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STATUTORY RULES OF NORTHERN IRELAND

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**2014 No. 188**

**The Local Government Pension Scheme  
Regulations (Northern Ireland) 2014**

**PART 2**

**ADMINISTRATION**

**TRANSFERS**

**Rights to payment out of pension fund**

**108.**—(1) A member may apply for a transfer under [<sup>F1</sup>Chapters 1 or 2 of Part 4ZA ]<sup>M1</sup> of the 1993 Act (transfer values and early leavers) and where the member does so the amount of any transfer value payment due in respect of the member under the relevant transfer may only be paid by the Committee from the pension fund if the transfer value payment is a recognised transfer (within the meaning of section 169 (recognised transfers) of the 2004 Finance Act).

[<sup>F2</sup>(1A) Where a transfer under paragraph (1) is a Club Transfer, the Committee must comply with the provisions in the Club Memorandum in relation to that transfer.]

(2) Where such a transfer value payment is to be or has been paid from the pension fund, no other payment or transfer of assets may be made from the pension fund as respects the accrued rights covered by the transfer value payment.

(3) Paragraph (2) overrides anything to the contrary in these Regulations, the Transitional Regulations or the former regulations.

[<sup>F3</sup>(4) For the purposes of this regulation, where a member applies for a transfer under paragraph (1), that member's normal pension age is to be construed as having the same meaning as that expression has in Schedule 1 (interpretation).]

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**Textual Amendments**

- F1** Words in [reg. 108\(1\)](#) substituted (18.11.2019) by [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/206\)](#), [regs. 1\(1\)](#), [78\(a\)](#)
- F2** [Reg. 108\(1A\)](#) inserted (18.11.2019) by [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/206\)](#), [regs. 1\(1\)](#), [78\(b\)](#)
- F3** [Reg. 108\(4\)](#) inserted (with effect in accordance with [reg. 1\(2\)](#) of the amending Rule) by [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2016 \(S.R. 2016/128\)](#), [regs. 1\(1\)](#), [25](#)

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**Marginal Citations**

- M1** [Part 4ZA](#) was inserted into the [Pension Schemes Act \(Northern Ireland\) 1993 \(c. 49\)](#) by section 67 of and Schedule 4, Part 2, paragraphs 49 and 50, to the [Pension Schemes Act 2015 \(c. 8\)](#).

### Contracting-out requirements affecting transfers out

**109.**—(1) There shall be deducted from the transfer value payment to be made in respect of any person to a contracted-in defined benefit registered pension scheme—

- (a) the amount of any contributions equivalent premium payable pursuant to section 51 (payment of state scheme premiums on terminations of certified status) of the 1993 Act; or
- (b) an amount sufficient to meet the liability in respect of the person's contracted-out rights.

(2) Where the amount mentioned in paragraph (1)(a) is deducted, the Committee shall use that amount to pay the premium.

(3) Where the amount mentioned in paragraph (1)(b) is deducted, the Committee may use the amount in preserving the liability mentioned in that paragraph in the pension fund unless the member wishes a transfer value payment in respect of it to be paid to the trustees or managers of a contracted-out defined benefit or contracted-in defined contribution registered pension scheme.

(4) Contracted-out rights, in relation to a member, are—

- (a) the member's, and the member's surviving spouse's, civil partner's or <sup>F4</sup>... co-habiting partner's rights to guaranteed minimum pensions; and
- (b) the member's section 5(2B) rights as defined in regulation 1(2) of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1996.

#### Textual Amendments

- F4** Word in [reg. 109\(4\)\(a\)](#) omitted (with effect in accordance with [reg. 1\(2\)\(c\)](#) of the amending Rule) by virtue of [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/206\)](#), [regs. 1\(1\)](#), **29**

### Bulk transfer (transfers of undertakings, etc.)

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

- (a) two or more members' active membership ends on their joining a registered non-local government scheme (“the new scheme”);
- (b) it is agreed by—
  - (i) the Committee;
  - (ii) the members' employing authorities (if different); and
  - (iii) the trustees or managers of the new scheme;

that a payment should be made under this regulation; and

- (c) the members—
  - (i) agree in writing that that payment should be made instead of any payment which they otherwise might require to be made under Chapter 4 or 5 of Part 4 of the 1993 Act; and
  - (ii) waive any rights they might have under those Chapters by virtue of the cessation of their active membership.

