

SCHEDULES

SCHEDULE 7

Regulations 24(1), 115(5) and (6) and
118(5)

Pension accounts

PART 1

Interpretation

Interpretation

1. In this Schedule—

“index adjustment” means—

- (a) in relation to the opening balance of earned pension for a scheme year (other than the opening balance of club transfer earned pension), the percentage increase or decrease in prices specified in the order made by the Department of Finance and Personal under section 9(2) of the 2014 Act in relation to the previous scheme year, plus 1.5;
- (b) in relation to the opening balance of club transfer earned pension for a scheme year, the adjustment that would apply to the opening balance of that amount of earned pension under the sending scheme for the previous scheme year;

“AP index adjustment” means, in relation to the opening balance of additional pension for a scheme year, the percentage increase or decrease in prices specified in an order made by the Department of Finance and Personnel under section 9(2) of the 2014 Act in relation to the previous scheme year;

“the leaving year” means the scheme year in which the relevant last day falls;

“the relevant last day” means—

- (a) for a member who has made a partial retirement application, the day before the entitlement day for a partial retirement pension; and
- (b) otherwise, the last day of pensionable service.

Pensionable service

2. For the purpose of this Schedule, a person who re-enters pensionable service after a break in service not exceeding 5 years is taken to be in pensionable service during the break.

Meaning of “leaver index adjustment”

3.—(1) The leaver index adjustment for an amount of accrued earned pension other than an amount of club transfer accrued earned pension is an amount calculated as follows—

Step 1

Add 1.5 to the percentage increase or decrease in prices specified in an order made by the Department of Finance and Personnel under section 9(2) of the 2014 Act in relation to the leaving year.

Step 2

Multiply the result at Step 1 by

$$\frac{A}{B}$$

where—

A is the number of complete months in the period between the beginning of the leaving year and the end of the relevant last day; and

B is 12.

The resulting percentage is the leaver index percentage.

Step 3

Multiply the amount of accrued earned pension by the leaver index percentage.

The resulting amount is the leaver index adjustment.

(2) The leaver index adjustment for an amount of club transfer accrued earned pension is the adjustment that would apply under the sending scheme to an amount of accrued earned pension equal to the amount of club transfer accrued earned pension specified in the active member's account at the end of the relevant last day.

(3) In this paragraph, "complete month" includes an incomplete month that consists of at least 16 days.

Meaning of "leaver AP index adjustment"

4.—(1) The leaver AP index adjustment for an amount of accrued additional pension is calculated in accordance with paragraph (2).

(2) The leaver AP index adjustment is an amount equal to the amount of leaver index adjustment found if—

- (a) The accrued additional pension were an accrued earned pension; and
- (b) 1.5 is not added to the percentage increase or decrease in prices specified in an order made by the Department of Finance and Personnel in Step 1 of paragraph 3(1).

Meaning of "full retirement earned pension"

5.—(1) The amount of full retirement earned pension is the sum of—

- (a) the amount of accrued earned pension calculated under paragraph 28(2); and
- (b) the leaver index adjustment for that amount.

(2) In calculating the amount of full retirement earned pension, the leaver index adjustment is not applied to the amount of accrued earned pension if a transfer payment is made in respect of the member's rights to that accrued pension before the end of the last active scheme year.

Meaning of "full retirement additional pension"

6.—(1) The amount of full retirement additional pension is the sum of—

- (a) the amount of accrued additional pension calculated under paragraph 28(3); and
- (b) the leaver AP index adjustment for that amount.

(2) In calculating the amount of full retirement additional pension, the leaver AP index adjustment is not applied to the amount of accrued additional pension if a transfer payment is made in respect of the member's rights to that accrued pension before the end of the last active scheme year.

Meaning of “partial retirement earned pension”

7. The amount of partial retirement earned pension is the sum of—
- (a) the amount of accrued earned pension calculated under paragraph 29(2); and
 - (b) the leaver index adjustment for that amount.

