
STATUTORY INSTRUMENTS

1995 No. 1019

The Local Government Pension Scheme Regulations 1995

PART L

PENSION FUNDS AND PAYMENTS BY AUTHORITIES

Certain statutory payments to be met out of appropriate funds

Pension increases and cash equivalents under the Pension Schemes Act 1993

L18.—(1) Any increase in a pension which is required by virtue of Chapter III of Part IV of the Pension Schemes Act 1993⁽¹⁾ (protection of increases in guaranteed minimum pensions: anti-franking) shall be paid out of the appropriate pension fund.

(2) Any payment which an appropriate administering authority are required to make as a result of a person's taking a right to a cash equivalent under Chapter IV of that Part shall be made out of the appropriate pension fund.

Pension increases under the Pensions (Increase) Acts

L19.—(1) Where a pension, within the meaning of the Pensions (Increase) Act 1971⁽²⁾ ("the 1971 Act"), has become payable out of a pension fund maintained under these Regulations—

- (a) any increase of the pension under the 1971 Act or the Pensions (Increase) Act 1974⁽³⁾, shall be paid out of that pension fund;
- (b) Schedule 3 to the 1971 Act shall only have effect in relation to any such increase—
 - (i) where the last employing authority is not a body which is required by regulation L12 to contribute to that pension fund nor a Water Act Company;
 - (ii) where the last employing authority is such a body or Company and the increase was payable before 1st April 1990; or
 - (iii) where the last employing authority ceases after 31st March 1990 to be such a body, only so far as the cost of any such increase has not, in the opinion of the fund's actuary, already been provided for by contributions paid under regulation L12.

(2) Where in relation to any such pension the last employing authority is a Water Act Company, the cost of any increase of the pension under the 1971 Act or the Pensions (Increase) Act 1974, payable on or after 1st April 1990 shall be reimbursed to the appropriate administering authority by the National Rivers Authority out of the new main fund (within the meaning of the Local Government Superannuation (National Rivers Authority) Regulations 1993⁽⁴⁾).

(1) 1993 c. 48.
(2) 1971 c. 56.
(3) 1974 c. 9.
(4) S.I. 1993/1810.

(3) The amounts due to an administering authority under paragraph (2) or under Schedule 3 to the 1971 Act shall be paid to them at such intervals of not more than 12 months as the authority may determine, and, if all or part of any sum so due remains unpaid at the end of the period of one month after the date on which it becomes due, the administering authority may require the authority from which it is due to pay interest on the amount remaining unpaid, calculated and compounded as mentioned in regulation L12(4); and the administering authority shall carry and credit to their pension fund the amounts paid to them under paragraph (2), Schedule 3 to the 1971 Act and this paragraph.

(4) For the purposes of this regulation “the last employing authority” has the same meaning as in paragraph 1(2) of Schedule 3 to the 1971 Act, except that in its application to a pension which has become payable to or in respect of a person in relation to service with—

- (a) a body specified in Schedule B4, which has entered into an admission agreement,
 - (b) a body employing persons deemed to be in employment by virtue of paragraph 5 or 6 of Schedule B3, or
 - (c) a body which is a company under the control of a body described in Part I of Schedule B1,
- it means that body.

(5) In this regulation “Water Act Company” means—

- (a) a company nominated in accordance with section 4 of the Water Act 1989⁽⁵⁾ as the successor company of a water authority, or
- (b) a company nominated by order under section 83(1) of that Act.

State scheme premiums

L20.—(1) Where a LGPs employer pay a contributions equivalent premium, a transfer premium or a limited revaluation premium under section 55 of the Pension Schemes Act 1993 in respect of any member, they are entitled to recover, or if they are an administering authority to retain, out of the appropriate pension fund—

- (a) in the case of a contributions equivalent premium, a sum not exceeding the amount of that premium, less the amount (if any) which they could recover or retain under section 61 of that Act in respect of the premium; and
- (b) in the case of a transfer premium or a limited revaluation premium, the amount of the premium.

(2) Where a contributions equivalent premium is refunded under regulation 24(3)(c) of the Occupational Pension Schemes (Contracting-out) Regulations 1984⁽⁶⁾, the authority to whom it is refunded shall pay to the appropriate pension fund a sum equal to the amount of the premium.

(5) 1989 c. 15.
 (6) S.I. 1984/380.