
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 290

The Public Service (Civil Servants and Others)
Pensions Regulations (Northern Ireland) 2014

PART 8

Death benefits

CHAPTER 5

Amount of lump sum death benefits

Meaning of “final pay”

128.—(1) In this Chapter, “final pay” in relation to a continuous period of pensionable service means the greater of the following amounts—

- (a) the amount of a member’s permanent pensionable earnings payable in respect of the 12 months ending with the last day of pensionable service;
- (b) the amount of a member’s pensionable earnings payable in respect of any scheme year in the 10 scheme years immediately before the last active scheme year (“the earnings year”).

(2) For the purpose of determining which of the amounts mentioned in paragraph (1) is the greater

- (a) if the member’s continuous period of pensionable service was less than 12 months, the amount in paragraph (1)(a) is an amount equal to the member’s annualised final pay; and
- (b) the amount in paragraph (1)(b) is adjusted for inflation in accordance with paragraph (3).

(3) The amount of pensionable earnings payable in respect of the earnings year is adjusted for inflation by increasing it by the same amount as that by which the annual rate of a pension of an amount equal to the amount of pensionable earnings would have been increased under the 1971 Act by the day following the last day of pensionable service if—

- (a) that pension was eligible to be so increased; and
- (b) the beginning date for that pension was the first day of the next scheme year after the earnings year.

(4) In this regulation, if the member is a transition member with continuity of service, “pensionable earnings” in respect of any period includes the member’s pensionable earnings under the PCSPS(NI) before the closing date.

Meaning of “annualised final pay”

129.—(1) For the purposes of this Chapter, for a continuous period of pensionable service that is less than 12 months, a member’s annualised final pay is—

$$FP \times \frac{365}{N}$$

where—

FP is the amount of the member’s permanent pensionable earnings during that period of service; and

N is the number of days in that period.

(2) But if the continuous period of pensionable service includes 29th February, paragraph (1) has effect with the substitution for “365” of “366”.

(3) In this regulation, if the member is a transition member with continuity of service, “pensionable earnings” in respect of any period includes the member’s pensionable earnings under the PCSPS(NI) before the closing date.

Amount payable on death of active member (death in service)

130.—(1) This regulation applies in relation to a continuous period of pensionable service under this scheme (“period of service”).

(2) If the member is a transition member with continuity of service, the period of service includes the member’s period of pensionable service under the PCSPS(NI) before the closing date.

(3) For the purpose of this regulation, a person dies in service if the person dies while an active member of this scheme in relation to a period of service.

(4) The amount of the lump sum death benefit payable in respect of a person who dies in service (P) is the amount in paragraph (5) or (6), whichever is the greater.

(5) The amount in this paragraph is an amount equal to

$$X - Y$$

where—

(a) *X* is—

(i) if P’s period of service was at least 12 months, twice the amount that would have been P’s final pay if P had ceased to be in pensionable service at the time of death; or

(ii) if P’s period of service was less than 12 months, twice P’s annualised final pay; and

(b) *Y* is the total of—

(i) any lump sum paid under this scheme to P before P’s death; and

(ii) any lump sum death benefit payable under this scheme or under the partnership pension account death benefits scheme in respect of P after P’s death.

(6) The amount in this paragraph is an amount equal to

$$X - Y$$

where—

X is the total annual amount of P’s full retirement pensions in relation to that period of service, multiplied by 5;

Y is the total amount of any payments of retirement pension made to P under this scheme; and “total annual amount” in relation to P’s full retirement pensions means the total of—

- (a) the annual rate of each description of full retirement pension calculated as if the beginning date for that pension were the date of P’s death, but without subtracting any of the early payment reduction; and
- (b) the amount of any increase in the annual rate of that pension under the 1971 Act payable as at the date of P’s death.

(7) For the purpose of this regulation, any amounts paid or payable to or in respect of P in the capacity of a pension credit member are disregarded.

