
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 290

The Public Service (Civil Servants and Others)
Pensions Regulations (Northern Ireland) 2014

PART 7

Benefits for pension credit members

Entitlement to pension credit members' pension

91. A pension credit member (P) of this scheme is entitled to the immediate payment for life of a pension credit member's pension under this scheme if—

- (a) P has reached normal pension age under this scheme;
- (b) the pension sharing order under which P is entitled to the pension credit has taken effect; and
- (c) P has claimed payment of the pension.

Claim for early payment

92.—(1) This regulation applies in relation to a pension credit member (P) who—

- (a) has reached normal minimum pension age; and
- (b) has not reached normal pension age under this scheme.

(2) P may claim early payment of a pension credit member's pension by notice to the scheme manager in a form required by the scheme manager.

(3) A claim for early payment—

- (a) must state whether P has opted to buy out the early payment reduction under regulation 94; and
- (b) must specify the date on which payment of the pension is claimed ("the claim date").

(4) P is entitled to the immediate payment for life of a pension credit member's pension on the claim date if the scheme manager is satisfied that on that date the requirements of regulation 7(5) of the Pension Sharing (Pension Credit Benefit) Regulations (Northern Ireland) 2000(1) are met.

Annual rate of pension credit member's pension

93.—(1) The annual rate of a pension credit member's pension is calculated by—

- (a) taking the amount of credited pension specified in the pension credit member's account;
- (b) subtracting the early payment reduction (if any) specified in that account in relation to that amount; and

(c) subtracting the commutation amount (if any) specified in that account in relation to that amount.

(2) If a member buys out the early payment reduction⁽²⁾, the annual rate of pension is calculated without subtracting the early payment reduction.

Option to buy out early payment reduction

94.—(1) A pension credit member who claims early payment of a pension credit member's pension may opt to buy out the early payment reduction.

(2) The option may only be exercised by notice to the scheme manager in a form required by the scheme manager.

(3) The scheme manager must prepare tables setting out the cost of buying out the early payment reduction, after consulting the scheme actuary.

(4) The member must meet the cost by making a payment to this scheme calculated in accordance with the tables prepared in accordance with paragraph (3).

Reduction in pension debit member's benefits

95. The benefits to which a pension debit member is entitled under this Part are subject to the reduction to be made under Article 28 of the 1999 Order.

Pension credit member's rights

96.—(1) If regulation 7(5) of the Pension Sharing (Pension Credit Benefit) Regulations (Northern Ireland) 2000 applies, the scheme manager must be reasonably satisfied that the requirements of that regulation have been met.

(2) Benefits that are attributable (directly or indirectly) to a pension credit may not be aggregated with any other benefit to which the pension credit member is entitled under this scheme.

(3) If a pension credit member is a dual capacity member, the benefits that are payable to or in respect of the member in each of the member's capacities are treated separately for the purposes of these regulations.

Option for pension credit member to commute part of pension

97.—(1) A pension credit member who becomes entitled to payment of a pension credit member's pension under this scheme may opt to exchange part of the pension for a lump sum.

(2) The option under this regulation may only be exercised—

- (a) by notice to the scheme manager in a form required by the scheme manager; and
- (b) before the first payment of the pension is made.

(3) If a pension credit member exercises the option under this regulation, for every £1 by which the amount of the member's annual rate of pension is reduced, the member must be paid a lump sum of £12.

(4) A pension credit member may not exchange pension for lump sum under this regulation to the extent that it would result in a scheme chargeable payment for the purposes of Part 4 (pension schemes etc.) of the 2004 Act (see section 241 of that Act).

(5) This regulation does not apply if the pension debit member from whose rights the pension is derived received a lump sum under Part 6 (retirement benefits) before the date on which the pension sharing order takes effect.

(2) (i) Regulation 94 provides for the option to buy out early payment reduction

Option for pension credit member to commute whole pension (serious ill-health)

98.—(1) This regulation applies in relation to a pension credit member whom the scheme medical adviser certifies has a life-expectancy of less than 12 months.

(2) The pension credit member may opt to exchange the whole of the pension credit member's pension under this scheme for a lump sum.

(3) The option under this regulation (“this option”) may only be exercised—

- (a) by notice to the scheme manager in a form required by the scheme manager; and
- (b) before the first payment of the pension is made.

(4) The lump sum—

- (a) is an amount equal to the total annual amount of the pension credit member's pension, multiplied by 5; and
- (b) must be paid to the pension credit member as soon as is reasonably practicable after this option is exercised.

(5) In this regulation, “total annual amount” in relation to a pension credit member's pension means the total of—

- (a) the annual rate of pension to which the member would be entitled apart from this option, calculated as at the date this option is exercised, but without subtracting the early payment reduction (if any); and
- (b) the amount of increase (if any) in the annual rate of that pension under the 1971 Act calculated as at that date.

Application of Part to pension adjustment orders

99.—(1) Where a pension adjustment order is made in respect of benefits under this scheme, this Part applies with any modifications the scheme manager considers necessary to give effect to that order.

(2) In this regulation, a “pension adjustment order” means an order made under section 12 of the Irish Family Law Act 1995(3).