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Laurence McCann
TUS Co-Chair CCWG
Via email: laurence.mccann@daera-ni.gov.uk

14 October 2026

Dear Laurence,

THE PUBLIC SERVICE PENSIONS (VALUATIONS & EMPLOYER COST CAP) (AMENDMENT NO.2) DIRECTIONS (NORTHERN IRELAND) 2026

I am writing to inform you that the Department proposes to make a short amending Direction to restore the effect of former Direction 49(1), which was inadvertently omitted from the Public Service Pensions (Valuations and Employer Cost Cap) (Amendment) Directions (Northern Ireland) 2026 made on 15 July 2026. The proposed amendment is wholly technical and corrective in nature and does not represent a change in policy, nor does it affect pension scheme members' benefits or employers' contribution obligations.

The omission relates to a longstanding carve-out, in place since the original valuation Directions were introduced in 2014, which disapplies any requirement to produce employer contribution rate information as part of the LGPS(NI) valuation process under the DoF Directions. In the LGPS(NI) the employer contribution rate is set by a separate actuarial process which is wholly without the remit of the DoF Directions. The proposed amendment simply corrects the omission and restores the original policy position. It will have no other material consequence.

A draft of *The Public Service Pensions (Valuations & Employer Cost Cap) (Amendment No. 2) Directions (Northern Ireland) 2026* is attached at **Annex A**.

Under section 11(5) of the Public Service Pensions Act (Northern Ireland) 2014, the Department is required to consult representatives of scheme members on the proposed amendment before the Direction is made. Given the limited nature of the amendment, i.e. intended solely to correct an inadvertent omission and restore the original policy position, the Department considers it appropriate to undertake a very targeted short consultation. Officials have discussed this matter with you and I am grateful for your positive engagement to agree a one-week consultation period as reasonable and proportionate in the circumstances.

I would therefore be grateful to receive any comments on the attached draft amending Direction by **Wednesday 21 October 2026**.

The Department will review the circumstances surrounding the omission to identify any opportunities to enhance its existing quality assurance arrangements to avoid any future similar error.

If you have any questions regarding the proposed amendment, please do not hesitate to contact me.

Yours sincerely



COLETTE HEANEY
DIRECTOR PENSIONS DIVISION

ANNEX A

The Public Service Pensions (Valuations and Employer Cost Cap) (Amendment No.2) Directions (Northern Ireland) 2026

The Department of Finance make the following directions in exercise of the powers conferred on them by sections 11(2), 12(3), 12(4), 12(4A), 12A(2) and 35(2) of the Public Service Pensions Act (Northern Ireland) 2014([1]).

In accordance with section 11(4) of that Act, these Directions are made after the Department of Finance has consulted the Government Actuary.

Citation and entry into operation

1. These Directions may be cited as the Public Service Pensions (Valuations and Employer Cost Cap) (Amendment No.2) Directions (Northern Ireland) 2026 and come into operation on the day after the day on which they are signed.

Amendment of the Public Service Pensions (Valuations and Employer Cost Cap) Directions (Northern Ireland) 2023

2. The Public Service Pensions (Valuations and Employer Cost Cap) Directions (Northern Ireland) 2023 are amended as follows.

Application of Part 2 to local government workers

3. After Direction 64 insert—

"64A.— In relation to the second and subsequent valuations and cost cap valuations of a scheme providing benefits to local government workers, Part 2 of these Directions applies with the exception of Directions 24 and 26 to 32."

Signed

A Senior Officer of the
Department of Finance

Date

DRAFT

([1]) 2014 c.2, as amended by section 92 and section 95 of the Public Service Pensions and Judicial Offices Act 2022.