
STATUTORY INSTRUMENTS

1993 No. 1593 (S.200)

PENSIONS

**The Local Government Superannuation
(Scotland) Amendment Regulations 1993**

<i>Made</i>	- - - -	<i>23rd June 1993</i>
<i>Laid before Parliament</i>		<i>6th July 1993</i>
<i>Coming into force</i>	- -	<i>30th July 1993</i>

The Secretary of State, in exercise of the powers conferred on him by sections 7 and 12 of the Superannuation Act 1972(1) 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 and such representatives of other persons likely to be affected by the Regulations as appeared to him to be appropriate in accordance with section 7(5) of that Act, and not having considered consultation with any individual local authority desirable, hereby makes the following Regulations:

Citation and commencement

1.—(1) These Regulations may be cited as the Local Government Superannuation (Scotland) Amendment Regulations 1993.

(2) These Regulations shall come into force on 30th July 1993; regulations 6, 7, 10, 12, 13, 15, 16, 17, 18, 19, 20(a), 25, 26, 27, 28 and 29 shall have effect from 6th April 1988 and regulations 4, 5, 11, 14, 20(b) and 23 shall have effect from 28th February 1992.

Interpretation

2. In these Regulations “the principal Regulations” means the Local Government Superannuation (Scotland) Regulations 1987(2).

Pensionable employees

3. Regulation B2 of the principal Regulations is amended—

- (a) in paragraph (1)(a) by substituting for the word “officer” the word “employee”; and
- (b) by deleting paragraph (1)(b).

(1) 1972 c. 11; section 7(3) was extended by the Pensions (Increase) Act 1974 (c. 9), section 2(2); section 12 was amended by the Pensions (Miscellaneous Provisions) Act 1990 (c. 7), section 10.
(2) S.I.1987/1850, amended by S.I. 1988/625, 1989/422, 802 and 967, 1990/422 and 1284, 1991/78 and 1992/1220 and 3025.

Payments to avoid reduction of retiring allowance and death gratuity

4. Regulation C8 of the principal Regulations is amended—

(a) in paragraph (1), by substituting for the words “E3(7) or (8)” the words “E3(7), (7A) or (8)”;

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

“(3) A notice under paragraph (2) must specify whether the reckonable service in respect of which the reduction is to be avoided is the whole, and if not what part it is, of that person’s reckonable service—

(a) in the case of a male employee, or a female employee who has made an election under regulation E12(1)(b) or (2), before 1st April 1972 or (in the case of a male) any earlier date on which he became a widower or was judicially separated, or on which his marriage was dissolved, and

(b) in the case of a female employee who has given notice under regulation E6(6), which is or is treated for the purposes of regulation E3(8A) as being reckonable service—

(i) before 1st April 1972;

(ii) after 31st March 1972 but before 6th April 1988.”;

(c) by substituting for paragraph (4) the following paragraph:—

“(4) An election may not be made in respect of a period of reckonable service of less than one year unless—

(a) the whole of the person’s reckonable service before 1st April 1972 (in the case of a person described in paragraph (3)(a)) or before 6th April 1988 (in the case of a person described in paragraph (3)(b)), or

(b) where he has previously made an election in respect of part of that service, the remainder of it,

amounts to less than one year.”;

(d) in paragraph (6), by inserting after the word “applies” the words “or, where paragraph (3) (b) applies, giving notice under regulation E6(6)”;

(e) in paragraph (10), by substituting for the words “paragraph (11)” the words “paragraphs (11) and (12)”;

(f) by inserting after paragraph (11) the following paragraph:—

“(12) Where—

(a) this regulation applies to a woman by virtue of regulation E12; and

(b) she has made an election under paragraph (2) above; and

(c) this regulation subsequently applies to her by virtue of regulation E3(7A); and

(d) she makes a further election under paragraph (2) above,

any payments made under this regulation pursuant to the election referred to in subparagraph (b) above shall be deemed to have been made pursuant to that further election, and any additional sums payable by her pursuant to that further election shall be determined accordingly by the fund’s actuary.”.

Additional contributions to increase reckonable service for the purposes of calculating a widower's pension

5. The principal Regulations are amended by inserting after regulation C8 the following regulation:—

“Additional contributions to increase reckonable service for the purposes of calculating a widower's pension

C8A.—(1) This regulation applies to a married woman who—

- (a) is a pensionable employee, and
- (b) was not a pensionable employee on 27th July 1989, or has not been a pensionable employee continuously since that date, and
- (c) is entitled to reckon a period of reckonable service before 6th April 1988, and
- (d) has not attained the age of 64 years.

(2) Subject to paragraphs (3) to (6), a woman to whom this regulation applies may, by notice in writing given to the appropriate administering authority, elect to pay additional contributions to the appropriate superannuation fund in order to reckon all or part of her reckonable service before 6th April 1988 as reckonable service for the purposes of calculating a widower's long-term pension.

(3) A notice under paragraph (2) must specify whether the service to which it relates is the whole, and if not what part it is, of the woman's reckonable service which is or is treated for the purposes of regulation E3(8A) as being reckonable service—

- (a) before 1st April 1972;
- (b) after 31st March 1972 but before 6th April 1988.

(4) A notice under paragraph (2) may not be given in respect of a period of less than one year unless—

- (a) the whole of the woman's reckonable service before 6th April 1988, or
- (b) where she has previously given a notice in respect of part of that service, the remainder of it,

amounts to less than one year.

(5) Notice under paragraph (2) may be given on more than one occasion but, unless the appropriate administering authority otherwise agrees, it must be given not later than whichever is the latest of—

- (a) 30th July 1994, or
- (b) if she marries or remarries after 30th July 1993, 12 months after the date of any such marriage, or
- (c) if her husband becomes permanently incapacitated by reason of ill-health or infirmity of mind or body and wholly or mainly dependent on her, 12 months after a medical certificate to that effect is submitted to the appropriate administering authority.

(6) Subject to paragraphs (7) and (8) and to Part IV of Schedule 6, additional contributions under this regulation shall be paid in accordance with Part III of that Schedule as if they were payable pursuant to a notice of election given under regulation C8, and Schedule 6 shall apply as if references in that Schedule to regulations C8, C8(11) and E6(6) included references to this regulation and paragraphs (7) and (2) of this regulation respectively.

(7) Payment in accordance with paragraph (6) may be discontinued if the woman satisfies the appropriate administering authority that its continuance would cause financial hardship.

(8) Contributions paid in accordance with paragraph (6) shall not in any year exceed such amount as, when added to all other payments made by the woman in that year under Part C, is equal to the limit specified in paragraph 21 of Schedule 6 to the Finance Act 1989⁽³⁾.

