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STATUTORY INSTRUMENTS

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**1991 No. 2471**

**The Local Government Superannuation  
(Interchange) Regulations 1991**

**PART III**

**MINOR AND TRANSITIONAL PROVISIONS**

**Power to admit employees of other bodies**

**21.** Regulation B3(8) of the principal Regulations is amended by inserting after paragraph (f) the following:

“(ff) Housing for Wales;”.

**Change of local government employment and fund authority**

**22.** Regulation Q2(2) of the principal Regulations is amended by inserting after the words “London Government Act 1963” the words “or an offer made under paragraph 9 of Schedule 5 to the Housing Act 1988”(1)

**Change of local government employment and fund authority**

**23.** Regulation Q2(6) of the principal Regulations is amended by inserting after the words “London Government Act 1963” the words “or an offer made under paragraph 11(1)(b) of Schedule 1 to the Housing (Scotland) Act 1988”(2)

**Transitional provisions**

**24.** Regulations 10 to 15 and 19 and 20 shall have effect subject to regulations 25 and 26 below.

**25.—(1)** Regulations 10 to 15 and 19 and 20 shall not have effect—

(a) in relation to—

(i) any person who has completed 5 or more years' reckonable service and qualifying service as a pensionable employee, or

(ii) any person to whom regulation C12(12) of the principal Regulations applies and who has not received a return of contributions,

and whose local government employment ceased before 1st January 1986 (or who ceased to be subject to the principal Regulations before that date), so as to allow him to exercise an option under regulation J2 of the principal Regulations which would not have been available to him had these Regulations not been made; or

(b) in relation to—

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(1) 1988 c. 50.

(2) 1988 c. 43.

- (i) payments of transfer values made by the fund authority to club schemes in respect of which an application was received by that authority before 6th April 1988, or
  - (ii) payments of transfer values made by such schemes to the fund authority, in respect of which an application was received by the scheme before that date,
- unless both the fund authority and the trustees or managers of the scheme agree otherwise.

(2) Where—

- (a) a transfer value is payable to the trustees or managers of an approved non-local government scheme which is not a club scheme, and
- (b) the reckonable service to which it relates includes reckonable service which the person was entitled to reckon as reckonable service before 6th April 1988,

the amount of the transfer value shall be the total of A and the greater of B and C, where—

A is a notional transfer value, calculated in accordance with Part J of the principal Regulations (as amended by these Regulations), in respect of the person’s reckonable service after 5th April 1988,

B is a notional transfer value, calculated on the same basis, in respect of his reckonable service before 6th April 1988, and

C is a notional transfer value, calculated as if Part J of the principal Regulations, as in force on 5th April 1988, had continued in force, in respect of his reckonable service before 6th April 1988.

**26.—**(1) This regulation applies where—

- (a) a person ceased to be employed in local government employment (“the former employment” before 6th April 1988; and
- (b) a transfer value (“the first transfer value” was paid in respect of him by his fund authority to the trustees or managers of a club scheme; and
- (c) he again becomes a pensionable employee before 6th April 1993; and
- (d) he has, between his ceasing the former employment and his again becoming a pensionable employee, participated in the club scheme referred to in sub-paragraph (b), and has at no time during that period been employed otherwise than in an employment in which he was entitled to participate in that scheme; and
- (e) within 12 months of again becoming a pensionable employee, he applies for a transfer value to be paid by the trustees or managers of the club scheme to his new fund authority in accordance with the rules of that scheme; and
- (f) the trustees or managers of the club scheme pay to the new fund authority for the credit of their superannuation fund—
  - (i) a sum equal to the amount of the first transfer value together with compound interest on that sum calculated at the rate of 2¼% per quarter for the period beginning on the day after the person ceased the former employment and ending on the date on which the sum is paid to the new fund authority; and
  - (ii) a transfer value, calculated in accordance with Part J of the principal Regulations (as amended by these Regulations) in respect of the person’s service while he was a member of the club scheme (“the second transfer value”.

(2) Where this regulation applies—

- (a) the person shall be entitled to reckon the same qualifying service and reckonable service as he would have been entitled to reckon if the first transfer value had not been paid; and

- (b) regulation J9 (as amended by these Regulations) shall apply in respect of the second transfer value.

### **Right to opt out**

27.—(1) Except as provided by paragraph (2) below, no provision of these Regulations shall apply to any person to whom at any time before 25th November 1991 any benefit (including a return of contributions and any pension payable to a widow or widower or any dependant by virtue of a surrender) was being paid or became or might become payable if—

- (a) he is placed by that provision in a worse position than he would have been in if it had not applied in relation to that benefit; and
- (b) that provision applies in relation to a benefit paid or payable in respect of a person who—
  - (i) ceased before 25th November 1991 to hold an employment in respect of which he was a pensionable employee (whether or not he has subsequently recommenced any such employment); or
  - (ii) died before that date while still in such an employment; and
- (c) the first-mentioned person, by notice in writing given to the appropriate administering authority within 3 months after 25th November 1991, elects that that provision shall not apply in relation to that benefit.

(2) If such an election as is mentioned in paragraph (1) above is made in relation to a benefit which was being paid or became or might have become payable in respect of a person who is employed in a local government employment, or if that person subsequently recommences service in such an employment, then—

- (a) the election shall have effect in relation to the benefit only to the extent that it accrues or has accrued—
  - (i) by virtue of periods of service rendered before the cessation referred to in paragraph (1) above (or, if there has been more than one such cessation, the last of them before 25th November 1991); or
  - (ii) by virtue of contributions paid in respect of any such periods of service; and
- (b) in determining entitlement to, or the amount of, the benefit to that extent, he shall (without prejudice to the application of this paragraph) be treated as if he had never recommenced service in such employment at any time after the cessation referred to in sub-paragraph (a) above;

and the provision in question shall apply accordingly.

### **Right of appeal**

28. The provisions of Part N of the principal Regulations (determination of questions and appeals) shall apply in relation to rights and liabilities arising by virtue of these Regulations as they apply in relation to other rights and liabilities under the principal Regulations.