AVC fund in this example as long as it's under that 40,000 you can take it all back as tax-free cash if your AVC fund was too high um you would have to take any of the excess AVC fund as

1:34:42 – 1:34:50

additional pension okay so it's all administered effectively through yourselves so yeah the quote

1:34:50 – 1:34:56

could come from yourselves and you would then go back and say an example you've got there uh could

1:34:56 – 1:35:05

I have the 40,000 from the Pru. yeah um yep okay no that's all brilliant super thank you thank you

1:35:05 – 1:35:14

um the next we've got is up Myra am I hopefully pronouncing your sir your name correct sorry um

1:35:14 – 1:35:19

hi Ruth how are you Ruth thanks very much for that presentation all very informative really

1:35:19 – 1:35:25

was although there's always questions aren't there Ruth um I've been employed um and we've been with

1:35:25 – 1:35:25

NILGOSC since 1985 okay and um I'm wondering if that 85 year will kick in and if so when I

1:35:34 – 1:35:40

go to the calculator will it automatically take that into consideration if you are looking at a

1:35:40 – 1:35:47

retirement date that is on or after your 60th birthday then yes the online calculator will

1:35:47 – 1:35:52

include your 85 year rule protections and you certainly will have some go going back from

1:35:52 – 1:35:59

from 85 um if you're looking at a retirement date of younger than age 60 sorry I'll butt in

1:35:59 – 1:36:07

there I'm actually 62 at this stage so this is something that's coming up at some stage that was the other question actually I had how do you know what age you could sort of retire but

1:36:07 – 1:36:17

again I presume that you put in your figures your dates and so on and then it'll calculate for you and you decide if that's not it I mean I go on every year to check and I retire at 55 and

1:36:17 – 1:36:23

I can't so I mean for my aims I'll be working till I'm 65 before I get my pension what I want

1:36:23 – 1:36:30

it to be um either that or win the lottery in the meantime okay or doesn't matter the fact

1:36:30 – 1:36:43

that I've worked part-time over some of those years when was raising family and then gone to full-time and so on if you worked something about the last 3 years salary was that always mentioned

1:36:43 – 1:36:53

yes the last 3 years is a thing um in the final salary benefits we'll automatically use the best out of your last 3 years worth of pay and but we also use the full-time equivalent

1:36:53 – 1:36:59

so if you've reduced your hours that will not have any impact on your pension um but if you

1:36:59 – 1:37:04

went part-time at any point whenever you were paying into the final salary scheme so before

1:37:04 – 1:37:12

2015 if you worked part-time at any of um in any of those years you will only have credited a part

1:37:12 – 1:37:20

of that year for example if you work 50% of a week each year you'll build up 6 months um basically

1:37:20 – 1:37:30

because we use the full-time equivalent we have to balance that out by pro rata-ing down your service but now that we're not the final salary schemes are all closed any reductions or um increases

1:37:30 – 1:37:36

that you do currently they'll not have any impact on your final salary benefits because we will use

1:37:36 – 1:37:46

the full-time equivalent okay so the fact that I've only done 2 years full-time I would need to do another year full-time to be considered based on that salary no no we will use the full-time

1:37:46 – 1:37:59

equivalent whether you're full-time or not yeah okay thank you thank you very much Ruth that's lovely thank you very much again um who's next um Brona is that sorry I'm maybe not I can't see the

1:37:59 – 1:38:06

full name is it Brona would you like to ask me a question can you hear me I can yes Ruth that was

1:38:06 – 1:38:15

the first time today I was able to get into the NILGOSC uh website and yeah it's good and I'm but

1:38:15 – 1:38:23

I'm shocked because the only job I see on there is uh casual part-time job that I'm doing I don't

1:38:23 – 1:38:28

see the full-time job there there is a drop- down arrow that you need to click on that will

1:38:28 – 1:38:35

take you into your other record this is one of the things that we appreciate is really clunky and it

1:38:35 – 1:38:46

really doesn't work well for anybody who has more than one one pension account because it means you need to do your calculations and do your slider in one record and then go up to the top select

1:38:46 – 1:38:55

that there's a wee downward arrow or triangle um and that then you need to go in and select your other pension reference number then you have to do all the calculations all over again and you have

1:38:55 – 1:39:02

to add the two together so we are aware that this doesn't work well for um for people with more than

1:39:02 – 1:39:07

one record and it is something that we are looking into for the future in um the hopes that we will

1:39:07 – 1:39:13

be able to provide you a more holistic view of of all your benefits um but it'll not be before

1:39:13 – 1:39:20

October this year but do watch this space no I've just um clicked on the down arrow there and all I

1:39:20 – 1:39:27

can see is a casual job and my last job and now I am worried right do me a wee favour and give me a

1:39:27 – 1:39:33

phone after 11 tomorrow morning or after lunch on Friday um and I'll I'll look into it for you

1:39:33 – 1:39:41

thank you all right thanks anybody else is there anybody still hanging on that wants to ask me a

1:39:41 – 1:39:55

question David are you asking me a question I had to keep um leaving here and I'm only to come back

