

2002 No. 115

LOCAL GOVERNMENT

**Local Government Pension Scheme (Amendment) Regulations
(Northern Ireland) 2002**

Made 20th March 2002

Coming into operation 1st May 2002

The Department of the Environment in exercise of the powers conferred by Articles 9 and 14 of, and Schedule 3 to, the Superannuation (Northern Ireland) Order 1972(a) and now vested in it(b) and of every other power enabling it in that behalf and after consultation with the Northern Ireland Local Government Association, the Northern Ireland Local Government Officers' Superannuation Committee and such representatives of other persons likely to be affected by the Regulations as appeared to it to be appropriate, hereby makes the following Regulations:

Citation, commencement and retrospectio

1.—(1) These Regulations may be cited as the Local Government Pension Scheme (Amendment) Regulations (Northern Ireland) 2002 and except as provided in paragraphs (2) and (3) shall come into operation on 1st May 2002.

(2) Regulations 3 and 4 shall have effect as from 2nd April 2001.

(3) Regulations 5 and 7 shall have effect as from 1st August 2000.

*Amendment of the Local Government Pension Scheme Regulations
(Northern Ireland) 2000*

2. The Local Government Pension Scheme Regulations (Northern Ireland) 2000(c) shall be amended in accordance with regulations 3 to 8.

*Agreements to enable employees of non-LGPS employers to be members
(“admission agreements”)*

3. In paragraphs (7)(d) and (16) of regulation B6(d), for “Schedule A2” insert “Schedule A3”(e).

(a) S.I. 1972/1073 (N.I. 10); Article 14 was amended by Article 12 of the Pensions (Miscellaneous Provisions) (Northern Ireland) Order 1990 (S.I.1990/1509 (N.I. 13))

(b) S.R. & O. (N.I.) 1973 No. 504 Article 7(1); S.I. 1976/424 (N.I. 6)

(c) S.R. 2000 No. 177 as amended by S.R. 2001 No. 61, S.R. 2001 No. 63 and S.R. 2001 No. 64

(d) As substituted by S.R. 2001 No. 64, regulation 3

(e) Schedule A2 was inserted by S.R. 2001 No. 64, regulation 8 and the Schedule

Matters to be included in an admission agreement in certain cases

4. Schedule A2 shall be renumbered as Schedule A3.

Referral of decisions under regulation J2(1) to the county court

5. In regulation J10 for the words “in the county” there shall be substituted the words “in the county court division” and for the words “counties, in one of those counties” there shall be substituted the words “county court divisions, in one of those divisions”.

Accounts, audit and annual report

6. For regulation L2 there shall be substituted the following—

“L2.—(1) The Committee shall keep accounts of all financial transactions of the fund.

(2) The Secretary of the Committee shall prepare the financial statements for the financial year ended 31st March 2002 and subsequent financial years in accordance with paragraph (3) and shall forward three copies of the financial statements duly signed and dated by him to the Department not later than 30th June after the expiration of the financial year to which the financial statements relate.

(3) The financial statements shall comprise—

(a) a Foreword;

(b) a Statement of the Committee’s Responsibilities;

(c) an Accounting Officer’s Statement;

(d) Fund Account;

(e) Net Assets Statement; and

shall contain the information specified in Schedule L2.

(4) The financial statements shall give a true and fair view of the Fund Account for the financial year, and the Net Assets Statement as at the end of the financial year.

(5) The financial statements kept by the Committee shall be audited annually by a local government auditor who shall report on the financial statements audited and shall send his report, together with two audited copies of the financial statements duly signed and dated by him, to the Department within 14 days after completion of the audit.

(6) The Department on receipt of the auditor’s report and the audited copies of the financial statements shall send a copy of such report and financial statements to the Secretary of the Committee who shall—

(a) lay such copy of such report and financial statements before the next meeting of the Committee; and

(b) forward a copy of such report and financial statements to each employing authority.

