

SCHEDULES

SCHEDULE 7

Final salary link

Persons who remain in an old scheme for past service

1.—(1) This paragraph applies in a case where—

- (a) a person is a member of an existing scheme to which section 18(1) applies or a scheme to which section 32(2) applies (the “old scheme”) by virtue of his or her pensionable service for that scheme (“the old scheme service”), and
- (b) the person is also a member of a scheme under section 1 or a new public body pension scheme (“the new scheme”) by virtue of his or her pensionable service for that scheme (“the new scheme service”).

(2) If, in a case where this paragraph applies—

- (a) the old scheme service and the new scheme service are continuous, and
- (b) the person’s employer in relation to the old scheme service is the person’s employer in relation to the new scheme service (or any other employer in relation to the new scheme),

then, in determining the person’s final salary for any purpose of the old scheme—

- (i) the old scheme service is to be regarded as having ended when the new scheme service ended, and
- (ii) such earnings as scheme regulations for the new scheme may specify, being earnings derived by the person from the new scheme, are to be regarded as derived from the old scheme service (subject to sub-paragraph (3)).

(3) The amount of the earnings that are to be regarded as derived from the old scheme service must not be materially less than the amount of the earnings that would have been the person’s pensionable earnings derived from that service had the new scheme service been old scheme service.