



Department for  
Communities and  
Local Government

# Local Government Pension Scheme

Technical consultation on Local Government Pension  
Scheme rules



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# The Consultation Process and how to Respond

## Scope of the consultation

<b>Topic of this consultation:</b>	<p>The Local Government Pension Scheme (Amendment) Regulations 2015</p> <p>Since the new Local Government Pension Scheme started on 1 April 2014 there have been calls for various clarifications. These draft regulations provide some of those clarifications and will therefore improve efficiency. These changes will not affect operation of the scheme or the benefits payable.</p> <p>The consultation also:</p> <ol style="list-style-type: none"> <li>1. requests suggestions on how to better protect local taxpayers where there is a risk they will have to foot the bill for employers who leave the scheme</li> <li>2. asks what steps should be taken to ensure that members who are making additional voluntary contributions but change employer can continue with their existing voluntary contribution contracts</li> <li>3. asks what measures should be taken to ensure previous public sector pension benefits are calculated using member's correct salary figures.</li> </ol>
<b>Scope of this consultation:</b>	<p>This consultation seeks responses from interested parties on amendments to the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (SI2014/525) which came into force on 1 April 2014.</p>
<b>Geographical scope:</b>	<p>England and Wales.</p>
<b>Impact Assessment:</b>	<p>These Regulations have no new impact on business or the voluntary sector as they are amending Regulations to improve administration of the scheme and to implement other government policies.</p>

## Basic Information

<b>To:</b>	<p>Consultations are available to members of the public via the gov.uk website, but as a matter of routine the Secretary of State</p>
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will consult the people in the following list:

- County Councils (England and Wales)
- District Councils (England)
- County Borough Councils (Wales)
- London Borough Councils
- Mayor of London
- Greater London Assembly and functional bodies
- Council of the Isles of Scilly
- Environment Agency
- London Pension Fund Authority
- South Yorkshire Pension Fund Authority
- National Assembly for Wales
- Welsh Government
- Secretary of State for Justice
- City of London Corporation
- South Yorkshire Integrated Transport Authority
- West Midlands Integrated Transport Authority
- Fire and Rescue Authorities in England and Wales
- Police and Crime Commissioners England and Wales
- Government Actuary's Department
- Association of Local Authority Medical Advisers
- Local Government Association
- Association of Local Authority Chief Executives
- Society of Local Authority Chief Executives
- Chartered Institute of Public Finance and Accounting
- Association of Colleges
- Association of Consulting Actuaries
- Institute and Faculty of Actuaries
- The Law Society
- Association of District Treasurers
- Society of County Treasurers
- Society of Welsh Treasurers
- Society of Metropolitan Treasurers
- Society of London Treasurers
- National Association of Pension Funds
- Society of Local Council Clerks
- TaxPayers' Alliance
- Trades Union Congress
- GMB
- UNISON
- Unite
- Union of Construction, Allied Trades and Technicians
- Public Sector People Managers' Association
- NAPO
- Confederation of British Industry
- Business Services Association
- National Housing Federation
- Scottish Public Pensions Agency
- Northern Ireland Local Government Officers'

	<p>Superannuation Committee</p> <ul style="list-style-type: none"> <li>• Department of the Environment (Northern Ireland)</li> </ul>
<b>Body/bodies responsible for the consultation:</b>	The Department for Communities and Local Government
<b>Duration:</b>	This is a 8 week consultation which will conclude on 30 January
<b>Enquiries:</b>	<p>For enquiries, and to respond to this consultation, please e-mail</p> <p>Robert.ellis@communities.gsi.gov.uk</p>
<b>How to respond:</b>	<p>When responding, please ensure you include the words Local Government Pension Scheme Amendment Regulations.</p> <p>Alternatively you can write to:</p> <p>Robert Ellis  Department for Communities and Local Government  Workforce Pay &amp; Pensions  2<sup>nd</sup> Floor  Fry Building  2 Marsham Street  London  SW1P 4DF</p> <p>For more information, please see  <a href="https://www.gov.uk/government/organisations/department-for-communities-and-local-government">https://www.gov.uk/government/organisations/department-for-communities-and-local-government</a></p>
<b>Additional ways to become involved:</b>	<p>Any enquiries about these proposals can be raised directly with Robert Ellis at</p> <p>Robert Ellis  Department for Communities and Local Government  Workforce Pay &amp; Pensions  2<sup>nd</sup> Floor  Fry Building  2 Marsham Street  London  SW1P 4DF</p>
<b>After the consultation:</b>	The government's response will be published along side the amending regulations
<b>Compatibility with the Consultation Principles:</b>	This consultation complies with the Cabinet Office's consultation principles.

