

1995 No. 255

PENSIONS

**Judicial Pensions (Additional Voluntary Contributions)
(No. 2) Regulations (Northern Ireland) 1995**

Made 20th June 1995.

Coming into operation 23rd July 1995

The Department of Economic Development(a), in exercise of the powers conferred on it by section 11A of the Judicial Pensions Act (Northern Ireland) 1951(b) and of every other power enabling it in that behalf, and with the consent of the Department of Finance and Personnel, hereby makes the following Regulations:

PART I

PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Judicial Pensions (Additional Voluntary Contributions) (No. 2) Regulations (Northern Ireland) 1995 and shall come into operation on 23rd July 1995.

Interpretation

2.—(1) In these Regulations—

“the 1969 Act” means the Superannuation (Miscellaneous Provisions) Act (Northern Ireland) 1969(c);

“the 1988 Act” means the Income and Corporation Taxes Act 1988(d);

“the 1993 Regulations” means the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Additional Voluntary Contributions) Regulations 1993(e);

“additional voluntary contributions” means any contributions by a member of the existing scheme over and above those contributions towards the cost of providing surviving spouse’s and children’s benefits which are required as a condition of membership (whether made by deductions from salary or from a lump sum on death or retirement);

(a) See S.I. 1991/2631 (N.I. 24) Article 7(2)

(b) 1951 c. 20 (N.I.); section 11A was inserted by S.I. 1991/2631 (N.I. 24) Article 6 and amended by 1993 c. 8 Schedule 3 paragraph 8

(c) 1969 c. 7 (N.I.)

(d) 1988 c. 1

(e) S.I. 1993/3016

- “AVC scheme” means a judicial pension scheme other than a FSAVC scheme providing for the purchase of benefits additional to those provided by the existing scheme by means of additional voluntary contributions;
- “approved scheme” means a retirement benefits scheme approved under Chapter I, Part XIV of the 1988 Act, or such other legislation as may be in force from time to time in respect of such approval;
- “existing scheme” means any pension payable by or under section 2 of the 1969 Act(a) and which is not an AVC scheme or a FSAVC scheme;
- “FSAVC scheme” means a retirement benefits scheme approved under section 591(2)(h) of the 1988 Act established by a pension provider other than the administrators of the existing scheme or a judicial pension scheme and to which only the member contributes;
- “final salary”, in relation to a member, means the amount of salary received in the twelve months prior to the date of leaving qualifying judicial office that has been assessed for tax under Schedule E under Part V of the 1988 Act;
- “Index”, at any time, means the index of retail prices published by the Central Statistical Office of the Chancellor of the Exchequer, or any successor agreed as appropriate by the Board of Inland Revenue, for the calendar month three months prior to that time;
- “leading scheme” and “main scheme” shall have the meanings given to them in regulation 2 of the 1993 Regulations;
- “normal pension age”, in relation to a member, means the age at which the member would be able to retire from the existing scheme with a pension immediately payable;
- “qualifying judicial office” means any office specified in section 2(1) of the 1969 Act and a person shall be regarded as holding qualifying judicial office at any time when he holds, on a salaried basis, any one or more of those offices; and any reference in these Regulations to a “qualifying judicial office” is a reference to any such office if it is held on a salaried basis;
- “retained death benefits” has the meaning given to it in regulation 6;
- “retirement benefits scheme” has the meaning given to it in section 611 of the 1988 Act; and
- “service”, in relation to a member, means service in a qualifying judicial office.

(2) In these Regulations where a “period of service” is to be ascertained it shall be calculated in years and days. The days shall be expressed as a fraction of a year and for this purpose a year shall be taken to be 365 days. The resulting fraction shall be converted to a decimal figure correct to four decimal places.

(a) As amended by 1989 c. 32 Schedule 2 paragraph 1, S.I. 1991/2631 (N.I. 24) Article 7 and S.I. 1992/807 (N.I. 5) Schedule 6

JUDICIAL ADDITIONAL VOLUNTARY CONTRIBUTIONS (NO. 2) SCHEME

Interpretation and application

3.—(1) In this Part—

“aggregated retirement benefit” means the total amount of all benefits, other than retained benefits, that may be paid to a retired member including the pension equivalent of any lump sum;

“authorised insurance company” means either—

- (a) a company which is a United Kingdom branch or office of an insurance company to which Part II of the Insurance Companies Act 1982(a) applies and which is authorised under section 3 or 4 of that Act to carry on ordinary long-term insurance business; or
- (b) an EC company as defined by section 2(6) of that Act(b) which is lawfully carrying on ordinary long-term insurance business in the United Kingdom;

“the scheme” means the Judicial Additional Voluntary Contributions (No. 2) Scheme constituted by this Part.

