
STATUTORY RULES OF NORTHERN IRELAND

2002 No. 352

**Local Government Pension Scheme
Regulations (Northern Ireland) 2002**

PART IV

ADMINISTRATION

CHAPTER I

PENSION FUND AND EMPLOYERS' PAYMENTS

Pension fund

The fund

75. The Committee is responsible for maintaining the fund.

Accounts and audit

76.—(1) The Committee shall keep accounts of all financial transactions of the fund.

(2) The Secretary of the Committee shall prepare the financial statements for the financial year ended 31st March 2003 and subsequent financial years in accordance with paragraph (3) and shall forward three copies of the financial statements duly signed and dated by him to the Department not later than 30th June after the expiration of the financial year to which the financial statements relate.

(3) The financial statements shall comprise –

- (a) a Foreword;
- (b) a Statement of the Committee's Responsibilities;
- (c) an Accounting Officer's Statement;
- (d) a Fund Account;
- (e) a Net Assets Statement; and

shall contain the information specified in Part IV of Schedule 6.

(4) The financial statements shall give a true and fair view of the Fund Account for the financial year, and the Net Assets Statement as at the end of the financial year.

(5) The financial statements kept by the Committee shall be audited annually by a local government auditor who shall report on the financial statements audited and shall send his report, together with two audited copies of the financial statements duly signed and dated by him, to the Department within 14 days after completion of the audit.

(6) The Department on receipt of the local government auditor's report and the audited copies of the financial statements shall send a copy of such report and financial statements to the Secretary of the Committee who shall –

- (a) lay such copy of the report and financial statements before the next meeting of the Committee; and
 - (b) forward a copy of such report and financial statements to each employing authority.
- (7) The local government auditor may require –
- (a) the production before him of all documents and financial records of the Committee which he thinks necessary for the purpose of the audit ;
 - (b) any person holding or accountable for any such documents or financial records to appear before him at the audit or any adjournment thereof ; and
 - (c) any such person to make and sign a declaration as to the correctness of the documents or financial records.
- (8) The Committee shall annually at such time as the Department may direct make to it a report of its proceedings during the preceding year, and the Department shall lay a copy of such report before the Assembly.

Actuarial valuations and certificates

77.—(1) The Committee must obtain –

- (a) an actuarial valuation of the assets and liabilities of the fund as at 31st March 2004 and in every third year afterwards;
- (b) a report by an actuary; and
- (c) a rates and adjustments certificate.

(2) Each of those documents must be obtained before the first anniversary of the date (“the valuation date”) as at which the valuation is made or such later date as the Department may agree.

(3) A rates and adjustments certificate is a certificate specifying –

- (a) the common rate of employer’s contribution; and
- (b) any individual adjustments,

for each year of the period of three years beginning with 1st April in the year following that in which the valuation date falls.

(4) The common rate of employer’s contribution is the amount which in the actuary’s opinion should be paid to the fund by all bodies whose employees contribute to it so as to secure its solvency, expressed as a percentage of the pay of their employees who are active members.

(5) The actuary must have regard –

- (a) to the existing and prospective liabilities of the fund arising from circumstances common to all those bodies; and
- (b) to the desirability of maintaining as nearly constant a rate as possible.

(6) An individual adjustment is any percentage or amount by which in the actuary’s opinion contributions at the common rate should in the case of a particular body be increased or reduced by reason of any circumstances peculiar to that body.

(7) A rates and adjustments certificate must contain a statement as to the assumptions on which the certificate is given as respects –

- (a) the number of members who will become entitled to payment of pensions under provisions of the Scheme; and
- (b) the amount of the liabilities arising in respect of such members,

during the period covered by the certificate.

(8) A report under paragraph (1)(b) must contain a statement as to the demographic assumptions used in making the valuation, showing how they relate to the events which have actually occurred in relation to members of the Scheme since the last valuation.

(9) The Committee must provide the actuary preparing a valuation or a rates and adjustment certificate with the consolidated final accounts of the fund and such other information as he requests.

(10) The Committee must send copies of any valuation, report or certificate under this regulation or revision under regulation 78 –

- (a) to the Department;
- (b) to each body with employees who contribute to the fund in question; and
- (c) to any other body which is or may become liable to make payments to that fund.

(11) The Committee must also send to the Department –

- (a) a copy of the consolidated final accounts with which the actuary was provided under paragraph (9); and
- (b) a summary of the assets of the fund at the valuation date (unless such a summary is contained in the report).

Special circumstances where revised actuarial valuations and certificates must be obtained

78.—(1) Where an admission agreement ceases to have effect, the Committee must obtain –

- (a) an actuarial valuation as at the date on which that agreement ceases to have effect, of the liabilities of the fund in respect of current and former employees of the admission body which is a party to that admission agreement (the outgoing admission body); and
- (b) a revision of the certificate provided under regulation 77(3), showing the revised contributions due from the outgoing admission body.

(2) Where it is not possible for any reason to obtain the revised contributions from the outgoing admission body or from an insurer or any person providing a guarantee or indemnity on behalf of that admission body, the Committee may obtain a further revision of any rates and adjustment certificate for the fund, showing –

- (a) in the case where the outgoing body is a transferee admission body, the revised contributions due from the body which is the transferor Scheme employer in relation to that outgoing admission body; and
- (b) in any other case, the revised contributions due from each employing authority which contributes to the fund.