Meaning of “partial retirement additional pension”

8. The amount of partial retirement additional pension is the sum of—
- (a) the amount of accrued additional pension calculated under paragraph 29(3); and
 - (b) the leaver AP index adjustment for that amount.

Meaning of “actuarial reduction”

9.—(1) In these Regulations, “actuarial reduction” means the actuarial reduction that is applied (after obtaining the advice of the scheme actuary) when calculating the annual rate of pension payable to a member who, on the entitlement day for a pension other than a pension specified in sub-paragraph (2) has not reached normal pension age.

- (2) The pensions are—
- (a) an age retirement pension;
 - (b) a premature retirement pension;
 - (c) an ill-health pension.

Meaning of “conversion amount”

10. In these Regulations, “conversion amount”, in relation to any pension converted in part to a lump sum under regulation 76 means the amount of pension converted to a lump sum.

PART 2

Active member's account

Establishment of active members account

11.—(1) A pension account must be established for each active member (“the active member's account”) from the first day of pensionable service under this scheme.

(2) If a person is an active member in relation to more than one employment, only one active member's account is to be established.

(3) The active member's account must remain open until the member leaves all pensionable service under this scheme.

Receipt of club transfer values

12.—(1) This paragraph applies if a club transfer value is received from another club scheme in relation to an active member of this scheme.

(2) On receipt of the transfer value payment, the active member's account must be credited with an amount of club transfer earned pension the member is entitled to under Section 3 of Chapter 2 of Part 7 (transfers).

Amount of pension for a scheme year

13.—(1) This paragraph applies in relation to every scheme year in which an active member's account is open.

- (2) The active member's account must specify—
 - (a) the amount of standard earned pension (if any) for the year; and
 - (b) the amount of club transfer earned pension (if any) for the year.
- (3) The standard earned pension is 1/54th of the member's pensionable earnings for the year.
- (4) The club transfer earned pension—
 - (a) is the amount which the member is entitled to count under Section 3 of Chapter 2 of Part 7 (transfers);
 - (b) must be specified separately in relation to each sending scheme.

Account to specify opening balance and index adjustment

14.—(1) This paragraph applies in relation to every scheme year in which an active member's account is open other than the scheme year in which the account is established.

- (2) The active member's account must specify—
 - (a) the opening balance of standard earned pension for the scheme year and the index adjustment for that opening balance; and
 - (b) the opening balance of the club transfer earned pension (if any) for the scheme year and the index adjustment for that opening balance.
- (3) The opening balance in relation to a description of pension—
 - (a) for the scheme year immediately following the scheme year in which the active member's account is established, means the amount of that pension for the previous scheme year as at the end of the previous scheme year;
 - (b) for any subsequent scheme year, means the sum of the following amounts—
 - (i) the opening balance of that pension for the previous scheme year and the index adjustment for that opening balance; and
 - (ii) the amount of that pension for the previous scheme year as at the end of the previous scheme year.
- (4) In this regulation, "a description of pension" means—
 - (a) standard earned pension; and
 - (b) club transfer earned pension (if any).

Actuarial reduction buy-out

15. In relation to a scheme year which falls within a buy-out period (see regulation 44(6)) the entry in the account relating to the standard earned pension must note—

- (a) that a buy-out election has effect (unless it is revoked); and
- (b) the number of years in respect of which the actuarial reduction is to be bought out.

PART 3

Deferred member's account

Establishment of deferred member's account

16. When an active member leaves all pensionable service and becomes a deferred member—
- (a) the active member's account must be closed; and
 - (b) a pension account for the deferred member must be established ("deferred member's account").

Account to specify amount of accrued earned pension and leaver index adjustment

17. The deferred member's account must specify—
- (a) the amount of accrued earned pension calculated under paragraph 30; and
 - (b) the leaver index adjustment for that amount.

Deferred member's account closed after break not exceeding 5 years

- 18.—(1) If a deferred member re-enters pensionable service under this scheme after a break in service not exceeding 5 years—
- (a) the deferred member's account must be closed; and
 - (b) the active member's account must be re-established.
- (2) The active member's account—
- (a) must specify the amount of accrued earned pension as at the beginning of the break in service; and
 - (b) must be adjusted as if the member had continued as an active member during the break in service but had received no pensionable earnings.

