STATUTORY RULES OF NORTHERN IRELAND

2007 No. 448

LOCAL GOVERNMENT

Local Government Pension Scheme (Amendment No. 3) Regulations (Northern Ireland) 2007

Made - - - -	*25th October 2007*
Coming into operation -	*1st December 2007*

The Department of the Environment, in exercise of the powers conferred by Articles 9 and 14 of, and Schedule 3 to, the Superannuation (Northern Ireland) Order 1972(**a**) and now vested in it(**b**).

In accordance with Article 9 of that Order the Department has consulted with the Northern Ireland Local Government Association, the Northern Ireland Local Government Officers' Superannuation Committee and such representatives of other persons likely to be affected by the Regulations as appeared to it to be appropriate:

Citation, commencement and retrospection

1.—(1) These Regulations may be cited as the Local Government Pension Scheme (Amendment No. 3) Regulations (Northern Ireland) 2007 and except as provided for in paragraph (2), shall come into operation on 1st December 2007.

(2) These Regulations shall come into operation as follows—

(a) regulations 4 to 8, 14 and 15 on 6th April 2006;

(b) regulation 11 on 1st April 2007;

(c) regulations 3, 9 and 10 on 6th April 2007; and

(d) regulations 12 and 13 on 6th April 2008.

Amendment of Regulations

2. The Local Government Pension Scheme Regulations (Northern Ireland) 2002(**c**) shall be amended in accordance with regulations 3 to 15.

Limit on total amount of benefits

3. In regulation 18A(1) (limit on total amount of benefits)(**d**) after "under any provision" insert "except as provided in regulation 52(1) (commutation: exceptional ill-health)".

(**a**) S.I. 1972/1073 (N.I. 10); Art. 9 was amended by Art. 34 S.I. 2005/1968 (N.I. 18); Art. 14 was amended by Art. 12 S.I. 1990/1509 (N.I. 13).
(**b**) S.R. & O. (N.I.) 1973 No. 504 Article 7(1); S.I. 1976/424 (N.I. 6).
(**c**) S.R. 2002 No. 352; relevant amending Regulations are S.R. 2005 No. 274 and S.R. 2007 No. 152.
(**d**) Regulation 18A was inserted by S.R. 2007 No. 152.

Calculations

4. In regulation 19(3A) (calculations)(**a**) after "surrendered" insert "but the entitlement to the benefit shall not arise until the date on which the Committee receives the information it requires to calculate the increase".

Retirement after the normal retirement date

5. For regulation 27 (retirement after the normal retirement date)(**b**) substitute—

"**Retirement after the normal retirement date**

27.—(1) A member who remains in service after his 65th birthday is entitled to the immediate payment of a pension and retirement grant when he retires from service or, if earlier, on the day before his 75th birthday.

(2) A member is not entitled to count any period of service as a period of membership on or after the day before his 75th birthday and is not an active member after that day.".

Amounts of ill-health pension and grant

6. In regulation 30(3) (amounts of ill-health pension and grant)(**c**)—

(a) delete "40 years or"; and

(b) delete "whichever is the shorter".

Re-employed pensioners

7. For regulation 31 (re-employed pensioners)(**d**) substitute—

"**Re-employed pensioners**

31.—(1) Where a pensioner member becomes an active member again, his former membership shall be taken into account only for the purpose of calculating whether he has the necessary total membership referred to in—

(a) regulation 18(1)(a) to be entitled to benefits under this Chapter; and

(b) regulation 30(1) to be entitled to calculate his ill-health pension and grant by reference to the enhanced membership period.

(2) Where a member to whom benefits are paid in accordance with regulation 38(1A) continues to accrue membership after the date on which payment of such benefits takes effect ("the payment date"), his membership prior to the payment date shall only be taken into account after the payment date for the purpose of making the calculations referred to in paragraph (1).".

