



# LOCAL GOVERNMENT SUPERANNUATION SCHEME



## SUPERANNUATION SCHEMES

(REPRODUCED WITH THE KIND PERMISSION OF THE SUPERANNUATION  
SECTION, DEPT. OF THE ENVIRONMENT AND LOCAL GOVERNMENT)

The pensions legislation covering the vast majority of people pensionable under the Local Government Superannuation Code is the Local Government (Superannuation Revision) (Consolidation) Scheme, 1986 (sometimes called the 1986 Revision Scheme). The Scheme applies to pensionable staff in Local Authorities, Health Boards, Health Bodies, VEC's and Institutes of Technology. Most pensionable staff will also be covered for benefits for a surviving spouse and qualifying children under either the Widows' and Orphans' Pension Scheme or the Spouses' and Children's Pension Scheme.

The 1986 Revision Scheme is dealt with under various headings. Likewise, as both the Widows' and Orphans' and Spouses' and Children's Schemes are similar, these Schemes will be dealt with jointly under several headings, concluding with a brief note on the main differences between those Schemes.

# The Local Government (Superannuation Revision) (Consolidation) Scheme, 1986.

## Purpose of Scheme

The purpose of the Scheme is to provide superannuation benefits for retiring pensionable staff, or for pensionable staff who die in service. All permanent, *temporary wholetime, and certain categories of part-time staff* are pensionable under the Scheme from the date of becoming so employed.

## Benefits

The determination of pension benefit depends on whether benefits are co-ordinated with Social Welfare entitlements. If pension benefit is co-ordinated it means that the Scheme member is fully insured and is entitled to a Contributory Old Age Pension together with pension benefit under the superannuation scheme. If pension benefit is unco-ordinated there is no entitlement to a Contributory Old Age Pension. Accordingly, co-ordinated staff pay a lower contribution to the occupational pension scheme and receive a lower level of occupational benefit also. The table below summarises the position in relation to the categories of staff who are co-ordinated and unco-ordinated.

	<b>CO-ORDINATED</b>	<b>UNCO-ORDINATED</b>
<b>Officers</b>	All pensionable staff appointed on or after 6 April, 1995 subject to certain conditions.	All pensionable staff appointed before 6 April, 1995.

Normal Retirement benefits take the form of a tax free lump sum and an annual pension, which is taxable, based on the person's pensionable salary and pensionable service.

The **Lump Sum** is calculated, using the same formula for co-ordinated and unco-ordinated staff as follows:

$$3/80 \times \text{Pensionable Pay} \times \text{Pensionable Service}$$

The **Annual Pension** is calculated as follows:

Unco-ordinated staff:  $1/80 \times \text{Pensionable pay} \times \text{Pensionable Service}$

Co-ordinated staff:-  $1/80 \times (\text{Pensionable pay} - (2 \times \text{annual rate of maximum old age contributory pension})) \times \text{Pensionable Service}$

To qualify for pension and lump sum benefits you must have a minimum of 5 years pensionable service. Maximum benefits are attained by staff after 40 years pensionable service, this amounts to a pension (inclusive of the Contributory Old Age Pension in the case of co-ordinated staff) of one-half of retiring pensionable pay and a lump sum of one and a half times retiring pensionable pay. Pension benefit payable is increased usually in line with increases in pay in the pensioners former grade.

Example of superannuation benefit payable in the case of co-ordinated and unco-ordinated staff.

For the purpose of the example it is assumed that the person has 40 years service, retires on pensionable pay of €30,000.00. The current weekly rate of OAP is €209.30

## OFFICERS

	<u>UNCO-ORDINATED</u>	<u>CO-ORDINATED</u>
<b>LUMP SUM</b>	$€30,000 \times 3/80 \times 40 = €45,000$	$€30,000 \times 3/80 \times 40 = €45,000$
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<b>ANNUAL PENSION</b>	$€30,000 \times 1/80 \times 40$ => €15,000	$(€30,000 - (€209.30 \times 2 \times 52.18)) \times 1/80 \times 40$ Annual Pension = €4,078.73 Annual OAP = <u>€10,921.27</u> => €15,000.00

### Death Gratuity

If a pensionable officer dies in service a death gratuity is payable. The death gratuity is calculated as the greater of the deceased's annual pensionable pay or the lump sum the person would have received had s/he retired on grounds of permanent infirmity. The method of calculating a death gratuity is the same for co-ordinated and unco-ordinated staff.