(9) For the purposes of paragraph (1)(b), the reference to a woman having continuously been a pensionable employee includes a reference to a woman who, having ceased to be a pensionable employee—

- (a) became or becomes a pensionable employee again within one month of so ceasing, or
- (b) became or becomes a pensionable employee again within one month of returning to work in accordance with section 45(1) or (3) of the Employment Protection (Consolidation) Act 1978⁽⁴⁾(which confers the right to return to work following pregnancy or confinement).”.

Additional voluntary contributions

6. Regulation C9A of the principal Regulations is amended by adding the following paragraph:—

“(4) Schedule 7A shall also apply in relation to receipt of a transfer value in respect of an additional voluntary contributions provision or an additional voluntary contributions scheme.”.

Return of employee’s contributions in certain cases

7. Regulation C12(3)(c) is amended by inserting after the word “scheme” the words “or self employed pension arrangement” and after the word “been” the words “and remains”.

Previous service of a person who elected under regulation B2A of the Local Government Superannuation (Scotland) Regulations 1974

8. Regulation C17 of the principal Regulations is amended by adding after paragraph (2) the following paragraph:—

“(2A) An election under paragraph (2) may be made notwithstanding that it relates in whole or in part to a period in respect of which a gratuity has already been paid under Part K and the administering authority shall not, as a condition of the election being made, require the person making the election to repay any gratuity already paid.”.

9. Regulation D12 of the principal Regulations is amended—

- (a) by inserting after the word “D12” the word “–(1)”; and
- (b) by adding the following paragraphs:—

“(2) Service which is deemed to be reckonable service by virtue of the provisions of paragraph (1) shall not be treated as a period of service for which an employee is entitled to receive a benefit under a public service scheme for the purpose of calculating benefit which may be paid by an employing authority under Part K.

(3) In respect of a person who is entitled to reckon service after 5th April 1988 as reckonable service under regulation D1, the period specified in paragraph (1) shall be treated as reckonable service after that date, but in any other case, it shall be treated as reckonable service before 6th April 1988.”.

(3) 1989 c. 26.

(4) 1978 c. 44.

Entitlement to retirement pension and retiring allowance

10. Regulation E2(1) of the principal Regulations is amended in paragraph (b), by substituting for the word “and” after the words “2 years” the words “or regulation C12(3)(c) applies to him and in either case”.

Amount of retirement pension and retiring allowance

11. Regulation E3 of the principal Regulations is amended—

(a) by inserting after paragraph (7) the following paragraph:—

“(7A) Subject to paragraph (10), where the person—

(a) is a married woman and a widower’s pension may become payable under regulation E5 in respect of a period of which notice has been given under regulation E6(6), or

(b) is a woman and she is a widow or her marriage has been dissolved and the death or dissolution occurred after 5th April 1988,

the amount calculated in accordance with paragraphs (3) to (6) is reduced—

(a) by three one hundred and sixtieths of the pensionable remuneration multiplied by the length in years of any reckonable service of which notice has been given under regulation E6(6) and which is or is treated in accordance with paragraph (8A) hereof as being reckonable service before 1st April 1972, and

(b) by one one hundred and sixtieth of the pensionable remuneration multiplied by the length in years of any reckonable service of which notice has been given under regulation E6(6) and which is or is treated in accordance with paragraph (8A) hereof as being reckonable service after 31st March 1972 but before 6th April 1988.”;

(b) in paragraph (8), by substituting for the words—

“where—

(a) the person is a widower”,

the words—

“where the person is a man, and—

(a) he is a widower”;

(c) by inserting after paragraph (8) the following paragraphs:—

“(8A) For the purposes of paragraph (7A)—

(a) reckonable service which the person is entitled to reckon under regulation J9 where the relevant transfer value was accepted before 6th April 1988 shall be treated as being reckonable service after 31st March 1972 but before 6th April 1988; and

(b) to the extent that reckonable service falling within any of the categories described in paragraph (8B), when aggregated with actual reckonable service after 31st March 1972 but before 6th April 1988, does not exceed 16 years and 5 days, it shall be treated as being reckonable service after 31st March 1972 but before 6th April 1988, but it shall otherwise be treated as being reckonable service before 1st April 1972.

(8B) The categories of reckonable service referred to in paragraph (8A)(b) are reckonable service—

- (a) which the person is entitled to reckon under regulation D4, D5 or D9 where the necessary payment was made or commenced before 6th April 1988;
- (b) which the person is entitled to reckon by virtue of a resolution passed under regulation D7 before 6th April 1988;
- (c) which is treated as reckonable service before 6th April 1988 by virtue of regulation D12(3).”;
- (d) in paragraph (10), by substituting for the words “paragraph (7) or (8)” the words “paragraph (7), (7A) or (8)”; and
- (e) in paragraph (11), by inserting at the end the words “or who has made such an election but to whom regulation E12(6) applies”.

III-health lump sum retirement allowance

12. Regulation E4(1) of the principal Regulations is amended by adding after paragraph (e) the following paragraph:– “, and

- (f) to whom regulation C12(3)(c) did not apply when he ceased to hold that employment.”.

Entitlement to widow’s short-term and long-term pensions

13. Regulation E5 of the principal Regulations is amended–

- (a) in paragraph (1)(c)(ii), by inserting after the word “E2(1)(d),” the word “or.”;
- (b) by inserting after paragraph 1(c)(ii) the following sub-paragraph:–
 - “(iii) neither (i) nor (ii) above applies, but a transfer value from the trustees or managers of a personal pension scheme or a self-employed pension arrangement has been and remains credited to the appropriate superannuation fund in relation to him,”
- (c) in the latter part of paragraph (1), by substituting for the word “(5)” the word “(7)” and inserting after the word “death” the words “or, if the death occurs after 5th April 1988 and the widow has one or more eligible children in her care, for six months after his death”;
- (d) by substituting for paragraph (2) the following paragraph:–
 - “(2) If at the time of his death a man was not a pensionable employee and–
 - (a) was entitled to preserved benefits, or
 - (b) was in a local government employment and would have been so entitled if he had ceased to hold that employment immediately before that time,
 and leaves a widow, or widows, she is or, as the case may be, they are jointly, entitled, subject to paragraphs (3) to (7), to a widow’s long-term pension.”;
- (e) by substituting for paragraph (3) the following paragraph:–
 - “(3) A widow is not entitled to any pension by virtue of paragraph (1) or (2) if–
 - (a) her husband died before 6th April 1988, and
 - (b) when her husband died or became entitled to a retirement pension they were judicially separated.”;
- (f) in paragraph (6), by deleting the word “A” and inserting before the word “pension” the following words:–
 - “Except where paragraph (7) applies, a”;
- (g) by inserting after paragraph (6) the following paragraphs:–

“(7) Where a widower and a widow who are each entitled to a pension under this regulation marry each other or cohabit with each other outside marriage, only such one of them as the widower and widow may determine shall be entitled to his or her pension and the other shall cease to be entitled to his or her pension until the dissolution of the marriage, the ending of the cohabitation, or the death of the widower or widow.

