



Fermanagh & Omagh
District Council
Comhairle Ceantair
Fhear Manach agus na hÓmaí

Policy on Contribution Banding in respect of the Local Government Pension Scheme

1. Background

The purpose of this policy is to set out how Fermanagh and Omagh District Council (the Council) intends to allocate Local Government Pension Scheme (NI) members to a contribution band in the Scheme.

2. Contribution Bands

The contribution bands applicable to active scheme members from 1 April 2015 are detailed in the table below:-

Band	Pensionable pay range	Contribution Rate
1	£0 - £14,000	5.5%
2	£14,001 - £21,300	5.8%
3	£21,301 - £35,600	6.5%
4	£35,601 - £43,000	6.8%
5	£43,001 - £85,000	8.5%
6	More than £85,000	10.5%

3. Allocation of Contribution Band

Employees will have their contribution band determined by their actual pensionable pay (in each job, if applicable) as at 31 March each year or on their date of joining (if later) or at the date of any material change e.g. change in contractual hours, pay increase etc. as outlined in para. 4 below.

4. Reallocation of Contribution Bands

An employee may have their contribution band reviewed and reallocated where there is a material change to their pensionable pay in the following circumstances:-

- a) **Ad hoc payments including non-contractual overtime.** At 31 March each year the Council will review any ad-hoc payments made to employees and where the total annual pensionable pay earned in that year would place an employee in a different contribution band then the revised band will apply for the following year.
- b) **Change in contractual hours.** Where there is a temporary or permanent change to an employee's contractual hours their contribution band will be reviewed and, if applicable, the new band will apply from the date of the change.
- c) **Change of pay due to new appointment/change of grade.** Where an employee's pay changes as a result of a new appointment or change of grade the contribution band will be reviewed and, if applicable, the new band will apply from the effective date of the change.
- d) **Cost of living increases.** Where a cost of living pay increase is agreed which affects an employee's contribution band, the new band will apply from the next available pay period after the pay agreement is implemented.
- e) **Incremental Progression.** Where incremental progression affects an employee's contribution band, the new band will apply from the date of the incremental progression.
- f) **Temporary increase in pay e.g. acting up.** If a temporary increase in pay affects an employee's contribution band, the new band will apply from the date of the increase.

Any changes to an employee's contribution band will be notified to them as soon as is reasonably practicable.

5. Review requests

If an employee wishes they may request an informal review of their contribution band determination by contacting the Head of Human Resources and Organisation Development outlining the grounds for their request.

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