## Background

<b>Getting to this stage:</b>	Following the implementation of the reforms of the Local Government Pension Scheme from 1 April 2014, we have been working with scheme administrators to identify areas in the regulations that require clarification. These amending regulations are the product of that work and reflect other policy developments, particularly in relation to the Same Sex Marriage Act 2014.
<b>Previous engagement:</b>	There is regular engagement with the Local Government Association and trades unions, as well as scheme administrators and employers, to identify amendments needed.

# About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent and, where relevant, who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000, the Data Protection Act 1998 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the Freedom of Information Act, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your Information Technology system will not, of itself, be regarded as binding on the department.

The Department for Communities and Local Government will process your personal data in accordance with Data Protection Act and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact;

Department for Communities and Local Government Consultation Co-ordinator,  
Department for Communities and Local Government, Fry Building, 2 Marsham Street,  
London SW1P 4DF.

# Chapter 1

## Introduction

### **The Local Government Pension Scheme**

1. As part of the Government's reforms of public sector pensions provision, the Local Government Pension Scheme 2013 Regulations (SI 2013/2356] and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (SI 2014/525) came into force on 1 April 2014.
2. As employers and pension administrators have now had day to day experience of applying the Scheme regulations, they have identified some areas in which clarification in the regulations is needed, as well as some drafting improvements. The intention of these draft regulations is to make the necessary revisions and address other policy developments that will need to be reflected in the Scheme, for example, implications for a survivor of a same sex marriage under the Marriage (Same Sex Couples) Act 2013.
3. Your comments are invited on the set of draft regulations at **Annex A**
4. **The closing date for responses on the draft regulations at Annex A, and the related questions in Chapter 3 is 30 January 2015.**

# Chapter 2

## Local Government Pension Scheme (Amendment) Regulations 2015

1. The Regulations are being made under the powers conferred by sections 1 and 3 of, and Schedule 3 to, the Public Service Pensions Act 2013. Under Section 3(5) of the 2013 Act, the Regulations require the consent of Treasury before being made. Draft regulations 2 to 29 amend the Local Government Pension Scheme Regulations 2013, and draft regulations 30 and 33 amend the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.
2. In addition to the specific amendments covered in more detail below, some amendments have been made to update cross references to other regulations, and improve drafting.

### **Active Membership**

3. Draft regulation 3 clarifies that a person applying to be a scheme member joins the scheme on the first day of the payment period following the application to join.
4. Draft regulation 4 clarifies that a survivor or child's pension is payable if the member dies in service before completing 2 years of membership.

### **Temporary Reduction in Contributions**

5. Draft regulation 5 clarifies that a member's election to pay reduced contributions is cancelled if they receive no pay when on child related leave, as well as the result of sickness or injury.

### **Employer Contributions During Absences**

6. To assist members make appropriate additional contributions, draft Regulation 6 requires that an employer provides a member with details of additional pension contributions and additional voluntary contributions to be paid by the member if they go on reserve forces service leave.

### **Additional Pension Contributions**

7. To aid scheme members and employers in situations where a member has taken several very short periods of unpaid leave, and would otherwise have to make elections within 30 days of return from leave each time, draft regulation 7 gives employers the discretion to extend the period in which members can elect to make additional pension contributions for longer than 30 days following a return to work from a period of absence.

### **Additional Voluntary Contributions**

8. Draft regulation 8 updates a reference to the Occupational Pension Schemes (Disclosure of Information) Regulations 1996, which have been replaced by the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013.

### **Assumed Pensionable Pay**

9. As well as updating some cross references, draft regulation 10 ensures that members are not disadvantaged by the use of a calculation of assumed pensionable pay that takes into account periods when pay was reduced due to absences when they were not in receipt of pensionable pay.

### **Disallowing Automatic Aggregation for Members Who Have Opted Out**

10. Draft regulation 11 makes it clear that when a member who has opted out of the scheme rejoins the scheme, then their periods of membership are not aggregated.

### **Role of the Independent Registered Medical Practitioner**

11. Draft Regulation 12 deals with the independence of a registered medical practitioner following a recent ruling by the Deputy Pensions Ombudsman who determined that where an administering authority and a Scheme employer had made use of two independent registered medical practitioners from the same occupational health provider, this could not be considered as “independent” when assessing a Scheme member for ill health retirement. The Department is not of that view and a clarificatory amendment is proposed.