Deferred member's account remains open after a break in service of more than 5 years

- 19.—(1) This paragraph applies if a deferred member re-enters pensionable service under this scheme after a break in service of more than 5 years.
- (2) When the deferred member re-enters pensionable service under this scheme ("the further service")—
- (a) the deferred member's account remains open; and
 - (b) an active member's account must be established in respect of the further service.

PART 4

Pensioner member's account

Pension accounts for active or deferred members who become pensioner members

- 20.—(1) When an active member becomes entitled to payment of a retirement pension other than a partial retirement pension in respect of any pensionable service—
- (a) the active member's account and any additional pension account must be closed; and

- (b) a pension account for the pensioner member must be established (“the pensioner member’s account”).
- (2) When a deferred member becomes entitled to payment of a retirement pension other than a partial retirement pension in respect of any pensionable service—
 - (a) the deferred member’s account and any additional pension account must be closed; and
 - (b) a pension account for the pensioner member must be established (“the pensioner member’s account”).
- (3) The pensioner member’s account must specify—
 - (a) the amount of full retirement earned pension payable to the member, and for that amount—
 - (i) the actuarial reduction (if any);
 - (ii) the late payment actuarial increase (if any); and
 - (iii) the conversion amount (if any);
 - (b) the amount of full retirement additional pension payable to the member, and for that amount—
 - (i) the actuarial reduction (if any);
 - (ii) the late payment actuarial increase (if any); and
 - (iii) the conversion amount (if any); and
 - (c) the amount of an allocation pursuant to an election by the member under regulation 50.

Pension accounts for partial retirement members

- 21.—(1) On the entitlement day for a partial retirement pension—
- (a) a pensioner member’s account must be established for the member (M);
 - (b) if M is an active member, the active member’s account must be adjusted by reducing the amount of accrued earned pension specified in that account by the specified percentage (see regulation 83(3));
 - (c) if M is a deferred member, the deferred member’s account must be adjusted by reducing the amount of accrued earned pension specified in that account by the specified percentage;
 - (d) after the adjustment, Parts 2 and 3 apply in relation to M as if the amount of accrued earned pension specified in the active member’s account or deferred member’s account had always been reduced by the specified percentage; and
 - (e) if M has elected under regulation 83(3)(b) to receive additional pension with the partial retirement earned pension, the additional pension account must be closed.
- (2) The pensioner member’s account must specify—
- (a) the amount of partial retirement earned pension payable to M, and for that amount—
 - (i) the actuarial reduction (if any);
 - (ii) the late payment actuarial increase (if any);
 - (iii) the conversion amount (if any); and
 - (b) the amount of partial retirement additional pension payable to M, and for that amount—
 - (i) the actuarial reduction (if any);
 - (ii) the late payment actuarial increase (if any); and
 - (iii) the conversion amount (if any).
- (3) The entitlement day is the election day for the purposes of regulation 83.

PART 5

Additional pension account

Establishment of additional pension account

22.—(1) An additional pension account must be established for each active member in respect of whom an additional pension election is made.

(2) If the member is an active member in relation to more than one employment, only one additional pension account is to be established.

(3) The additional pension account must remain open until—

- (a) an additional pension is paid in respect of the member;
- (b) a transfer payment is made in respect of the member's rights to the accrued additional pension; or
- (c) all additional pension contributions are refunded under regulation 62 or 66.

(4) The additional pension account must record separately the amount referable to each election made by a member under regulation 54(3)(b) (self and survivor).

Account to specify amount of additional pension

23.—(1) This paragraph applies in relation to every scheme year in which an additional pension election is made.

(2) The additional pension account must specify in relation to any additional pension election made in that scheme year an amount equal to the annual rate of additional (self only) pension specified in the additional pension election.

Account to specify opening balance and AP index adjustment

24.—(1) This paragraph applies in relation to every scheme year in which an additional pension account is open other than the scheme year in which the account is established.