(7) The local government auditor may require—

- (a) the production before him of all documents and financial records of the Committee which he thinks necessary for the purpose of the audit;
 - (b) any person holding or accountable for any such documents or financial records to appear before him at the audit or any adjournment thereof; and
 - (c) any such person to make and sign a declaration as to the correctness of the documents or financial records.
- (8) The Committee shall annually at such time as the Department may direct make to it a report of its proceedings during the preceding year, and the Department shall lay a copy of such report before the Assembly.”.

Expenses and allowances payable by the Committee

7. In Part III of Schedule L1 for paragraphs 26 to 29 there shall be substituted the following—

“26. The Committee may in addition to any payments made under paragraph 24 or 25, pay to a member of the Committee an attendance allowance in connection with service as a member of the Committee, but such allowance shall not exceed the amount of attendance allowance as the Department may from time to time determine under section 36 of the Local Government Act (Northern Ireland) 1972(a).

27. A member of the Committee entitled to an attendance allowance under paragraph 26 shall make a claim for such allowance in such form as the Committee may direct to the Secretary of the Committee and shall make a declaration that—

- (a) he has not or will not make any claim for allowances from any other body in respect of the approved duty to which the claim refers;
- (b) the amounts claimed are strictly in accordance with the provisions of this Part; and
- (c) he has necessarily incurred or suffered the loss of earnings or additional expenses claimed for the purpose of enabling him to perform an approved duty.

28. A claim for an attendance allowance shall be submitted to the Committee within 4 months, or such longer period as the Committee may in exceptional circumstances allow, from the date of the approved duty in respect of which the allowance is claimed.

29. In this Part—

“approved duty” means attendance at a meeting of the Committee or of any sub-committee thereof or the doing of anything approved

(a) 1972 c. 9 (N.I.) as amended by the Financial Provisions (Northern Ireland) Order 1978 (S.I. 1978/1041 (N.I. 11)) and by S.R. 1999 No. 449

by the Committee for the purpose of, or in connection with, the discharge of the functions of the Committee; and

“attendance allowance” means a payment in respect of any loss of earnings necessarily suffered or any additional expenses (other than expenses on account of travelling or subsistence) necessarily suffered or incurred by a member for the purpose of enabling him to perform any approved duty.”.

8. After Schedule L1 there shall be added the following—

“SCHEDULE L2 Regulation L2

Contents of Financial Statements Audited by the Local Government Auditor

1. An account of the financial additions to, withdrawals from and changes in value of the fund of the Scheme during the Scheme year to which the accounts relate.

2.—(1) A statement, as at the end of the Scheme year to which the accounts relate, of the assets at market value, or the Committee’s estimate thereof where market value is not readily ascertainable, and liabilities of the Scheme, other than liabilities to pay pensions and benefits after the end of that Scheme year—

- (a) giving, in the case of any assets which are stated at an estimate of their market value, the reason why the valuation is an estimate;
- (b) showing the distribution of the investments and other assets of the Scheme between each of the following categories (where none of the investments falls within a particular category, that fact is not required to be stated), namely—
 - (i) policies of insurance;
 - (ii) public sector fixed interest investments and separately showing quoted securities and unquoted securities;
 - (iii) other fixed interest investments and separately showing quoted securities and unquoted securities;
 - (iv) index-linked securities and separately showing quoted securities and unquoted securities;
 - (v) equities (including convertible shares) and separately showing quoted equities and unquoted equities;
 - (vi) property (which in this paragraph means any right or interest in freehold or leasehold land or buildings);
 - (vii) unit trusts invested in property;
 - (viii) other unit trusts;
 - (ix) managed funds (other than unit trusts) invested in property;
 - (x) other managed funds (not being unit trusts);

- (xi) loans (whether or not secured by mortgages);
- (xii) cash deposits and cash in hand;
- (xiii) investments and other assets not included in paragraphs (i) to (xii); and
- (c) showing separately, in the case of investments in each category, investments in the United Kingdom and investments outside the United Kingdom, and in the case of investments mentioned in head (b)(vii) to (x) investments where the company operating the unit trust or managed funds is, and investments where it is not, a company registered in the United Kingdom.