(2) The Committee shall not give its agreement under paragraph (1)(b) unless it is satisfied that the rights that each of the members will acquire under the new scheme are at least equivalent to those which they each would have obtained if the transfer value payment had been paid to the same scheme under Chapter 4 or 5 of Part 4 of the 1993 Act, as they apply as modified by these Regulations (assuming in any case where a member would not be entitled to such a payment that the member was so entitled).

(3) The Committee shall provide each member with sufficient information in writing to check that the requirement of paragraph (2) is satisfied before the member agrees as mentioned in paragraph (1) (c).

(4) The Committee shall—

(a) set aside (whether in cash or in assets or both) such part of the pension fund (“the transfer value payment”) as an actuary appointed by it and an actuary appointed by the trustees or managers of the new scheme for the purpose may agree as appropriate for the acquisition of such rights in that new scheme as they may so agree; and

(b) pay or transfer it to the trustees or managers of the new scheme for the benefit of the relevant members.

(5) The Committee shall certify to the new scheme's trustees or managers the amount included in the transfer value payment which represents each member's contributions and interest on them.

(6) Where a transfer value payment is to be or has been made under this regulation, no other payment or transfer of assets shall be made from the pension fund by reason of membership covered by the transfer value payment.

(7) Paragraph (6) overrides anything to the contrary in these Regulations, the Transitional Regulations or the former regulations.

### Calculation of amount of transfer value payment

**111.**—<sup>F5</sup>(1) The amount of the transfer value payment to be paid under regulation 110 (bulk transfer (transfer of undertakings, etc)) is the amount determined by an actuary appointed by the Committee to be equal to the value at the date those members join the new scheme—

(a) of the actual and potential liabilities payable from the pension fund which have then accrued in respect of the members and the persons who are or may become entitled to benefits under the Scheme through them; or

(b) is the balance of the employing authority's assets after ensuring that its deferred members and pensioner members liabilities which are not transferred, are fully funded.]

(2) The actuary may make such adjustments as the actuary thinks fit in calculating that amount and in particular as respects the period from that date to the date of actual payment of the transfer value.

(3) The actuary shall specify in the valuation, the actuarial assumptions used in making it.

(4) The employing authority shall bear the costs of determining the appropriate part of the pension fund and apportioning that pension fund.

(5) If there is more than one employing authority involved, each shall bear such part of the costs as the actuary determines to be appropriate.

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#### Textual Amendments

**F5** Reg. 111(1) substituted (1.4.2015) by [The Local Government Pension Scheme \(Amendment No. 2\) Regulations \(Northern Ireland\) 2015 \(S.R. 2015/162\)](#), regs. 1(2), 22

### Inward transfers of pension rights

**112.**—(1) An active member with relevant pension rights may request the Committee to accept a transfer value payment for some or all of those rights from the relevant transferor.

(2) Relevant pension rights are—

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Local Government Pension Scheme Regulations (Northern Ireland) 2014. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (a) accrued rights under a registered pension scheme other than rights to benefits under the scheme which are attributable (directly or indirectly) to a pension credit; and
  - (b) accrued rights under a European pensions institution.
- (3) Accrued rights under a registered pension scheme include rights to preserved benefits and rights appropriately secured under section 15 (discharge of liability where guaranteed minimum pensions secured by insurance policies or annuity contracts) of the 1993 Act.
- (4) The relevant transferor is the trustees or managers of the scheme under which the transferring person's relevant pension rights arise.
- (5) But the relevant transferor for the rights specified in paragraph (3) is the trustees or managers of the scheme, or the insurance company, to which a payment in respect of the person's accrued rights has been made.
- (6) A request from a transferring person under paragraph (1) shall be made by notice in writing given before the expiry of the period of twelve months beginning with the date on which the person first became an active member in an employment (or such longer period as the Committee may allow).
- (7) Where a request under paragraph (1) is duly made, the Committee may accept the transfer value payment and credit it to the pension fund.
- [<sup>F6</sup>(8) Where a relevant transfer is a Club Transfer, the Committee must comply with the provisions in the Club Memorandum in relation to that transfer.]