### **Death Grants: active members**

12. Draft regulation 13 clarifies that where a member has different categories of membership at the time of their death then instead of receiving multiple death grants they receive one death grant, using the calculation that gives the greater amount. This is because the death grant calculation under Regulation 40 is calculated using the member’s annual assumed pensionable pay rather than benefits that the member has accrued or a pension that is in payment.

### **Death and Survivor benefits**

13. To be consistent with protections relating to an ill health retirement, draft regulations 14 and 15 provide that, where prior to the member’s death, the member was working part time, no account shall be taken of a reduction in pensionable pay, caused by the reduction in service, for the calculation of death and survivor benefits but only if in the opinion of an Independent Registered Medical Practitioner, the condition that caused that reduction in service contributed to the death of the member.
14. Draft regulation 16 and 17 provides that a survivor benefit calculation should exclude any amount of pension commuted into a lump sum by the deceased member.
15. Draft regulations 18 to 22 update references to other documents and make minor drafting improvements.

### **Adjustment of accounts following forfeiture etc.**

16. Draft regulation 23 clarifies that the amount that is removed from the members pension account is to be calculated by an actuary and paid to the relevant scheme employer.

### **Changes of administering authority**

17. Draft regulation 24 completes the list of categories of members for whom a change in administering authority triggers a transfer value payment.

### **Schedule 1**

18. Draft Regulation 25 removes the definition of the Housing Ombudsman Service that is not required.

### **Schedules 2 and 3**

19. Draft regulations 26 to 29 provide clarification about the inclusion of combined authorities in the scheme and the appropriate administering authority for combined, metropolitan and unitary authorities, and employers in the scheme that are located in the geographical areas covered by those local authorities. **Administering and local authorities are asked to confirm that references appear on the schedules in the legally correct form or provide the correct reference if they are not.**
20. Draft regulation 31 extends the additional membership to be counted for a survivor benefits calculation.

### **Employer contributions and no active contributing members (Draft Regulation 32)**

21. It is vital that employers who leave the Scheme do not exit leaving unmet pension liabilities. This is why revised regulations require exit payments from all Scheme employers but allow some flexibility to anticipate an exit, so that liabilities can be managed down to the point of departure.
22. Representations have been made to the Department, as a consequence of the new regulatory 'exit' regime, saying that there are Scheme employers with no active contributing members, but have outstanding liabilities in a particular fund. These employers have been paying amounts towards outstanding liabilities but there is ambiguity as to whether the call for contributions is permissible under the revised regulatory framework as a rates and adjustment certificate is linked to active membership of the employer. It was not the intention that administering authorities would be prevented from calling for amounts to cover outstanding liabilities and draft Regulation 32 allows an administering authority to call for unmet liabilities from a participating, or former participating, employer who has no active contributing members in a Fund. The employer had to have participated in the Scheme before 1 April 2014 when the 2014 scheme came into force. Contributions can be called for until all liabilities in the Fund are met.

23. Comments are invited on whether greater flexibility should be introduced around exit payments that may be liable when an employer leaves the scheme. For example, it may be the case that an employer is liable to make an exit payment under Regulation 64, when they have no active members in the scheme, but there is a likelihood that the employer will gain some active members within a short period of time. Should there be a period in which discretion could be allowed to defer the point at which an employer becomes liable for an exit payment? If so, what should this period be? Are there any other issues where the regulations could be improved where there are no active contributing members?
24. To better manage the instances when exit payments might be called for, views are sought on whether companies that are wholly owned by employers that are listed in Part 1 of Schedule 2 employer, should also be listed in Part 1 of Schedule 2, and therefore lose the ability to designate which employees have access to the scheme.

# Chapter 3

## Issues Not Covered by the Draft Regulations

### **Transfer of rights accrued in Additional Voluntary Contribution (AVC) arrangements.**

25. A proposal for regulatory change has been made that would prevent a Scheme member from transferring an Additional Voluntary Contribution arrangement *unless* they are also transferring main pension benefits. In the course of the development of the Local Government Pension Scheme (Offender Management) Regulations 2014, it became apparent that when a scheme member transfers employment, either voluntarily or compulsorily, and that results in a change in administering authority, the member may be required to end Additional Voluntary Contribution arrangements made through their exporting administering authority and have the option to enter into a contract with an Additional Voluntary Contribution provider with whom the importing administering authority has entered into arrangements. This could have the effect of disadvantaging a member by compelling them to end Additional Voluntary Contribution arrangements.
26. Respondents are asked to comment on the merits of making an amendment that requires an administering authority to facilitate the unbroken continuation of a transferring member's Additional Voluntary Contribution contract, by entering into arrangements with the member's original Additional Voluntary Contribution provider when the member moves employment voluntarily or compulsorily, or whether the proposed regulatory change in paragraph 24 should be adopted.