#### EXAMPLE

Salary €30,000; service 20 years, age 55

greater of (a) €30,000  
or  
(b)  $€30,000 \times *25 \times 3/80 = €28,125$

\* *NOTE, that 25 years service is used in the calculation since the person concerned in this example would be entitled to an addition of five extra years, assuming a minimum retiring age of 60, if s/he retired on ill health grounds on the date of death.*

### Non-pensionable gratuity

A non-pensionable gratuity is payable to a person who is not eligible to join the Scheme, it is paid in respect of periods during which s/he works in a part-time or temporary capacity with at least 10 hours service per week. To qualify a person must have at least five years reckonable service (one weeks service is credited in any week where at least 10 hours is worked) and be sixty years of age (less than age sixty if you retire on ill-health grounds).

### **Example**

The gratuity, in the case of a person with service of 14 years who worked an average of 24 hours per week and whose average hourly rate of pay at retirement was €10, would be calculated as follows -

$$14 \times 24 \times \text{€}10 = \text{€}3,360$$

### **Short-service gratuity**

A short service gratuity is payable to a person who is a member of the Scheme and who retires on grounds of ill-health, before accumulating the necessary service, (5 years) to qualify for a lump sum and pension. A minimum of at least one years service is required to qualify for this gratuity.

### **Example**

In the case of a person retiring on grounds of ill-health with 4.32 years service and retiring pay of €30,000 the short service gratuity will be calculated as follows.

#### **Officers (unco-ordinated) €30,000**

$$4.32 \times 1/12 \times \text{€}30,000 + (4.32 \times 3/80 \times \text{€}30,000) = \text{€}15,660$$

### **When can I retire?**

For staff serving before 1<sup>st</sup> April 2004, the maximum retirement age at which they may retire is 65 and the minimum age is 60. For staff who became public servants on or after 1<sup>st</sup> April 2004 the minimum retirement age is 65. There is no compulsory retirement age for such staff.

Benefits are also payable if a person has to retire before reaching minimum retiring age on grounds of permanent infirmity. Benefits may also be preserved (this means benefits are frozen until age 60) if a person resigns before minimum retirement age, having at least 5 years pensionable service and does not take up another position, where service can be reckoned under the Scheme.

### **Cost Neutral Early Retirement**

In 2005, the Commission on Public Service Pensions introduced a facility which will allow public servants to retire early with immediate payment of superannuation benefits, subject to actuarial reduction to take account of the early payment of the lump sum and the longer period over which pension would be paid.

Further details are available from the Human Resources Office.

# WIDOWS' AND ORPHANS'/SPOUSES' AND CHILDREN'S PENSION SCHEMES

## Purpose of Scheme

The Scheme applies automatically to permanent male officers of local authorities, appointed to pensionable posts on or after 1 January, 1970, and to female officers appointed on or after 1 October, 1984. Staff pensionable prior to those dates were given an option to join the Widows and Orphans Scheme. Similarly when the Local Government (Spouses' and Children's Contributory Pension) Scheme, 1986 was introduced, it was automatically applied to all full-time staff appointed on or after 1 January, 1986 and existing staff were given an option to join.

The purpose of both Schemes is to provide a survivors benefit for spouses and/or dependant children of a member who, dies in service, dies while in receipt of a pension or dies while having an entitlement to preserved benefits.

## Benefits

A pension is payable under this Scheme to a surviving spouse and eligible children.

A children's pension, regarded as the child's own income for tax purposes is payable in respect of children under the age of 16, or under the age of 22 in full-time education, apprenticeship or training. A pension is also payable for life in the case of a permanently incapacitated child.

Survivors benefit payable is calculated by reference to the members or former members actual pension entitlement.

If a Scheme member dies in service or dies having retired on ill-health grounds, the survivors pension payable is calculated by reference to the pension the member/former member would have received had he s/he remained in employment up to age 65.

The following is a breakdown of the pension entitlements of a spouse and/or children of a member, or former member who dies.

