

**1990 No. 503**

**PENSIONS**

**The Local Government Superannuation (Funds etc.)  
Regulations 1990**

<i>Made</i> - - - - -	<i>7th March 1990</i>
<i>Laid before Parliament</i>	<i>9th March 1990</i>
<i>Coming into force</i>	
<i>For the purposes of regulation 4</i>	<i>31st March 1990</i>
<i>For all other purposes</i>	<i>1st April 1990</i>

The Secretary of State, in exercise of the powers conferred on him by section 7 of the Superannuation Act 1972(a) 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 Superannuation (Funds etc.) Regulations 1990 and shall come into force for the purposes of regulation 4 on 31st March 1990 and for all other purposes on 1st April 1990.

(2) In these Regulations “the principal Regulations” means the Local Government Superannuation Regulations 1986(b), and unless the context otherwise requires any expression which is also used in the principal Regulations has the same meaning as in those Regulations.

**Actuary’s certificates**

2.—(1) This regulation shall apply to the rate of employer’s contributions for years beginning on or after 1st April 1990.

(2) Regulation P6 of the principal Regulations is amended—

(a) in paragraph (2), by substituting for the words “to ensure its solvency” the words “to ensure that the fund is able to meet 75% of its existing and prospective liabilities”, and

(b) by substituting for paragraph (3) the following—

“(3) An individual adjustment is any percentage or amount by which in the actuary’s opinion contributions at the common rate should in the case of a particular body be increased or reduced—

(a) having regard to existing or prospective liabilities of or benefits accruing to the fund arising from circumstances peculiar to that body; and

(b) so as to ensure that the fund is able to meet 100% of its existing and prospective liabilities—

(i) arising from any admission agreement, and

(ii) in respect of any person who is, or when he was last a pensionable employee was, deemed to be in employment with that body by virtue of regulation B2 of the principal Regulations(c).”

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(a) 1972 c.11.

(b) S.I. 1986/24, amended by S.I. 1986/380, 1987/293, 1579, 2110, 1988/466, 1989/371, 372, 1462, 1624, 1815.

(c) Regulation B2 was amended by S.I. 1986/380, regulation 6, and S.I. 1987/293, regulation 5.

(3) Where an administering authority has before the commencement of this regulation obtained a certificate under regulation P6 of the principal Regulations relating to the 3 years beginning on 1st April 1990 ("the first certificate")—

- (a) the administering authority shall obtain from the actuary a further certificate which complies with regulation P6 as amended by this regulation; and
- (b) that further certificate shall have effect for the purposes of the principal Regulations in substitution for the first certificate.

(4) This regulation does not affect regulation P6 as it is applied to the new funds referred to in regulation 2(1)(b) of the Local Government Superannuation (Water) Regulations 1989(a) by regulation 2(12) of and the Schedule to those Regulations.

#### **Pensions increase**

3.—(1) The principal Regulations are amended by substituting for regulation P14 the following:

##### **"Pensions increase**

**P14.—(1) In this regulation—**

"the 1971 Act" means the Pensions (Increase) Act 1971(b),

"the 1974 Act" means the Pensions (Increase) Act 1974(c),

"the Schedule" means Schedule 3 to the 1971 Act,

"the last employing authority" has the same meaning as in paragraph 1(2) of the Schedule.

(2) Where a pension (within the meaning of the 1971 Act) has become payable out of a superannuation fund maintained under these Regulations—

- (a) any increase of the pension under the 1971 Act or the 1974 Act shall be paid out of that superannuation fund;
- (b) where the last employing authority is a body which is required by regulation P7(d) to contribute to that superannuation fund or is a Water Act Company, the Schedule shall cease to have effect in relation to any such increase payable on or after 1st April 1990; and
- (c) where the last employing authority is not such a body or company, the Schedule shall continue to have effect in relation to any such increase.

(3) Where in relation to any such pension the last employing authority is a Water Act Company, the cost of any increase of the pension under the 1971 Act or the 1974 Act payable on or after 1st April 1990 shall be reimbursed to the appropriate administering authority by the National Rivers Authority out of the new main fund referred to in regulation 2(1)(b) of the Local Government Superannuation (Water) Regulations 1989.

(4) An administering authority shall carry and credit to their superannuation fund the amounts paid to them under paragraph (3) above or under the Schedule."

(2) The Schedule to the Local Government Superannuation (Water) Regulations 1989 is amended by deleting paragraph 6.

#### **Pensionable employees**

4. Part I of Schedule 2 to the principal Regulations is amended by deleting the entries in both columns relating to the Board of Trustees of the National Museums and Galleries on Merseyside(e).

Signed by authority of the  
Secretary of State

7th March 1990

*David Hunt*  
Minister of State,  
Department of the Environment

(a) S.I. 1989/1462.

(b) 1971 c.56.

(c) 1974 c.9.

(d) Regulation P7 was amended by S.I. 1989/372, regulation 5(3).

(e) These entries were inserted by S.I. 1986/380, regulation 14.

## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations make a number of amendments to the Local Government Superannuation Regulations 1986 ("the principal Regulations").

Regulation 2 amends the criteria to be applied by the fund actuary in assessing the rate of employer's contribution to a superannuation fund.

Regulation 3 provides that the cost of pensions increases is to be borne by the superannuation funds. This expense will be recovered through the employer's contribution or, where employer's contributions are not payable by the employing body, by direct reimbursement in accordance with Schedule 3 to the Pensions (Increase) Act 1971. Special provision is made in respect of the pensions increase liability of the water authorities' successor companies.

The body referred to in regulation 4 ceases to be a "scheduled body" for the purposes of the principal Regulations. Its employees therefore cease to be eligible to be pensionable employees under those Regulations.