(2) Where the assets include policies of insurance which are specifically allocated to the provision of benefits for, and which provide all the benefits payable under the Scheme to, particular members or other persons in respect of particular members or both, those policies must be included in the statement and there must be a note of the existence of such policies but that entry need not include their market value or an estimate.

(3) Where the assets—

(a) are invested only for the purposes of securing additional money purchase benefits derived from voluntary contributions to which section 107 of the Pension Schemes (Northern Ireland) Act 1993(a) applies, and

(b) are specifically allocated to the provision of additional benefits for particular members (or both),

a note that heads (a) and (b) apply must be included in the statement, but that entry need not include the market value or an estimate of value of those assets.

3. Quoted securities should be valued at mid-market value.

4. Where any assets or liabilities are denominated in currencies other than sterling, a translation of those assets into sterling and an explanation of the basis on which they have been translated.

5. Particulars of any investment (other than in United Kingdom Government securities) in which more than 5 per cent. of the total value of the net assets of the Scheme is invested, and if any such investment is a policy of insurance, a statement of its main characteristics.

6. Particulars of any employer-related investments, within the meaning of Article 40 of the Pensions Order (restriction on employer-related investments) including those in excess of the restriction prescribed in regulations made under that Article.

7. In respect of every amount shown in the accounts other than the amounts referred to in paragraph 8, a statement of the corresponding

(a) 1993 c. 49

amount for the Scheme year previous to the one to which the accounts relate.

8 The total amount of the purchases and the total amount of the sales of investments during the Scheme year to which the accounts relate.

9. A statement whether the accounts have been prepared in accordance with the Statement of Recommended Practice, the guidelines “Financial Reports of Pension Schemes” published by the Pensions Research Accountants Group(a) or another organisation approved for this purpose by the Accounting Standards Board(b), current at the end of the Scheme year to which the accounts relate and, if not, an indication of where there are any material departures from those guidelines.”.

Sealed with the Official Seal of the Department of the Environment on 20th March 2002.

(L.S.)

Dermot Nesbitt
Minister of the Environment

(a) Copies may be purchased from ABG Professional Information, PO Box 21375, London WC1N 1QP
(b) See S.R. 1990 No. 338

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations amend the Local Government Pension Scheme Regulations (Northern Ireland) 2000 (“the principal Regulations”).

Regulations 3 and 4 make minor amendments.

Regulation 5 makes minor amendments to regulation J10 of the principal Regulations in relation to the county court.

Regulation 6 substitutes a new regulation L2 in the principal Regulations and makes provision for the preparation and auditing of the financial statements of the Northern Ireland Local Government Officers’ Superannuation Committee (“the Committee”).

Regulation 7 amends Part III of Schedule L1 to the principal Regulations in relation to payments by the Committee to its members by substituting the term “attendance allowance” for “financial loss allowance”.

Regulation 8 inserts a new Schedule L2 to the principal Regulations to make provision for the form and the content of the financial statements.

Article 14 of the Superannuation (Northern Ireland) Order 1972 confers express powers to make regulations retrospective in effect. Regulations 3 and 4 are retrospective to 2nd April 2001 and regulations 5 and 7 are retrospective to 1st August 2000, but no one will be adversely affected by these retrospective provisions.

£2.00

Published by The Stationery Office Limited

Printed in the UK by The
Stationery Office Limited
under the authority and
superintendence of Carol
Tullo, Controller of
Her Majesty’s Stationery
Office being the Government
Printer for Northern Ireland and
the Officer appointed to print the
Acts of the Northern Ireland Assembly
Dd. N10325. C2. 3/02. Gp. 130. 14567.