

SPN/LG CIRCULAR No.2/2005

The Secretary General
Convention of Scottish Local Authorities

The Chief Executive
Scottish Local Authorities

The Chief Executive
Water Authorities

The Principal Reporter
Scottish Children's Reporter Administration

The Chief Executive
Scottish Environment Protection Agency

The Director General
Strathclyde Passenger Transport Executive

The Clerk
Strathclyde Passenger Transport Authority

Payroll Department
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Your ref:
Our ref: LGT/01/06/00

13th June 2005

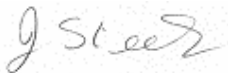
Dear Sir/Madam

THE LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND) AMENDMENT REGULATIONS 2005 (SSI 2005/293)

1. I am writing about the above mentioned Amendment Regulations which make various amendments to the Local Government Pension (Scotland) Regulations 1998 (SI 1998/366) ("the principal Regulations") which regulate the Local Government Pension Scheme in Scotland ("the Scheme"). A copy of these amendment regulations can be accessed via the following link [SSI 2005 No. 293](#) additional copies can also be purchased from the Stationery Office. These Regulations come into force on 30th June 2005 but regulation 3 shall have effect from 8th December 2002.
2. The effect of the main changes in the Amendment Regulations is to:
 - introduce provisions into the principal Regulations, with effect from 8th December 2002 (section 12 of the 1972 Act allows for retrospective effect), to take account of the new entitlements to paternity and adoption leave provided for by the Employment Act 2002 (c.22), that came into force on 8th December 2002;

- amend the provisions in the principal Regulations dealing with admission agreements to enable employees of non-Scheme employers to be members of the Scheme;
 - allow members who become employees of an NHS Superannuation Scheme employing authority as a result of an arrangement under The Community Care and Health (Scotland) Act 2002 (asp 5) to remain members of the Scheme;
 - provide a method of calculating membership where one of two concurrent employments terminates and the member elects to keep the periods of service aggregated for the purposes of calculating benefits;
 - amend the definition of an eligible child for the purpose of children's pension rights and also the test of financial dependency required in the case of a child;
 - insert a new provision in the principal Regulations concerning the use of the accumulated value of a member's additional voluntary contributions;
 - insert a requirement for administering authorities to prepare, maintain and publish a written funding strategy statement;
 - introduce a requirement for administering authorities to provide Annual Benefit Statements to all active, deferred and pension credit members.
3. **Please draw this circular to the attention of Pension Managers and Superannuation Sections. You may also wish to draw it to the attention of the Directors of Finance and Administration.**
4. Please note the following minor amendments to the above SSI which will be amended by HMSO in due course:
- In new regulation 4B(5) of the principal regulations, inserted by regulation 5 of these amending Regulations, the word "that" where it occurs firstly on the second line is otiose.
 - In new regulation 4B(8), inserted by regulation 5 as above, the word "say" ought to be "way".
5. Any enquiries regarding this circular and the amending SSI should be made to David Lauder by telephone on 01896 893227 or by e-mail to david.lauder@scotland.gsi.gov.uk .

Yours faithfully



JEAN STEEL
Policy Officer, LGPS