
EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations make provision in connection with the pension rights of certain members of the Local Government Pension Scheme (“the Scheme”) and amend the Local Government Pension Scheme Regulations (Northern Ireland) 2000 (“the principal Regulations”) which regulate the Scheme. They also amend the Local Government Pension Scheme (Management and Investment of Funds) Regulations (Northern Ireland) 2000.

The provisions and amendments are in relation to the sharing of pensions following divorce or nullity of a marriage, introduced by the Welfare Reform and Pensions (Northern Ireland) Order 1999.

Regulation 1 provides for citation, commencement and retrospection.

Regulation 2 and the Schedule amend the principal Regulations. Paragraphs 1 to 10 of the Schedule make amendments to the wording of the existing provisions. Paragraph 11 adds a new Part N to the principal Regulations to make provision for pension credit members and paragraph 12 inserts a new Schedule of definitions for pension sharing as Schedule A2 to the principal Regulations.

Part N provides that a person entitled to a pension credit may become a pension credit member of the Scheme. A pension credit member is entitled to receive pension benefits at age 65. The benefits take the form of a pension and, where the person whose rights are subject to a debit has not been paid a lump sum, a lump sum. There is no provision for earlier payment of the benefits except that they may be commuted for a lump sum in circumstances where life expectancy is less than one year. A pension of not more than £195 per annum may also be commuted for a lump sum.

There are no surviving spouse’s or children’s pensions payable following the death of a pension credit member but provision is made for payment of a death grant.

A pension credit member may not aggregate his pension credit rights with any other rights he may have under the Scheme nor may he ask for the Scheme to accept a transfer value for pension rights from another scheme or arrangement.

Regulation 3 amends the Local Government Pension Scheme (Management and Investment of Funds) Regulations (Northern Ireland) 2000 to provide that certain costs and charges incurred in connection with pension sharing (as prescribed in regulations made under the Welfare Reform and Pensions (Northern Ireland) Order 1999) are not borne by the Scheme.

These Regulations do not impose any costs on business.

Article 14 of the Superannuation (Northern Ireland) Order 1972 confers express powers to make regulations retrospective in effect and these Regulations are retrospective to 1st December 2000.