
STATUTORY INSTRUMENTS

1995 No. 1985

PENSIONS

The Local Government Pension Scheme (Local Government Reorganisation in Wales) Regulations 1995

<i>Made</i>	- - - -	<i>26th July 1995</i>
<i>Laid before Parliament</i>		<i>3rd August 1995</i>
<i>Coming into force</i>	- -	<i>24th August 1995</i>

The Secretary of State, in exercise of the powers conferred on him by section 7 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, the local authorities with whom consultation appeared to him to be desirable and such representatives of other persons likely to be affected by the Regulations as appeared to him to be appropriate, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Local Government Pension Scheme (Local Government Reorganisation in Wales) Regulations 1995 and shall come into force on 24th August 1995.

(2) In these Regulations:

“the 1972 Act” means the Local Government Act 1972(2);

“the 1994 Act” means the Local Government (Wales) Act 1994(3);

“designated fund” means in relation to—

(a) a transferred member, the pension fund which is the appropriate pension fund for him by virtue of regulation 3; and

(b) a designated part, the pension fund to which the designated part is transferred by virtue of regulation 3;

“designated part” has the meaning given in regulation 3(5);

“new fund authority” means a new principal council specified in column 2 of Schedule 1;

(1) 1972 c. 11.
(2) 1972 c. 70.
(3) 1994 c. 19.

“previous fund authority” means an administering authority specified in column 1 of Schedule 1;

“a principal area” means a county or county borough in Wales established under the 1994 Act⁽⁴⁾;

“new principal council” means a council for a principal area;

“the principal Regulations” means the Local Government Pension Scheme Regulations 1995⁽⁵⁾ and unless the context otherwise requires expressions which are also used in the principal Regulations have the same meaning in these Regulations as they have in the principal Regulations;

“successor authority”, in relation to a previous fund authority, means the new fund authority whose name is specified in column 2 of Schedule 1 opposite the name of that previous fund authority in column 1 of that Schedule.

“transferred member” means a person referred to in regulation 3(1) or (2).

Transferred funds

2.—(1) On 1st April 1996 all the functions of a previous fund authority as administering authority under the principal Regulations then in force shall become functions of the successor authority and the pension fund maintained by the previous fund authority, together with all rights and liabilities in respect of it, shall on that date vest in the successor authority.

(2) Subject to regulation 3(4), any liability of any body or person to make payments into a pension fund maintained immediately before 1st April 1996 by a previous fund authority shall become a liability to make payments into the pension fund maintained by the successor authority.

(3) All contracts, deeds, bonds, agreements and other instruments subsisting in favour of, or against, and all notices in force which were given by or to a previous fund authority (or any other body on their behalf) for the purposes of the pension fund maintained by them shall after 31st March 1996 be of force in favour of, or against, the successor authority.

(4) Without prejudice to the generality of paragraph (3), any admission agreement in force immediately before 1st April 1996 between a body and a previous fund authority whereby employees of that body were, or could be, admitted to participate in the benefits of a pension fund shall after 31st March 1996, have effect as an agreement under regulation B7 of the principal Regulations between the body and the successor authority.

(5) Any action or proceeding pending or existing before 1st April 1996 by or against a previous fund authority in respect of the pension fund maintained by them shall after 31st March 1996 be of force in favour of, or against, the successor authority.

(6) Where the previous fund authority would have become liable, or would have been empowered, on the happening of an event, to make a payment out of the pension fund maintained by them or to take any other action as administering authority in respect of any person who has ceased to participate in the benefits of that fund before 1st April 1996, then, on the happening of that event, such payment shall or, as the case may be, may be made out of the pension fund maintained by the successor authority or such action shall or, as the case may be, may be taken by the successor authority.

(7) Where a person—

- (a) has ceased to contribute to a pension fund before 1st April 1996; and
- (b) has not become a contributor to any other fund maintained under the principal Regulations,

(4) The principal areas in Wales are set out in Parts I and II of Schedule 4 to the 1972 Act which were substituted by the 1994 Act, Schedule 1.

(5) S.I.1995/1019.

the pension fund maintained by the successor authority for the previous fund authority who maintained that fund until 31st March 1996 shall after that date be deemed to be the fund to which he was last a contributor.

