Department of Finance
An Roinn Airgeadais
www.finance-ni.gov.uk

Civil Service Pensions (NI)

Thinking about retirement

A brief guide

Thinking about retirement

This leaflet covers the **Classic, Classic Plus, Premium** and **Nuvos** pension arrangements of the PCSPS (NI) and the **alpha** pension scheme. If you are a member of the **Partnership** pension arrangements you will need to contact your provider for further information.

The leaflet tells you how to claim your NICS pension scheme pension and gives a brief overview of the things that you may need to consider before you retire.

We have tried to use as little jargon as possible, but we have defined some terms (**shown in bold**) that appear in the text. Please see the Glossary Section at the end of this leaflet.

Note: this booklet is a guide to retirement. It does not cover every aspect; the full details are contained only in the rules which are the legal basis of the scheme. You should note that nothing in this booklet can override the rules, and in the event of any unintentional difference, the rules will apply.

When can I claim my benefits?

You can claim your full pension benefits if you retire when you reach **pension age**, which is usually 60 for **Classic, Classic Plus and Premium** members and 65 for N**uvos** members. For alpha members it is linked to your State Pension Age. If you leave the Northern Ireland Civil Service (NICS) after reaching age 50 (55 if you joined after 1 April 2006) but before pension age you can claim your benefits early. However, normally you will receive lower benefits if you do so.

Under certain circumstances there may be an option for you to draw all or part of your pension while remaining in service. The booklet '**Partial Retirement**' will give you more information on this.

How much pension do I get?

During your NICS career you should have received an Annual Benefit Statement from us showing what pension benefits you have accrued.

Your pension benefits are made up of an annual pension and possibly a tax-free lump sum payment. If you were in Classic or Classic Plus, you will receive a lump sum automatically. Whatever scheme you have been a member of, you will have the option of exchanging some of your pension for a lump sum.

If you have bought any added pension or added years, this will be paid with your pension when you retire. You will get your pension paid for life.

When you draw your pension and any lump sum, they will be tested against your Lump Sum Allowance (LSA). This is the total amount of tax-free cash an individual can receive across all pension schemes at retirement. If your pension benefits are valued at more than the LSA when you take them, you will have to pay LSA tax on the amount above the allowance.

The Government has set the **LSA** at a level which means that most people are unlikely to pay this tax. Despite this, everyone's benefits must be checked against the limit at the time pensions or lump sum benefits are taken. See www.hmrc.gov.uk for details of the **LSA**, including rates.

Pensions for your dependants

On your death, under **Classic**, your widow, widower or civil partner may receive a pension. **Classic Plus, Premium, Nuvos** and **alpha** may pay a pension to a widow, widower, civil partner or unmarried partner. (By 'unmarried partner' we mean a partner who you have nominated who meets the eligibility criteria). You will find further information in the booklet 'Pensions for Partners'.

The amount of pension your widow, widower, civil partner or partner will get will depend on your circumstances. The relevant individual scheme booklets listed at the end of this booklet go into this in more detail.

Refund contributions for husband, wife or civil partner's pension

If you were in **Classic** or **Classic Plus** you may receive a refund of some of the contributions you have paid if you have been unmarried or not in **a civil partnership**. The relevant individual scheme booklets explain this in more detail. In all circumstances the scheme will keep a small amount of your contributions in case you marry or form a **civil partnership** in retirement.

Your retirement lump sum will include any refund due to you. There are no refunds payable under Premium, Nuvos or alpha.

What do I have to do to claim my pension?

You should discuss your plans with your employer so they know your leaving date. We normally recommend that you give them at least four months' notice. Your employer will let us know the date you intend to retire.

We will send you a Personal Details Form (PDF) which you should use to check the details we hold about you, and to tell us which bank or building society account you want your pension benefits paid into. You will also need to give us information about any other pension benefits that you have already taken or are about to take. This does not include your State Pension. We will check these figures to ensure that they fall within your **LSA**. You must let us have all the information we ask for.

The leaflet 'What to expect … when you claim your Civil Service Pension' summarises the steps and timeline to claim your pension.

How do I receive my pension?

We pay NICS pension scheme pensions. We will pay your pension into the bank or building society you have specified on the PDF. We will pay this monthly in arrears and tell you on which day of the month to expect it. We will pay your lump sum, if you have one, as soon as possible, after your last day of service.

What else do I need to think about?

Death Benefit Nomination forms

It is important before you retire that you check your death benefit nomination form to ensure that it reflects your wishes. If you have not completed a form or wish to change it, please contact us immediately. You may make or change a nomination at any time, including after you retire. If you do not nominate a beneficiary, your death benefit will automatically go to your estate. If you wish to change your nomination form after you retire, you should contact us.