- (8) In paragraphs (1) and (2), for the purpose of entitlement to a widower’s pension—
- “retirement pension” means a retirement pension of which at least part is attributable to a period of reckonable service after 5th April 1988;
 - “local government employment” means local government employment of which at least part was employment after 5th April 1988; and
 - “preserved benefits” means preserved benefits of which at least part are attributable to a period of reckonable service after 5th April 1988.”.

Amount of widow’s short-term and long-term pensions

14. Regulation E6 of the principal Regulations is amended—

- (a) in paragraph (1), by substituting for the words “(3) to (5)” the words “(4) and (5)”;
- (b) in paragraph (2), by substituting for the words “(3) to (5)” the words “(4) and (5)”;
- (c) in paragraph (2), by inserting after sub-paragraph (c) the following sub-paragraph:—
 - “(d) where paragraph (1)(b) applies by virtue of regulation E5(1)(c)(iii), one one hundred and sixtieth of the spouse’s pensionable remuneration multiplied by the length in years of the spouse’s reckonable service,”,

and renumbering sub-paragraphs (d) and (e) as sub-paragraphs (e) and (f) respectively;

- (d) in paragraph (3), by substituting for the words “paragraph (2)” the words “paragraphs (1) and (2)”;
- (e) in paragraph (3), by substituting for sub-paragraph (a) the following sub-paragraph:—
 - “(a) “retirement pension”, for the purpose of calculating a widower’s short-term or long-term pension, means a retirement pension calculated by reference to the length in years of the wife’s period of reckonable service after 5th April 1988 and, if the widower was his wife’s husband at some time while she was in local government employment after 31st March 1972, by reference also to—
 - (i) the length in years of any period treated in accordance with paragraph (3A) as a period of reckonable service after 5th April 1988,
 - (ii) the length in years of any additional period of which notice has been given in accordance with paragraph (6), and
 - (iii) the length in years of any reckonable service in respect of which payment under regulation C8A has or is treated as having been completed;”;

(f) in paragraph (3)(b), by substituting for the word “(d)” the word “(e)”;

(g) by inserting after paragraph (3) the following paragraph:—

“(3A) For the purposes of this paragraph any of the following periods shall be treated as being a period of reckonable service after 5th April 1988:—

- (a) any additional period of service awarded after that date by virtue of regulation E3(12),
- (b) any additional period of service which the person was entitled to reckon under regulation D4, D5 or D9 where the necessary payment was made or commenced after that date,

- (c) any additional period of service which the person is entitled to reckon by virtue of a resolution passed under regulation D7 after that date,
- (d) any additional period of service which is treated as reckonable service after that date by virtue of regulation D12(3),
- (e) any period of service which the person was entitled to reckon under regulation J9 where the relevant transfer value was accepted after that date.”;
- (h) in paragraph (4)(a), by deleting the word “(c),”, by deleting the word “and” where it first appears and by inserting after the word “(e)” the words “and (f)”;
- (i) by inserting after paragraph (5) the following paragraphs:–
 - “(6) A married woman who–
 - (a) is a pensionable employee, was a pensionable employee on 27th July 1989 and has since that date continuously been a pensionable employee, and
 - (b) is entitled to reckon a period of reckonable service before 6th April 1988,
 may, subject to paragraph (8) and in accordance with paragraph (9), give notice in writing to the appropriate administering authority of any additional period which she wishes to reckon for the purposes of calculating a widower’s long-term pension.
 - (7) For the purposes of paragraph (6), the reference to a woman having continuously been a pensionable employee includes a reference to a woman who, having ceased to be a pensionable employee–
 - (a) became or becomes a pensionable employee again within one month of so ceasing, or
 - (b) became or becomes a pensionable employee again within one month of returning to work in accordance with section 45(1) or (3) of the Employment Protection (Consolidation) Act 1978(5) (which confers the right to return to work following pregnancy or confinement).
 - (8) The additional period of which notice may be given by a woman under paragraph (6) shall not exceed the length of her reckonable service which is not, or is not treated for the purposes of paragraph (3A) as being, reckonable service after 5th April 1988.
 - (9) Notice under paragraph (6) must be given not later than whichever is the latest of–
 - (a) 30th July 1994, or
 - (b) if she marries or remarries after 30th July 1993, 12 months after the date of any such marriage, or
 - (c) if her husband becomes permanently incapacitated by reason of ill-health or infirmity of mind or body and wholly or mainly dependent on her, 12 months after a medical certificate to that effect is submitted to the appropriate administering authority.
 - (10) The appropriate administering authority may extend any of the time limits referred to in paragraph (9).
 - (11) Notice given under paragraph (6) shall be irrevocable, but subject to the provisions of this regulation notice may be given on more than one occasion.”.

Widow’s and widower’s special short-term pension

15. Regulation E7 of the principal Regulations is amended–

- (a) in paragraph (1), by adding at the beginning the words–
“Subject to paragraph (4)”.
- and by deleting the words–
“(a) judicially separated from him, or”;
- (b) by deleting paragraphs (3) and (4) and substituting the following paragraph:–
“(3) While there is one or more than one eligible child or children in the widow’s care, the pension is payable for 6 months after the death.”; and
- (c) by adding after paragraph (3), the following paragraph:–
“(4) Where the person who dies is a woman (other than one to whom paragraph (1) (a) of regulation E12 applies or in respect of whom an election under paragraph (1)(b) or (2) of that regulation has effect), this regulation shall only apply if her death occurs on or after 6th April 1988.”.

Entitlement to children’s short-term and long-term pensions

16. Regulation E8 of the principal Regulations is amended–

- (a) by substituting for paragraph (1)(c) the following paragraph:–
“(c) was a pensionable employee,”;
- (b) by inserting after paragraph (1)(c) the following paragraph:– “or
(d) was in a local government employment and a transfer value from the trustees or managers of a personal pension scheme or a self-employed pension arrangement has been and remains credited to the appropriate superannuation fund in relation to him,”;
- (c) in the latter part of paragraph (1), by substituting for the words “3 months” the words “6 months”;
- (d) by substituting for paragraph (3) the following paragraph:–
“(3) No children’s short-term pension or long term pension is payable while–
 - (a) a widow’s short-term pension is payable under regulation E5(1);
 - (b) a widower’s short-term pension is payable under regulation E5(1), unless the rate of the children’s short-term pension would be greater than that of the widower’s short-term pension; or
 - (c) a widow’s special short-term pension is payable under E7(1),unless the child is not in the care of the widow, in which case the children’s short-term pension is payable for 3 months after the death and then a children’s long-term pension is payable.”;
- (e) by inserting after paragraph (4) the following paragraph:–
“(4A) Where the person who dies is a woman (other than one to whom paragraph (1) (a) of regulation E12 applies or in respect of whom an election under paragraph (1)(b) or (2) of that regulation has effect), this regulation shall only apply if her death occurs on or after 6th April 1988.”; and
- (f) by deleting paragraphs (5) and (6).

