
 STATUTORY INSTRUMENTS

1982 No. 492

PENSIONS

**The State Scheme Premiums (Actuarial Tables)
Amendment Regulations 1982**
Laid before Parliament in draft

<i>Made</i>	- - -	31st March 1982
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<i>Coming into Operation</i>		6th April 1983
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Whereas a draft of the following regulations was in accordance with section 46(1)(b) of the Social Security Pensions Act 1975 laid before Parliament and approved by resolution of each House of Parliament.

Now, therefore, the Secretary of State for Social Services, in exercise of the powers conferred upon him by sections 44(7), 45(4) and 46(2) of the Social Security Pensions Act 1975(a) and of all other powers enabling him in that behalf, and after consultation with the Government Actuary (b) hereby makes the following regulations:—

Citation and commencement

1. These regulations, which amend the State Scheme Premiums (Actuarial Tables) Regulations 1978(c) (hereinafter referred to as “the principal regulations”), may be cited as the State Scheme Premiums (Actuarial Tables) Amendment Regulations 1982, and shall come into operation on 6th April 1983.

Amendment of regulation 1(2) of the principal regulations

2. In the definition of “market level indicator” in regulation 1(2) of the principal regulations, the following words shall be deleted—

“, the result of the calculation being rounded, where it is not a whole number, to the nearest whole number, or, where 2 consecutive whole numbers are equally near, to the lower of them”.

Amendment of regulation 6 of the principal regulations

3. For regulation 6 of the principal regulations there shall be substituted the following regulations:—

“Calculation of average market level indicator

6.—(1) The average market level indicator shall be calculated in accordance with the following provisions of this regulation.

(a) 1975 c.60
(c) S.I. 1978/134.

(b) See section 46(1) of the Social Security Pensions Act 1975.

(2) Subject to paragraphs (3) and (4) of this regulation the average market level indicator shall be the average of the market level indicators derived from the 15-year index numbers or (as the case may be) the 25-year index numbers and the gross dividend yields, appropriate to the first 5 days on which the London Stock Exchange was open in the month in which the event giving rise to the liability for the premium occurred.

(3) Where the average market level indicator is 104.5 or less in any year beginning with the date shown in column 1 of the Table set out below, it shall be adjusted by multiplying it by the figure shown opposite in column 2 of that Table corresponding to that year, to which result shall be added the figure shown opposite in column 3 of that Table corresponding to that year.

TABLE

Column 1	Column 2	Column 3
6th April 1983	0.9	10.5
6th April 1984	0.8	21.0
6th April 1985	0.7	31.5
6th April 1986	0.6	42.0
6th April 1987	0.5	52.5

(4) Where the average market level indicator (calculated in accordance with the preceding provisions of this regulation) is not a whole number, it shall be rounded to the nearest whole number, or the nearest lower whole number where the decimal part of that indicator is 0.5.

Use of alternative, instead of standard, actuarial tables

6A. Where the average market level indicator is not 100, the Secretary of State shall not apply any of the standard actuarial tables referred to in regulations 3 to 5 of these regulations, but shall apply for the purposes of regulations 3(2) or (3), 3(4), 4, 5(2) and 5(3) of these regulations the alternative actuarial tables set out in Schedule 1, 2, 3, 4 and 5 respectively to these regulations.”

Norman Fowler,
Secretary of State for Social Services.

31st March 1982.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These regulations amend the State Scheme Premiums (Actuarial Tables) Regulations 1978. A draft of the regulations has been laid before, and approved by, each House of Parliament.

The regulations amend the calculation for the appropriate market level indicator, which determines the amount of premium payable when an occupational pension scheme ceases to contract-out of the state retirement pension scheme, or when a person leaves contracted-out employment and a limited revaluation premium becomes payable.

These regulations continue to provide that the market level indicators are averaged over the first 5 days on which the London Stock Exchange is open during the month in which the liability for the payment of a premium arises. But phased adjustments to this calculation are introduced where the average market level indicator would have been less than 105. Provision is also made for rounding.

The regulations also continue to require alternative, instead of standard, actuarial tables to be used where the average market level indicator is not 100.

In accordance with section 46(3) of the Social Security Pensions Act 1975 a report by the Government Actuary, and a report by the Secretary of State in the light of the Government Actuary's report, were both laid before Parliament with the draft regulations.

These reports are contained in Command Papers published by Her Majesty's Stationery Office (Cmnd. 8516 and Cmnd. 8518 respectively).

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