(2) The scheme shall be administered in accordance with this Part.

(3) The administrators of the scheme shall be the administrators of the existing scheme.

(4) The pension equivalent of a lump sum shall be calculated by dividing the cash value of the lump sum by twelve.

Membership

4.—(1) Membership of the scheme shall be open to persons holding qualifying judicial office.

(2) Application for membership of the scheme shall be made in writing to the administrators.

Retained Benefits

5.—(1) The administrators shall require any person who is, or who wishes to become, a member of the scheme to provide such information as they may require concerning any retained benefits (other than retained death benefits) that that person may have which are derived from the following sources—

- (a) a retirement benefits scheme which has been approved, or for which approval is sought, under Chapter I, Part XIV of the 1988 Act;
- (b) a relevant statutory scheme as defined by section 611A of the 1988 Act(c);
- (c) a fund to which section 608 of the 1988 Act applies;

(a) 1982 c. 50

(b) As inserted by S.I. 1994/1696 regulation 4(2)

(c) As inserted by 1989 c. 26 section 75, Schedule 6 Part I paragraphs 1, 15 and 18(1)

- (d) a retirement benefits scheme which has been accepted by the Inland Revenue as corresponding within the meaning of section 596(2)(b) of the 1988 Act;
- (e) (i) a retirement annuity contract or trust scheme approved under section 620 of the 1988 Act; or
- (ii) a personal pension scheme (as defined by section 630 of the 1988 Act) approved under section 631 of that Act (other than an arrangement to which only minimum contributions are paid), which related to relevant earnings from the current employment or previous employments;
- (f) transfer payments from an overseas scheme held in a type of arrangement defined in sub-paragraph (a), (b) or (e), including such benefits which have been transferred to another scheme, whether or not in the United Kingdom.
- (2) Retained benefits may be disregarded where the total of—
- (a) the resulting annual pension; and
- (b) the pension equivalent of any lump sum payable, is less than £260.

6.—(1) The administrators shall also require any person who is, or who wishes to become, a member of the scheme to provide details of retained death benefits.

(2) Retained death benefits worth less than £2,500 may be disregarded.

(3) For the purposes of calculating the retained death benefit there shall be ignored—

(a) any benefits representing a return of the member's own contributions plus interest; and

(b) benefits derived from a return of surplus funds under annuity contracts approved under section 620 of the 1988 Act or personal pension schemes approved under section 631 of that Act.

(4) In this regulation "retained death benefits" means any lump sum benefits payable on the member's death derived from the sources set out in regulation 5(1)(a) to (f).

7. The administrators may disclose any information obtained relating to retained benefits or retained death benefits—

(a) to, or to any officers of, the Commissioners of Inland Revenue; or

(b) to, or to any servants or agents of, any authorised provider who is, or may be, concerned in the investment of the voluntary contributions or the provision of the additional benefits in question.

Maximum benefits for members

8.—(1) The aggregated retirement benefit shall not exceed the figure equal to the lesser of—

(a) the amount referred to in paragraph (2)(a), (b) or (c) as appropriate; and

(b) the greater of—

- (i) 2/3rds of the member's final salary less retained benefits; and
- (ii) 1/60th of the member's final salary for each year of service up to a maximum of 40 years.

(2) The amount referred to in paragraph (1)(a) shall be—

(a) where the member retires at his normal pension age, the amount calculated by applying the appropriate fraction (ascertained in accordance with the following table, into which a fraction of a year shall be interpolated in accordance with paragraph (3)) to his final salary—

<i>Years of service</i>	<i>Appropriate fraction</i>
Years 1 to 5	1/60th for each year
Year 6	8/60ths
Year 7	16/60ths
Year 8	24/60ths
Year 9	32/60ths
Year 10 or more	40/60ths for each year;

- (b) where the member retires before his normal pension age on the ground of ill health, the amount determined in accordance with sub-paragraph (a) which the member could have received had he remained in service until his normal pension age;
- (c) where the member leaves the scheme before his normal pension age on any other ground, an amount calculated in accordance with the formula—

$$M \times N \text{ divided by } NS$$

where—

- “M” is the maximum pension which would have been available to the member at his normal pension age;
- “N” is the period of service in the member's existing scheme completed at the date the member leaves the scheme;
- “NS” is the period of service in the member's existing scheme which the member would have completed had he remained in service until the date he attained his normal pension age.

