

**Changes to legislation:** The Pensions (Northern Ireland) Order 2005, Cross Heading: Terminal illness lump sum: eligibility is up to date with all changes known to be in force on or before 09 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

## SCHEDULES

### <sup>F1</sup> SCHEDULE 6

#### PENSION COMPENSATION PROVISIONS

**F1** mod. by SR 2005/171

##### **Modifications etc. (not altering text)**

- C1** Sch. 6 modified (1.8.2006) by Pension Protection Fund (Pension Sharing) Regulations (Northern Ireland) 2006 (S.R. 2006/282), **reg. 3(2)**
- C1** Sch. 6 modified by S.R. 2005/149, **reg. 13A** (as inserted (1.4.2009) by Pension Protection Fund (Miscellaneous Amendments) Regulations (Northern Ireland) 2009 (S.R. 2009/78), **reg. 4**)
- C1** Sch. 6 modified by S.R. 2005/149, **reg. 23(2)** (as substituted (24.7.2014) by The Pensions (2012 Act) (Transitional, Consequential and Supplementary Provisions) Regulations (Northern Ireland) 2014 (S.R. 2014/204), **regs. 1(1), 59(4)(c)**)
- C1** Sch. 6 modified by S.R. 2005/149 **reg. 28(1)** (as added (2.10.2018) by The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations (Northern Ireland) 2018 (S.R. 2018/165), **regs. 1(2), 2(3)**)
- C1** Sch. 6 modified by S.R. 2005/149, **reg. 024(02)** (as added (6.4.2010) by The Pension Protection Fund (Miscellaneous Amendments) Regulations (Northern Ireland) 2010 (S.R. 2010/80), **regs. 1(b), 4(4)**)
- C1** Sch. 6 modified by S.R. 2005/149 **reg. 27(2)** (as added (24.2.2018) by The Pension Protection Fund (Compensation) (Amendment) Regulations (Northern Ireland) 2018 (S.R. 2018/26), **regs. 1, 2(6)**)

#### *<sup>F1</sup>Terminal illness lump sum: eligibility*

**F1** Sch. 6 paras. 25B-25F and preceding cross headings inserted (1.4.2009 for certain purposes otherwise prosp.) by Pensions (No. 2) Act (Northern Ireland) 2008 (c. 13), ss. 100, 118(1), **Sch. 6 para. 14**; S.R. 2009/147, **art. 2(a)(iii)(b)**

**25B.—(1)** This paragraph applies to a person in relation to whom all of the following conditions are met—

- (a) the person is terminally ill;
- (b) if the person lived to the relevant age, the person would become entitled on attaining that age to relevant compensation in relation to the scheme;
- (c) the person has not yet become entitled to any compensation under the pension compensation provisions in relation to the scheme;
- (d) the whole or any part of the person's lifetime allowance is available.

(2) A person to whom this paragraph applies may make an application to the Board to commute the future entitlement mentioned in sub-paragraph (1)(b) for a lump sum (“a terminal illness lump sum”) payable on the granting of the application.

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(3) For the purposes of this Chapter a person is “terminally ill” at any time if at that time the person suffers from a progressive disease and the person's death in consequence of that disease can reasonably be expected within six months.

(4) In this paragraph—

“lifetime allowance”, in relation to a person, has the same meaning as in Part 4 of the Finance Act 2004 (c. 12) (pension schemes etc.) (see section 218 of that Act);

“relevant age”, in relation to a person, means—

(a) in relation to compensation entitlement to which has been accelerated <sup>F2</sup>... under regulations under paragraph 25 <sup>F2</sup>..., the age at which the person becomes entitled to the compensation in accordance with the regulations;

(b) in relation to compensation entitlement to which has not been so accelerated <sup>F3</sup>..., normal pension age (or, in a case to which paragraph 21 [<sup>F4</sup> or 21A] applies, normal benefit age);

“relevant compensation” means—

(a) periodic compensation under paragraph 11 or 15, or

(b) lump sum compensation under paragraph 14 or 19.

<sup>F5</sup>(5) Sub-paragraph (6) applies where—

(a) the commencement of a person's periodic compensation under paragraph 11 or 15 is postponed by virtue of paragraph 25A, or

(b) the payment of a person's lump sum compensation under paragraph 14 or 19 is postponed by virtue of that paragraph.

(6) This paragraph applies as if—

(a) the person first becomes entitled to compensation under the paragraph in question immediately after the period of postponement ends, and

(b) in sub-paragraph (1)(b), for “if the person lived to the relevant age, the person would become entitled on attaining that age” there were substituted “if the period of postponement ended, the person would become entitled”.]

**F2** Words in Sch. 6 para. 25B(4) omitted (27.3.2013) by virtue of Pensions Act (Northern Ireland) 2012 (c. 3), s. 34(3), **Sch. 4 para. 26(1)(a)(i)**; S.R. 2013/83, art. 2(b)(ii)

**F3** Words in Sch. 6 para. 25B(4) omitted (27.3.2013) by virtue of Pensions Act (Northern Ireland) 2012 (c. 3), s. 34(3), **Sch. 4 para. 26(1)(a)(ii)**; S.R. 2013/83, art. 2(b)(ii)

**F4** Words in Sch. 6 para. 25B(4) inserted (7.6.2012) by Pensions Act (Northern Ireland) 2012 (c. 3), s. 34(3), **Sch. 4 para. 19(3)(c)**; S.R. 2012/233, art. 2(2)(k)(iv)

**F5** Sch. 6 para. 25B(5)(6) inserted (27.3.2013) by Pensions Act (Northern Ireland) 2012 (c. 3), s. 34(3), **Sch. 4 para. 26(1)(b)**; S.R. 2013/83, art. 2(b)(ii)

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**Changes and effects yet to be applied to the whole Order associated Parts and Chapters:**

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch. 6 para. 21(2)(c)-(cc) substituted for (b)(c) by [2008 c. 13 \(N.I.\) Sch. 6 para. 11](#)
- art. 2(4)(b)(viii)-(x) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 21\(3\)\(b\)](#)
- art. 19(1A) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 24\(3\)](#)
- art. 19(10A) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 24\(5\)](#)
- art. 34(1)-(1B) substituted for art. 34(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 25](#)
- art. 34(7)(da) inserted by [2021 c. 1 Sch. 8 para. 3\(2\)](#)
- art. 39(1)-(1B) substituted for art. 39(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 26\(2\)](#)
- art. 48(1)-(1B) substituted for art. 48(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 27](#)
- art. 75(1)(a)(iib) inserted by [2021 c. 1 Sch. 8 para. 8\(2\)](#)
- art. 110(1)-(1B) substituted for art. 110(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 29](#)
- art. 191(5) added by [2008 c. 13 \(N.I.\) Sch. 9 para. 6](#)
- art. 267(4)(f) and word inserted by [2021 c. 1 Sch. 6 para. 20\(b\)](#)