### **Ongoing Final Salary Link For Deferred Pensions**

27. Schedule 7 to the Public Service Pensions Act 2013 provides that scheme members who have a deferred pension under the 2008 or earlier Scheme regulations, return to work having had less than a 5 year break in service with any public service pension scheme employment, and who opt not to aggregate their deferred benefits with their period of active membership, may have their deferred benefits calculated using the members final salary on retirement, rather than the final salary at the time that the deferred benefits were awarded. This will require the administrator of the deferred benefits to be aware of information pertaining to the subsequent period of service. Administrators are asked to give details of how these flows of information can be managed, and if any regulation is needed to support that e.g. should there be a regulatory reporting process when new employment starts and how should it operate?

### **For Information Only - Marriage (Same Sex Couples) Act 2013 – implementation Order – change in gender**

28. Phase 2 of the implementation of the Marriage (Same Sex Couples) Act 2013, will mean that a marriage will be able to continue in the event that either spouse changes legal gender, provided both spouses agree. Scheme survivor benefits for married same sex couples are in some historic circumstances, less generous than they are for opposite sex couples. The Marriage (Same Sex Couples) Act 2013 (Consequential

Provisions) Order (No. 2) 2014 (scheduled for the Autumn), will contain an amendment to the Local Government Pension Scheme Regulations 1997 to make it clear that in any provision made by the regulations that concerns the wife or widow, or husband or widower, of a marriage which subsisted before a certificate under the Gender Recognition Act 2004 and continued until the death of the member, no account will be taken of the change in gender for the calculation of survivor benefits

## 2015 No. 0000

### PUBLIC SERVICE PENSIONS, ENGLAND AND WALES

#### The Local Government Pension Scheme (Amendment) Regulations 2015

<i>Made</i>	- - - -	2015
<i>Laid before Parliament</i>		2015
<i>Coming into force</i>	- -	2015

These Regulations are made in exercise of the powers conferred by sections 1 and 3 of, and Schedule 3 to, the Public Service Pensions Act 2013(a).

In accordance with section 21 of that Act, the Secretary of State has consulted the representatives of such persons as appeared to the Secretary of State to be likely to be affected by these Regulations.

In accordance with section 3(5) of that Act, these Regulations are made with the consent of the Treasury.

The Secretary of State makes the following Regulations:

#### **Citation, commencement and extent**

1.—(1) — These Regulations may be cited as the Local Government Pension Scheme (Amendment) Regulations 2015.

(2) These Regulations come in to force on [ ] but have effect from 1st April 2014.

(3) These Regulations extend to England and Wales.

#### **Amendment of the Local Government Pension Scheme Regulations 2013**

2. The Local Government Pension Scheme Regulations 2013(b) are amended in accordance with regulations 3 to 29.

3. For regulation 3(4)(b) (active membership) substitute—

“(b) on the first day of the payment period following an application to become a member, or”

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(a) 2013 c. 25  
(b) SI. 2013/2356

4. In regulation 3(7) (active membership), omit the word “or” at the end of sub-paragraph (g) and after sub-paragraph (h) insert—

“or,

(i) the member dies.”.

5. In regulation 10(5) (temporary reduction in contributions) for “sickness or injury” substitute “sickness, injury, ordinary maternity, paternity or ordinary adoption leave”.

6. In regulation 15 (employer contributions during absences)—

(a) for paragraph (3)(a)(ii) substitute—

“(ii) details of the amount of any additional pension contributions to be paid by the member under regulation 16 (additional pension contributions) or regulation 17 (additional voluntary contributions) during reserve forces service leave”;

(b) in sub-paragraph (3)(b) omit the words “less any pensionable pay being paid to the member during the absence”.

7. In regulation 16 (additional pension contributions), at the end of paragraph (16) insert “or such longer period as the Scheme employer may allow”.

8. In regulation 17 (additional voluntary contributions) for paragraph (6) substitute—

“(6) For the purposes of regulation 17 of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013(a) the retirement date used for the purposes of Part 2 of Schedule 6 to those Regulations is, where no acceptable date has been specified for that purpose by the member, normal pension age or, if the member has already attained normal pension age, age 75.”;

9. In regulation 19(2) (exclusion of rights to return of contributions) for “paragraph (1)(e)” substitute “paragraph (1)(b)”.

