STATUTORY INSTRUMENTS

1995 No. 2249

PENSIONS

The Local Government Pension Scheme (Pensionable Remuneration Amendment) Regulations 1995

Made - - - - 29th August 1995
Laid before Parliament 7th September 1995
Coming into force - - 28th September 1995

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. These Regulations may be cited as the Local Government Pension Scheme (Pensionable Remuneration Amendment) Regulations 1995 and shall come into force on 28th September 1995.

Pensionable remuneration for certain pensioners

- 2. The Local Government Pension Scheme Regulations 1995(2) are amended—
 - (a) by inserting in regulation C2(2)(e) the words "subject to paragraph 11 of Schedule D1" before the words "any payment made to an employee"; and
 - (b) by adding the following to the end of Schedule D1—

"Certain pensioners

- 11.—(1) This paragraph applies to—
 - (a) a person ("the pensioner")—
 - (i) whose employment with a local authority ceased on a date falling after 31st March 1979 and before 31st August 1993;

^{(1) 1972} c. 11.

⁽²⁾ S.I.1995/1019.

- (ii) who was entitled under the 1974 regulations or the 1986 regulations to the immediate payment of a retirement pension and retiring allowance (within the meaning of those regulations) on cessation of that employment;
- (iii) who was paid additional remuneration in the relevant period; and
- (iv) whose pensionable remuneration has been determined by reference to remuneration which does not include the additional remuneration; and
- (b) a beneficiary of a deceased pensioner referred to in paragraph (a).
- (2) An employing authority may, within 6 months after 28th September 1995 determine that a pensioner's pensionable remuneration shall include the additional remuneration and that the annual rate of any pension calculated by reference to that pensionable remuneration, including a pension that was payable to a person who has since died, shall be increased to the unreduced rate with effect from the date it was first paid at the reduced rate.
- (3) Any amount paid to a pensioner or beneficiary as a consequence of an increase in his pension under paragraph (2) which relates to an instalment of pension already paid shall bear interest, which shall be payable out of the appropriate pension fund, at the same rate and with the same rests as interest paid on benefits under regulation H1(1) and interest shall run from the date when the instalment of pension was first due.
- (4) In the event of the death of a pensioner or beneficiary before the payment of any amount due to him under sub-paragraph (2), that amount and any interest due shall be paid to his personal representatives.
 - (5) For the purposes of this paragraph—
 - (a) "additional remuneration" means any amount paid to a pensioner during the relevant period:—
 - (i) as an inducement not to terminate or in consideration of his not terminating his employment before the earliest date on which he was entitled under regulation E2(1)(a) or (b) of the 1974 regulations or of the 1986 regulations to the immediate payment of a standard retirement pension and standard retirement grant (within the meaning of those regulations); or
 - (ii) in recognition of long service in local government employment;
 - (b) "beneficiary" means any widow, widower, dependant or eligible child of the pensioner to whom a pension was paid or is being paid under Part E of the 1974 regulations or of the 1986 regulations or under regulation D14(4), F4, F5, G6 or G7:
 - (c) "reduced rate" means the rate of pension calculated by reference to pensionable remuneration which excludes the additional amount;
 - (d) "relevant period" has the same meaning as in regulation D1(2); and
 - (e) "unreduced rate" means the rate of pension calculated by reference to pensionable remuneration which includes the additional remuneration."

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

Signed by authority of the Secretary of State

Department of the Environment 29th August 1995

Paul Beresford
Parliamentary Under-Secretary of State,

EXPLANATORY NOTE

(This note is not part of the Regulations)

These regulations amend the Local Government Pension Scheme Regulations 1995 to allow local authorities to readjust the amount of pensionable remuneration of certain pensioners who retired between 1st April 1979 and 31st August 1993 and whose pensionable remuneration was, after their retirement, decreased with a consequential reduction in their pensions. An adjustment affects the level of widow's/widower's/children's pensions which are also calculated by reference to the pensioner's pensionable remuneration.

The local authority's discretion extends to pensions that have been paid or are in the course of payment and back-dated payments of pension bear interest.

A local authority must exercise its discretion to make any adjustment within six months of the date when these regulations come into force.