Amount of children’s short-term and long-term pensions

17. Regulation E9 of the principal Regulations is amended–

- (a) in paragraph (1), by inserting after the words “E6(1)”, the words “or, as the case may be, the rate at which a widower’s short-term pension would have been payable under that regulation if regulation E6(3)(a) were disregarded”;
- (b) in paragraph (2), by inserting after the words “E5(5),” the words “or a widower’s short-term pension is payable by virtue of regulation E5(1), and the child is in the care of the widow or widower,”;
- (c) in paragraph (4)–
 - (i) by inserting at the beginning the words “Subject to paragraph (4A)”;
 - (ii) in sub-paragraph (a), by substituting for the words “in local government employment” the words “a pensionable employee”;
 - (iii) in sub-paragraph (b), by inserting after the words “preserved benefits” the words “, or was at that time in a local government employment and would have been so entitled if he had ceased to hold that employment immediately before that time,”; and
- (d) by inserting after paragraph (4) the following paragraph:–

“(4A) Unless the retirement pension determined under paragraph (4) would be greater, the retirement pension of a deceased person shall be taken to be that to which he would have been entitled if he were entitled to reckon the lesser of–

 - (a) 10 years' reckonable service;
 - (b) the reckonable service which he would have been entitled to reckon if he had continued to be employed until his 65th birthday.”.

Payment of long-term pensions instead of short-term pensions

18. The principal Regulations are amended by inserting after regulation E9 the following regulation:

“Payment of long-term pensions instead of short-term pensions

E9A.—(1) Where, but for this regulation, a children’s short-term pension would be payable to or for the benefit of a child in the care of a parent to whom a widow’s or widower’s short-term pension would be payable (and for this purpose regulation E8(3) shall be disregarded), a children’s long-term pension and a widow’s or widower’s long-term pension shall be payable instead of these pensions if (having regard to regulation E8(3)) that would result in a greater aggregate pension.

(2) Where but for this regulation, a children’s short-term pension would be payable to or for the benefit of a child who is not in the care of a parent to whom a widow’s or widower’s short-term pension is payable, a children’s long-term pension shall be payable instead if it would be greater.”.

Children’s special short-term pension

19. The principal Regulations are amended by deleting regulation E10.

Death gratuity

20. Regulation E11 of the principal Regulations is amended–

- (a) in paragraph (1), by adding after sub-paragraph (e) the following sub-paragraph:– “or
 - (f) was in a local government employment and a transfer value from the trustees or managers of a personal pension scheme or a self-employed pension arrangement

has been and remains credited to the appropriate super-annuation fund in relation to him, but was not a pensionable employee by -virtue of a notification under regulation B4A,”;

(b) in paragraph (3), by substituting for the definition of “D” the following definition:–

“D is–

- (i) where the person is a man, or is treated as a man by virtue of regulation E12, two eightieths of his pensionable remuneration multiplied by the length in years of any reckonable service before 1st April 1972 in respect of which a widow’s pension is payable under regulation E5, other than service in respect of which a return of contributions has been made or payment under regulation C8 has been or is to be treated as having been completed, or
- (ii) where the person is a woman, one one hundred and sixtieth of her pensionable remuneration multiplied by the length in years of any period of which notice was given under regulation E6(6) and which is treated for the purposes of regulation E3(8A) as reckonable service after 31st March 1972 but before 6th April 1988; plus t hree one hundred and sixtieths of her pensionable remuneration multiplied by the length in years of any further period of which notice was given under regulation E6(6) which is treated for the purposes of regulation E3(8A) as reckonable service before 1st April 1972 and in respect of which a widower’s pension is payable under regulation E5, other than service in respect of which a return of contributions has been made or payment under regulation C8 has been or is to be treated as having been completed,”;

(c) in paragraph (8), by substituting for the words “paragraph (1)(d) or (e)” the words “paragraph (1)(d), (e) or (f)”;

(d) in paragraph (9) (a), by substituting for the words “paragraph (1)(a), (d) or (e)” the words “paragraph (1)(a), (d), (e) or (f)”.

Pensions of widowers etc.

21. Regulation E12 of the principal Regulations is amended by inserting after paragraph (4) the following paragraphs:–

“(5) No election under paragraph (1)(b) or (2) may be made on or after 30th July 1993.

(6) Where a woman gives notice under regulation E6(6) that she wishes to reckon the whole of her reckonable service before 6th April 1988 for the purposes of calculating a widower’s long-term pension, any previous election made by her under paragraph (1)(b) or (2) shall cease to have effect.”.

Power to compound certain small pensions

22. Regulation E21 of the principal Regulations is amended–

- (a) in paragraph 1(b), by substituting for the words “the annual rate of that pension or the aggregate of the annual rates of these pensions” the words “the aggregate of the annual sum payable under these Regulations to any person other than a widow or dependent child and of any sums specified in paragraph (1A) of this regulation payable to that person”;
- (b) in paragraph (1), by substituting for the words “£78” the words “£260 or such higher amount as may be prescribed from time to time by Regulations made under paragraph

15(4) of Schedule 16 to the Social Security Act 1973⁽⁶⁾ and section 39(1) of the Pensions Act”;

(c) by inserting after paragraph (1) the following paragraph:–

“(1A) The sums referred to in paragraph (1) are–

(a) the actuarial equivalent as an annual pension of any lump sum payable under these Regulations;

(b) the annual amount of benefits payable under any additional voluntary contributions scheme to which section 591(2)(h) or section 592(1)(b) of the Income and Corporation Taxes Act 1988⁽⁷⁾ applies.”;

(d) in paragraph (3), by substituting for the words “in total £104” the words “£260 or such higher amount as may be prescribed from time to time by Regulations made under paragraph 15(4) of Schedule 16 to the Social Security Act 1973 and section 39(1) of the Pensions Act”; and

(e) in paragraph (4), by substituting for the words “£104” the words “£260 or such higher amount as may be prescribed from time to time by Regulations made under paragraph 15(4) of Schedule 16 to the Social Security Act 1973 and section 39(1) of the Pensions Act”.

Disregard of certain reckonable service in calculating amount of benefits

23. Regulation E30 of the principal Regulations is amended in paragraph (3) by substituting for the words “E3(7) or (8) (potential widow’s pensions)” the words “E3(7), (7A) or (8) (potential widow’s and widower’s pensions)”.

