SCHEDULE 18

Fund apportionment where 100 or more transfer their pension rights under regulation J14

PART I

1. This Part applies if the fund is to be apportioned under regulation J14(6) and all of the transfers under the transfer scheme are to take place on the same day.

2. The Committee shall obtain a report from the fund's actuary specifying the apportionment fraction to be applied in apportioning the fund together with details of the calculation.

3. The apportionment fraction is—

$$\frac{\frac{A}{B} \times (C + D) - E}{C}$$

where—

A is the value at the relevant date of the accrued actuarial liabilities of the fund which relate to the persons transferring their pension rights on that date to the approved non-local government scheme;

B is the value at the relevant date of all accrued actuarial liabilities of the fund;

C is the value at the relevant date of the transferable assets of the fund minus any sums then due from the fund;

D is the value at the relevant date of any adjustments to be made in consequence of a certificate under regulation P6(1)(b) to sums (other than sums then due to the fund) to be contributed to the fund under regulation P7(1); and

E is the value at the relevant date of the part (if any) of those adjustments which relates to the persons transferring their pension rights on that date to the approved non-local government scheme.

4. The relevant date is the date on which those transferring their pension rights become subject to the approved non-local government scheme.

5. The accrued actuarial liabilities of the fund are the actual and potential liabilities of the fund in connection with any service or employment before the relevant date and, for this purpose, it is to be assumed that the liabilities which relate to those transferring their pension rights remain liabilities of the fund notwithstanding regulation J14(8).

6. The transferable assets of the fund are the assets which belong to the fund at the relevant date.

7. The values of items D and E are to be agreed by the fund's actuary and the actuary of the non-local government scheme or, if they are unable to agree, they are to be determined by an actuary appointed by the Department.

8. Subject to paragraph 7, valuations are to be made by the fund's actuary.

9. Where more than one approved non-local government scheme is involved, separate apportionment fractions shall be specified in the actuary's report for the different schemes.

10. When the Committee receive the actuary's report they shall provide the scheme managers of the approved non-local government scheme with a copy of it.

11. The value of the share of the fund to which the scheme managers of the approved non-local government scheme are entitled shall be calculated in accordance with the formula—

$$V = W \times [X - (Y + Z)]$$

where—

V is the value of the share of the fund to which the scheme managers are entitled;

W is the apportionment fraction specified in the actuary's report;

X is the value (determined by the fund's actuary) at the apportionment date of the transferable assets which still belong to the fund at that date and any other assets which belong to the fund at that date which represent in any form or have accrued from any transferable asset;

Y is the total of any sums due from the fund at the relevant date and still outstanding at the apportionment date; and

Z is the total of any sums due from the fund at the apportionment date (but not at the relevant date) in respect of any expenditure in connection with the transferable assets of the fund or assets representing or accruing from those assets.

12. The apportionment date is the date specified as such by the Committee in a notice given to the scheme managers of the approved non-local government scheme.

13. Except with the agreement of the scheme managers of the approved non-local government scheme, the apportionment date shall not be later than 6 months after the date on which the Committee receive the actuary's report.

14. Subject to paragraphs 15 to 17, immediately after the apportionment date the Committee shall transfer to the scheme managers of the approved non-local government scheme assets of the fund of a value at the apportionment date equal to the value of the scheme managers' share of the fund and unless the Committee and the scheme managers otherwise agree, the composition of the assets to be transferred shall so far as possible reflect the composition of the transferable assets which still belong to the fund at the apportionment date and any other assets which belong to the fund at that date which represent in any form or have accrued from any transferable asset.

15. The Committee and the scheme managers may agree to transfer assets in advance of the apportionment date.

16. The value of an advance under paragraph 15 shall not exceed such sum as the fund's actuary may specify as appropriate in the circumstances.

17. Where an advance is made under paragraph 15, the Committee's liability under paragraphs 11 and 14 shall be reduced by an amount equal to—

$$\frac{L}{M} \times N$$

where—

L is the value of the advance;

M is the value of the share of the fund to which the scheme managers would have been entitled under paragraph 11 if the apportionment date had been the date on which the advance was made; and

N is the value of the share of the fund to which the scheme managers would have been entitled under paragraph 11 if the advance had not been made.

18. The employing authority shall bear the costs of apportioning the fund or, if there is more than one employing authority involved, each shall bear such part of those costs as the fund's actuary determines.

19. The Committee shall keep their accounts in a form which enables the calculations required in apportioning the fund to be made, and they shall also provide the fund's actuary with any information he requires in connection with the apportionment.