(3) Where the number of years of service at retirement is less than ten and is not an exact number of years, the interpolation referred to in paragraph (2)(a) shall be effected as follows—

- (a) where the number of complete years of service is less than five, 1/365th of a sixtieth for each additional day shall be added to the appropriate fraction;
- (b) where the number of complete years of service is five, 3/365ths of a sixtieth for each additional day shall be added to the appropriate fraction;
- (c) where the number of complete years of service is greater than five, 8/365ths of a sixtieth for each additional day shall be added to the appropriate fraction.

9.—(1) Subject to paragraph (2), the aggregated retirement benefit shall be determined by the administrators by aggregating—

- (a) any benefits from the existing scheme;
- (b) any benefits from an AVC scheme or a FSAVC scheme; and
- (c) any benefits resulting from the purchase of added units of benefit in accordance with Part IV.

(2) Any benefits that are attributable to the pension of a surviving spouse or child shall not be aggregated for the purpose of determining the aggregated retirement benefit.

10.—(1) This regulation applies where—

- (a) a lump sum is payable by virtue of the member having died whilst holding qualifying judicial office; or
- (b) death occurs after the member has left qualifying judicial office where his entitlement to a lump sum was preserved under an order made under section 141 of the Pension Schemes Act 1993(a) or section 137 of the Pension Schemes (Northern Ireland) Act 1993(b).

(2) Where this regulation applies, the maximum lump sum which may be paid shall be the greater of—

- (a) £5,000; or
- (b) 4 times the member's final salary.

11.—(1) Any surviving spouse's or children's pension payable to the surviving spouse or child in respect of a deceased member shall not exceed 2/3rds of the member's maximum aggregated retirement benefit as determined in regulation 8 on the basis—

- (a) that the member had no retained benefits; and
- (b) that, at the date of death, he had retired on the ground of ill health rather than died.

(2) Where pensions are payable to more than one person, the total amount of those pensions shall not exceed the member's maximum aggregated retirement benefit determined on the same basis as in paragraph (1).

Increase to pensions in payment

12. The maximum amount of pension benefit ascertained under regulations 8 to 11 may be increased by up to 3% for each complete year, or in proportion to the increase in the Index which has occurred since payment of the pension commenced, if greater.

Maximum contributions

13.—(1) The member shall instruct the administrators in writing as to the level of contributions that he wishes to make.

(a) 1993 c. 48

(b) 1993 c. 49

(2) A member's contributions to the scheme in any tax year shall not exceed whichever is the smaller of the amounts set out in sub-paragraphs (a) and (b) of paragraph (3).

(3) The amounts referred to in paragraph (2) are—

- (a) (i) in the case of a single contribution by the member into the scheme, the amount determined by the scheme administrators which, if the member were to leave service immediately after making the payment, is likely to provide benefits equal to the limits set out in regulations 8 to 11; or
- (ii) in the case of an annual contribution, the amount determined by the scheme administrators which, if maintained at that level until the member's normal pension age, is likely to provide benefits equal to the limits set out in regulations 8 to 11;
- (b) that percentage of the member's total salary that is subject to tax under Schedule E under Part V of the 1988 Act which, together with any contributions made by the member to any other pension scheme (including an AVC scheme or an FSAVC scheme) will bring the total contributions to 15% of that salary.

Authorised provider

14. A member's contributions and any transfer payment accepted under regulation 20 shall be invested with an authorised provider for the purpose of providing benefits.

15. The administrators may require an authorised provider to surrender the whole or part of the value of such contributions and transfer payment, in which case the administrators shall reinvest such contributions in accordance with regulation 14.

Manner of making contributions

16. A member may make contributions into the scheme to the limits set out in regulation 13, by either—

- (a) single payments to the limit of two in any one financial year; or
- (b) regular payments;

and in either case payment must be made by way of deduction from the member's salary.

Investment of contributions

17. The administrators shall invest any contributions made under regulation 16 and any transfer payment accepted under regulation 20 as soon as reasonably practicable with the authorised provider.

18. Where the authorised provider offers more than one type of investment the member may elect that his contributions be paid into particular types of investments.