<u>Dependants</u>	<u>Fraction of deceased's member's pension payable*</u>
Spouse	One-half
Spouse & one child	Two-thirds
Spouse & two children	Five-sixths

Spouse & three children	Full Pension
One child (No Spouse)	One-Third
Two or more Children (No Spouse)	One-half

\* *In the case of co-ordinated officer posts it is the pension which the member would have received if his/her pension was calculated on the basis of pensionable pay less once the annual rate of Contributory Old Age Pension payable to a single person with no dependant.*

**Example**

1. If a member, on modified PRSI, dies while on annual pension of €10,000 a year, the surviving spouse is entitled to an annual pension of €5,000.

Where a spouse and two children survive the total benefit payable is €10,000 x 5/6 = €8,333.33

2. A fully insured members spouses pension will be calculated as follows:

Pension Pay - €30,000.                      Annual rate of OAP - €10,921.27

If the member dies after a number of years and the pensionable pay at that time is €30,000. The spouses pension is calculated as follows.

Pensionable pay - €30,000 - €10,921.27	=	€19,078.73
Deceased Pension - €19,078.73 ÷ 2	=	€9,539.36
Spouses Pension - €9,539.36 ÷ 2	=	€4,769.68

***DIFFERENCES BETWEEN WIDOWS AND ORPHANS AND SPOUSES AND CHILDRENS SCHEMES***

**Beneficiaries**

The Spouses' and Children's Scheme covers the spouse of a member, irrespective of the date of marriage. It also covers all marital, non-marital, step-children and adopted children of a member.

The Widows and Orphans Scheme is more restrictive in that it only covers the spouse of a member if the marriage takes place before retirement, non-marital children are not covered and various restrictions apply to marital, step-children, and adopted children of a member being covered.



## **Refunds of Contributions**

The Widows and Orphans Scheme allows for a full refund of contributions to members who remain unmarried throughout their membership and a partial refund of contributions in certain cases where members spouses are deceased at the time the member retires or resigns.

A refund under the Spouses' and Children's Scheme only applies where - the member resigns without entitlement to a pension or preserved pension, and does not transfer service to another employment where service can be reckoned under the Scheme or if the member has paid contributions in excess of forty years.

## **FAMILY LAW ACTS**

Under the Scheme a survivors benefit is payable on the member's death to a surviving spouse. The provisions of the Family Law Acts will allow parties to a separation or divorce to seek a court order to set aside a portion of a pension, which would otherwise be payable in total to a surviving spouse, so that the portion set aside is paid to a former spouse. *See separate note on Family Law Acts at Appendix 1.*

## **CONTRIBUTIONS PAYABLE**

The Local Government Superannuation Scheme is a contributory Scheme. The table below sets out the rates applicable.

	<b>OFFICERS</b>	
	<b>Unco-ordinated</b>	<b>Co-ordinated</b>
<b>Personal benefit</b>	5% of salary*	3½% of salary* less twice the rate of OAP** + 1½% of salary*
<b>Survivors benefit</b>	1½ of salary*	1½% of salary*

\* basic Salary together with pensionable allowances

\*\* OAP is the maximum rate of Contributory Old Age Pension payable to a single person with no dependants.

Contributions for pensionable service are payable at the time the service is given. Contributions for non-pensionable service e.g. temporary service, may only be paid after the person becomes pensionable.

Pensionable staff will also have to pay contributions for the years of service they have given before they joined the Widows' and Orphans'/Spouses' and Children's Scheme. This is deducted by way of a 1% deduction of pensionable pay from the retirement lump sum for each year of service before the person joined the Scheme. This amount is taken from the persons lump sum at retirement. Alternatively, a person may pay an extra periodic contribution.