State Pension forecast

You can ask the Department for Work and Pensions (DWP) for a State Pension forecast. This will tell you, in today's money values, the amount you can expect to receive at State Pension age. Your State Pension is based on your National Insurance contributions. You can get a State Pension forecast at any time if you are living in the UK. You can find more information and apply for a forecast on the GOV.UK website using the following link:

https://www.gov.uk/plan-for-retirement

Pension Credit

You may be entitled to Pension Credit. You could top up your income to a guaranteed minimum level. To find out more visit the Northern Ireland Pension Centre website at:

www.communities-ni.gov.uk/contacts/northern-ireland-pension-centre

Things that could affect your pension after you retire

Guaranteed Minimum Pension (GMP) and annual pension increases

Prior to 6 April 2016 the NICS pension schemes were contracted out of the State Second Pension (S2P), which was previously known as State Earnings Related Pension Scheme (SERPS). If you have **reckonable service** before 6 April 1997 you will have built up rights to a GMP which must be paid as part of your NICS pension scheme pension. We will pay you a pension which is guaranteed to be at least as much as the **GMP** pension you have built up.

We will review your pension payments annually in line with the cost of living. Where applicable some of the annual increase relates to the part of your NICS pension scheme pension that is comparable to the GMP.

DWP will pay most of the increase on your **GMP** when you start to receive your basic State Pension. This means you will receive those increases with your State Pension and not your NICS pension scheme pension.

National Insurance Modification

The NICS pension schemes provide for pensions to be reduced from State Pension age to take account of the basic State Pension. If your **reckonable service** includes a period of time before 1 April 1980, we will reduce your NICS pension scheme pension once you start to claim your State Pension. This reduction is known as National Insurance Modification. This reduced pension is then increased in line with rises in the cost of living from your last day of service. The reductions made for National Insurance Modification are less than £2 a year for each year of your service up to 1980.

What happens if I'm re-employed after drawing my pension

If you have any NICS pension scheme pension in payment and are re-employed by a NICS pensions employer, your pension may be abated (reduced), unless you are over 75. If you are considering re-employment after drawing your pension you should contact us for further information on the impact on your pension. It is important to note that abatement does not apply to alpha pensions.

Scheme booklets and information leaflets

The following guides provide detailed information about individual pension schemes and related topics:

Pension Scheme Guides

Classic

Classic Plus

Premium

Nuvos

alpha

Additional Information

The Northern Ireland Civil Service Additional Voluntary Contribution Scheme (NICSAVCS)

Partial retirement - a guide for scheme members

What is abatement?

You will find all these booklets on the CSP(NI) website or you can contact us for copies.

Further information

When we send you the PDF, we will also enclose up-to-date general information on retirement, welfare, benefit payment procedures and taxation. We will contact you regarding any **Northern Ireland Civil Service Additional Voluntary Contribution (NICSAVC)** you have made. You will need to contact us if you have any other pensions. For further information about pensions please go to our website:

www.finance-ni.gov.uk/civilservicepensions-ni

Glossary

Added pension is a way of increasing your pension either by paying a lump sum once a year, or by monthly contributions.

Added years was a way for active members of Classic, Classic Plus and Premium, and their employers, to boost pension benefits by buying added years of service, either with a lump sum on joining, or by periodic contributions during service.

alpha is a defined benefit occupational pension scheme based on salary in each year of service.

Civil partnership is a relationship between two people of the same sex that has been registered under the Civil Partnership Act 2004.

Classic is a defined benefit occupational pension scheme based on final salary. It was open to civil servants from 1972 to 2002 and is now closed to new entrants. The name Classic came into effect in October 2002.

Classic Plus is a defined benefit occupational pension scheme based on final salary. It was available from 1 October 2002 for staff in post on 30 September 2002 and is now closed to new entrants.

Lump Sum Allowance (LSA) is total amount of tax-free cash an individual member can receive across all pension schemes at retirement.

Northern Ireland Civil Service Additional Voluntary Contribution (NICSAVC) Scheme is a money purchase arrangement for PCSPS(NI) scheme members to provide an additional pension, where contributions are paid to one of a panel of approved pension providers for investment in a fund or selection of funds. The accumulated investment fund is used to buy an annuity - a pension for life. Members can choose to take up to 25% of their fund as a tax free lump sum subject to the **LSA**.

Nuvos is a defined benefit occupational pension scheme based on salary in each year of service. It was available from 30 July 2007 until 31 March 2015 and is now closed to new entrants.

Partial retirement is the option to draw all or part of your pension while remaining in the NICS.

Pension age is the earliest age at which you can choose to leave and receive immediate payment of your pension without it being reduced because of early payment. Pension age is currently 60 for most classic, classic plus and premium members and 65 for most nuvos members.

Premium is a defined benefit occupational pension scheme based on final salary. It was available from 1 October 2002 until 29 July 2007 and is now closed to new entrants.

Reckonable service is the service that counts towards a pension if you are in **Classic, Classic Plus** or **Premium**. Part-time service counts on the basis of hours worked.

Contact us:

Civil Service Pensions
Orchard House
40 Foyle Street
Londonderry
BT48 6AT

Tel: 0300 077 0329

Email: cspensions@finance-ni.gov.uk

www.finance-ni.gov.uk/civilservicepensions-ni

Published by Civil Service Pensions

Issue 11 *August 2026*