(8) For the purposes of regulation K20 of the principal Regulations (change of local government employment and fund authority), where the previous fund authority who maintained the appropriate pension fund in relation to the person who has ceased to be employed in local government employment has ceased to exist, the successor authority is to be treated as the previous fund authority.

Apportionment of funds

3.—(1) Subject to paragraph (2), the appropriate pension fund in relation to a member who, immediately before 1st April 1996, is an employee of—

- (a) a local authority whose name is specified in column 1 of Part 1 of Schedule 2; or
- (b) a council of a community—
 - (i) the whole or greater part of which is situate within the local government area of a local authority referred to in sub-paragraph (a) other than the communities of Trefnant or Cefnmeiriadog in the district of Colwyn; or
 - (ii) whose name is specified in Column 1 of Part 2 of Schedule 2; or
- (c) a further education corporation, a higher education corporation, a designated institution or the governing body of a grant-maintained school the whole or greater part of which is situated within—
 - (i) subject to paragraph (2), the local government area of a local authority referred to in sub-paragraph (a); or
 - (ii) a community whose name is specified in column 1 of Part 2 of Schedule 2

shall after 31st March 1996 be the fund (“the designated fund”) maintained by the administering authority specified in column 2 of Schedule 2 opposite the name of the local authority or community, as the case may be.

(2) The appropriate pension fund in relation to a member who immediately before 1st April 1996 is an employee of—

- (a) the council of the community of Trefnant or the council of the community of Cefnmeiriadog, both in the district of Colwyn, or
- (b) a further education corporation, a higher education corporation, a designated institution or the governing body of a grant-maintained school the whole or greater part of which is situate within the area of either such community,

shall after 31st March 1996 be the pension fund maintained by Flintshire County Council.

(3) For the purpose of paragraphs (1) and (2), a further education corporation and a higher education corporation shall be treated as situated where the institution conducted by the corporation is situated.

(4) Any liability of any body or person to make payments into a pension fund in respect of a transferred member and his service after 31st March 1996 shall, after that date, become a liability to make payments into the designated fund.

(5) The actuaries to the pension funds maintained by the transferor new fund authority and the transferee new fund authority shall determine the amount (“the designated part”) to be set aside from the pension fund maintained by the transferor new fund authority in respect of the transferred members and shall further determine which assets, whether cash or other, shall comprise the designated part.

(6) As soon as reasonably practicable after the determinations referred to in paragraphs (5) or (10), the transferor new fund authority shall transfer the designated part, together with all rights and liabilities in respect of that part, to the transferee new fund authority and the designated part shall vest in the transferee new fund authority and all the functions, in respect of the designated part, of the transferor new fund authority as administering authority under the principal Regulations then in force shall become functions of the transferee new fund authority.

(7) All contracts, deeds, bonds, agreements and other instruments subsisting in favour of, or against, and all notices in force which were given by or to a previous fund authority or a transferor new fund authority (or any body on their behalf) in respect of a transferred member for the purposes of the pension fund maintained by them shall after the transfer date be of force in favour of, or against, the transferee new fund authority.

(8) Any action or proceeding pending or existing before the transfer date by or against a transferor new fund authority in respect of a transferred member and the pension fund maintained by them shall after the transfer date be of force in favour of or against, the transferee new fund authority.

(9) The costs of apportioning a pension fund in accordance with this regulation shall be divided between the transferor new fund authority and the transferee new fund authority in such proportions as the actuaries shall agree and shall be paid under regulation L4(3) of the principal Regulations (management of pension fund) out of money forming part of their pension funds.

(10) If the actuaries are unable to agree the matters referred to in paragraphs (5) or (9) by 30th September 1997 then an actuary appointed by the Secretary of State shall make such determinations.

(11) For the purposes of this regulation—

- (a) “the transferee new fund authority” means the new fund authority who maintain the designated fund to which the designated part is transferred;
- (b) “the transferor new fund authority” means the new fund authority who maintain the fund from which the designated part is transferred; and
- (c) “the transfer date” is the date on which the transfer of a designated part is made.

Valuations and rates of contributions and adjustments

4.—(1) As soon as is practicable after the coming into force of these Regulations, a new principal council who will become a new fund authority on 1st April 1996 shall obtain from an actuary a certificate specifying the matters referred to in regulation L11(1) of the principal Regulations (actuary’s certificates) for each of the years, or, if appropriate, part of a year, ending on 31st March in the relevant period.