Interest on late payment of certain benefits

24. Regulation E35(1) of the principal Regulations is amended by substituting for the word “standard” the words “rate of 1% above the base”.

Outward transfers

25 Regulation J2 of the principal Regulations is amended–

(a) by deleting from paragraph (2)(b) the word “who”;

(b) in paragraphs (2)(b)(i), (ii) and (iii), by inserting the word “who” at the beginning;

(c) in paragraph 2(b)(iii), by inserting after the word “arrangement” the words “or an appropriate policy”;

(d) after paragraph (2)(b)(iii), by adding the following sub-paragraph:– “or

(iv) in relation to whom a transfer value from the trustees or managers of a personal pension scheme or a self-employed pension arrangement has been and remains credited to the appropriate superannuation fund;”;

(e) by deleting paragraph (2)(f); and

(f) by inserting after paragraph (3) the following paragraph:–

“(4) Where a person is entitled to separate preserved benefits by virtue of regulation E2(9)(c) he may make an application under paragraph (2)(c) above in respect of all or any

(6) 1973 c. 38; paragraph 15(4) of Schedule 16 was amended by the Social Security Act 1989 (c. 24), Schedule 6, paragraph 4(c) and by the Social Security Act 1990 (c. 27), Schedule 4, paragraph 5(3).

(7) 1988 c. 1.

of those separate entitlements and, where his application does not relate to all of them, he may make a further application in respect of all or any of the remainder.”.

Rights where a person transfers to the Communities' scheme and leaves without a right to either an immediate or prospective pension

26. Regulation J6(3)(b) of the principal Regulations is amended by inserting after the words “qualifying service” the words “where the termination occurred before 6th April 1988 or where the termination occurred on or after 6th April 1988, an aggregate of 2 years reckonable service and qualifying service”.

Inward transfers

27. Regulation J8 of the principal Regulations is amended—

- (a) by inserting in paragraph (1)—
 - (i) after the words “a personal pension scheme” the words “a retirement annuity contract,”;
 - (ii) after the words “appropriate policies” the words “but excluding rights to benefits arising out of an additional voluntary contributions provision or an additional voluntary contributions scheme unless the payments securing such rights under that provision or scheme began before 8th April 1987”;
- (b) by inserting in paragraphs (1)(a) and (b) after the words “personal pension scheme” the words “retirement annuity contract”;
- (c) by inserting in paragraph (6) at the beginning the words “Subject to paragraph (7)”;
- (d) by inserting after paragraph (6) the following paragraph:—

“(7) Paragraph (6) does not apply to a transfer value offered by the scheme managers of a club scheme.”.

Right to reckon service

28. Regulation J9 of the principal Regulations is amended by inserting in paragraph 1(b) after the words “superannuation scheme” the words “or appropriate policy”;

Death benefits

29. Regulation L6 of the principal Regulations is amended—

- (a) by substituting for paragraphs (1) and (2) the following paragraphs:—
 - “(1) If a person to whom this Part applies dies as a result of the injury or disease—
 - (a) if that person leaves a widower or widow who qualifies under paragraph (2), he or she shall be entitled to an annual allowance or lump sum, and
 - (b) if that person leaves a dependant, the dependant shall be eligible for an annual allowance or lump sum.
 - (2) A widower or widow qualifies for an annual allowance or lump sum unless—
 - (a) his or her marriage to the person in question took place after that person ceased to be employed in relevant employment and that person was not subsequently employed in such employment, or
 - (b) at the date of death he or she was cohabiting with another person as man and wife.”;

(b) by substituting for paragraph (5) the following paragraphs:–

“(5) Except where paragraph (5A) applies, an allowance to a widower or widow shall cease if he or she remarries or cohabits with another person as man and wife, but if he or she again becomes a widower or widow or the marriage is dissolved or the cohabitation ceases the relevant body may restore the allowance for such period as they may determine.

(5A) Where a widower and a widow who are each entitled to an allowance under this regulation marry each other or cohabit with each other outside marriage, only such one of them as the widower and widow may determine shall be entitled to his or her allowance and the other shall cease to be entitled to his or her allowance until the dissolution of the marriage, the ending of the cohabitation, or the death of the widower or widow.”; and

(c) by deleting paragraph (7).

Use and investment of superannuation funds' moneys

30. Regulation P6 of the principal Regulations is amended–

(a) by adding after paragraph (2)(b) the following sub-paragraph:–

“(c) any contract the effecting of which constitutes the carrying on of insurance business being long term business within class VII in Schedule 1 to the Insurance Companies Act 1982⁽⁸⁾ with a person who is permitted under that Act to carry on such business or, being an insurance company the head office of which is in a member State, is permitted under the law of a member State other than the United Kingdom to carry on insurance business of a corresponding class.”;

(b) in paragraph (4)(b)–

(i) by inserting after the words “single holding” the words “except where paragraph (4A) applies”;

(ii) by substituting for the words “5%” and “20%” the words “10%” and “25%” respectively;

(c) by adding after paragraph (4)(d) the following sub-paragraph:– “or

(e) make any contract falling within paragraph (2)(c) whereby the total amount so contracted exceeds 25% of the value at the time of all investments of fund moneys.”;

(d) by adding after paragraph (4) the following paragraph:–

“(4A) An administering authority may make an investment so as to result in more than 10% of the value at the time of all investments of fund moneys being represented by a single holding where–

(a) the investment is made by an investment manager appointed under paragraph (5A); and

(b) the single holding is comprised of investments in units or other shares of the investments subject to the trusts of any one unit trust scheme.”; and

(e) by inserting in paragraph (10)–

(i) after the definition of “companies” the following definition–

““European institution” and “home-regulated investment business” have the same meaning as in the Banking Co-ordination (Second Council Directive) Regulations 1992⁽⁹⁾”; and

⁽⁸⁾ 1982 c. 50.

⁽⁹⁾ S.I. 1992/3218.

- (ii) in the definition of “investment manager”–
- (a) after the words ““investment manager” means” the word “(1)” and
- (b) at the end the following sub-paragraph:– “or
 - (2) an institution which is a European institution carrying on home-regulated investment business in the United Kingdom and which is reasonably believed by the administering authority to be suitably qualified to make investment decisions on their behalf.”.