1:39:55 – 1:40:02

again if you retire early and take your work pension how much of your AVC is tax-free or do

1:40:02 – 1:40:08

you get the lump sum your lump sum is tax-free regardless as long as you're within 25% it is

1:40:08 – 1:40:14

tax-free um but then it's your pension then that would be taxed if your earnings are above your

1:40:14 – 1:40:22

personal allowance all right lovely thank you all right thank you anybody else want to ask

1:40:22 – 1:40:29

me anything hi Ruth hi hi Ruth this is David thanks for the great presentation Ruth I just

1:40:29 – 1:40:36

want to double check um I would like to make some additional contributions to my pension

1:40:36 – 1:40:43

um I just want to double check what would be the best way is it APC or AVC there are the

1:40:43 – 1:40:49

two options that you have and it's entirely up to your circumstances as to what will dictate

1:40:49 – 1:40:59

what is the best NILGOSC staff aren't qualified or regulated to give financial advice so we can't tell you one or the other um but I mean we can give you the information about the two um one

1:40:59 – 1:41:04

of the pros about an APC is it's guaranteed you know upfront what you're getting it's not going

1:41:04 – 1:41:11

to be devalued over time the drawback for an APC um is that it's expensive um which is very

1:41:11 – 1:41:17

often what causes people to then go down the AVC route um the positive thing about the AVC route

1:41:17 – 1:41:27

is that it's very flexible you can decide how much you want to put in you can stop it start it increase it decrease it as and when you need to but the drawback is you don't have control

1:41:27 – 1:41:36

over what comes out so it's entirely up to you do you want the added security of knowing that this is the extra pension that you're getting um in which case you'll just have to pay the higher

1:41:36 – 1:41:42

costs alternatively you just want to do something sensible with a bit of extra cash that you might

1:41:42 – 1:41:51

have in which case you may be happy enough to go down the AVC route but I mean if you're looking for advice we would have to send you to um an independent financial adviser because NILGOSC

1:41:51 – 1:41:57

staff can't can't give you advice on on on what is best okay just another wee question

1:41:57 – 1:42:03

just there Ruth um so if I choose to make a donation or not donation to put more into my

1:42:03 – 1:42:14

pension yeah does it affect my taxable pay you know like your pay amount on your P60 um it is

1:42:14 – 1:42:22

um contra tax is deducted at source so you will pay less as a result of paying more into the

1:42:22 – 1:42:29

Scheme um for every hundred pounds that you want to put into your AVC fund it'll only cost you 80

1:42:29 – 1:42:35

quid in your in your bottom line pay pack okay that's great thank you very much all

1:42:35 – 1:42:41

right thank you somebody ask there um about if fees are payable to the Prudential with an AVC

1:42:41 – 1:42:48

yes fees are payable um depending on what investment option you've gone for and that

1:42:48 – 1:42:53

fund guide on our website that I had shown that details what all the fees are um so that's some

1:42:53 – 1:43:03

some of them are a set amount and some of them are a percentage um but if you're interested have a wee look at the fund guide um under the "useful links" on our website um and you'll be

1:43:03 – 1:43:10

able to find out how much those those fees are um anybody else want to ask me anything

1:43:10 – 1:43:16

else do you want to ask me a

1:43:16 – 1:43:27

question sorry could I ask a question and if you mentioned 20 for every 100 pounds

1:43:27 – 1:43:36

there that in terms of AVCs and AP APCs if you're in the higher tax bracket is there more of a saving or yes yes apologies I should have made that clear yes if you

1:43:36 – 1:43:44

pay more tax you get more um tax efficient um savings yeah thank you okay was there

1:43:44 – 1:43:51

somebody else had a question for me yes um Ruth just a quick question in terms of the

1:43:51 – 1:43:57

APCs the additional pension contributions presumably you're going to um buy those

1:43:57 – 1:44:08

additional contributions based on you know the current pension not deferred pension or not on the based on the 1/60th uh pension just current right it's just current pension

1:44:08 – 1:44:16

yeah okay um apologies to anybody that um has been hanging around that I haven't got to but

1:44:16 – 1:44:23

I am in need of some caffeine right now um if you do have any questions there are um plenty of ways

1:44:23 – 1:44:29

you can either give us a call or con drop us an email um maybe you want to go away have a little

1:44:29 – 1:44:39

play around on the calculators maybe whenever you start to think about it a bit more for your own circumstances maybe that you'll have new questions you can get in touch with us at any time um Monday

1:44:39 – 1:44:45

to Friday 9 to 5 or drop us a wee email and lastly I'd just like to say if you could please provide

1:44:45 – 1:44:51

us with some feedback you can either use the QR code or there is an online um version that you

1:44:51 – 1:44:56

can use that I would have sent in my email with a copy of the slides yesterday if you just let

1:44:56 – 1:45:04

us know if there's anything that you would like to see that we do differently or anything that we're not covering that you might like to see us covered in the future please do let us know um

1:45:04

but other than that thank you very much for your patience this afternoon um and I'll see you soon