
STATUTORY INSTRUMENTS

1995 No. 2953

PENSIONS

**The Local Government Pension Scheme
(Augmentation) Regulations 1995**

Made - - - - *17th November 1995*
Laid before Parliament *20th November 1995*
Coming into force - - *11th December 1995*

The Secretary of State, in exercise of the powers conferred on him by sections 7, 12 and 24 of the Superannuation Act 1972(1) and of all other powers enabling him in that behalf, 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, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Local Government Pension Scheme (Augmentation) Regulations 1995.

(2) These Regulations shall come into force on 11th December 1995 (in these Regulations referred to as “the commencement date”), but regulations 2, 3(2) and 4 have effect as from 1st October 1995.

(3) In these Regulations—

“the commencement date” has the meaning given in paragraph (2);

“the principal Regulations” means the Local Government Pension Scheme Regulations 1995(2); and

“the 1982 Regulations” means the Local Government (Compensation for Premature Retirement) Regulations 1982(3).

Power to increase period of membership on termination of employment

2.—(1) After regulation B17 of the principal Regulations there shall be inserted—

(1) 1972 c. 11; section 12 was amended by section 10 of the Pensions (Miscellaneous) Provisions Act 1990 (c. 7).

(2) S.I. 1995/1019; amended by S.I. 1995/1985, 2249.

(3) S.I. 1982/1009; relevant amending instruments are S.I. 1986/151, 1989/372, 1815, 1990/2380.

“Power to increase period of membership on termination of employment on redundancy etc.

- B18.**—(1) Where a member who is an employee of a relevant employing authority—
- (a) ceases to hold his employment—
 - (i) by reason of redundancy,
 - (ii) in the interests of the efficient exercise of the authority’s functions, or
 - (iii) because he was one of the holders of a joint appointment and his appointment has been terminated because the other ceased to hold his appointment;
 - (b) in a case within paragraph (a)(i) or (ii), the authority have certified in relation to him in accordance with regulation D6(2)(a); and
 - (c) on the date on which he ceases to hold his employment (“the relevant date”)—
 - (i) he has attained the age of 50 years, but not the age of 65 years; and
 - (ii) his total period of membership amounts to at least 5 years (whether or not it is membership in his current employment),

then, subject to paragraph (6), the authority may resolve that his total period of membership is to be increased under this regulation by the relevant additional period.

(2) Subject to paragraph (3), the relevant additional period in relation to any employee is the shortest of the following periods, namely—

- (a) his total period of membership on the relevant date;
- (b) so much of the period beginning with the day following that date and ending with his 65th birthday as he would be entitled to count as a further period of membership in relation to his employment (apart from the cessation or termination);
- (c) the period by which the period mentioned in paragraph (a) falls short of 40 years;
- (d) 6 ²/₃ years.

(3) Where the period mentioned in paragraph (2)(a) is reduced by virtue of regulation B15(1)(b), the periods mentioned in paragraphs (2)(b), (c) and (d) shall be reduced by the same proportion.

(4) Subject to paragraph (5), a resolution under paragraph (1) may only be passed during the period—

- (a) beginning one month before the relevant date, and
- (b) ending 6 months after that date;

and a resolution passed before the relevant date shall be conditional on the satisfaction on that date of the conditions for its making.

(5) The power to pass a resolution under paragraph (1) may be exercised notwithstanding—

- (a) that the relevant date is earlier than 1st October 1995; or
- (b) that the former member has died since the relevant date;

and where paragraph (a) applies the time limit imposed by paragraph (4)(b) does not apply, but the resolution must be passed before 1st April 1996.

(6) Where—

- (a) a resolution under paragraph (1) has effect, and
- (b) the relevant employing authority duly make the payment required by regulation L13(3A) in respect of that resolution within the period there mentioned,

the relevant additional period may be counted as a period of membership.

(7) Where a relevant employing authority do not duly make a payment required by regulation L13(3A) in respect of a resolution within the period there mentioned, the resolution shall cease to have effect.

