



ISLE OF MAN LOCAL GOVERNMENT SUPERANNUATION SCHEME

Policy on Employers ceasing to exist as part of
the Local Government Superannuation Scheme

August 2013

POLICY FOR EMPLOYERS CEASING TO EXIST AS PART OF THE LOCAL GOVERNMENT SUPERANNUATION SCHEME

On ceasing to exist, where an Admission Agreement ceases to have effect, the Regulations require the Administering Authority which made it to obtain an actuarial valuation (as at the date it ceases) of the liabilities of the fund in respect of current and former employees of the admission body.

The Regulations do not specify what to do with the valuation report and do not prescribe a particular approach to valuing the liabilities in the Fund. For clarity a Policy needs to be adopted by the Administration Authority.

The Policy on Employers ceasing to exist as part of the Local Government Superannuation Scheme is:-

“The cessation costs will be recovered from employers ceasing to exist. The valuation will be based on a gilts funding basis referenced to the current market conditions at the date of cessation.”

This policy was approved in August 2013 by Douglas Borough Council the Isle of Man Local Government Superannuation Scheme administrators.