Employer’s contributions

31.—(1) Regulation P12 is amended by inserting after paragraph (4) the following paragraphs:–

“(5) The following provisions apply for the purpose of determining the base rate referred to in paragraph (3)–

- (a) “the base rate” means the base rate for the time being quoted by the reference banks or, where there is for the time being more than one such base rate, the rate which, when the base rate quoted by each bank is ranked in a descending sequence of seven, is fourth in the sequence at that time;
- (b) the reference banks are the seven largest institutions–
 - (i) authorised by the Bank of England under the Banking Act 1987(10),
 - (ii) incorporated in and carrying on a deposit-taking business within the United Kingdom, and
 - (iii) which quote a base rate in sterling;
- (c) the size of an institution is to be determined by reference to its total consolidated gross assets denominated in sterling, as shown in its audited end-year accounts last published before that time;
- (d) a “deposit-taking business” has the meaning given to it in section 6 of the Banking Act 1987 but subject to any order under section 7 of that Act.

(6) In paragraph (5)(c), the reference to the “consolidated gross assets” of an institution is a reference to the gross assets of that institution together with any subsidiary (within the meaning of section 736 of the Companies Act 1985(11)).”.

Payments due in respect of deceased persons

32. The principal Regulations are amended by inserting after regulation R4 the following regulation:–

“Payments due in respect of deceased persons

R5.—(1) This regulation applies where a person dies and the total of–

- (a) any sums that were due to him under these Regulations, and
 - (b) any other sums payable under these Regulations to his personal representatives,
- (“the amount due”) does not exceed the amount specified in any order for the time being in force under section 6 of the Administration of Estates (Small Payments) Act 1965(12) and applying in relation to the death.

(10) 1987 c. 22.

(11) 1985 c. 6; section 736 was substituted by section 144(1) of the Companies Act 1989 (c. 40).

(12) 1965 c. 32.

(2) Where this regulation applies the appropriate administering authority may, without requiring confirmation or other proof of title, pay out of their superannuation fund—

- (a) to the personal representatives, or
- (b) to the person, or to or among any one or more of any persons, appearing to the authority to be beneficially entitled to the estate,

the whole or any part of the amount due.

(3) A person to whom a payment is made under paragraph (2) is, and the administering authority are not, liable to account for the amount paid to him.”.

Glossary of expressions

33. Schedule 1 to the principal Regulations is amended—

- (a) by inserting after the definition for the expression “Additional contributory payment” the following definitions:—

““Additional voluntary contributions provision”	A provision of a superannuation scheme approved by the Board of Inland Revenue under section 591 of the Income and Corporation Taxes Act 1988(13) which provides for the payment by employees of voluntary contributions.
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“Additional voluntary contributions scheme”	A scheme approved by the Board of Inland Revenue under section 591 of the Income and Corporation Taxes Act 1988, to which an employer is not a contributor and which provides benefits additional to those provided by a superannuation scheme.”;
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- (b) by adding in the definition for the expression “Appropriate personal pension scheme” after the words “Social Security Act 1986” the following:—
“and which has been approved by the Board of Inland Revenue under Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988 or provisionally approved under section 655(5) of that Act(14)

- (c) by substituting for the definition for the expression “base rate” the following definition:—
“The meaning given by Regulation P12(5).”;

- (d) by inserting after the definition for the expression “Child” the following definition:—

““Club scheme”	A superannuation scheme— <ul style="list-style-type: none"> (a) which provides benefits calculated by reference to the remuneration of the participant; (b) (except where it is established and maintained in the Channel Islands or the Isle of Man) which is approved by the Board of Inland Revenue under Chapter I of Part XIV of the
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(13) 1988 c. 1; section 591 was amended by the Finance Act 1988 (c. 39), Schedule 13, paragraph 6.

(14) Section 655(5) was amended by section 54 of the Finance Act 1988 and repealed in part by the Finance Act 1989 (c. 26), Schedule 7, paragraph 9 and Schedule 17, Part IV.

- Income and Corporation Taxes Act 1988;
- (c) which is open to new participants, or is a closed scheme the trustees or managers of which also provide an open scheme which is a club scheme for new employees of the same employer and of the same grade or level of post as the participants in the closed scheme; and
- (d) which complies with reciprocal arrangements for the payment and receipt of transfer values with the statutory schemes and schemes made under section 7 of the Act of 1972.”;
- (e) by adding in the definition for the expression “Personal pension scheme” after the words “Social Security Act 1986” the following:–
“and which has been approved by the Board of Inland Revenue under Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988 or provisionally approved under section 655(5) of that Act.”;
- (f) by inserting after the definition for the expressions “Rent officer” and “deputy rent officer” the following definition:–

““Retirement Annuity Contract”	A contract approved by the Board of the Inland Revenue under either section 620 or 621 of the Income and Corporation Taxes Act 1988.”;
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- (g) by adding in the definition for the expression “Superannuation Scheme” after the words “Pensions Act” the following:–
“except–
- (i) a retirement benefits scheme as defined in section 611 of the Income and Corporation Taxes Act 1988 which is not of a description mentioned in section 596(1)(a), (b) or (c) of that Act(15), or
- (ii) an additional voluntary contributions scheme, or
- (iii) an appropriate personal pension scheme, or
- (iv) an appropriate policy, or
- (v) a personal pension scheme, or
- (vi) a retirement annuity contract, or
- (vii) a self-employed pension arrangement.”.

Payment to avoid reduction of retiring allowance

34.—(1) Paragraph 1 of Schedule 6 to the principal Regulations is amended—

- (a) by substituting for the words from the beginning to “TABLE” the following:–

“The amount to be paid by an employee who has under regulation C8 elected to make payment by a lump sum is–

(15) Section 596(1) was amended by the Finance Act 1989, Schedule 6, paragraph 8(2).

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- (a) where the employee is a man—

$$\frac{A \times B \times C}{100}$$

where—

A is the length, expressed in complete years and any fraction of a year, of the period of reckonable service specified in his notice of election,

B is his remuneration at the date of the election, and

C is the figure specified in column 2 of Table I below against his age on his birthday next following the date of the election;

- (b) where the employee is a woman—

- (i) who has made an election under regulation E12(1)(b) or (2)—

$$\frac{4 \times A1 \times B \times C}{100}$$

or

- (ii) who has given notice under regulation E6(6)—

$$\frac{3 \times A2 \times B \times C}{100} + \frac{A3 \times B \times C}{100}$$

where—

A1 is the length, expressed in complete years and any fraction of a year, of the period of reckonable service before 1st April 1972 specified in her notice of election,

A2 is the length, expressed as above, of the period of reckonable service specified in her notice of election which is or is treated for the purposes of regulation E3(8A) as being reckonable service before 1st April 1972,

A3 is the length, expressed as above, of the period of reckonable service specified in her notice of election which is or is treated for the purposes of regulation E3(8A) as being reckonable service after 31st March 1972 but before 6th April 1988,

B is her remuneration at the date of election, and

C is the figure specified in column 2 of Table II below against her age on her birthday next following the date of election.

TABLE I

MEN”; and

(b) by inserting after the Table the Table set out in Part I of the Schedule to these Regulations.