(8) No person's membership may be increased under this regulation in respect of the cessation of his employment if he has been credited with a period of service in respect of that cessation under regulation 5 of the Local Government (Compensation for Premature Retirement) Regulations 1982.

(9) In this regulation "relevant employing authority" means —

- (a) the Commission for the New Towns;
- (b) an urban development corporation.

Power to convert periods credited under Compensation Regulations etc. into periods of membership

B19.—(1) Where—

- (a) before 11th December 1995 any person has been credited by a relevant employing authority under regulation 5 of the Local Government (Compensation for Premature Retirement) Regulations 1982 with a period of service in respect of a former employment,
- (b) apart from paragraph (8) of regulation B18, that authority could pass a resolution under paragraph (1) of that regulation that his total period of membership be increased by an additional period, and
- (c) having regard to all the circumstances that authority consider it appropriate to do so, then, subject to the following provisions of this regulation, they may resolve that his total period of membership be increased by the whole or part of the period credited to him as mentioned in paragraph (a).

(2) Where—

- (a) any person has been credited by an employer ("the transferor employer") under any scheme, the terms of which correspond to the Local Government (Compensation for Premature Retirement) Regulations 1982, with a period of service in respect of a former employment,
- (b) the transferor employer's liability in respect of payments falling due to that person by virtue of his being so credited has been transferred to a relevant employing authority,
- (c) apart from paragraph (8) of regulation B18, if—
 - (i) the person's employment with the transferor employer had been employment with the relevant authority, and
 - (ii) any actions taken by the transferor employer under the scheme mentioned in paragraph (a) had been taken by the relevant authority,

that authority could pass a resolution under paragraph (1) of regulation B18 that his total period of membership be increased by an additional period, and

- (d) having regard to all the circumstances that authority consider it appropriate to do so, then, subject to the following provisions of this regulation, they may resolve that his total period of membership be increased by the whole or part of the period credited to him as mentioned in paragraph (a).

(3) The period by which a person's total period of membership may be increased by virtue of paragraph (1) or (2) shall not exceed the period which would be the relevant additional period under paragraph (2) of regulation B18, if a resolution under that regulation could be passed

in relation to him, and paragraph (2)(d) of that regulation had effect with the substitution for “6 2/3 years” of “10 years”.

(4) Where—

- (a) a resolution under this regulation has effect in respect of the whole or part of a period credited to a person;
- (b) the relevant employing authority duly make the payment required by regulation L13(3A) in respect of that resolution within the period there mentioned,

then—

- (i) that whole or part may be counted as a period of membership for the purpose of determining any entitlement arising, or calculating the amount of any sum which becomes due, under these regulations in respect of him on and after the date from which the resolution has effect; and
- (ii) the credited period shall be reduced or extinguished accordingly (but without prejudice to any payments which have fallen due or have been made before that date).

(5) Where a relevant employing authority do not duly make a payment required by regulation L13(3A) in respect of a resolution within the period there mentioned, the resolution shall cease to have effect.

(6) No resolution may be passed under this regulation, the result of which would be to place any individual in a worse position than he would otherwise be.

(7) In this regulation “relevant employing authority” has the same meaning as in regulation B18.”.

(2) After paragraph (3) of regulation L13 of the principal Regulations (employer’s further payments) there shall be inserted —

“(3A) Where an authority to which regulation B18 or B19 (power to increase period of membership on termination of employment on redundancy etc.) applies passes a resolution in respect of any person (“the retired person”) under that regulation, they shall pay the appropriate sum in respect of the retired person to the appropriate pension fund before the expiry of the period of one month beginning with the date when the resolution was passed (or, if, by virtue of paragraph (4) of regulation B18, the resolution was conditional, one month beginning with the date on which he ceases to hold his employment with the authority).

