NORTHERN IRELAND LOCAL GOVERNMENT OFFICERS' SUPERANNUATION COMMITTEE

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At: All Employing Authorities

Circular 09/2026

3 July 2026

Dear Colleagues,

Employer updates: Amendment regulations, updated employer forms, scheme factor review and HMRC's low earner pension payments

This circular provides employing authorities with information on a number of current employer related issues.

Contents

1. The Local Government Pension Scheme (Amendment) Regulations (Northern Ireland) 2026

The Department for Communities made the above Regulations on 15 June 2026 and they come into operation from 31 August 2026. These Regulations remove the requirement to include details of the McCloud Remedy in annual benefit statements for 2025/26 and potentially for 2026/27.

Implementing the McCloud Remedy is widescale and complex. NILGOSC has made good progress to date in collecting and validating data from 170 employers, updating members' records and calculating McCloud provisional underpins for over 40,000 members.

Although McCloud calculations are embedded to business as normal processes for the vast majority of members, there remains some small groups of members who require further amendments to pensions administration software and/or revised guidance or legislation to allow their McCloud underpin to be calculated accurately. This currently impacts approximately 300 members. NILGOSC are working through an action plan to continue to rectify these members.

For this group of members, it is therefore not possible to include any benefit additions due to the McCloud Remedy in annual pension statements for this year. Due to the development timelines from the software provider, there is a strong possibility that this will remain the case for the 2026/27 annual benefit statement also. In light of this situation, the Department has made these regulatory amendments.

The amending regulations and the explanatory memorandum are available on NILGOSC's website https://nilgosc.org.uk/resource-category/scheme-rules/

2. Updated Employer Forms

Please note that there have been minor changes made to the following forms:

- LGS 16 – Advanced Notification of an intended Retirement
- LGS 17 – Employer Request for an Estimate of Retirement Benefits
- LGS 22A/B – Ill Health Medical Examination Form for an Active / Deferred member

For the LGS 16 and 17 forms, the changes reflect current tax year and allowance limits. For the LGS 22 form, there are several minor wording changes to reflect current ill health processes.

Template forms have been updated on our website; please ensure you use these new forms rather than locally saved old versions which will no longer be accepted.

3. Scheme review of factors and strain costs

As advised in circular 08 issued on 21 May 2026, the Scheme is undergoing a review of the factors used in pension calculations. Please be advised that this process is still underway by the Government Actuary's Department ('GAD') and our fund actuary, and we expect to be able to communicate the impact of the new factors and strain costs toward the end of the summer. These will take effect once received, and any previously quoted employer strain costs will need to be revised.

4. Low earner's pension payment – HMRC update

HMRC's employer bulletin for June 2026 notified that HMRC will be contacting around 1 million eligible individuals directly about the low earner's pension payment, previously referred to as the low earner's anomaly. This payment makes sure low earners achieve similar outcomes regardless of the type of workplace pension scheme they are in.

This is to advise that employers do not need to take any action. There is no requirement for employers or payroll teams to apply, assess eligibility, amend payroll records, or contact HMRC on behalf of employees. HMRC will identify eligible individuals and contact them directly.

An employee may be eligible for this if they did not obtain income tax relief on their pension contributions in any tax year from 2024 to 2025 onwards. This would be if they:

- earned close to the personal allowance in a tax year, typically £12,570 20; and
- contributed to a workplace pension through a net pay arrangement pension scheme, such as the LGPS(NI).

Please advise any employee who enquires that HMRC will contact eligible individuals, either by post or through their personal tax account, and they should follow instructions received.

As HMRC will be contacting individuals about money they are owed, you may receive questions about whether messages are genuine. Employees can be reassured that:

- HMRC correspondence can be checked on GOV.UK by searching check if an email you've received from HMRC is genuine; and
- HMRC will never ask for money transfers, PIN codes, or passwords.

Please do not hesitate to contact the Pensions technical team or myself if you have any queries on any of the above matters.

Yours sincerely

[redacted]

Sinead Heath
Chief Pensions Officer