10. In regulation 21 (assumed pensionable pay)—

(a) in paragraph (2)(b) after “child-related leave” insert “other than any part of that leave period where the pensionable pay received is greater than the assumed pensionable pay that the member would otherwise have been treated as receiving for that part of the leave period”;

(b) in paragraph (4) for “The annual rate of assumed pensionable pay” substitute “Subject to paragraph (4A), the annual rate of assumed pensionable pay”;

(c) in paragraph (4)(a)(i) and (4)(b)(i) for “regulations 39(2)(a) (calculation of ill-health pension amounts) and 40(3) (death grants: active members)” substitute “regulations 39(1)(a) (calculation of ill health pension amounts), 40(3) (death grants: active members), 41(4)(b) (survivor benefits: partners of active members), 42(4)(b), 42(5)(b), 42(9)(b) and 42(10)(b) (survivor benefits: children of active members)”;

(d) after paragraph (4) insert—

“(4A) If the pensionable pay the member received in the periods specified in paragraph (4)(a)(i) or (4)(b)(i) was reduced as a result of absence due to a trade dispute or absence with permission from the member’s Scheme employer, such reduction is to be ignored for the purposes of calculating the member’s assumed pensionable pay.”.

11. In regulation 22(8) (pension accounts) after the words “active member” where they first appear, insert “(other than where a member becomes entitled to deferred benefits as a consequence of a notice served under regulation 5(2) (ending active membership))”.

12. In regulation 36 (role of the IRMP) after paragraph (2) insert—

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(a) S.I. 2013/2734.

“(2A) For the purposes of paragraph (2) an IRMP is not to be treated as having advised, given an opinion on or otherwise been involved in a particular case merely because another practitioner from the same occupational health provider has advised, given an opinion on or otherwise been involved in that case.”.

**13.** In regulation 40 (death grants: active members)—

(a) in paragraph (3) at the end insert “,but where in the opinion of an IRMP the member was at the date of death in part time service wholly or partly as a result of the condition that caused or contributed to the member’s death, no account shall be taken of any reduction in pensionable pay due to such reduction in service as is attributable to that condition”;

(b) after paragraph (4) insert—

“(5) In the case of an active member who is also a deferred member, pensioner member or deferred pensioner member of the Scheme, no death grant is payable under regulations 43 (death grants: deferred members) or 46 (death grants: pensioner members) unless the amount that would be payable under those regulations would be higher than the amount payable under this regulation, in which case the amount payable is that higher amount.”.

**14.** In regulation 41 (survivor benefits: partners of active members) in paragraph (4)(b), at the end, insert “,but where in the opinion of an IRMP the member was at the date of death in part time service wholly or partly as a result of the condition that caused or contributed to the member’s death, no account shall be taken of any reduction in pensionable pay due to such reduction in service as is attributable to that condition”.

**15.** In regulation 42 (survivor benefits: children of active members) in paragraphs (4)(b), (5)(b), (9)(b) and (10)(b) at the end insert “,but where in the opinion of an IRMP the member was at the date of death in part time service wholly or partly as a result of the condition that caused or contributed to the member’s death, no account shall be taken of any reduction in pensionable pay due to such reduction in service as is attributable to that condition”.

**16.** In regulation 44(8) (survivor benefits: partners of deferred members and deferred pensioner members) at the end insert “with the modification that for the purposes of paragraphs (4) and (5) the amount of pension the member would have been entitled to draw assumed that there had been no commutation under regulation 33 (election for lump sum instead of pension)”.

**17.** In regulation 45(14) (survivor benefits: children of deferred members) at the end insert “with the modification that for the purposes of paragraphs (5), (9) and (10) the amount of pension the member would have been entitled to draw assumed that there had been no commutation under regulation 33 (election for lump sum instead of pension)”.

**18.** In regulation 58 (funding strategy statement) for paragraph (4)(a) substitute—

“(a) the guidance set out in the document published in October 2012 by CIPFA, the Chartered Institute of Public Finance and Accountancy and called “Preparing and Maintaining a Funding Strategy Statement in the Local Government Pension Scheme 2012(a); and”.

**19.** In regulation 62(6)(b) (actuarial valuations of pension funds) for the word “common” substitute “primary”.

**20.** In regulation 69(4) (payment by Scheme employers to administering authorities) omit the words “, and at such intervals (not exceeding 12 months)”.

**21.** In regulation 83 (payments for persons incapable of managing their affairs) in the first line omit the words “other than an eligible child”.