(3B) In paragraph (3A) “the appropriate sum”, in respect of a retired person, means an amount equal to—

- (a) the increase in annual pension attributable to the period granted by the resolution, multiplied by the factor specified in the appropriate Table in Schedule L1 as being appropriate in respect of a person of his age on his next birthday after the later of the following dates, namely—

- (i) the date on which he ceases to hold his employment with the authority, and
- (ii) the date of the resolution,

or, in the case of a retired person who has died before the date of the resolution, as being appropriate in respect of such of his dependants as are entitled to pensions under these regulations in respect of him, plus

- (b) in the case of a resolution under paragraph (1) of regulation B18 (other than one to which paragraph (5)(a) of that regulation applies), the amount of any increase in standard retirement grant to which the retired person becomes entitled by virtue of the resolution.”.

(3) After Schedule K1 to the principal Regulations there shall be inserted the Schedule set out in the Schedule to these Regulations.

Eligibility for compensation for premature retirement

3.—(1) At the end of regulation 5 of the 1982 Regulations there shall be inserted—

“(3) No person may be credited with a period of service under this regulation in respect of a former employment in respect of the cessation of which an additional period of membership may be counted under regulation B18 of the Local Government Pension Scheme Regulations 1995.”.

(2) After paragraph (b) of Part I of Schedule 1 to the 1982 Regulations there shall be inserted—

“(ba) the Commission for the New Towns;

(bb) an urban development corporation;”.

(3) Subject to paragraph (4), where at any time before the commencement date the Commission for the New Towns or an urban development corporation took any action under any scheme, the terms of which correspond to the 1982 Regulations, which could have been taken under those regulations if paragraph (2) had had effect at that time, then, for the purposes of those regulations and of regulations B18 and B19 of the principal Regulations, that action shall be deemed to have been taken under the corresponding provision of the 1982 Regulations.

(4) Nothing in paragraph (3) shall have the effect of placing any individual in a worse position than he would otherwise be.

Consequential amendments

4. In the principal Regulations—

(a) in regulation B14(1)(d) and paragraph 1(1)(b) of Schedule B6, after “B17” there shall be inserted “B18, B19”;

(b) in regulation F8(3)(c) for the words “regulation B16 or B17” there shall be substituted the words “regulation B16, B17, B18 or B19”; and

(c) in regulation L13(4)—

(i) for the words “regulation B16 or B17” there shall be substituted the words “regulation B16, B17, B18 or B19”; and

(ii) after “membership)” there shall be inserted “but, in the case of regulations B18 and B19, excluding any amounts paid under paragraph (3A)”.

Elections

5.—(1) Where—

(a) apart from this regulation, the amendments made by regulations 2 and 4 would place any person in a worse position than he would otherwise be, and

(b) that person so elects by notice in writing given to the appropriate administering authority within the period of 6 months beginning with the date on which any relevant resolution under regulation B18 or any resolution under regulation B19 of the principal Regulations is passed in relation to him,

then the principal Regulations shall have effect in relation to him as if those amendments had never been made.

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(2) For the purposes of paragraph (1) a resolution under regulation B18 of the principal Regulations is a relevant resolution if the person in respect of whom it is passed ceased to hold his employment before the commencement date.

Signed by authority of the Secretary of State

17th November 1995

David Curry
Minister of State
Department of the Environment

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SCHEDULE

Regulation 2(3)

CALCULATIONS OF CONTRIBUTIONS TO APPROPRIATE PENSION FUNDS: SCHEDULE TO BE INSERTED IN PRINCIPAL REGULATIONS

“SCHEDULE L1

Regulation L13(3B)