**Example**

Contributions deducted from pay for Main Scheme and Spouses benefit using €500 as weekly pay. For co-ordinated staff twice the maximum OAP rate is €18.60

<b>OFFICERS</b>	
<b><u>UNCO-ORDINATED</u></b>	<b><u>CO-ORDINATED</u></b>
5% of €500 = €25.00	3.5% of (€500 - €18.60) = €2.84
1.5% of €500 = €7.50	1.5% of €500 = €7.50
<b>TOTAL</b> €32.50	1.5% of €500 = €7.50
	<b>€17.84</b>

**Return of Contributions**

Contributions will be refunded, less the appropriate deduction for income tax, where a person resigns with less than 2 years service and does not accept any other position, where service can be reckoned under the Scheme. With the exception of staff who are in pensionable service from a date prior to 1<sup>st</sup> February 1995 (and who waive entitlement to preserved benefits in writing), scheme benefits should therefore be preserved on completion of two or more years of pensionable service by those leaving service from 2<sup>nd</sup> June 2002 onwards.

The option of a refund of contributions is not available under any circumstances if a person became pensionable on or after 1 February, 1995 and is resigning with 2 or more years service. Where contributions are returned by a local authority a rate of tax amounting to 20% of the gross amount of the contributions is deducted.

**Repayment of Contributions/Gratuity**

Where a person resigns from pensionable service and contributions have been returned, then if such person subsequently becomes pensionable at a later date and wishes to reckon the earlier service, the contributions may be repaid. In such cases, the amount to be repaid is the gross sum of the contributions returned together with compound interest at a rate of 6% or 7%, depending on the period of service the return relates to. Equally service for which a marriage gratuity was received can be reckoned on repayment of the gratuity, with compound interest in most cases.

## **RECKONABLE SERVICE**

As you have seen the components which go to make up your superannuation benefits are reckonable service and pensionable pay.

Reckonable service may be defined as the service that a member is entitled to reckon under the provisions of the Local Government Superannuation Scheme for the purposes of pension benefit.

Generally speaking members must reckon all wholetime pensionable service, all temporary service and any part-time service over 18 hours (10 in the case of teachers) a week, given with a body to which the Scheme applies, even if this brings the total service over 40 years. There is an option to reckon

- (a) service where a refund of contributions has been received,
- (b) a gratuity, such as marriage gratuity, previously paid or
- (c) service with certain bodies approved for that purpose. (See under Transfer of Service)

## **ADDITIONS TO SERVICE**

This is service in addition to actual service which can be allowed in certain cases.

### **Categories**

- (a) Ill-health
- (b) Ad-hoc
- (c) Professional

**The maximum addition under any one or combination of these categories is 10 years.**

(a) **Ill-health**

Ill-health added years apply where a person resigns on grounds of permanent infirmity. The actual award depends on your service and age. A person must have at least five years pensionable service to qualify for ill-health added years. Additions may be summarised thus -

	<b><u>Service in years</u></b>	<b><u>Addition applicable</u></b>
1.	5 - 10 -	Lesser of (a) person's actual service, or (b) period from date of retirement up to age 65.
2.	10 - 20 -	More favourable of (a) or (b) (a) (i) 20 minus actual service, or (ii) service up to age 65, whichever is less <u>or</u> (b) (i) 6 2/3 years, or (ii) service after retirement up to minimum retirement age, whichever is less.
3.	20+ -	Lesser of (a) or (b) (a) 6 2/3 years, or (b) service up to minimum retirement age.

**Example**

Service 20 years. Member retiring on ill health grounds at age 50  
Addition is lesser of -

- (a) 6 2/3
- or
- (b) service up to minimum retiring age (60 in this case)

Since 6 2/3 is the lesser this is the addition applicable.

(b) **Ad-hoc added years**

This category applies to those who hold specialist or technical posts. An example would be a post requiring a qualification and a number of years experience the total of which means the post cannot be taken up at age 25, consequently it is not possible to have 40 years service by age 65. e.g. Teachers of Fitting and Turning. The granting of added years in those cases is sanctioned by the Minister following an application made to the employing local authority by the individual concerned.

**Example**

Teacher of Fitting and Turning - appointed age 35  
Experience and qualification necessary - 10 years

$$\begin{array}{r} 10 \\ + \underline{18} \text{ (Starting Age)} \\ \hline 28 \end{array} \qquad \begin{array}{r} 28 \\ - \underline{18} \\ \hline 10 \text{ (Gross Award)} \end{array}$$

The gross award is reduced if the person has service which is reckonable for pension purposes and was given prior to taking up the post for which the addition is granted. Certain Social Welfare entitlements built up will also reduce the award.