#### Textual Amendments

**F6** Reg. 112(8) inserted (18.11.2019) by [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/206\)](#), regs. 1(1), **79**

#### Effect of acceptance of transfer value payment

**113.—**(1) Where a transfer value payment has been accepted under regulation 112 (inward transfers of pension rights), the Committee shall credit the active member's pension account with the appropriate amount of earned pension.

[<sup>F7</sup>(2) The calculation of the appropriate amount of earned pension for the purposes of the paragraph (1) is—

- (a) in the case of a transfer of employment between members of the Public Sector Transfer Club, in accordance with the Club Memorandum; and
- (b) in any other case, in accordance with actuarial guidance issued by the Department.]

#### Textual Amendments

**F7** Reg. 113(2) substituted (18.11.2019) by [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/206\)](#), regs. 1(1), **80**

#### EU scheme transfers

**114.—**(1) The persons mentioned in paragraph (2) are entitled to such rights under the Scheme as are specified in actuarial guidance issued by the Department.

- (2) Those persons are—

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- (a) a person who became employed by an EU institution after having been employed in local government employment; or
  - (b) a surviving spouse, civil partner, <sup>F8</sup>... co-habiting partner, dependant or eligible child of such a person.
- (3) In this regulation—
- (a) “EU institution” means a body treated as one of the EU's institutions for the purposes of the European Union's scheme; and
  - (b) “the European Union's scheme” means the pension scheme provided for officials and other servants of the European Union in accordance with regulations adopted by the Council of the European Union.

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#### **Textual Amendments**

- F8** Word in [reg. 114\(2\)\(b\)](#) omitted (with effect in accordance with [reg. 1\(2\)\(c\)](#) of the amending Rule) by virtue of [The Local Government Pension Scheme \(Amendment\) Regulations \(Northern Ireland\) 2019 \(S.R. 2019/206\)](#), [regs. 1\(1\)](#), **30**

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Local Government Pension Scheme Regulations (Northern Ireland) 2014. Any changes that have already been made by the team appear in the content and are referenced with annotations.

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**Changes and effects yet to be applied to the whole Rule associated Parts and Chapters:**

Whole provisions yet to be inserted into this Rule (including any effects on those provisions):

- Sch. 1(d) word omitted by [S.R. 2023/157 reg. 19\(4\)\(a\)](#)
- Sch. 1(f) word inserted by [S.R. 2023/157 reg. 19\(4\)\(b\)](#)
- Sch. 1(g) inserted by [S.R. 2023/157 reg. 19\(4\)\(c\)](#)
- reg. 31(14) inserted by [S.R. 2023/149 reg. 3\(2\)](#)
- reg. 35(2A) inserted by [S.R. 2023/149 reg. 3\(3\)\(a\)](#)
- reg. 35(4) inserted by [S.R. 2023/149 reg. 3\(3\)\(b\)](#)
- reg. 46(3)(c) inserted by [S.R. 2023/149 reg. 3\(6\)\(a\)\(iv\)](#)
- reg. 46(3B) inserted by [S.R. 2023/149 reg. 3\(6\)\(b\)](#)
- reg. 52(8) inserted by [S.R. 2023/149 reg. 3\(9\)](#)
- reg. 53(5B) inserted by [S.R. 2023/149 reg. 3\(10\)](#)
- reg. 68(6A) inserted by [S.R. 2023/149 reg. 3\(11\)](#)
- reg. 70(2ZA) inserted by [S.R. 2023/149 reg. 3\(12\)](#)
- reg. 91(A1) inserted by [S.R. 2023/149 reg. 3\(13\)](#)
- reg. 108(1B) inserted by [S.R. 2023/149 reg. 3\(14\)\(a\)](#)
- reg. 110(8) inserted by [S.R. 2023/149 reg. 3\(15\)](#)
- reg. 111(2A) inserted by [S.R. 2023/149 reg. 3\(16\)](#)