19. The investments made in respect of a member with the authorised provider may be realised and reinvested with the authorised provider at the

request of the member in such amounts, at such times and in such manner as may be specified by the administrators with the approval of the authorised provider.

Transfer values in

20.—(1) A payment representing the cash equivalent of a member's accrued rights in any other qualifying scheme shall only be accepted by the scheme if it is from another AVC scheme or FSAVC scheme and it is certified by the administrator of that scheme to derive from only the member's own contributions to that scheme, and any transfer payment into that scheme, with any interest that may be payable.

(2) In this regulation "qualifying scheme" means an occupational pension scheme, a personal pension scheme or an annuity purchased from an authorised insurance company or other pension arrangement which is—

- (a) a retirement benefits scheme which has been approved, or for which approval is sought, under Chapter I, Part XIV of the 1988 Act, or a relevant statutory scheme as defined by section 611A of that Act; or
- (b) a personal pension scheme as defined by section 630 of the 1988 Act which has been approved under Chapter IV, Part XIV of that Act; or
- (c) an annuity contract approved for the purposes of sections 431(4)(d) or (e) or 591(2)(g) of the 1988 Act; or
- (d) a fund to which section 608 of the 1988 Act applies.

21. Where a member wishes to make such a payment from a non-judicial occupational pension scheme, he shall declare to the administrators the contributions already made and the salary received in the twelve months prior to the date of transfer into the scheme.

Benefits which may be provided

22.—(1) Subject to the limits referred to in regulations 8 to 11, a member shall be entitled to the benefits attributable to—

- (a) the contributions paid by the member; and
- (b) any transfer payment accepted under regulation 20.

(2) The benefits permitted are—

- (a) subject to regulation 24, a pension payable to the member from the member's retirement during his lifetime, under which—
 - (i) payments may be guaranteed to be payable for up to 10 years after retirement in any event; or
 - (ii) payments may be guaranteed to be payable for up to 5 years after retirement with any balance in respect of any period between death and the expiry of that period of 5 years being paid in one lump sum on death;
- (b) a lump sum payable on the death of the member;
- (c) where the member dies before retirement, or in the circumstances referred to in regulation 26(2)(c), the total realisable value of the

investments made by the administrators with the contributions paid by the member and any transfer payment accepted under regulation 20;

(d) subject to regulation 24, a pension payable on the death of the member after retirement to one or more of the following—

- (i) the member's surviving spouse during the remainder of the lifetime of that spouse; and
- (ii) any of the member's children until that child reaches the age of 18 or, if later, ceases to receive full time education or vocational training.

(3) Pensions may be level in payment, increase at a fixed rate not exceeding 3% per annum compound or vary in line with the Index.

(4) In the case of benefits payable at or after a member's retirement, the member may choose which of the benefits permitted by paragraph (2) shall be payable and, at the time of his retirement, shall give notice of his choice, in writing, to the administrators.

23. Benefits under this scheme shall be paid by the administrators in accordance with these Regulations and shall be payable only—

- (a) at the date that the member's pension under the existing scheme comes into payment; or
- (b) in relation to a surviving spouse's or children's pension, the date at which those benefits become payable under the existing scheme.

24. Benefits at retirement shall be taken in pension form but the whole of the member's pension may be commuted for a lump sum, from which any tax payable by the administrators shall be deducted, where—

- (a) the pension equivalent of the member's pension benefits from all sources does not exceed £260 per annum;
- (b) the pension is payable under regulation 22(2)(d) and does not exceed £260 per annum; or
- (c) the administrators are satisfied on medical evidence that the member is fatally ill.

25.—(1) A member may nominate a person to receive any lump sum payable on his death by giving notice in writing to the administrators.

(2) Where a member has not nominated a person in accordance with paragraph (1), the administrators shall pay the lump sum to the personal representatives of the member.

Leaving the scheme

26.—(1) A member may cease to be a member of the scheme at any time before benefits provided under regulation 22 are paid.