(c) **Professional Added Years**

Certain designated professional staff may have a 1/3 addition to their service allowed at retirement. If the person retires before age 65, other than ill health grounds, the difference between retiring age and age 65 is deducted from the addition to service.

## **TRANSFER OF SERVICE**

Membership of the Local Government Superannuation Scheme provides for the reckoning of service given with all bodies covered by the Scheme i.e. local authorities, VEC's, health boards and certain other bodies.

### **What about service with other organisations in both the public and private sectors?**

In the case of a member who had service in the private sector there is no formal transfer arrangement to allow for the reckoning of such service, however, depending on the terms of the private sector pension scheme it may be possible to transfer the total value of your pension to the Local Government Superannuation Scheme. Contact the HR Office for details.

A transfer of service with other public sector schemes is possible provided the body in which the previous service was given is an approved body. An approved body is a body approved by the Minister for the Environment and Local Government for the purpose of transferring pensionable service. A transfer of non-pensionable service e.g. part-time service is also possible if the organisation is in the Transfer Network and again this would apply in the case of most public

sector bodies. The service is transferred on a like for like basis, that means that if you served 3 years with say, Bord Failte, you will get a credit of 3 years if you subsequently transfer to the Local Government Superannuation Scheme. The terms of the Superannuation Schemes of participating bodies are broadly similar.

## **PURCHASE OF NOTIONAL SERVICE**

The purchase of notional service scheme allows for the purchase of notional service where the person in question will have a shortfall of the maximum service i.e. 40 years with reference to either age 60 or 65.

### **Is there a limit on the amount of service than can be purchased?**

Yes - the maximum amount of service that may be purchased is dependant upon the reckonable service the person can potentially have at age 60/65 i.e. you can only purchase the amount of service that would give you 40 years service at age 60/65. In order to purchase you must have a minimum of 9 years reckonable service by age 60/65.

### **How can notional service be purchased?**

Notional service may be purchased by either of two methods.

Firstly, it may be purchased by means of ongoing deductions from salary. Contributions are payable to age 60/65. This method of purchasing service is not open to persons over 63 years or older.

Secondly, it may be purchased by a single lump sum method. A decision to purchase by single lump sum must be made within 2 years of commencement of pensionable service or within 2 years of retirement, at retirement or within six months of the person's return to duty following a period of special leave.

### **Who can purchase notional service?**

An option to purchase notional service can only be made by officers and employees superannuated under the 1986 Revision Scheme, who are giving actual pensionable service.

### **Is the purchase of notional service expensive?**

The purchase of notional service is actuarially costed and the rate of purchase is dependant upon the person's age, and the number of years being purchased.

### **Example**

A Class D officer, in the Widows and Orphans Scheme, aged 40 years with 10 years service, and a salary of €30,000 may purchase a maximum of 5 years with reference to Age 65. If service is purchased by way of ongoing deductions the deductions will be as follows:

$$1.02\% \times 5 \times €30,000 = €1,530 \text{ (annually) or } €29.32 \text{ weekly up to Age 65}$$

A Class D officer, in the Widows and Orphans Scheme, aged 40 years with 10 years service, and a salary of €30,000 retiring on ill-health grounds wishes to purchase 5 years notional service with reference to Age 65 by single lump sum payment, the appropriate deduction is -

$$37.9\% \times 5 \times €30,000 = €56,850$$

## **ADDITIONAL VOLUNTARY CONTRIBUTIONS**

An AVC plan caters for a person with a shortfall in service at retirement or whose superannuation benefits fall short of limits set out by Revenue Commissioners.

The plans are established by the local authorities on foot of guidelines set out by the Revenue Commissioners. The Plans are Union based and are administered by Trustees. Local authorities are not liable for any benefits that arise from an AVC plan.

## **PENSIONABLE REMUNERATION**

It is the person's salary on retirement together with the average of pensionable allowances. Allowances are payments, in addition to salary specifically related to the person's post; not all allowances are pensionable. In the case where a person's salary changes during the last three years of employment, other than by virtue of normal pay increases, e.g. promotion, pensionable pay is calculated by averaging salary in the last three years of service. Allowances are always averaged e.g. if a member has had pensionable allowances totalling €3,000 in the last three years before retirement ( $€3000 \div 3$ ), €1000 is added to salary in determining pensionable pay.

