
SCOTTISH STATUTORY INSTRUMENTS

2012 No. 347

The Local Government Pension Scheme (Miscellaneous Amendments) (Scotland) Regulations 2012

Amendment of the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008

19. For regulation 6 (admission agreements – further provisions), substitute—

“6.—(1) An admission agreement with a community admission body or a transferee admission body shall make provision for the relevant matters set out in Schedule 3.

(2) A person employed by a community admission body or a person employed by a transferee admission body may only be a member if the person, or class of employees to which the person belongs, is designated in the admission agreement by the body as being eligible for membership of the Scheme.

(3) An admission agreement shall require the admission body to carry out, to the satisfaction of the administering authority, an assessment, taking account of actuarial advice, of the level of risk arising on premature termination of the provision of service or assets by reason of insolvency, winding up or liquidation of the admission body.

(4) Subject to paragraph (5), the admission agreement shall further provide that an admission body shall enter into an indemnity or bond in an approved form with—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000⁽¹⁾ to accept deposits or to effect and carry out contracts of general insurance;
- (b) an EEA firm of the kind mentioned in paragraph 5(b) and (d) of Schedule 3⁽²⁾ to that Act, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to accept deposits or to effect and carry out contracts of general insurance; or
- (c) a person who does not require permission under that Act to accept deposits, by way of business, in the United Kingdom.

(5) Where, for any reason it is not possible for a community admission body to enter into an indemnity or bond, the admission agreement shall provide that the admission body secures a guarantee from—

- (a) a person who funds the admission body in whole or in part;
- (b) a person who—
 - (i) owns, or
 - (ii) controls the exercise of the functions of the admission body; or
- (c) the Scottish Ministers in the case of an admission body which is—

(1) 2000 c.8.

(2) Paragraph 5(b) of Schedule 3 was amended by S.I. 2006/3221, and paragraph 5(d) by S.I. 2004/3379.

- (i) established by or under any enactment; and
 - (ii) that enactment enables the Scottish Ministers to make financial provision for that admission body.
- (6) An admission agreement must terminate if the admission body ceases to be such a body and may make such other provision about its termination as the parties consider appropriate.
- (7) When an administering authority makes an admission agreement it must promptly inform the Scottish Ministers of—
 - (a) the date the agreement takes effect;
 - (b) the admission body’s name; and
 - (c) in the case of an agreement with a regulation 5(2)(a) transferee admission body, the name of the relevant Scheme employer.
- (8) An administering authority and an admission body may make an admission agreement despite the fact that they do not exercise their functions or provide services or assets in areas that overlap or adjoin each other.
- (9) These Regulations and the Benefits Regulations apply to employment with an admission body in which the employee is an active member in the same way as if the admission body were a Scheme employer.
- (10) In this regulation and Schedule 3 (where applicable)—
 - (a) “indemnity or bond in an approved form” means an indemnity or bond to meet a level of risk exposure arising on the insolvency, winding up or liquidation of the admission body, actuarially assessed to the satisfaction of the administering authority and Scheme employer in the case of a regulation 5(2)(a) transferee admission body; and
 - (b) “a person” includes the Scottish Ministers.”.