
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make various amendments to the Local Government Pension Scheme Regulations 1997 (“principal Regulations”) to have effect from 1st April 2004, with the exception of regulations 27 to 32 (changes to the dispute resolution procedures), which shall have effect from 1st June 2004. The main changes are as follows—

- regulation 3 adds urban development corporations to the list of resolution bodies;
- regulation 4 allows members who become employees of an NHS Pension Scheme employing authority as a result of an arrangement under section 31 of the Health Act 1999 to remain members of the Local Government Pension Scheme;
- regulation 6 deletes provisions for Scheme employers and employee representatives to agree a method for determining employees' pay;
- regulation 7 amends regulation 19 of the principal Regulations to reduce the total membership required to become entitled to benefits from two years to three months;
- regulation 10 amends regulation 27 of the principal Regulations to provide that a member with over three months' total membership will be entitled to an ill-health pension and grant and clarifies the definition of “permanently incapable”;
- regulation 11 amends regulation 28 of the principal Regulations to provide that where a member becomes entitled to a further ill-health pension and grant (unless by virtue of being in concurrent employments which cease simultaneously), the multiplier for that pension and grant will be his total membership without enhancement;
- regulation 12 removes provisions relating to re-employed pensioners' entitlement to elect for a single new pension and provides for when periods of former membership may be taken into account when calculating the total membership of a re-employed pensioner;
- regulation 13 amends regulation 32 of the principal Regulations so as to provide that where a deferred member becomes an active member again and wants to elect to have his former membership aggregated with his current membership, he must give notice of his election within 12 months of the date he became an active member again or such longer period as his employer may allow and makes provision for when unaggregated periods of membership should be taken into account;
- regulation 14 amends regulation 32A of the principal Regulations to provide that a person may aggregate membership in concurrent employments where he leaves one of the employments in respect of which he has at least three months' total membership;
- regulation 16 amends regulation 41 of the principal Regulations to alter, from two years to three months, the amount of total membership required to determine the applicable calculation for surviving spouse's long-term pension;
- regulation 17 removes calculations in relation to re-employed pensioners;
- regulation 18 amends regulations 52 and 53 of the principal Regulations to provide that employing authorities may increase an active member's total membership;
- regulations 20 and 21 make provision for administering authorities to prepare, maintain and publish a written funding strategy statement, which must be taken into account by the actuary in specifying the common rate of employer's contribution;

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- regulations 25 and 26 amend regulations 87 and 88 of the principal Regulations so that members with less than three months' membership may be entitled to a refund of contributions if they cease to be employed by a Scheme employer;
- regulations 27 to 32 amend regulations 98 to 103 of the principal Regulations to make changes to the decision, notification and dispute resolution procedures;
- regulation 33 inserts provisions for the issue of annual benefit statements; and
- regulations 37 and 39 add a new body, the Valuation Tribunal Service, to the list of Scheme employers and amend the reference to city academies.

Regulation 42 makes transitional provisions and regulation 43 allows certain persons who would be placed in a worse position by amendments made in these Regulations to elect for the amendments not to apply in their case. The remaining regulations make amendments consequential to the above.

The guidance published by CIPFA, the Chartered Institute of Public Finance and Accountancy, referred to in regulation 20, can be purchased from CIPFA, 3 Robert Street, London WC2N 6RL, tel. 020 7543 5602. The publication costs £50 to members of the public, £25 to local authorities and £12.50 to an administering authority.

A full regulatory impact assessment has not been produced for this instrument, as it has no impact on the costs of businesses, charities or voluntary bodies.