(2) Subject to Part IV, Chapter IV of the Pension Schemes (Northern Ireland) Act 1993, the member shall, on leaving the scheme, request the administrators to do one or more of the following—

- (a) to transfer the value of the member's accrued benefits to an approved scheme of a subsequent employer or to a personal pension scheme, provided that, in each case, such scheme—
- (i) is willing to accept the transfer value; and
 - (ii) meets the prescribed requirements referred to in section 95(2)(a) of the Pension Schemes Act 1993 or section 91(2)(a) of the Pension Schemes (Northern Ireland) Act 1993;
- and the administrators shall certify to such scheme that the whole of the transfer value derives from the member's contributions and any transfer payment accepted under regulation 20 and that all of it must be used to secure a noncommutable pension;
- (b) to use the value of the member's accrued benefits to purchase one or more insurance policies of the type described in section 95(2)(c) of the Pension Schemes Act 1993 or section 91(2)(c) of the Pension Schemes (Northern Ireland) Act 1993;
- (c) if the member's service, together with any service whilst a member of a previous employer's pension scheme from which a transfer value has been paid to this scheme, totals less than two years, to pay to the member the value of his accrued benefits after deduction of any tax payable by the administrators;
- (d) to purchase an annuity contract approved under section 431(4)(d) and (e) and section 591(2)(g) of the 1988 Act from an authorised insurance company.

(3) Where a member ceases to make contributions to the scheme (except where he ceases to make contributions to the existing scheme by reason of transferring to the scheme constituted under Part I of the Judicial Pensions and Retirement Act 1993(a)) he may, if he wishes, leave his accrued benefits in the scheme until such time as his benefits under his existing scheme become payable.

(4) For the purpose of this regulation, the value of a member's accrued benefits shall be the total realisable value of the investments made by the administrators with the contributions paid by the member and any transfer payment accepted under regulation 20.

(5) Without prejudice to the effect of section 91(1) and (9) and section 95 of the Pension Schemes (Northern Ireland) Act 1993, where a transfer value is paid out from the scheme the administrators will be discharged from any obligation to provide any benefits in respect of the scheme.

Surplus funds

27. The administrators of the scheme shall comply with the requirements of regulation 5 (Restriction on discretion to approve — other schemes) of the 1993 Regulations and where the scheme is the leading scheme in relation to a member, with the requirements of regulation 6 (Calculation of surplus funds) of those Regulations so far as they concern main schemes.

28. Whenever the administrators are liable for any tax in respect of any payment made to any person under this Part, they shall deduct sums equal in total to such tax from any payments made to such person.

PART III

FREE STANDING ADDITIONAL VOLUNTARY CONTRIBUTION SCHEMES

Maximum contributions

29.—(1) Where a member of the existing scheme wishes to make contributions to a FSAVC scheme for the purpose of improving his personal pension benefits, then any retained benefits of the member shall be taken into account for the purpose of assessing the maximum amount of contribution that he is entitled to make.

(2) Paragraph (1) shall not apply where the member makes contributions to a FSAVC scheme for any other purpose.

The 1993 Regulations

30.—(1) The administrators shall comply with the requirements of regulation 4 (Restriction on discretion to approve — free standing additional voluntary contributions schemes) of the 1993 Regulations.

(2) Where a pension scheme is a leading scheme, the administrators shall comply with regulation 6 (Calculation of surplus funds) of the 1993 Regulations in so far as it relates to a main scheme.

(3) Regulations 8 to 11 shall apply as appropriate for the purpose of calculating the surplus funds referred to in regulation 6 of the 1993 Regulations.

JUDICIAL ADDED BENEFITS (NO. 2) SCHEME

Interpretation

31.—(1) In this Part—

“the JABS” means the Judicial Added Benefits (No. 2) Scheme constituted by this Part;

“pension-capped salary” in relation to a member means, for any period of twelve months, so much of his aggregate salary in that period as, within the meaning of section 590C(1) of the 1988 Act, does not exceed the permitted maximum for the relevant year of assessment.

(2) Except where otherwise provided, any reference to added units of benefit shall include a reference to parts of units of benefit.

(3) The JABS shall be administered in accordance with this Part.

(4) The administrators of the JABS shall be the administrators of the existing scheme.

Membership

32.—(1) Membership of the JABS shall be open to a person who is a member of the existing scheme.

(2) A member of the JABS shall, subject to the provisions of these Regulations, have a right to purchase added units of benefit in the existing scheme.

Limits on the added benefits that may be purchased under the JABS

33.—(1) For the purposes of this regulation—

“aggregated retirement benefit” has the meaning given to it in regulation 3(1) and shall be determined in accordance with regulation 9;

“lump sum benefit” means the aggregate of the lump sum benefits that may be paid to the member from the sources set out in regulation 9(1).

(2) The administrators shall require the provision of information relating to retained benefits and retained death benefits in accordance with regulations 5 and 6.

