

SCHEDULES

SCHEDULE 6

PENSION COMPENSATION PROVISIONS

Pensions in payment at assessment date

3.—(1) Compensation is payable in accordance with this paragraph where, immediately before the assessment date, a person is entitled to present payment of a pension under the admissible rules of the scheme.

(2) That person (“the pensioner”) is entitled to periodic compensation in respect of that pension (“the pension”) commencing at the assessment date and continuing for life or, in a case to which sub-paragraph (8) applies, until such time as entitlement to the pension would have ceased under the admissible rules.

(3) The annual rate of the periodic compensation is the appropriate percentage of the aggregate of—

- (a) the protected pension rate, and
- (b) any increases under paragraph 28 (annual increases in periodic compensation).

(4) In sub-paragraph (3) “the appropriate percentage” means—

- (a) in a case to which sub-paragraph (7) applies, 90%, and
- (b) in any other case, 100%.

(5) In sub-paragraph (3) “the protected pension rate” means the annual rate of the pension, under the admissible rules, immediately before the assessment date.

(6) In determining for the purposes of sub-paragraph (5) the annual rate of the pension immediately before the assessment date, any recent discretionary increase is to be disregarded if paragraph 35(3) applies.

(7) This sub-paragraph applies where the pensioner has not attained normal pension age in respect of the pension before the assessment date and his entitlement to the pension—

- (a) is attributable to his pensionable service, and
- (b) did not arise by virtue of any provision of the admissible rules of the scheme making special provision as to early payment of pension on grounds of ill health.

(8) This sub-paragraph applies where the pension was not attributable to—

- (a) the pensioner’s pensionable service, or
- (b) (directly or indirectly) to a pension credit to which the pensioner became entitled under Article 26(1)(b) of the 1999 Order.

(9) This paragraph does not apply if compensation is payable in respect of the pension in accordance with paragraph 5 (pension benefits postponed at assessment date).

(10) This paragraph is subject to—

- (a) paragraph 26 (compensation cap), and
- (b) paragraph 30 (power of Department to change percentage rates by order).