### **Example**

Where an officer is promoted one year before retirement his/her pensionable pay is averaged and calculated as follows - assume salary of first post €30,000 and €35,000 in second post

$$\frac{730 \times €30,000}{1095} + \frac{365 \times €35,000}{1095} = €31,666.66$$

## **CAREER BREAKS**

A person on a career break remains pensionable with the local authority that granted him/her a career break. They are entitled to the full range of superannuation benefits that a serving person is entitled to e.g. ill-health pension benefit and death benefit.

The career break period is a period without pay and does not reckon for superannuation purposes. However there is a facility where the person can buy the period in question under the purchase of notional service scheme.

## **JOB-SHARING**

Job-sharers are pensionable if sharing a post under a job-sharing arrangement approved by the employer. Contributions under the Scheme are payable at the same rates as their full-time colleagues, but levied on the pay actually received. The credit given for service is half the full time equivalent.

A job-sharer may purchase notional service to make up for any shortfall in service at age 65.

## **DISCLOSURE OF INFORMATION**

A member of the Scheme is entitled to receive certain information relating to his/her membership of the Scheme. This information can be obtained by request from the employers Personnel Section.

### **What type of information is available?**

1. Annual reports and explanatory booklets relating to the pension scheme.
2. Access to the Scheme documents e.g. circular letters.
3. Individual benefit statements.

### **Annual Report will include:-**

Name of Trustees, name of auditor, address to which enquiries may be sent, details of any changes since the previous year in the schemes provisions, number of members and beneficiaries at 1st January each year, pension or other benefit increases.

The annual report is available within nine months after the end of the Scheme year to which it relates. The Department circulates to local authorities the Annual Report which in turn inform their members, or prospective members, of its availability. On receipt of a written request, local authorities must provide a copy of the report free of charge not later than four weeks.



## **Explanatory Booklets**

The local authorities must furnish the booklets within four weeks to staff becoming pensionable or to members and prospective members, spouses or authorised trade unions following a request in writing.

## **Scheme Documentation**

Local authorities must make available to members, pensioners, prospective members, spouses or authorised trade unions the contents of any Statutory Instruments and Circular Letters relating to the Scheme. These documents must be made available not later than four weeks following a written request. Requests for copies of statutory instruments will however be referred to the Government Publications Sales Office.

## **Individual Benefit Statements**

Local authorities are required to furnish, on written request, a benefit statement to any member or prospective member who are still serving and who have not yet reached minimum retiring age.

A benefit statement sets out details of benefits of a member or prospective member of a Scheme, of his or his spouses potential benefits, assuming service continues to minimum retiring age, based on current salary. This information is to be furnished on request in writing not more than once in any twelve month period. Where a member resigns or indicates an intention to resign before minimum retiring age s/he should be supplied with a statement showing the amount of the preserved benefit payable, provisions for increasing such benefit, date payable, procedures for claiming it and details relating to those responsible for paying the benefit, if a refund of contributions is available, the circumstances in which it may be granted, the amount of refund and how it is calculated. This information is to be furnished to any member as soon as practicable after s/he resigns or indicates an intention to resign.

## **APPEALS**

Under the terms of the Scheme a person can appeal the superannuation award granted to him/her within six months, of the making of, to the Minister for the Environment and Local Government (eight months is allowed in the case of certain decisions of the local authority). The appeal, in writing, should set out the grounds for the appeal. The Minister can only adjust the person's award if the local authority has made an error in determining the award in the first place.

***The information given in this document is of a general nature only and should not be taken as an interpretation of the statutory provisions.***

## APPENDIX 1

### Family Law Acts - General Guidelines

#### Background

Prior to the introduction of the Family Law Acts, there was no mechanism that allowed superannuation entitlements to be taken into account on the breakdown of a marriage.

The Family Law Act 1995, which, with effect from 1 August, 1996 provides for judicial separation and the recognition of foreign divorces and The Family Law (Divorce) Act 1996, which, with effect from 27 February, 1997 provides for divorce in Ireland, obliges the Courts to take the value of pension benefits into account in arriving at a financial settlement following the granting of a decree of judicial separation or divorce.