(2) The certificate shall be in respect of the pension fund of which the new principal council will become the administering authority on 1st April 1996.

(3) The certificate obtained under this regulation, and the matters specified in it, shall be deemed for the purposes of regulation L12 of the principal Regulations (employer’s contributions) to have been obtained and specified under regulation L11(1) of the principal Regulations.

(4) The certificate obtained under this regulation may be reviewed by the actuary to the pension fund and the rate of the employer’s contribution may be adjusted for any part of the relevant period in such manner as the actuary shall decide.

(5) In this regulation “relevant period” means the period beginning on 1st April 1996 and ending on 31st March 1999.

New principal councils

5.—(1) Prior to 1st April 1996, regulations L12 and L13 of the principal Regulations (employer’s contributions and employer’s further payments) shall not apply to the new principal councils and

the new principal councils who are employing authorities shall contribute to the appropriate pension fund, at such intervals as the administering authority of that fund shall determine, for each of their employees who is a member of the Scheme at the rate of 8 per cent. of his remuneration in the employment until and including 31st March 1996.

(2) If all or any part of any sum due under this regulation remains unpaid at the end of the period of one month after it becomes due, the administering authority may require the new principal council concerned to pay interest, calculated and compounded as mentioned in regulation L12(4) of the principal Regulations.

(3) For the purposes of this regulation, in the case of Caerphilly County Borough Council, the appropriate pension fund shall be the pension fund maintained by Gwent County Council.

Valuation of pension fund and actuary's certificates

6.—(1) A new fund authority may obtain an actuarial valuation of the assets and liabilities of their pension fund, together with a report by the actuary, as at 31st March 1997 instead of as at 31st March 1998 as required under regulation L10 of the principal Regulations (valuations of pension fund) and regulation L10 (other than paragraph (1)(a)) shall apply to such valuation and report.

(2) In the event that a new fund authority exercise their right under paragraph (1), they may also obtain a further actuarial valuation as at 31st March 1999, together with a report by the actuary, and regulation L10 (other than paragraph (1)(a)) of the principal Regulations shall apply to such valuation and report.

(3) Each new fund authority shall be required to comply with regulation L10 of the principal Regulations in respect of the year ending 31st March 2001 and in every third year afterwards.

(4) Each new fund authority shall, as soon as is reasonably practicable after obtaining a valuation from an actuary under paragraphs (1) or (2), obtain from him a certificate specifying the matters set out in regulation L11(1) of the principal Regulations (actuary's certificates) and that regulation shall apply as if references to a certificate under that regulation included a reference to a certificate under this regulation.

Pension funds

7. The principal Regulations shall be amended—

(a) in regulation C1(1)—

(i) in sub-paragraph (f), by inserting after the words “within whose” the words “local government”; and

(ii) by adding at the end the following—

“(g) in relation to a person whose case does not fall within paragraphs (a) to (f), the fund maintained by the administering authority specified in column 1 of Part III of Schedule C1 opposite the name of his employing authority specified in column 2;

(h) in relation to a person whose case does not fall within paragraphs (a) to (g), the fund maintained by the administering authority specified in column 1 of Part III of Schedule C1 opposite the name of the employing authority specified in column 2 within whose local government area is situated the whole or greater part of his employing authority.”;

(b) in regulation L2 by adding at the end the following—

“(2) Where any pension fund to which L1 applies is vested in any body by virtue of the Local Government Pension Scheme (Local Government Reorganisation in Wales)

Regulations 1995(6), it shall be maintained by that body for the purposes of these regulations.”;

- (c) in Schedule A1 by inserting after the entry relating to “local education authority” the following—

““local government area” has the same meaning as in section 270 of the Local Government Act 1972(7).”;

- (d) in Part II of Schedule C1—

(i) in paragraph 4, by inserting after the words “the appropriate pension fund” the words “until and including 31st March 1996” and adding at the end the words “and after 31st March 1996 is the fund maintained by Cardiff County Council”;

(ii) in paragraph 6(1) by substituting for paragraph (c) the following—

“(c) in any other case, the fund to which the local authority contributes within whose local government area the whole or greater part of the school, corporation or institution is situated.”; and

(iii) by adding the following—

“9. In relation to an employee of the Residuary Body for Wales, the appropriate pension fund until and including 31st March 1996 is the pension fund maintained by South Glamorgan County Council and after 31st March 1996 is the pension fund maintained by Cardiff County Council.”;

