



LAW ESTBLISHING THE CONTRIBUTORY PENSION SCHEME FOR EMPLOYEES IN
THE PUBLIC SERVICE OF LAGOS STATE

November, 2020

A LAW TO ESTABLISHING THE CONTRIBUTORY PENSION SCHEME FOR EMPLOYEES IN THE PUBLIC SERVICE OF LAGOS STATE AND FOR CONNECTED PURPOSES

The Lagos State House of Assembly enacts as follows:

1. There is established for the Public Service of Lagos State, a Contributory Pension Scheme (in this Law referred to as the Scheme) for payment of retirement benefits of employees in the Service to whom the Scheme applies.
 - a. Subject to Section 13 of this Law, the pension scheme shall apply to all pensionable employees in the Public Service of the State, employee of Local Government Council tertiary institution and all parastatals established by the State Government.
2. The objective of the Scheme shall be to:
 - (a) Assist all person in employment of the State Government to save towards their retirement;
 - (b) Ensure that person who leave or retire from the Public Service of the State receive their retirement benefits as and when due; and
 - (c) Establish a set of rules and regulations for the administration and payment of retirement benefits in the Public Service of the State.
3. Every employee in the Public Service shall retire on attaining the age of 50 years or after 35 years of service, whichever comes earlier in time
4. An employee's shall give notice of his intension to retire from the Public Service three months before he attains the age of 60 years of service whichever comes eelier in time and shall be deemed to have retired with effects= from the date he attained the age of 60years or 35 years of service or the date on his letter of voluntary retirement where he retires voluntarily.
5. Where an employee stays beyond the date of retirement, the emoluments earned by him and actually paid to him in excess shall not be money due to such an employees and the employer shall be entitled o a refund.
6. –(1) Subject to Section 5(2) of this Law; no person shall be entitled to make any withdrawal from his retirement savings account, opened under section 18 of the law, before attaining the age of 50 years.

(2) Notwithstanding the provision of subsection (1) of this Section, any employee who-

- a) is retire on the advice of suitable qualified physician or a properly constituted medical board certifying that the employee is no longer mentally or physically capable of carrying out the functions of his office;
- b) is retired due to his total permanent disability either of mind or body;
- c) retires before the age of 50 years in accordance with the terms and conditions of his employment and;
- d) is compulsory retired and not gainfully employed shall be entitled to make withdrawal in accordance with Section 7 of this Law.

(3) The Medical Board or suitable qualified physician under subsection 2(a) of this Section may, at the request of the employee made once in every two years, review the fitness of the employee and where the medical board certifies that he is now mentally and physically capable of carrying out the functions of his office, he may re-enter the Scheme upon resumption into the service or securing another employment.

(4) For the purpose of sub-section (1) of this Section, the authentic age of an employee in the service shall be that submitted by him on taking up the appointment.

7.-(1) A holder of a retirement savings account which includes an appointed judicial officer as stipulated in the Constitution of the Federal Republic of Nigeria 1999 on retirement or attaining the age of 50 years, whichever is later, shall utilize the balance standing to the credit of his retirement savings account for the following benefits-

(a) Programmed monthly or quarterly withdrawals calculated on the basis of an expected life span;

(b) annuity for life purchased from a life insurance company licensed by the National Insurance Commission with monthly quarterly payments and;

(c) a lump sum from the balance standing to the credit of his retirement savings account provided that the amount left after that lump sum withdrawal shall be sufficient to procure an annuity or fund programmed withdrawals that will produce an amount not less than 50percent of his annual remuneration as at the date of his retirement.

(2) where an employee retires under paragraph (c) of subsection (2) of Section 6 of this Law, the employee may, on request, withdraw a lump sum of money not more than 25% percent of the amount standing to the credit of the retirement savings account provided that such withdrawal shall only be made after three months of such retirement and the retired employee does not secure another employment.

(3) in any case where the employee is found not entitled to all or any part of the employer's contributions in his account. The Pension Fund Administrator shall be obliged immediately to pay over such contributions together with any interest or profits accrued thereon to the employer.

The Lagos State pension Commission consists of;

(a) a part time chairman who shall possess a university degree or is equivalent with not less than 20 years experience in pension matters

(b) A Director-General who shall

(i) be the Chief Executive Officer responsible for the day-day administration of the Commission

(ii) possess professional skill and with no less than twenty years cognate experience relating to pension matters and/or Insurance Actuarial Science or other related field; and

(iii) Be fit and proper person.

(c) Four full-time Commissioners who shall each-

(1) possess professional and cognate experience in Finance and Investment, or Accounting or Pension Management or Actuarial Science or Business Administration or other related field; and

(11) Be fit and proper person.

(d) 11 part-time members of the Commission who shall be representatives each of-

The Commission supervising for the time being the Civil Service Pension Officers.

a) The Commission finance;

- b) the Head of Service
- c) Head of each Pension Transitional Arrangement Department
- d) a bank selected for bond issuance;
- e) Trade Union Congress;
- f) Non-join Negotiating Council;
- g) State Universal Basis Education; and
- h) Nigeria Union of Pensioners

(2) There shall be 4 specialized department of the Commission, namely; (a) Technical;

(b) Administration;

(c) Inspectorate, and

(d) Finance and Investment

To be headed by 4 full- time Commissioners appropriately(3) the Chairman, the Director-General and other members of the Commission other than the ex-officio members shall be appointed by the Governor to reflect at least each of the five administrative divisions of the State subject to the confirmation of the Lagos State House of Assembly.