#### 1. Pension Adjustment Orders (PAOs)

With regard to pension benefits, the Act provides, subject to application and at the Court's discretion, for the making of Pension Adjustment Order(s). PAOs empower the Court to direct trustees to pay benefits in accordance with the Court Order.

The PAO designates a portion of the pension benefit in favour of either the dependent spouse and/or a person concerned with the welfare of the children.

#### **The PAO overrides the rules of the members pension scheme.**

In the context of the Local Government Superannuation Scheme, Pension Adjustment Orders can straddle both Main Scheme and Widows and Orphans/Spouses and Childrens Pension Schemes and can be made in relation to:

- (a) Retirement benefits  
and/or
- (b) Contingent Benefits.

- **Retirement Benefits**

would cover Pension and Lump Sum, Preserved Pension and Lump Sum or Preserved Death Gratuity payable under the Main Scheme

and

where a member dies after retirement or resignation pensions payable under the Widows and Orphans/Spouses and Children Pension Scheme.

- **Contingent Benefits**

would cover both a Death- in- Service Gratuity payable under the Main Scheme

and

where a member dies in service, pensions payable under the Widows and Orphans/Spouses and Childrens Pension Scheme.

An Order in respect of Retirement benefits may be granted at the time of the granting of the decree or at any time thereafter during the lifetime of the member spouse i.e. the member of the pension scheme.

An Order in respect of Contingent Benefits must be made within 12 months of the granting of a decree of judicial separation/divorce.

## **2. TRUSTEES**

In relation to the Local Government Superannuation Scheme, the trustees of the scheme are the persons who administer the scheme i.e. local management in each individual local authority.

- **OBLIGATIONS OF TRUSTEES**

With regard to the Family Law Acts, the obligations of trustees are twofold, namely furnishing pension information relating to the member spouse and implementing Pension Adjustment Orders.

- **INFORMATION**

Where cases are initiated under the Family Law Acts, the member spouse is entitled to the details of the Scheme, an actuarial valuation of the entitlements (which can be received on request from this Department) and member- specific information e.g. date of entry to the scheme, current pensionable pay, survivors entitlements etc.

**This information can also be given to the non-member spouse i.e. the spouse of a member of a pension scheme ,if written consent is received from the member spouse.**

**Without the written consent of the member spouse,** the non-member spouse, is only entitled to information that is in the public domain e.g. explanatory booklets, annual report, circular letters etc.

However, it should be noted that either spouse can apply to the Court to direct Trustees to provide specific information in relation to pension benefits and the Court is obliged to act on such applications. Similarly, the trustees are obliged to furnish the information as directed by the Court.

Accordingly, when a local authority is furnishing information to a member spouse, s/he should be advised to pass on this information to the non-member spouse or alternatively, if written consent is received, the information can be passed on by the local authority. In any

event, the member spouse should be informed that the non-member spouse can gain access to the information through the Court.

- **The prompt furnishing of information, subject to the written consent of the member spouse or through Court direction, avoids unnecessary subpoenas being served on local authorities.**

**Trustees can only furnish information and should never give advice to either parties.**

- **IMPLEMENTING PENSION ADJUSTMENT ORDERS (PAOs)**

Following the making of a Pension Adjustment Order, trustees are obliged to notify the person named in the Order(s) of the amount and nature of benefits contained in the orders together with a contact name and address, as well as requesting to be notified of any change of address of the named person.

and

on request, to provide a statement of the options available to the non-member spouse and an estimate of the transfer amount which may be applied.

### **3. TRACKING SYSTEM**

In relation to cases being taken under the Family Law Acts, local authorities are advised to set up a tracking system, both electronic and physical, to deal with requests for information, actuarial valuations, written consent of member spouse, initial and subsequent (if any) pension adjustment orders etc. The tracking system, which may take the form of a hard copy and spreadsheet, is needed to keep a record of the various requests and stages of each individual case and is essential at the time of payment of pension benefit where a pension adjustment order applies.

Reference should be made to Circular Letters S. 8/97, S.1/98 and S. 8/98.