
STATUTORY INSTRUMENTS

1989 No. 372

PENSIONS

The Local Government (Superannuation and Compensation) (Amendment) Regulations 1989

<i>Made</i>	- - - -	<i>8th March 1989</i>
<i>Laid before Parliament</i>		<i>10th March 1989</i>
<i>Coming into force</i>	- -	<i>1st April 1989</i>

The Secretary of State for the Environment, in exercise of the powers conferred upon him by sections 7 and 12 of the Superannuation Act 1972(1), after consultation with such associations of local authorities as appeared to him to be concerned, the local authorities with whom consultation appeared to him to be desirable and such representatives of other persons likely to be affected by the Regulations as appeared to him to be appropriate, and of the powers conferred on him by section 24 of that Act, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Local Government (Superannuation and Compensation) (Amendment) Regulations 1989, and shall come into force on 1st April 1989, but regulation 8 shall have effect from 1st July 1988.

(2) In these Regulations “the principal Regulations” means the Local Government Superannuation Regulations 1986(2) and unless the context otherwise requires any expression which is also used in the principal Regulations has the same meaning as in those Regulations.

Pensionable employment

2. Regulation B1 of the principal Regulations is amended by inserting after paragraph (6) the following:

- “(6A) A whole-time employee of—
- (a) the governing body of a grant-maintained school, which immediately before becoming such a school was a voluntary school, or
 - (b) a designated institution which immediately before designation was assisted by a local education authority,

(1) 1972 c. 11.

(2) S.I. 1986/24, amended by S.I. 1986/380, 1987/293, 1579, 2110, 1988/466, 1989/371.

is a pensionable employee if the local education authority had, before the school became a grant maintained school or the institution was designated, with the general or specific consent of the employer, by a statutory resolution specified the employee as a pensionable employee or specified a class of employee to which the employee belongs as pensionable employees.”.

Appropriate superannuation fund

3. Regulation C1 of the principal Regulations is amended by inserting after paragraph (5) the following:

“(5A) In relation to a pensionable employee of the governing body of a grant-maintained school, a higher education corporation or a designated institution the appropriate superannuation fund is–

- (a) in the case of a school, corporation or institution formerly assisted by the Inner London Education Authority, the fund maintained by the London Residuary Body,
- (b) in the case of a school, corporation or institution the whole or greater part of which is situated in a metropolitan county, the fund maintained by the relevant authority specified in paragraphs (7A) and (7B) in relation to the county in which the whole or greater part of the school, corporation or institution is situated,
- (c) in any other case, the fund maintained by the administering authority within whose area the whole or greater part of the school, corporation or institution is situated.”.

Interest on late payment of certain benefits

4. The principal Regulations are amended by inserting in Part E after regulation E32 the following:

“**E33.**—(1) Where all or part of–

- (a) a retiring allowance,
- (b) an ill-health retirement grant payable under regulation E4, or
- (c) a death grant,

is not paid within one month after the due date, the appropriate administering authority shall pay to the person to whom the allowance or grant is payable interest, calculated at the standard rate on a day to day basis from the due date to the date of payment, and compounded with 3 monthly rests, on the amount remaining unpaid.

(2) For the purposes of this regulation the due date is–

- (a) in the case of a retiring allowance which becomes payable by virtue of a notice in writing under regulation E2(6) or (7)(a) given on or after the date on which the allowance by virtue of that notice became payable, the date one month after that notice was given,
- (b) in the case of a part of a retiring allowance which becomes payable by virtue of payments or contributions (other than an increase in contributions made following a decision under regulations N1 or N8) made after the date on which the remainder of the allowance became payable, the date one month after that increase in contributions was paid,
- (c) in the case of a retiring allowance or part of a retiring allowance which becomes payable by virtue of contributions made following a decision under regulations N1 or N8, the date on which that allowance or part of an allowance would have

become payable had those contributions been made at the first opportunity which these regulations would otherwise have provided,

- (d) in all other cases in which a retiring allowance or part of a retiring allowance becomes payable, the date on which that allowance or part an allowance becomes payable,
- (e) in the case of an ill-health retirement grant which becomes payable, the day after the person who is entitled to the ill-health retirement grant ceased to hold his employment,
- (f) in the case of a death grant, the date on which—
 - (i) probate or letters of administration are produced to the administering authority, or
 - (ii) the authority become satisfied that the grant may be paid as provided in regulation R4.”.