APPROPRIATE FACTORS: CALCULATION OF CONTRIBUTIONS IN RESPECT OF PENSIONS AUGMENTED UNDER REGULATION B18

TABLE A

FACTORS FOR PENSION PAYABLE TO RETIRED PERSONS

Relevant age on next Birthday of retired person	Males	Females
51	18.24	18.85
52	17.94	18.56
53	17.63	18.27
54	17.32	17.97
55	16.99	17.65
56	16.66	17.33
57	16.32	17.01
58	15.97	16.67
59	15.61	16.33
60	15.25	15.97
61	14.88	15.61
62	14.50	15.24
63	14.12	14.87
64	13.73	14.48
65	13.34	14.09
66	12.94	13.69
67	12.54	13.29
68	12.14	12.88
69	11.74	12.47
70	11.33	12.05
71	10.93	11.62
72	10.52	11.20
73	10.12	10.77
74	9.72	10.35

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Relevant age on next Birthday of retired person	Males	Females
75	9.33	9.92
76	8.94	9.51
77	8.56	9.10
78	8.18	8.69
79	7.82	8.30
80	7.46	7.92
81	7.12	7.54
82	6.78	7.19
83	6.46	6.84
84	6.15	6.51
85	5.85	6.20

TABLE B
FACTORS FOR PENSION PAYABLE TO SURVIVING SPOUSES

Relevant age on next Birthday of retired person	Widowers	Widows
51	15.91	17.56
52	15.56	17.24
53	15.20	16.92
54	14.83	16.59
55	14.46	16.25
56	14.08	15.90
57	13.69	15.55
58	13.30	15.18
59	12.90	14.81
60	12.50	14.44
61	12.10	14.05
62	11.70	13.66
63	11.30	13.26
64	10.89	12.86
65	10.49	12.45
66	10.09	12.04
67	9.69	11.62

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Relevant age on next Birthday of retired person	Widowers	Widows
68	9.30	11.20
69	8.91	10.77
70	8.53	10.35
71	8.16	9.92
72	7.79	9.50
73	7.43	9.09
74	7.09	8.68
75	6.75	8.28
76	6.42	7.89
77	6.10	7.52
78	5.80	7.15
79	5.50	6.80
80	5.22	6.47
81	4.95	6.15
82	4.69	5.84
83	4.45	5.56
84	4.21	5.29
85	3.99	5.03

TABLE C
FACTORS FOR PENSION PAYABLE TO DEPENDENT CHILDREN

Relevant age on next Birthday	Factor
1	12.36
2	11.81
3	11.23
4	10.64
5	10.02
6	9.37
7	8.71
8	8.01
9	7.30
10	6.55
11	5.78

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Relevant age on next Birthday	Factor
12	4.98
13	4.14
14	3.28
15	2.38
16	1.45
17	0.49
18	3.28
19	2.38
20	1.45
21	0.49

EXPLANATORY NOTE

(This note is not part of the Regulations)

These regulations amend the Local Government Pension Scheme Regulations 1995 (“the principal regulations”) which regulate the Local Government Pension Scheme and the Local Government (Compensation for Premature Retirement) Regulations 1982 (“the 1982 regulations”) which deal with compensation for redundancy for local government employees aged 50 or over.

Regulation 2 introduces two new regulations (B18 and B19) into the principal regulations which give certain employing authorities the discretion to augment the period of pension scheme membership of certain members whose employment has ceased on redundancy. It also enables those authorities to convert the whole of an award under the 1982 regulations into an additional period of pension scheme membership for a member whose employment so ceased before the commencement date. Regulation 2 also amends regulation L13 of the principal regulations and sets a time limit within which payment for the purchase of additional membership is to be made to the administering authority.

Regulation 3 amends the 1982 regulations so as to prevent the award of a credited period under those regulations where an authority has exercised its discretion under the new provision of the principal regulations to augment scheme membership. It also brings the Commission for the New Towns and urban development corporations within the 1982 regulations.

Regulation 4 contains consequential amendments.

Regulation 5 contains a savings provision for retired members in respect of whom resolutions under the new regulations B18 and B19 are passed. If the provisions of the principal regulations relating to the maximum length of additional periods to be credited disadvantage the retired member by reducing the total period credited by augmentation, the member may elect to retain the existing compensation award. The election has to be made within 6 months of the authority’s resolution to convert the award into an augmented pension.

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