
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 188

The Local Government Pension Scheme
Regulations (Northern Ireland) 2014

PART 2

ADMINISTRATION

ACTUARIAL VALUATIONS

Apportionment of liabilities

71.—(1) The Committee may agree with any inheriting employer or guarantor that with effect from a specific date, some or all of the liabilities in relation to benefits for or in respect of members in connection with their employment with a current employing authority or former employer shall transfer to and be attributable to the inheriting employer in accordance with the terms of this regulation (the “inherited liabilities”).

(2) The agreement under paragraph (1) (“the apportionment agreement”) shall be recorded in writing between the Committee and the inheriting employer or guarantor and shall specify—

- (a) its effective date, which may be a date before the date of the apportionment agreement;
- (b) the liabilities attributable to the original employer which will transfer;
- (c) the manner and time in which those liabilities will be discharged; and
- (d) any other conditions to protect the solvency of the pension fund that the Committee considers necessary.

(3) As soon as is practicable after an apportionment agreement is made under paragraph (1) the Committee, after seeking advice from an actuary may—

- (a) unless paragraph (6) applies, vary the rates and adjustments certificate currently in place in respect of contributions payable by the original employer and, or if appropriate, obtain an actuarial valuation and exit certificate in accordance with regulation 70;
- (b) vary the rates and adjustments certificate currently in place in respect of contributions payable by the inheriting employer or guarantor; and
- (c) where a rates and adjustments certificate is not currently in place in respect of the inheriting employer or guarantor, produce a rates and adjustments certificate.

to reflect the transfer of liabilities under paragraph (1).

(4) Any future rates and adjustment certificate in respect of any inheriting employer or guarantor under regulation 68 (actuarial valuations and certificates) and any revision of the rates and adjustments certificate in respect of the inheriting employer under regulation 70 (special circumstances where revised actuarial valuations and certificates shall be obtained) shall be calculated to reflect the transfer of liabilities under paragraph (1).

(5) For the purposes of paragraphs (3) and (4) the transfer of liabilities shall be reflected in a rates and adjustments certificate in—

- (a) the calculation of the individual adjustment of employer contributions in respect of the original employer and, as the case may be, any inheriting employer under regulation 68(7);
 - (b) the calculation of the amount payable by a guarantor or other non-employer under regulation 68(8); and
 - (c) any exit payment calculation in respect of the original employer and, as the case may be, any inheriting employer under regulation 70(2).
- (6) Where the apportionment agreement under this regulation is entered into after the original employer has become an exiting employer in accordance with regulation 70(1) (special circumstances where revised actuarial valuations and certificates shall be obtained), the effect of that regulation shall, with the agreement of the Committee, be modified so that either—
- (a) there is no longer a requirement to obtain an actuarial valuation and no exit payment is treated as coming due in respect of the exiting employer; or
 - (b) the actuarial valuation and exit payment shall be recalculated so that they relate only to the liabilities in respect of members' benefits which continue to be attributable to that exiting employer and exclude the liabilities in respect of members' benefits which have become attributable to another person in accordance with the apportionment agreement under paragraph (1).
- (7) Where a guarantor has agreed to accept liabilities under paragraph (1) the apportionment agreement shall state the manner and time in which the guarantor will discharge those liabilities.
- (8) Any agreement entered into prior to the introduction of this regulation shall be treated as an agreement under this regulation.
- (9) Any question which may arise between the parties to an apportionment agreement relating to the construction of the agreement or the rights and obligations under that agreement shall be referred in writing to the Department for determination.
- (10) Liabilities in relation to benefits for or in respect of members in connection with their employment with a current or former employing authority may for the purposes of these Regulations be attributable to a person other than that employing authority either—
- (a) as a result of an agreement to that effect to which that person and the Committee are parties (whether made under these Regulations or otherwise);
 - (b) by the operation of a scheme of reorganisation which has been created and approved in accordance with legislation;
 - (c) by a transfer of engagements in accordance with the provisions of legislation;
 - (d) because of the provisions of any other legislation; or
 - (e) by an order of the Court.
- (11) Where liabilities become attributable under paragraph 10 to a person other than an employing authority they shall constitute inherited liabilities.