(3) The Committee may obtain from an actuary a certificate specifying, in the case of an admission body, the percentage or amount by which, in the actuary's opinion, –

- (a) the contribution at the common rate should be adjusted; or
- (b) any prior individual adjustment should be increased or reduced,

with a view to providing that the value of the assets of the fund in respect of current and former employees of that admission body is neither materially more nor materially less than the anticipated liabilities of the fund in respect of those employees at the date that the admission agreement is to end.

(4) This paragraph applies where –

- (a) the Committee agrees with an employing authority under regulation 54(6)(a) that the employing authority will pay increased contributions under regulation 79; or
- (b) it appears to the Committee that the amount of the liabilities arising or likely to arise in respect of members in employment with an employing authority exceeds the amount

specified in, or likely as a result of, the assumptions stated for that authority in a rates and adjustments certificate by virtue of regulation 77(7).

(5) Where paragraph (4) applies, the Committee must obtain a revision of the rates and adjustments certificate affected, showing the resulting changes as respects that employing authority.

(6) In this regulation “transferee admission body” and “transferor scheme employer” have the same respective meanings as in regulation 4(16).

Employers' liability to make payments

Employer's contributions

79.—(1) An employing authority must contribute to the fund in each year covered by a rates and adjustments certificate under regulation 77 or 78 the amount appropriate for that authority as calculated in accordance with the certificate and paragraph (4).

(2) During each of those years an employing authority must make payments to the fund on account of the amount required for the whole year.

(3) Those payments on account must –

- (a) be paid at the end of the intervals determined under regulation 81(1); and
- (b) equal the appropriate proportion of the whole amount due under paragraph (1) for the year in question.

(4) An employer's contribution for any year is the common percentage for that year of the pay on which contributions have during that year been paid to the fund under Part II by employees who are active members (other than contributions under regulation 17(3)), increased or reduced by any individual adjustment specified for that employer for that year in the rates and adjustments certificate.

(5) The common percentage is the common rate of employer's contribution specified in that certificate, expressed as a percentage.

(6) Where an employee –

- (a) is treated, under regulation 16(4), as if she had paid contributions; or
- (b) has paid contributions during a period of maternity absence,

the pay on which the common percentage is calculated is the pay the employee would have received if she has not been absent.

Employer's further payments

80.—(1) Where an employing authority passes a resolution under regulation 54 it must pay the appropriate sum to the fund before the expiry of the relevant period (as defined in paragraph (7) of that regulation) unless before the end of that period it has agreed as mentioned in paragraph (6) (a) of that regulation.

(2) Where an employing authority passes a resolution under regulation 130 in a case where paragraph (4)(a) of that regulation does not apply, it must pay the appropriate sum to the fund before the expiry of the period of one month beginning with the date on which the resolution is passed.

(3) The appropriate sum for a member is such sum as is shown as appropriate in guidance issued by the Government Actuary.

(4) Any extra charge on the fund resulting from –

- (a) a resolution under regulation 14, 54, 55 or 130; or
- (b) a member becoming entitled to an ill-health pension calculated under regulation 30 by reference to an enhanced membership period; or

(c) a member becoming entitled to a pension calculated under regulation 28 (redundancy, etc) or regulation 33 (other early leavers, etc),
must be repaid to the fund by the employing authority concerned (but, in the case of resolutions under regulations 54 and 130, only so far as not paid under paragraph (1) or, as the case may be, paragraph (2)).

(5) Any additional payments that are due under paragraph (4) shall be made, if the Committee agrees by –

- (a) a single payment of an amount determined by the Committee on the advice of an actuary appointed by it; or
- (b) instalments, each of an amount determined by the Committee on the advice of an actuary appointed by it, covering a period not exceeding 5 years, or such longer period as the Committee may allow, the first and subsequent instalments becoming payable as agreed between the Committee and the employing authority.

Payments by employing authorities to the Committee

81.—(1) Every employing authority must pay to the Committee, on or before such dates falling at intervals of not more than 12 months as the Committee may determine (but in the case of the amounts mentioned in sub-paragraph (a) not later than the time required under Article 49(8) of the Pensions (Northern Ireland) Order 1995(1)) –

- (a) all amounts from time to time deducted from the pay of its employees under these Regulations;
- (b) any amount received by it under regulation 17, (by deduction or otherwise) during the interval; and
- (c) any extra charge payable under regulation 80 of which it has been notified by the Committee during the interval.

(2) Every payment under paragraph (1)(a) shall be accompanied by a statement showing –

- (a) the name and pay of each of the employing authority's employees who is an active member;
- (b) which employees are paying voluntary contributions;
- (c) the amounts which represent deductions from the pay of each of the employees and the periods covered by the deductions, distinguishing amounts representing deductions for voluntary contributions.

(3) The Committee may direct the information mentioned in paragraph (2) to be given to it instead in such form and at such intervals (not exceeding 12 months) as it specifies in the direction.

(4) Paragraphs (1) and (2) do not apply to the employing authority which is the Committee.

(5) Voluntary contributions are contributions other than those under Part II.

Interest

Interest

82.—(1) The Committee may require an employing authority from which payment of any amount due under regulation 79, 80 or 81 is overdue by more than ten days to pay interest on that amount.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(2) Interest under paragraph (1) or under regulation 88(1) and (3), 90(5) or 95, must be calculated at one per cent. above base rate on a day to day basis from the due date to the date of payment and compounded with three-monthly rests.

Constitution and powers of the Committee

Administration and management

83.—(1) For the purposes of these Regulations the Committee shall be constituted in accordance with Part I of Schedule 6.

(2) The Committee shall have the powers specified in Part II of Schedule 6.

(3) The expenses and allowances payable by the Committee shall be in accordance with Part III of Schedule 6.