(2) Paragraph 6 of Schedule 6 to the principal Regulations is amended—

- (a) by substituting for the words from the beginning to “TABLE” the following:—

“The amount to be paid by way of additional contributions by an employee who has under regulation C8 elected to make payment in that manner is—

- (a) where the employee is a man—

$$\frac{A \times B \times C}{100}$$

where—

A is the length, expressed in complete years and any fraction of a year, of the period of reckonable service specified in his notice of election,

B is his remuneration for the time being, and

C is the figure in Table I below appropriate to his age on his birthday next following the date of the election and to his specified birthday (within the meaning of paragraph 8);

(b) where the employee is a woman—

(i) who has made an election under regulation E12(1)(b) or (2)—

$$\frac{4 \times A1 \times B \times C}{100}$$

or

(ii) who has given notice under regulation E6(6)—

$$\frac{3 \times A2 \times B \times C}{100} + \frac{A3 \times B \times C}{100}$$

where—

A1 is the length, expressed in complete years and any fraction of a year, of the period of reckonable service before 1st April 1972 specified in her notice of election,

A2 is the length, expressed as above, of the period of reckonable service specified in her notice of election which is or is treated for the purposes of regulation E3(8A) as being reckonable service before 1st April 1972,

A3 is the length, expressed as above, of the period of reckonable service specified in her notice of election which is or is treated for the purposes of regulation E3(8A) as being reckonable service after 31st March 1972 but before 6th April 1988,

B is her remuneration for the time being, and

C is the figure specified in Table II below against her age on her birthday next following the date of election and to her specified birthday (within the meaning of paragraph 8).

TABLE I

MEN”; and

(b) by inserting after the Table the Table set out in Part II of the Schedule to these Regulations.

Transfers from AVC Provisions and Schemes

35. Schedule 7A to the principal Regulations is amended by inserting after paragraph 10 the following paragraph:—

“**10A.**—(1) A pensionable employee may, when giving a notice under regulation J8(1), also give written notice to the appropriate administering authority that he wishes them to accept a transfer value relating to some or all of the rights to benefits arising out of an additional voluntary contributions provision or an additional voluntary contributions scheme to be used to provide money purchase benefits as specified in paragraphs 3, 4 and 5 of this Schedule.

(2) Where such a notice is given the transfer value shall be accepted and so used by the administering authority and paragraphs 3, 4, 5(3) and (4), 8 and 9 of this Schedule shall apply in relation to the transfer value as they apply to additional contributions except that for references to a notice under paragraph 1(1) or 2(c) there shall be substituted a reference to the notice under sub-paragraph (1).”.

Additional reckonable service for ill-health

36. Paragraph 3 of Schedule 10 to the principal Regulations is amended by substituting for sub-paragraph (2) the following sub-paragraph:—

“(2) Where this paragraph applies, the additional period shall be (A-B) or zero, whichever is the greater, where—

A is the additional period to which the person would be entitled under paragraph 2 if his relevant reckonable service included his relevant reckonable service or, as the case may be, his relevant service in relation to the previous employment, and

B is the length of the additional period which became reckonable in relation to the previous employment by virtue of regulation E3(12) or, as the case may be, the period by which his relevant service in relation to that employment is by virtue of sub-paragraph (3) to be deemed to have been increased.”.

MISCELLANEOUS AND GENERAL

Retrospective effect in relation to children’s short-term pension

37. The deletion by regulation 19 of regulation E10 of the principal Regulations shall not affect any benefits which have been paid or have become payable under that regulation before 30th July 1993, but where any such benefits have been paid on or after 6th April 1988 in respect of an eligible child following the death of that child’s parent the amount of those benefits shall be set off against any increase in the benefits payable to or in respect of that child and in respect of that parent’s death resulting from the amendments to regulations E8 and E9 of the principal Regulations made by regulations 16 and 17 and the insertion of regulation E9A of the principal Regulations by regulation 18.

Right to opt out

38.—(1) This regulation shall apply in the case of any person (“a relevant beneficiary”) to whom any benefit (including a return of contributions and any pension payable to a widow or widower or any dependant by virtue of a surrender) is or may become payable being a benefit (“a relevant benefit”) payable to, or in respect of, a person who before 30th July 1993—

- (a) ceased to hold an employment in respect of which he was a pensionable employee (whether or not he has subsequently recommenced any such employment); or
- (b) died while still in such an employment.

(2) If, in relation to a relevant benefit, a relevant beneficiary—

- (a) would be placed by any amendment made by these Regulations in a worse position than he would have been in if that amendment had not been made, and
- (b) so elects, by notice in writing given to the appropriate administering authority within the three month period beginning with 30th July 1993,

then, in the case of that beneficiary and in relation to that benefit, the principal Regulations shall have effect, subject to paragraph (3), as if these Regulations had not been made.

(3) If such an election as is mentioned in paragraph (2) above is made in relation to a benefit which is or may become payable in respect of a person who is employed in a local government employment, or if that person subsequently recommences service in such an employment, then—

- (a) the election shall have effect in relation to the benefit only to the extent that it accrues or has accrued—
 - (i) by virtue of periods of service rendered before the cessation referred to in paragraph (1) above (or, if there has been more than one such cessation, the last of them before 30th July 1993); or
 - (ii) by virtue of contributions paid in respect of any such periods of service; and
- (b) in determining entitlement to, or the amount of, the benefit to that extent, he shall (without prejudice to the application of this paragraph) be treated as if he had never recommenced service in such employment at any time after the cessation referred to in sub-paragraph (a) above,

and the principal Regulations shall apply accordingly.

Right of appeal

39. The provisions of Part N of the principal Regulations (determination of questions and appeals) shall apply in relation to rights and liabilities under regulations 37 and 38 as they apply in relation to rights and liabilities under the principal Regulations.

