
STATUTORY INSTRUMENTS

2006 No. 966

**The Local Government Pension Scheme
(Amendment) Regulations 2006**

PART 2

Cost of liabilities

Calculations

3. In regulation 20, after paragraph (3) insert—

“(3A) A member in respect of whom a benefit crystallisation event occurs on or after 6th April 2006 may elect in writing to the appropriate administering authority before any benefits become payable to increase the retirement grant payable under paragraph (3) by commuting his pension, or a part thereof, at a rate of £12 for every £1 of annual pension entitlement surrendered.

(3B) But the total amount of the member’s retirement grant, including any sum received in accordance with an election under paragraph (3A), shall not exceed 25% of the capital value of his accrued rights.

(3C) For the purposes of this regulation, a member’s accrued rights include rights accrued in respect of any payments made by him in accordance with Chapter IV of Part III (Additional Voluntary Contributions).

(3D) The capital value of a person’s accrued rights shall be calculated as shown in guidance issued by the Government Actuary.”

Revised rates and adjustments certificates: period over which increased costs to be spread

4.—(1) This regulation applies where in considering whether to obtain a revised rates and adjustments certificate an administering authority, pursuant to regulation 7 of the Local Government Pension Scheme (Amendment) Regulations 2005⁽¹⁾, has determined an increased liability over that shown in the valuation of the relevant pension fund as at 31st March 2004 (“the 2004 valuation”).

(2) The administering authority shall spread the increased liability over the 2005 Funding Strategy Statement Period.

(3) In this regulation, “the 2005 Funding Strategy Statement Period” means the period over which the administering authority decided to spread the liabilities identified in the 2004 valuation, as set out in the first statement of their funding strategy published in accordance with regulation 76A of the principal Regulations.