Amount payable on death of deferred member or pensioner member (death out of service)

131.—(1) This regulation applies in relation to a continuous period of pensionable service under this scheme (“period of service”).

(2) If the member is a transition member with continuity of service, the period of service includes the member’s period of pensionable service under the PCSPS(NI) before the closing date.

(3) For the purpose of this regulation, a person dies out of service if the person—

- (a) dies while a deferred member or pensioner member of this scheme in relation to that period of service; and
- (b) is not an active member of the scheme when the person dies (1).

(4) The amount of the lump sum death benefit payable in respect of a person who dies out of service is equal to—

- (a) the total annual amount of P’s full retirement pensions in relation to that period of service, multiplied by 5; less
- (b) the total amount of any payments of retirement pension made to P under this scheme.

(5) In paragraph (4)(a), “total annual amount” in relation to P’s full retirement pensions means the total of—

- (a) the annual rate of each description of full retirement pension calculated as if the beginning date for that pension were—
 - (i) if P died while a deferred member of the scheme, the date of P’s death; or
 - (ii) if P died while a pensioner member of the scheme, the day P’s pension was deemed to begin for the purposes of section 8(2) (meaning of “pension” and other supplementary provisions) of the 1971 Act(2); and
- (b) the amount of any increase in the annual rate of that pension under the 1971 Act payable as the date of P’s death.

(6) The calculation in paragraph (5)(a) is carried out without subtracting any early payment reduction.

(7) For the purpose of this regulation any amounts paid or payable to or in respect of the member in the capacity of a pension credit member are disregarded.

Amount payable on death of pension credit member

132.—(1) Paragraph (2) applies if a pension credit member of this scheme dies before any benefits derived from a pension credit have become payable to the member.

(1) Note: if P is a partial retiree, a lump sum death benefit is payable only under regulation 130 (death in service)
(2) Section 8(2) was amended by the Pensions (Miscellaneous Provisions) (Northern Ireland) Order 1990 (S.I. 1990/1509 (N.I. 13)) Art.3(5) and the [Welfare Reform and Pensions \(Northern Ireland\) Order 1999 \(1999 N.I. 11\)](#) Art.36(1) and (3)(b). Section 8(2) of the Pensions (Increase) Act (Northern Ireland) 1971 may be applied subject to modifications, adaptations and exceptions as may be specified in regulations under section 5(3) of that Act

(2) The amount of the lump sum death benefit is equal to 25% of the cash equivalent that would have been payable under Chapter 2 of Part 4A (requirements relating to pension credit benefit: transfer values) of the 1993 Act⁽³⁾ in respect of the member's right to benefits under this scheme attributable (directly or indirectly) to a pension credit if—

- (a) the member had been entitled to require the payment of that amount; and
- (b) the amount had been payable as at the date of the member's death.

(3) Paragraph (4) applies if a pension credit member dies after the pension credit member's pension becomes payable.

(4) The amount of the lump sum death benefit is equal to the amount of pension credit member's pension that would have been payable to the member during so much of the period of 5 years beginning with the date on which the pension became payable as falls after the date of the member's death.

(5) In paragraph (4), "amount of pension credit member's pension" means the total of—

- (a) the amount of the annual rate of that pension as at the date the pension was deemed to begin for the purposes of section 8(2A) (meaning of "pension" and other supplementary provisions) of the 1971 Act⁽⁴⁾; and
- (b) the amount of any increase in the annual rate of that pension under that Act payable as at the date of the member's death.

Amount payable under court order to former spouse or civil partner

133.—(1) This regulation applies if on the death of a member of this scheme the scheme manager is required under a court order to pay any part of a lump sum death benefit to the member's former spouse or civil partner.

(2) The amount of the lump sum death benefit is first determined as if no such order had been made, and then this Part applies as if the amount of the lump sum death benefit were reduced by the amount payable under the court order.

(3) Part 4A was inserted by the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11)) Article 34
(4) Subsection (2A) was inserted by the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11)) Article 36(3)(c)