(3) The aggregated retirement benefit shall not exceed the figure calculated in accordance with regulation 8(1).

(4) The lump sum benefit shall not exceed the figure calculated in accordance with sub-paragraph (a) or (b) as appropriate—

(a) on retirement at the member’s normal pension age, the appropriate fraction of final salary ascertained in accordance with the Table in the Schedule to the Occupational Pension Schemes (Maximum Rate Lump Sum) Regulations 1987(a);

(b) on retirement before the member’s normal pension age on the ground

of ill health, the fraction of final salary ascertained in accordance with those Regulations which the member could have received had he remained in service until his normal pension age.

(5) Added units of benefit in the JABS may be purchased up to such amount as the administrators determine will provide benefits equal to the lesser of the aggregated retirement benefit and the lump sum benefit.

Manner of making contributions into the JABS

34.—(1) The right to purchase added units of benefit must be exercised by notice in writing to the administrators while the member is still holding qualifying judicial office and may not be exercised if the member has reached his normal pension age.

(2) Before contracting to purchase added units of benefit the member must sign a declaration stating that he has no reason to believe that his health may prevent him from serving until his normal pension age.

(3) Contributions to the JABS shall be made only by way of periodical deductions from salary and shall commence on a date agreed between the administrators and the member.

(4) The rate of contribution for each added unit of benefit shall be calculated, to two decimal places, in accordance with the formula—

$$(A \text{ divided by } B) \times \text{annual salary}$$

where—

“A” is the sum of the personal benefits and family benefits percentage figures set out in the Table in the Schedule which corresponds to the period between the date agreed under paragraph (3) and the date the member attains his normal pension age;

“B” is the period of service between the dates referred to in the definition of “A”,

subject to the limit on total contributions allowed in any one year by regulation 35.

(5) For each part unit of benefit purchased the rate shall be that determined in paragraph (4) multiplied by the appropriate decimal fraction (correct to four decimal places), to a minimum of 0.01 per cent.

(6) The making of periodical contributions at the relevant rate to the JABS shall continue during the member’s lifetime until the member—

(a) reaches his normal pension age; or

(b) leaves qualifying judicial office; or

(c) notifies the administrators that he wishes to cease to make the contributions,

whichever occurs first.

Maximum contributions

35. A member’s contribution to the JABS in any tax year shall not exceed the smaller of—

(a) such amount determined by the administrators, which if maintained

at that level until his normal pension age, is likely to provide benefits equal to the limits set out in regulation 33(5); and

- (b) that percentage of the member's salary which is subject to tax under Schedule E under Part V of the 1988 Act which, together with any contributions made by the member to the existing scheme and any other pension scheme (including an AVC scheme or a FSAVC scheme), will bring the total contributions to 15% of that salary.

Valuation of benefits under the JABS

36.—(1) If a member leaves qualifying judicial service upon or after reaching his normal pension age, any added unit of benefit that he has purchased shall entitle him to an additional pension benefit under the existing scheme of 1/40th of his annual salary at the date he leaves such service together with a lump sum of 2/40ths of his annual salary at that date and shall entitle his surviving spouse to a surviving spouse's pension of 1/80th of such salary payable on his death and so proportionately for any part unit of benefit purchased.

(2) Any unit purchased shall not be taken into account for the purposes of determining—

- (a) the length of service for the purpose of calculating entitlement to pension benefits under the existing scheme; or
 (b) the length of qualifying service for determining the date of retirement.
 (3) If a member retires on the ground of ill health or dies before his normal pension age, he shall be credited with the number of units for which he is making contributions, provided that where—

- (a) he retires on the ground of ill health or dies within twelve months of the date of contracting to purchase added units of benefit; or
 (b) he dies or retires on the ground of ill health because of an incapacity to which he became subject within twelve months of that date,

the administrators are satisfied that the declaration given in accordance with regulation 34(2) was made in good faith.

(4) If a member ceases to make contributions before his normal pension age for reasons other than death or retirement on the ground of ill health, then, at the date he so ceases, he shall be credited with added units of benefit in accordance with the formula—

$$A \times (B \text{ divided by } C)$$

where—

“A” is the number of added units of benefit for which he had contracted to make contributions;

“B” is the period of service over which he has made contributions for those added units;

“C” is the period of service from the date of commencement of contributions over which he would have paid contributions for those added units if he had continued in service until the date he attained his normal pension age.