Death grants

8. In regulation 41(1) (death grants), after "If a member dies" insert "before his 75th birthday".

Commutation: small pensions

9. In regulation 51 (commutation: small pensions)(**e**)—

(a) for paragraph (1) substitute—

(**a**) Regulation 19(3A) was added by S.R. 2007 No. 152
(**b**) Regulation 27 was amended by S.R. 2007 No. 152.
(**c**) Regulation 30 was amended by S.R. 2005 No.274.
(**d**) Regulation 31 was substituted by S.R. 2005 No. 274.
(**e**) Regulation 51 was substituted by S.R. 2007 No. 152.

"(1) A lump sum which is a trivial commutation lump sum within the meaning of section 166 of the Finance Act 2004(**a**) or a trivial commutation lump sum death benefit within the meaning of section 168 of that Act may be paid in accordance with the rules relating to the payment of such benefits under that Act."; and

(b) for paragraph (3) substitute—

"(3) The payment of a lump sum for that pension discharges the Committee from its liability for the pension or any other benefit payable under the Scheme in respect of the member.".

Commutation: exceptional ill-health

10. In regulation 52(1) (commutation: exceptional ill-health)(**b**) for "of his retirement pension" substitute "of his annual rate of retirement pension, notwithstanding that such lump sum may exceed his lifetime allowance".

Power of employing authority to increase total membership

11. In regulation 54(2)(a) (power of employing authority to increase total membership)(**c**) for "6 $^{243}/_{365}$ years" substitute "10 years".

Elections to pay AVCs

12. In regulation 62 (elections to pay AVCs)—

(a) after paragraph (2), insert—

"(2A) An election may be made in respect of each employment in respect of which he is a member.

(2B) The maximum a person may specify under paragraph (2) in respect of each employment for which he makes such an election is 50 per cent of the remuneration of that employment or an amount equal to 50 per cent of the remuneration of that employment.";

(b) in paragraph (3), for "It" substitute "The election".

Payments of AVCs

13. In regulation 63(1) (payment of AVCs) after "usual pay day" insert "and must be paid from his pay".

Death benefits

14. In regulation 65(3) (death benefits) for "and the provisions which apply under these Regulations" substitute ", the provisions which apply under these Regulations and must meet the conditions imposed under section 167 of the Finance Act 2004".

Commutation: small pensions

15. In regulation 142 (commutation: small pensions)(**d**)—

(a) in paragraph (1) for "as defined in paragraph 7 of Schedule 29 to" substitute "within the meaning of section 166 of";

(b) in paragraph (2) delete "as defined in paragraph 7 of Schedule 29 to the Finance Act 2004".

(**a**) 2004 c.12.
(**b**) Regulation 52 was amended by S.R 2007 No. 152.
(**c**) Regulation 54(2) was substituted by S.R. 2005 No. 274 and amended by S.R 2007 No. 152.
(**d**) Regulation 142 was substituted by S.R. 2007 No. 152.

Sealed with the Official Seal of the Department of the Environment on 25th October 2007.



J Ritchie
A senior officer of the Department of the Environment

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Local Government Pension Scheme constituted by the Local Government Pension Scheme Regulations (Northern Ireland) 2002 as amended ("the principal Regulations").

Article 14 of the Superannuation (Northern Ireland) Order 1972 confers express powers to make regulations retrospective in effect. These Regulations are retrospective, however no one will be adversely affected by this.

The principal Regulations are amended—

to comply with the requirements of the Finance Act 2004 and other legislation regulating registered pension schemes;

to remove the 40 year limit on the total membership that can be awarded in the event of an ill-health retirement;

to increase the maximum period by which an employer may augment the membership of a Scheme member; and

to introduce the maximum a member may elect to pay as additional voluntary contributions of 50 per cent of remuneration.

A full regulatory impact assessment has not been produced for these Regulations, as it has no impact on the costs of businesses, charities or voluntary bodies, nor is there a significant financial impact on any public bodies.

Published and printed in the UK by The
Stationery Office Limited
under the authority and
superintendence of Carol
Tullo, Controller of
Her Majesty's Stationery
Office being the Government
Printer for Northern Ireland and
the Officer appointed to print the
Acts of the Northern Ireland Assembly

Dd. N3411. C3. 10/07. Gp. 130. 14567.