**EXPLANATORY MEMORANDUM TO**

**The Local Government Pension Scheme (Amendment) Regulations (NI) 2020**

**S.R. 2020 No. 77**

## 1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department for Communities to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under sections 1, 3, and 25 of, and Schedule 3 to, the Public Service Pensions Act (Northern Ireland) 2014 ("the 2014 Act") and is subject to the negative resolution procedure. The Department of Finance has consented to the making of these Regulations.

## 2. Purpose

2.1. These Regulations amend the Local Government Pension Scheme (Northern Ireland) ("LGPS (NI)") Regulations to correct drafting errors contained in the LGPS (Amendment) Regulations (Northern Ireland) 2019 (S.R. 2019 No. 206).

2.2. The following Regulations are amended-

2.2.1. The Local Government Pension Scheme Regulations (Northern Ireland) 2014 (S.R. 2014 No. 188) ("the Principal Regulations");

2.2.2. The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014 S.R. 2014 No. 189) ("the Transitional Regulations"); and

2.2.3. The Local Government Pension Scheme (Amendment) Regulations (Northern Ireland) 2019 (S.R. 2019 No. 206) ("the Amendment Regulations").

2.3. These Regulations are made under the powers contained in the Public Service Pensions Act (Northern Ireland) 2014 ("the 2014 Act"). Section 3(3)(b) of that Act provides that scheme regulations may make retrospective provision.

2.4. Regulation 3 amends regulations 52(4)(a), 54(3)(a), 54(4)(a), 55(3)(a) and 55(4)(a) (survivor benefits: partners and children of pensioner members) of the Principal Regulations to ensure that the calculation of survivor benefits for partners and children of pensioner members include any ill-health enhancement under regulations 39(1)(a) or 39(2)(a) (tier 1 or tier 2 ill-health benefits).

2.5. Regulation 4 amends regulation 57 (limit on total amount of benefits payable) of the Principal Regulations to correct references which apply in respect of lifetime allowance statements.

2.6. Regulation 5 introduces amendments to the Transitional Regulations.

2.7. Regulation 6(a) amends paragraph 1(1) of Schedule 3 (the 85 year rule: transitional provisions and savings) to omit the word "former" from sub-

paragraph (aa). This means that this substituted sub-paragraph applies to a former employing authority, an employing authority and the Committee, as the case may be, by virtue of paragraph 1(5) of Schedule 3 ("the 85 year rule") to the Transitional Regulations.

2.8. Regulation 6(b) amends paragraph 1(1)(c) of Schedule 3 (the 85 year rule: transitional provisions and savings) to omit the changes introduced by regulation 92(c) which made an erroneous amendment to paragraph 1(1)(c) of Schedule 3 to the Transitional Regulations. Its omission by these Regulations corrects that error.

2.9. Regulation 7 revokes regulations 71 and 72 of the Amendment Regulations. Regulations 3 and 4 of these Regulations are identical to regulations 71 and 72 of the Amendment Regulations. They are restated at regulations 3 and 4 to correct the date the amendments come into operation. Under these Regulations these amendments will have retrospective effect from 1 April 2015.

## 3. Background

3.1. The 2014 Act sets out the framework for public service pensions from 1 April 2015. Section 3(3)(b) of the 2014 Act provides that scheme regulations may make retrospective provision. The retrospective provisions contained in these Regulations do not appear to the Department to have significant adverse effects in relation to the pension payable to or in respect of members of the scheme, or members of previous schemes. Accordingly, the procedures set out in section 23 of the 2014 Act are not applicable in relation to these Regulations.

3.2. The Principal Regulations were made under Article 9 of, and Schedule 3 to the Superannuation (Northern Ireland) Order 1972 ("the 1972 Order"). Section 28 of the 2014 Act provides for regulations made under Article 9 of the 1972 Order in respect of a person's pensionable service on or after 1 April 2015, to have effect as if they were scheme regulations under the 2014 Act, provided the Regulations could have been made under the powers contained in the 2014 Act. Article 9 of the 1972 Order provides that regulations may include all or any of the provisions (including transitional provisions) referred to in Schedule 3 to that Order.

## 4. Consultation

4.1. The substantive content of these Regulations has been consulted on between 8 July 2019 and 30 September 2019 as part of the consultation on the Amendment Regulations. During that consultation 5 responses were received, all of which were supportive of the proposed changes. The LGPS (NI) Scheme Advisory Board considered these Regulations and is content. These Regulations make technical amendments only.

## 5. Equality Impact

5.1. The Department has given consideration to compliance with section 75 of the Northern Ireland Act 1998 and has not conducted a screening analysis

to identify any significant discriminatory or negative differential impact on any particular section 75 group because the Regulations do not contain policy changes.

**6. Regulatory Impact**

6.1. The Department has not carried out a regulatory impact assessment because the proposed amendments are technical in nature and do not make policy changes. These technical amendments result in no costs or savings on businesses, the voluntary/community sector (including charities) and the social economy sector.

**7. Financial Implications**

7.1. No Executive expenditure required.

**8. Section 24 of the Northern Ireland Act 1998**

8.1. The Department is satisfied that the Regulations comply with section 24 of the Northern Ireland Act 1998.

**9. EU Implications**

9.1. Not applicable.

**10. Parity or Replicatory Measure**

10.1. Not applicable.

**11. Additional Information**

11.1. Not applicable.