

SCHEDULE 2

Transitional provisions

PART 5

Payment of ill-health benefits to transition members with continuity of service

Transition member who has not reached normal pension age under the PCSPS(NI)

29.—(1) This paragraph applies in relation to a transition member with continuity of service who—

- (a) becomes entitled to an ill-health pension under this scheme; and
- (b) has not reached normal pension age under the PCSPS(NI).

(2) If this paragraph applies—

- (a) an ill-health pension and lump sum are not payable under the PCSPS(NI);
- (b) an ill-health pension is payable under this scheme in accordance with this paragraph; and
- (c) the member becomes a deferred member of the PCSPS(NI).

(3) If the member meets the lower tier payment threshold only, the annual rate of ill-health pension payable under this scheme is the sum of—

- (a) the annual rate of a lower tier earned pension payable under this scheme;
- (b) the annual rate of full retirement earned pension that would, if the member was entitled to payment of an ill-health pension under the PCSPS(NI), be payable to the member at normal pension age under the PCSPS(NI); and
- (c) an amount of pension which is equivalent to the lump sum that would, if the member was entitled to payment of the lump sum, be payable to the member under—
 - (i) rule L.10(2) of Section I of the PCSPS(NI); or
 - (ii) rule 3.1(b) of Section II of that scheme.

(4) If the member meets the upper tier payment threshold, the annual rate of ill-health pension payable under this scheme is the sum of—

- (a) the annual rate of a lower tier earned pension payable under this scheme;
- (b) the annual rate of an upper tier top up earned pension payable under this scheme;
- (c) the annual rate of full retirement earned pension that would, if the member was entitled to payment of an ill-health pension under the PCSPS(NI), be payable to the member at normal pension age under the PCSPS(NI); and
- (d) an amount of pension which is equivalent to the lump sum that would, if the member was entitled to payment of the lump sum, be payable under—
 - (i) rule L.10(2) of Section I of the PCSPS(NI); or
 - (ii) rule 3.1(b) of Section II of that scheme.

(5) If, after the ill-health pension becomes payable under this paragraph, a transfer payment is made from the PCSPS(NI) in respect of the member's rights under that scheme, the scheme manager must deduct from the amount of ill-health pension payable under this paragraph in respect of service in the PCSPS(NI) an amount which is equal to the value of the pension represented by that transfer payment.

Status: This is the original version (as it was originally made).

(6) If the full retirement account specifies an amount of full retirement added pension of any description, the following pensions are payable with the lower tier earned pension—

- (a) the annual rate of full retirement added pension of that description payable under this scheme; and
- (b) the annual rate of full retirement added pension that would, if the member was entitled to payment of an ill-health pension under the PCSPS(NI), be payable to the member with that pension under the PCSPS(NI).

(7) The amount of pension payable under this paragraph which represents the amount that would have been payable under the PCSPS(NI) is subject to the same conditions, and ceases to be payable in the same circumstances, as the pension to which the member would have been entitled under the PCSPS(NI) in accordance with the rules of that scheme.

(8) In this paragraph—

- (a) a reference to the annual rate of a full retirement earned pension payable under the PCSPS(NI) means the annual pension payable under the following provisions—
 - (i) if the member was an active member of Section I of the PCSPS(NI) before becoming an active member of this scheme, rule D1 of that Section;
 - (ii) if the member was an active member of Section II of the PCSPS(NI) before becoming an active member of this scheme, rules 3.1 to 3.3a of that Section;
 - (iii) if the member was an active member of Section III of the PCSPS(NI) before becoming an active member of this scheme, rule E.2 of that Section;
- (b) a reference to full retirement added pension payable under the PCSPS(NI) means added pension payable under the following provisions—
 - (i) if the member was an active member of Section I of the PCSPS(NI) before becoming an active member of this scheme, rule C1.11 of that Section;
 - (ii) if the member was an active member of Section II of the PCSPS(NI) before becoming an active member of this scheme, rule 14.13 of that Section;
 - (iii) if the member was an active member of Section III of the PCSPS(NI) before becoming an active member of this scheme, rule E.2 of that Section; and
- (c) a reference to an ill-health pension payable under the PCSPS(NI) means a pension payable under the following provisions—
 - (i) if the member was an active member of Section I of the PCSPS(NI) before becoming an active member of this scheme, rule D4 of that Section;
 - (ii) if the member was an active member of Section II of the PCSPS(NI) before becoming an active member of this scheme, rules 3.4 to 3.7 of that Section;
 - (iii) if the member was an active member of Section III of the PCSPS(NI) before becoming an active member of this scheme, rules E.7 to E.9 of that Section.

Transition member who has reached normal pension age under the PCSPS(NI)

30.—(1) This paragraph applies in relation to a transition member with continuity of service who is receiving payment of an ill-health pension in accordance with paragraph 29.

(2) When the member reaches normal pension age under the PCSPS(NI)—

- (a) the benefits payable under paragraph 29 in respect of service in the PCSPS(NI) cease to be payable under this scheme; and
- (b) the member becomes entitled under the PCSPS(NI) to the immediate payment of a full retirement earned pension within the meaning of paragraph 29, in accordance with the rules of that scheme.

(3) In calculating the annual rate of full retirement earned pension payable under the PCSPS(NI) for the purposes of sub-paragraph (2)(b), the following are subtracted—

- (a) the commutation amount (if any);
- (b) the amount of pension which is equivalent to a lump sum, paid under paragraph 29(3)(c) or 29(4)(d); and
- (c) an amount equal to any transfer payment made to another scheme before the member reached normal pension age under the PCSPS(NI).

(4) Before the amounts in sub-paragraph (3)(a) and (b) are subtracted they must be increased by the amount by which the annual rate of a pension of that amount would have been increased under the 1971 Act if—

- (a) that pension was eligible to be so increased; and
- (b) the beginning date for that pension was the date that ill-health pension became payable under this scheme.