- (e) by adding the following to the end of Schedule C1—

“PART III

ADMINISTERING AUTHORITIES

Administering Authority	Employing authority
Flintshire County Council	Denbighshire County Council Wrexham County Borough Council
Carmarthenshire County Council	Cardiganshire County Council Pembrokeshire County Council
Torfaen County Borough Council	Blaenau Gwent County Borough Council Caerphilly County Borough Council Monmouthshire County Council Newport County Borough Council
Caernarfonshire and Merionethshire County Council	Aberconwy and Colwyn County Borough Council Anglesey County Council
Rhondda, Cynon, Taff County Borough Council	Bridgend County Borough Council Merthyr Tydfil County Borough Council
Cardiff County Council	The Vale of Glamorgan County Borough Council

(6) S.I. 1995/1985.

(7) 1972 c. 70; section 270 was amended by the Local Government (Wales) Act 1994, section 1 and the amendments were brought into force for limited purposes by S.I. 1994/2790.

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Administering Authority	Employing authority
Swansea County Council	Neath and Port Talbot County Borough Council"; and

- (f) in paragraph 4(4)(c)(II) of Schedule D1 by substituting for the date "1st January 1996" the date "4th May 1995".

Signed by authority of the Secretary of State

26th July 1995

David Curry
Minister of State,
Department of the Environment

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE 1

Regulation 1(2)

Administering authority	New principal council
Clwyd County Council	Flintshire County Council
Dyfed County Council	Carmarthenshire County Council
Gwent County Council	Torfaen County Borough Council
Gwynedd County Council	Caernarfonshire and Merionethshire County Council
Mid Glamorgan County Council	Rhondda, Cynon, Taff County Borough Council
Powys County Council	Powys County Council
South Glamorgan County Council	Cardiff County Council
West Glamorgan County Council	Swansea County Council

SCHEDULE 2

Regulation 3(1)

PART 1

Employing Authority	Administering Authority
Colwyn Borough Council	Caernarfonshire and Merionethshire County Council
Rhymer Valley District Council	Torfaen County Borough Council

PART 2

Community	Administering Authority
The communities of Llanrhaeadr-ym-Mochnant, Llansilin and Llangedwyn in the district of Glyndŵr	Powys County Council
The communities of Wick, St. Bride's Major and Ewenny in the district of Ogwr	Cardiff County Council
The community of Pentyrech in the district of Taff-Ely	Cardiff County Council

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision for various matters consequent upon local government reorganisation in Wales under the Local Government (Wales) Act 1994 which affect the local government pension scheme constituted by the Local Government Pension Scheme Regulations 1995 (“the principal Regulations”).

Regulation 1 sets out definitions used in the Regulations.

Regulation 2 deals with the transfer of pension funds on the 1st April 1996 (“the reorganisation date”) from administering authorities which are abolished with effect from that date to the new local authorities in Wales which will be the administering authorities after the reorganisation date (“the successor authorities”). Schedule 1 to the Regulations sets out in a table the names of the abolished authorities and the respective successor authorities. Paragraphs (1), (2), (3), (5) and (6) of Regulation 2 provide that all rights and liabilities transfer to the successor authority in whom the fund is vested. Regulation 2(4) provides that any admission agreement in force immediately before the reorganisation date will continue in force with the successor authority. Paragraphs (7) and (8) of Regulation 2 make provision in connection with persons who ceased to contribute to a fund before the reorganisation date.

As a result of boundary changes, certain funds will be apportioned with effect from the reorganisation date and some scheme members will, as a consequence, move from one fund to another. Regulation 3 deals with the apportionment of the affected funds, details of which are set out in Schedule 2 to the Regulations.

Regulation 4 requires successor authorities to begin the process of obtaining an actuarial certificate for the period 1st April 1996 to 31st March 1999 in respect of the fund for which they will be the administering authority as soon as possible after these Regulations come into force.

Regulation 5 sets out an employer contribution rate for new authorities elected on 4th May 1995 for the period before the reorganisation date. In respect of those employing authorities and that period, the provisions about contribution rates in the principal Regulations do not apply.

Regulation 6 allows a successor authority, during a specified period, to obtain actuarial valuations of the fund they administer at different times than is otherwise provided under the principal Regulations.

Regulation 7 makes various amendments to the principal Regulations consequential on local government reorganisation in Wales.