St. Andrew's House,
Edinburgh
23rd June 1993

Fraser of Carmyllie
Minister of State, Scottish Office

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SCHEDULE

Regulation 34

TABLES TO BE INSERTED IN SCHEDULE 6 TO THE PRINCIPAL REGULATIONS

PART I

TABLE TO BE INSERTED IN PARAGRAPH 1 OF SCHEDULE 6

“TABLE II

WOMEN

(1) Age on birthday next following election	(2) Figure to be used
21	0.77
22	0.73
23	0.68
24	0.65
25	0.62
26	0.60
27	0.58
28	0.57
29	0.56
30	0.55
31	0.55
32	0.55
33	0.55
34	0.55
35	0.55
36	0.55
37	0.55
38	0.55
39	0.55
40	0.55
41	0.55
42	0.55
43	0.55
44	0.55
45	0.55

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(1) Age on birthday next following election	(2) Figure to be used
46	0.54
47	0.54
48	0.54
49	0.54
50	0.55
51	0.55
52	0.55
53	0.56
54	0.56
55	0.57
56	0.57
57	0.58
58	0.58
59	0.58
60	0.58
61	0.59
62	0.59
63	0.59
64	0.59”

PART II

TABLE TO BE INSERTED IN PARAGRAPH 6 OF SCHEDULE 6

“TABLE II

WOMEN

Age on birthday next following election	Figure to be used by reference to the undermentioned specified birthday				
	61	62	63	64	65
21	0.015				
22	0.016				
23	0.016				
24	0.016				

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Age on birthday next following election	Figure to be used by reference to the undermentioned specified birthday					
	60	61	62	63	64	65
25	0.017					
26	0.017					
27	0.018					
28	0.019					
29	0.019					
30	0.020					
31	0.021					
32	0.022					
33	0.023					
34	0.024					
35	0.024					
36	0.026					
37	0.027	0.025				
38	0.029	0.026	0.024			
39	0.030	0.027	0.026	0.024		
40	0.031	0.029	0.027	0.025	0.024	
41	0.033	0.030	0.028	0.026	0.025	0.024
42	0.035	0.032	0.030	0.028	0.026	0.025
43	0.038	0.034	0.031	0.029	0.027	0.026
44	0.040	0.036	0.034	0.031	0.029	0.027
45	0.043	0.039	0.036	0.033	0.030	0.029
46	0.046	0.041	0.038	0.035	0.032	0.030
47	0.050	0.045	0.041	0.037	0.034	0.032
48	0.054	0.048	0.044	0.040	0.037	0.034
49	0.060	0.053	0.048	0.043	0.040	0.037
50	0.066	0.058	0.052	0.047	0.043	0.040
51	0.074	0.064	0.057	0.051	0.046	0.043
52	0.083	0.071	0.063	0.056	0.050	0.046
53	0.095	0.080	0.070	0.062	0.055	0.050
54	0.112	0.092	0.079	0.069	0.061	0.055
55	0.135	0.108	0.091	0.078	0.068	0.061

Age on birthday next following election	Figure to be used by reference to the undermentioned specified birthday					
	60	61	62	63	64	65
56	0.169	0.129	0.106	0.089	0.076	0.068
57	0.225	0.162	0.127	0.104	0.087	0.076
58	0.337	0.216	0.159	0.125	0.102	0.087
59	0.672	0.325	0.212	0.156	0.122	0.102
60		0.651	0.317	0.207	0.152	0.122
61			0.636	0.311	0.203	0.152
62				0.609	0.301	0.202
63					0.598	0.303
64						0.602”

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make a number of amendments to the Local Government Superannuation (Scotland) Regulations 1987 (the “principal Regulations”).

The Regulations make a number of minor technical amendments to the principal Regulations. However, they also make a number of more substantial amendments, the effect of which is broadly as follows:—

(1) A married female employee may, if she is entitled to reckon a period of reckonable service before 6th April 1988 elect to have additional periods of service counted as reckonable service for the purpose of calculating a widower’s pension. Time limits are imposed for making an election and a limit is placed on the length of the period which may be so reckoned. Separate provision is made for those employees who have been in pensionable employment continuously since 27th July 1989 and for those who have not. (Regulations 5 and 14)

(2) In certain circumstances the retiring allowance payable to a married woman will be subject to reduction in respect of (a) service before 1st April 1972 and (b) service after 31st March 1972 but before 6th April 1988. The principal Regulations already contain similar provision for married men (regulation E3(7)). Provision is now made to enable female employees to avoid such reduction and amendment is also made to the provision in the principal Regulations which allows male employees to make payments to avoid such a -reduction (regulation C8). (Regulations 4 and 11)

(3) Amendment is made to the provisions relating to payment of benefits to children or to a widow or widower who has care of one or more children. A short-term pension under regulation E5(1) and a special short-term pension under regulation E7 will be payable for a period of 6 months, rather than 3 months, where the widow or widower, as appropriate, has care of one or more eligible

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children. A child's short-term pension will be payable for 6 months and will be payable at the rate of the widow's or widower's short-term pension, disregarding, if reference to a widower's short-term pension is appropriate, the provisions of regulation E6(3)(a). In certain circumstances, where it would be financially advantageous to the beneficiaries to do so, a children's long-term pension and a widow's or widower's long-term pension will be payable in preference to the short-term pensions. (Regulations 15, 16 and 18)

(4) Benefits may be payable where a transfer value has been accepted from a personal pension scheme although the employee has less than 2 years' reckonable service. (Regulations 13 and 16)

(5) There is one exception to the requirement that before benefits are payable an employee must have 2 years' reckonable service. That is in relation to entitlement to children's short-term and long-term pensions under regulation E8. For a child to be eligible there is now no requirement that his parent should have completed any particular period of service. All that is required is that the parent should be a "pensionable employee". (Regulation 16)

(6) Amendment is made to the provisions in the principal Regulations relating to payment of transfer values to and from the Fund. Payment into the Fund of a transfer value in respect of benefits under a retirement annuity contract will be accepted. It will no longer be competent for the fund authority to decline to accept a transfer value in accordance with regulation J8(6) where the transfer value is offered by the Scheme Manager of a Club Scheme. (Regulation 27)

(7) Where a widow and a widower who are both in receipt of benefits under the Scheme marry or co-habit they shall only be entitled to benefits payable to one of them while the marriage or period of cohabitation subsists. They will be entitled to choose which party's benefits will continue. The other party's benefits will only revive on dissolution of the marriage, termination of the co-habitation or death of the party whose benefits have continued. (Regulations 13 and 29)

(8) The powers of investment under the principal Regulations are widened. Up to 25% of the value of funds may be invested in a single managed fund with an insurance company. There may also be greater concentration of investment by allowing up to 10% of the fund to be invested in a single holding and 25% of the fund to be invested in unit trusts managed by a single body. The 10% restriction does not apply where the investment is made by an independent fund manager and is made in one trust unit scheme. (Regulation 30)

Certain of the provisions in the Regulations, which are listed in regulation 1(2), have retrospective effect as authorised by section 12 of the Superannuation Act 1972. The revocation of regulation E10 by regulation 18 of these Regulations has effect from 6th April 1988. However that retrospective revocation will not affect any benefits paid since 6th April 1988 although any benefits paid will be set off against benefits which are payable as a result of amendments to regulations E8 and E9 and the insertion of regulation E9A. (Regulation 37)

Where a person in receipt of benefit before these Regulations come into force is, as a result of the changes effected by these Regulations, placed in a worse position he may, within the time limit specified, elect that the principal Regulations shall continue to apply to him as if these Regulations had not been made. (Regulation 38)