**22.** In regulation 89 (annual benefit statements) omit paragraph (5).

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(a) ISBN No 9781845083359; copies may be obtained from CIPFA at 3 Robert Street, London WC2N 6RL.

23. In regulation 94(1) (adjustment of account following forfeiture etc) at the end insert “and pay the relevant Scheme employer an amount determined by an actuary as representing the capital value of those benefits”.

24. In regulation 103 (changes of administering authority) in paragraph (1) omit the word “and” at the end of sub-paragraph (b) and at the end insert—

“; and

(d) in a case where a member has the option of not aggregating a past period of membership with the current period of membership, the member has not exercised the option of retaining separate benefits”.

25. In Schedule 1 (interpretation)—

(a) omit the definition of “Housing Ombudsman Service”(a);

(b) after the entry for “joint liability amount” insert—

“”local authority” means a county council, a county borough council, a district council, a London borough council, the Common Council of the City of London and the Council of the Isles of Scilly.”;

(c) For “SVAVC” substitute “SCAVC”.

26. In Part 1 of Schedule 2 (Scheme employers) for paragraphs 24(b) and 25(c) substitute—

“24. A combined authority established by an order under section 103(1) of the Local Democracy, Economic Development and Construction Act 2009(d)”.

27. In Part 2 of Schedule 2 (Scheme employers) in paragraph 6, for “paragraphs 6 to 23 of Part 1 of this Schedule” substitute “paragraphs 6 to 24 of part 1 of this Schedule”.

28. In Part 1 of Schedule 3 (pension funds)—

(a) in paragraph (g) after “Chester” insert “Borough”;

(b) in paragraph (j) after “Tyneside” insert “Borough”;

(c) in paragraph (k) after “Tameside” insert “Metropolitan”;

(d) in paragraph (m) after “Wirral” insert “Metropolitan”;

(e) for paragraph (t) for “Cardiff Council” substitute “County Council of the City and County of Cardiff”;

(f) in paragraph (u) after “Swansea” insert “Council”;

(g) for paragraph 1(z)(e) for “the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority established by the Barnsley, Doncaster, Rotherham and Sheffield Combined authority Order 2014” substitute “West Midlands Integrated Transport Authority.”.

29. In the table after paragraph 4 of Part 2 of Schedule 3 (pension funds)—

(a) in the second entry, in the left column, for “of an administering authority” substitute “of a local authority”;

(b) in the second entry, in the right column, for “That administering authority” substitute “Where that local authority is an administering authority, that administering authority and where that local authority is not an administering authority, the administering authority which is the appropriate administering authority for that local authority.”;

(c) in the fifth entry, in the in the right column, for “The administering authority within whose local government area the relevant Academy is located” substitute “Where the

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(a) The definition of Housing Ombudsman Service was inserted by S.I. 2014/44.

(b) Paragraph 24 was inserted by SI 2014/1012.

(c) Paragraph 25 was inserted by S.I. 2014/863.

(d) 2009 c.20.

(e) Paragraph 1(z) was inserted by S.I. 2014/863.

local authority within whose local government area the relevant workplace is located is an administering authority, that administering authority and where the local authority within whose local government area the relevant workplace is located is not an administering authority, the administering authority which is the appropriate administering authority for that local authority.”;

(d) in the sixth entry, in the right column, for “passenger transport authority” substitute “passenger transport executive”; and

(e) at the end insert the following entries—

<i>Member</i>	<i>Appropriate administering authority</i>
An employee of the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority established by the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014(a).	South Yorkshire Pension Authority
An employee of the West Yorkshire Combined Authority established by the West Yorkshire Combined Authority Order 2014(b)	City of Bradford Metropolitan District Council
An employee of the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority established by the Halton, Knowsley, Liverpool, St Helens, Sefton and Wirral Combined Authority Order 2014(c)	Wirral Metropolitan Borough Council
An employee of the Greater Manchester Combined Authority established by the Greater Manchester Combined Authority Order 2011(d)	Tameside Metropolitan Borough Council
An employee of the following local authorities: Oldham Metropolitan Borough Council Rochdale Metropolitan Borough Council Stockport Metropolitan Borough Council Manchester City Council Salford City Council Wigan Metropolitan Borough Council Bolton Metropolitan Borough Council Bury Metropolitan Borough Council Trafford Metropolitan Borough Council	Tameside Metropolitan Borough Council
An employee of the following local authorities: Blackburn with Darwen Borough Council Blackpool Council	Lancashire County Council
An employee of the following local authorities: Sefton Council Liverpool City Council Knowsley Metropolitan Borough Council St Helens Metropolitan Borough Council	Wirral Metropolitan Borough Council
An employee of City of York Council	North Yorkshire County Council
An employee of the following local authorities: Barnsley Metropolitan Borough Council Doncaster Metropolitan Borough Council Sheffield Metropolitan District Council	South Yorkshire Pension Fund Authority

(a) S.I. 2014/863.

