

SCHEDULE 16

Calculation of Transfer Values

PART I

1. The transfer value payable under regulation J2, J3(1) or J14 in respect of any person is an amount equal to—

(1) the aggregate of the sums calculated in accordance with paragraph 2 in respect of his accrued pension, accrued retiring allowance, and if the person is a man, his accrued widow's pension, less—

- (a) a sum (calculated in accordance with paragraph 2) in respect of accrued modification; and
- (b) any additional contributory payments remaining unpaid when he ceased to be employed in his local government employment; and
- (c) in the case of a person who is entitled or prospectively entitled to a guaranteed minimum pension under these regulations when he ceases to be employed in his local government employment and who has made a request under regulation J2, a sum (calculated in accordance with paragraph 2) in respect of the pensions increase liability on his guaranteed minimum pension; and
- (d) in the case of a person in relation to whom, when he ceases to be employed in local government employment—
 - (i) a contributions equivalent premium is paid under Article 44 of the Pensions Order; and
 - (ii) a limited revaluation premium is paid under Article 47 of that Order otherwise than by the scheme managers of his approved non-local government scheme; or
 - (iii) a transfer premium paid under Article 46A(1) of that Order,
a sum equal to the amount of the premium or premiums;together with—

(2) compound interest calculated in accordance with regulation J7 in respect of the period beginning immediately after the date on which the person ceased to be employed in his local government employment and ending with the date on which the transfer value is paid (but no interest is to be included in the transfer value if that period is less than 6 months).

2.—(1) The sums in respect of accrued pension, accrued retiring allowance and accrued modification shall be calculated by multiplying the accrued pension by the pension factor, the accrued retiring allowance by the retiring allowance factor and the accrued modification by the modification factor, such factors being the factors in the appropriate Table in Part II where regulation J14 applies and Part III where regulation J2 or J3(1) applies which are applicable to the person's age when he ceased to be employed in his local government employment.

(2) The sum in respect of accrued widow's pension shall be calculated by multiplying the accrued widow's pension by 2.4 where regulation J14 applies and by 4 where regulation J2 or J3(1) applies.

(3) The sum in respect of the pensions increase liability on a person's guaranteed minimum pension shall be calculated by multiplying the annual equivalent of his guaranteed minimum in relation to his retirement pension in connection with his local government employment by the

(1) Article 46A was inserted by the Social Security (Northern Ireland) Order 1985 (S.I. 1985/1209 (N.I. 16)), Schedule 1, paragraph 1 and amended by the Social Security (Northern Ireland) Order 1989 (S.I. 1989/1342 (N.I. 13)) Article 26, Schedule 6

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pensions increase liability factor in the appropriate Table in Part IV which is applicable in relation to his age when he ceased to be employed in local government employment.

(4) The guaranteed minimum shall be calculated in accordance with Article 37 of the Pensions Order (except that paragraphs (7) and (8) shall be ignored) by reference to the regulations applying in relation to that section, and the orders in force under Article 23 of that Order, when the person ceased to be employed in his local government employment, and the annual equivalent of his guaranteed minimum shall be calculated by multiplying the guaranteed minimum by 52.18.

3. In this Schedule—

“accrued pension” means the annual retirement pension (however named) to which, having regard to regulations E1(3) and E28(2) and apart from any reduction falling to be made to that pension in connection with a retirement pension under section 28 of the Act of 1975 or corresponding provisions of earlier legislation or graduated retirement benefit under section 35 of the Insurance Act or corresponding provisions of earlier legislation, the person would have become entitled if, on the date when he ceased to be employed in his local government employment—

- (1) he had reached the age of 65; and
- (2) (a) where the person ceased to be employed in that employment before 31st March 1972, he had completed a sufficient period of service to qualify for the pension and, notwithstanding anything in any enactment—
 - (i) for the purpose of calculating the amount of that pension his service had been calculated in accordance with regulation 31 of the 1962 regulations; and
 - (ii) his entitlement to that pension had been calculated by reference to completed years and completed days;
- (b) where the person ceased to be employed in that employment on or after 31st March 1972, he had been entitled to reckon an aggregate of not less than 5 years' reckonable service and qualifying service; and
- (3) he had completed the payment of any additional contributory payments;

“accrued retiring allowance” means the lump sum retiring allowance (however named) to which the person would have become entitled if, on the date when he ceased to be employed in his local government employment—

- (1) he has reached the age of 65; and
- (2) (a) where the person ceased to be employed in that employment before 31st March 1972, he had completed a sufficient period of service to qualify for the allowance and, notwithstanding anything in any enactment—
 - (i) for the purpose of calculating the amount of that allowance his service had been calculated in accordance with regulation 31 of the 1962 regulations; and
 - (ii) his entitlement to that allowance had been calculated by reference to completed years and completed days;
- (b) where the person ceased to be employed in that employment on or after 31st March 1972, he had been entitled to reckon an aggregate of not less than 5 years' reckonable service and qualifying service; and
- (3) he had completed the payment of any additional contributory payments; and
- (4) if the person is a man, he had been married and he and his wife had not been judicially separated;

“accrued widow's pension” means the annual widow's long-term pension (however named) which, after any initial period during which it might not have been payable, would have been

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payable in respect of the person if, on the date when he ceased to be employed in his local government employment—

- (1) he had been married and he and his wife had not been judicially separated; and
- (2) by virtue of his having reached the age of 65, he had been in receipt of a pension equivalent to his accrued pension; and
- (3) he had died;

“accrued modification” means the amount by which the accrued pension would be reduced in connection with the retirement pension under section 28 of the Act of 1975 or corresponding provisions of earlier legislation and graduated retirement benefit under section 35 of the Insurance Act or corresponding provisions of earlier legislation.