(5) If a member who has ceased in accordance with paragraph (4) to make contributions subsequently starts to make contributions again, this regulation and regulations 34 and 37 shall apply separately to those contributions and the value of benefits purchased with them.

Refund of contributions

37.—(1) Where a member who has purchased added units of benefit under the JABS—

- (a) retires; or
- (b) dies before reaching his normal pension age; or
- (c) otherwise leaves his existing scheme,

not having either a spouse or eligible child, the administrators shall make a refund to that member, or, in the case of his death, to his personal representatives, in accordance with this regulation.

(2) The amount to be refunded shall be calculated by applying the percentage figure ascertained in accordance with the formula—

A divided by B

to the pension-capped salary he received during the period from the date he last ceased to have either a spouse or eligible child until the date the benefits under his existing scheme become payable or would have become payable if he had not otherwise left that scheme where—

“A” is the family benefits percentage figure set out in the Table in the Schedule which corresponds to the period between the date agreed under regulation 34(3) and the date the benefits under the member’s existing scheme become payable or would have become payable if he had not otherwise left that scheme;

“B” is the period of service between the dates referred to in the definition of “A”.

(3) Refunds made under this regulation shall be—

- (a) paid with compound interest at the rate announced from time to time by the Department of Finance and Personnel in relation to the principal civil service pension scheme for the civil service of Northern Ireland made under Article 3 of the Superannuation (Northern Ireland) Order 1972(a) (which is the principal civil service pension scheme within the meaning of Article 4 of that Order) and which is based on average building society interest rates; and
 - (b) subject to a deduction of the appropriate amount in respect of tax charged under section 598 of the 1988 Act.
- (4) In this regulation “eligible” in relation to a child means a child—
- (a) under the age of 18; or
 - (b) who, if aged 18 or over, has not ceased to receive full time education or vocational training.

(a) See S.I. 1972/1073 (N.I. 10)

1996

Pensions

No. 255

Sealed with the Official Seal of the Department of Economic
Development on 20th June 1995.

(L.S.)

D. Gibson

Under Secretary

The Department of Finance and Personnel hereby consents to the
foregoing Regulations.

Sealed with the Official Seal of the Department of Finance and Personnel
on 20th June 1995.

(L.S.)

J. McKeown

Assistant Secretary

Rate of contributions

<i>Period to Normal Pension Age</i>	<i>Personal Benefits</i>	<i>Family Benefits</i>
Less than 1 year	28.9	5.5
Less than 2 years and not less than 1 year	28.5	6.0
Less than 3 years and not less than 2 years	28.1	6.4
Less than 4 years and not less than 3 years	27.6	6.7
Less than 5 years and not less than 4 years	27.2	7.1
Less than 6 years and not less than 5 years	26.9	7.3
Less than 7 years and not less than 6 years	26.6	7.6
Less than 8 years and not less than 7 years	26.3	7.8
Less than 9 years and not less than 8 years	26.0	8.1
Less than 10 years and not less than 9 years	25.7	8.2
Less than 11 years and not less than 10 years	25.4	8.4
Less than 12 years and not less than 11 years	25.2	8.5
Less than 13 years and not less than 12 years	24.9	8.6
Less than 14 years and not less than 13 years	24.6	8.7
Less than 15 years and not less than 14 years	24.3	8.7
Less than 16 years and not less than 15 years	24.0	8.7
Less than 17 years and not less than 16 years	23.6	8.7
Less than 18 years and not less than 17 years	23.2	8.7
Less than 19 years and not less than 18 years	22.8	8.6
Less than 20 years and not less than 19 years	22.4	8.5
Less than 21 years and not less than 20 years	21.9	8.5
Less than 22 years and not less than 21 years	21.5	8.4
Less than 23 years and not less than 22 years	21.1	8.2
Less than 24 years and not less than 23 years	20.7	8.1
Less than 25 years and not less than 24 years	20.2	8.0
Less than 26 years and not less than 25 years	19.8	7.9
Less than 27 years and not less than 26 years	19.4	7.8
Less than 28 years and not less than 27 years	19.0	7.7
Less than 29 years and not less than 28 years	18.6	7.5
Less than 30 years and not less than 29 years	18.7	7.4

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations make provision for the payment by the office-holders specified in section 2(1) of the Superannuation (Miscellaneous Provisions) Act (Northern Ireland) 1969 of voluntary contributions towards the cost of additional pension benefits.