(b) S.I. 2014/864.

(c) S.I. 2014/865.

(d) S.I. 2011/908.

Rotherham Metropolitan Borough Council  
 An employee of the following local authorities: City of Bradford Metropolitan District Council  
 Leeds City Council  
 Calderdale Council  
 Kirklees Council  
 City of Wakefield City Council  
 An employee of the following local authorities: East Riding of Yorkshire Council  
 Kingston Upon Hull City Council  
 North Lincolnshire Council  
 North East Lincolnshire Council  
 An employee of the following local authorities: South Tyneside Borough Council  
 Council of the Borough of North Tyneside  
 Newcastle City Council  
 Sunderland City Council  
 Gateshead Council  
 An employee of Darlington Borough Council Durham County Council  
 An employee of the following local authorities: Middlesbrough Borough Council  
 Hartlepool Borough Council  
 Stockton-on-Tees Borough Council  
 Redcar and Cleveland Borough Council  
 An employee of the following local authorities: Cheshire West and Chester Borough Council  
 Cheshire East Council  
 Halton Borough Council  
 Warrington Borough Council  
 An employee of Stoke-on-Trent City Council Staffordshire County Council  
 An employee of the following local authorities: Wolverhampton City Council  
 Birmingham City Council  
 Walsall Borough Council  
 Sandwell Metropolitan Borough Council  
 Coventry City Council  
 Solihull Metropolitan Borough Council  
 Dudley Metropolitan Borough Council  
 An employee of Telford and Wrekin Council Shropshire Council  
 An employee of County of Herefordshire Worcestershire County Council  
 District Council  
 An employee of Derby City Council Derbyshire County Council  
 An employee of the following local authorities Leicestershire County Council  
 Leicester City Council  
 Rutland County Council District Council  
 An employee of Nottingham City Council Nottinghamshire County Council  
 An employee of the following local authorities: Bedford Borough Council  
 Central Bedfordshire Council  
 Luton Borough Council  
 An employee of Peterborough City Council Cambridgeshire County Council  
 An employee of the following local authorities: Royal Borough of Windsor and Maidenhead  
 West Berkshire District Council  
 Reading Borough Council  
 Wokingham District Council  
 Slough Borough Council  
 Bracknell Forest Borough Council  
 An employee of the following local authorities: Essex County Council  
 Southend-on-Sea Borough Council  
 Thurrock Council

Brighton & Hove City Council	East Sussex County Council
An employee of Medway Council	Kent County Council
An employee of Milton Keynes Council	Buckinghamshire County Council
An employee of the following local authorities:	Dorset County Council
Bournemouth Borough Council	
Council of the Borough and County of the Town of Poole	
An employee of Swindon Borough Council	Wiltshire Council
An employee of the following local authorities:	Hampshire County Council
Portsmouth City Council	
Southampton City Council	
An employee of the following local authorities:	Bath and North East Somerset Council
Bristol City Council	
South Gloucestershire Council	
North Somerset Council	
An employee of the following local authorities:	Devon County Council
Plymouth City Council	
Council of the Borough of Torbay	
An employee of the following local authorities:	Carmarthenshire County Council
Pembrokeshire County Council	
Ceredigion County Council	
An employee of Vale of Glamorgan Council	County Council of the City and County of Cardiff
An employee of Neath Port Talbot Borough Council	City and County of Swansea Council
An employee of the following local authorities:	Flintshire County Council
Wrexham County Borough Council	
Denbighshire County Council	
An employee of the following local authorities:	Gwynedd Council
Conwy County Borough Council	
Isle of Anglesey County Council	
An employee of the following local authorities:	Rhondda Cynon Taf County Borough Council
Bridgend County Borough Council	
Merthyr Tydfil County Borough Council	
An employee of the following local authorities:	Torfaen County Borough Council
Monmouthshire County Council	
Newport City Council	
Caerphilly County Borough Council	
Blaenau Gwent County Borough Council	

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**Amendment to the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014**

**30.** The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014(a) are amended in accordance with regulations 31 to 33.