Valuation of superannuation fund

- 5.—(1) Regulation P5 of the principal Regulations is amended—
- (a) in paragraph (1) by substituting for the word “fifth” the word “third”; and
 - (b) in paragraph (2) by substituting for the words “21 months” the words “12 months”.
- (2) Regulation P6 of the principal Regulations is amended—
- (a) in paragraph (1) by substituting for the words after “any individual adjustments”, the words “for each year of the period of 3 years beginning with 1st April in the year following.”; and
 - (b) by deleting paragraph (5).
- (3) Regulation P7 of the principal Regulations is amended in paragraph (1) by substituting for the words “5 years” the words “3 years”.

Expressions defined in principal Regulations

6. Schedule 1 to the principal Regulations is amended—
- (a) by inserting after the entry relating to the expression “Designated employee” the following:

““Designated institution”	An institution designated under section 129 of the Education Reform Act 1988(3).”;
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- (b) by inserting after the entry relating to the expression “The former regulations” the following:

““Grant-maintained school”	A school which the Secretary of State has a duty to maintain under section 52 of the Education Reform Act 1988.”; and
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- (c) by inserting after the entry relating to the expression “Guaranteed minimum” the following:

““Higher education corporation”	An institution incorporated under section 121 or 122 of the Education Reform Act 1988.”.
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Pensionable employees

7. Part I of Schedule 2 to the principal Regulations is amended in column (1) by inserting after the item relating to the Board of Trustees of the National Museums and Galleries on Merseyside the following:

“The Broads Authority.

The governing body of a grant-maintained school which immediately before becoming such a school was a county school.

A higher education corporation.”.

Fund apportionment where 100 or more transfer their pension rights under regulation J14

8. Schedule 18 of the principal Regulations is amended—

(a) by the insertion at the beginning of paragraph 11 of the words “Subject to paragraph (11A)”; and

(b) by the insertion after paragraph (11) of the following:

“(11A) Where the persons transferring their pension rights were, immediately before the transfer date, pensionable employees of a water authority, the value of the share of the fund to which the scheme managers of the approved non-local government scheme are entitled shall be the amount of:

(i) the value at the relevant date of the actual and potential liabilities of the fund accrued at the relevant date in connection with any service or employment before the relevant date which relates to the persons transferring their pension rights on that date to the approved non-local government scheme, and

(ii) the cost of increasing under the Pensions (Increase) Act 1971(4) the pension rights of the persons transferring their pension rights,

as determined on the basis of actuarial assumptions specified by the Secretary of State.”.

Compensation for Premature Retirement

9. Part I of Schedule 1 to the Local Government (Compensation for Premature Retirement) Regulations 1982(5) is amended by inserting after paragraph (k) the following:

“(1) the Broads Authority”.

8th March 1989

Nicholas Ridley
Secretary of State for the Environment

(4) 1971 c. 56.

(5) S.I. 1982/1009, amended by S.I. 1984/740, 1986/151, 1988/466.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make a number of unconnected amendments to the Local Government Superannuation Regulations 1986 (“the principal Regulations”) (S.I.1986/24) and the Local Government (Compensation for Premature Retirement) Regulations 1982 (“the Compensation Regulations”) (S.I. 1982/1009).

Regulations 2, 3, 6 and 7 make provision which is consequential to the Education Reform Act 1988 (C.40). Regulation 2 provides that persons employed at schools and education institutions assisted by a local authority will be entitled to continue to be pensionable employees if the school becomes grant-maintained or the institution becomes designated under that Act. Regulation 7 makes similar provisions for persons employed at schools or institutions maintained by a local authority which become grant-maintained or are incorporated under the Act. Regulation 3 makes consequential provision as to appropriate administering authorities, and regulation 6 adds relevant definitions to the principal Regulations.

Regulation 4 adds a new regulation to the principal Regulations which provides that interest is to be paid where payment of a lump sum entitlement is delayed.

Regulation 5 reduces from five years to three the interval between valuations of the superannuation funds, and makes associated amendments.

Regulations 7 and 9 provide that employees of the Broads Authority (established by the [Norfolk and Suffolk Broads Act 1988 \(C.4\)](#)) are entitled to be or to become pensionable employees, and that the Authority is to be treated as an employing authority for the purposes of the Compensation Regulations.

Regulation 8 determines the method by which transfer payments in respect of water authority employees who transfer to new pension schemes are to be calculated.