**31.** In regulation 17 (survivor benefits) for paragraph (13) substitute—

“(13) Membership for the purposes of paragraphs (10) and (12) includes any relevant additional membership that would have counted as membership for the purpose of

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(a) S.I. 2014/525

regulations 42 and 42A of the 1997 Regulations (reduction of some surviving spouses' and civil partners' pensions) and any membership purchased under regulation 14A(a) of the Benefits Regulations (elections to pay additional contributions: survivor benefits)

32. After regulation 25 (pension increases under the Pensions (Increase) Acts) insert—

**“Employer contributions for historic liabilities**

25A.—(1) This regulation applies to an employer who—

- (a) was a Scheme employer in the 2014 Scheme or its equivalent under any of the Earlier Schemes;
- (b) was not an admission body;
- (c) does not employ any active members contributing to a fund;
- (d) has outstanding liabilities to a fund in relation to any person entitled to benefits under the 2014 Scheme or any of the Earlier Schemes; and
- (e) has not paid an exit payment under regulation 64 of the 2013 Regulations (special circumstances where revised actuarial valuations and certificates must be obtained) or an equivalent payment under any of the Earlier Regulations.

(2) Where this regulation applies, an administering authority may require the employer to pay such contributions as an actuary certifies should be paid to meet the outstanding liabilities.

(3) Payments under paragraph (2) must be over such period of time as the administering authority considers reasonable.”.

33. In Schedule 2—

- (a) in paragraph 2(1) for “paragraph 1(3)(b), 1(4) or 9(2)” substitute “paragraph 1(4), 9(2) or, except where paragraph 1(1)(d) applies, paragraph 1(3)(b)”; and
- (b) after paragraph 2(1) insert—

“(1A) A member’s Scheme employer may determine to waive the reduction referred to in paragraph 1(3)(b) where paragraph 1(1)(d) applies in relation to that paragraph.”.

We consent to the making of these Regulations

Date *Names*  
Two of the Lords Commissioners of Her Majesty’s Treasury

Signed by authority of the Secretary of State for Communities and Local Government

Date *Name*  
Parliamentary Under Secretary of State  
Department for Communities and Local Government

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(a) Regulation 14A was inserted by S.I. 2009/3150.

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Local Government Pension Scheme Regulations 2013 (“the 2013 Regulations”) and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (“the Transitional Regulations”). Both sets of regulations came substantively into effect on 1st April 2014 and the amendments in these Regulations take effect from that date. Section 3(3)(b) of the Public Service Pensions Act 2013 provides that scheme regulations may make retrospective provision.

Regulations 3 to 6 make minor amendments relating to membership and contributions.

Regulation 8 amends regulation 17 of the 2013 Regulations to reflect an updating of separate regulations referred to.

Regulation 9 corrects a cross reference.

Regulation 10 amends regulation 21 of the 2013 Regulations so that members on child-related leave who receive pay which is greater than their assumed pensionable pay accrue benefits on that higher level of pay.

Regulation 11 clarifies that a person who has opted out of membership and then re-joins the Scheme in the same employment does not have discretion to keep separate pension accounts.

Regulation 12 clarifies that an independent registered medical practitioner is not to be considered to have acted in a case merely because a different member of the same practice has acted in that case.

Regulation 13 amends provisions in the 2013 Regulations relating to death grants payable to persons who have separate categories of membership in addition to active membership. That regulation and regulations 14 and 15 also ensure that benefits payable to survivors are not reduced in cases where members spent some period working reduced hours as a result of the condition from which they died.

Regulations 16 and 17 amend provisions in the 2013 Regulations relating to survivor pensions payable where the deceased was a deferred pensioner member.

Regulation 18 updates the reference to a document produced by CIPFA.

Regulation 19 replaces a reference to “a common rate” with a reference to “a primary rate”.

Regulations 20 to 24 make minor amendments relating to administration of the Scheme.

Regulation 25 amends Schedule 1 to the 2013 Regulations by removing one unnecessary entry, correcting another and inserting a definition of “local authority”.

Regulations 26 to 29 make amendments relating to Scheme employers and appropriate administering authorities to clarify which is the appropriate administering authority for employees of all Scheme employers.

Regulations 30 to 33 amend the Transitional Regulations.

Regulation 31 extends the additional membership counted for the purposes of calculating survivor pensions to cover membership covered by all types of voluntary contributions.

Regulation 32 clarifies that employers with historic liabilities to funds should pay contributions to meet those liabilities even if they are not currently employing any active members contributing to a particular fund.

Regulation 33 enables a Scheme employer to waive, on any ground, actuarial reductions in cases where members retire before satisfying the “rule of 85”.

No impact statement has been produced for this instrument as no impact on business or the voluntary sector is foreseen.