(2) The account must specify the opening balance of additional pension for the scheme year and the AP index adjustment for that opening balance.

(3) The opening balance of additional pension—

- (a) for the scheme year immediately following the scheme year in which the additional pension account is established, means the amount of additional pension specified in the account as at the end of the previous scheme year; and
- (b) for any subsequent scheme year, means the sum of the following amounts—
 - (i) the opening balance of additional pension for the previous scheme year;
 - (ii) the AP index adjustment for that opening balance; and
 - (iii) the amount of additional pension for the previous scheme year.

Partial retirement pension abated to zero

25.—(1) This paragraph applies if—

- (a) an additional pension is payable with a partial retirement pension; and
- (b) the partial retirement pension ceases to be payable under regulation 85(3).

(2) The additional pension account must be re-established and credited with an amount equal to the annual rate of additional (self only) pension

PART 6

Pension credit member's account

Pension credit member's pension account

26.—(1) A pension account must be established for each pension credit member (“the pension credit member’s account”).

(2) The pension credit member’s account must specify the amount of credited pension and for that amount—

- (a) the actuarial adjustment (if any); and
- (b) the conversion amount (if any).

(3) In these Regulations, “amount of credited pension” means an amount equal to the pension credit calculated in accordance with regulations made under paragraph 5(b) of Schedule 5 to the 1999 Order.

Separate account for each capacity of membership

27.—(1) If a pension credit member is also an active member, deferred member or pensioner member, the pension credit member’s account is in addition to the other account or accounts to be established under this Schedule in respect of the member in the other capacity.

(2) If a pension credit member has rights under this scheme which are attributable, directly or indirectly, to pension credit derived from the rights of more than one pension debit member of this scheme, a separate account is to be established under this paragraph in respect of the pension credit attributable to the rights of each such pension debit member.

PART 7

Calculation of accrued pension

Calculation of amount of accrued pension for purposes of full retirement

28.—(1) For the purpose of a full retirement pension, the amount of accrued pension is the sum of—

- (a) the amount of accrued earned pension under sub-paragraph (2); and
- (b) the amount of accrued additional pension (if any) under sub-paragraph (3).

(2) The amount of accrued earned pension is the sum of the following amounts specified in the active member’s account as at the end of the last day of pensionable service—

- (a) the opening balance of standard earned pension for the last active scheme year and the index adjustment for that opening balance;
- (b) the amount of standard earned pension (if any) for the last active scheme year;
- (c) the opening balance of club transfer earned pension (if any) for the last active scheme year and the index adjustment for that opening balance; and
- (d) the amount of club transfer earned pension (if any) for the last active scheme year.

(3) The amount of accrued additional pension is—

- (a) the sum of the following amounts specified in the additional pension account as at the end of the last day of pensionable service—

- (i) the opening balance of additional pension for the last active scheme year; and
 - (ii) the AP index adjustment (if any) for that opening balance; or
- (b) an amount determined by the scheme manager under regulation 55.

Calculation of amount of accrued pension for purpose of partial retirement

29.—(1) For the purpose of a partial retirement pension, the amount of accrued pension is the sum of—

- (a) the amount of accrued earned pension under sub-paragraph (2); and
- (b) if a member claims payment of additional pension under regulation 84(2)(c), the amount of accrued additional pension under sub-paragraph (3).

(2) The amount of accrued earned pension is the partial retirement proportion of the sum of the following amounts specified in the active member's account as at the end of the relevant last day—

- (a) the opening balance of standard earned pension for the leaving year and the index adjustment for that opening balance;
- (b) the amount of standard earned pension for the relevant year;
- (c) the opening balance of club transfer earned pension (if any) for the leaving year and the index adjustment for that opening balance;
- (d) the amount of club transfer earned pension (if any) for the relevant year.

(3) The amount of accrued additional pension is—

- (a) the sum of the following amounts specified in the additional pension account as at the end of the relevant last day—
 - (i) the opening balance of additional pension for the relevant year; and
 - (ii) the AP index adjustment (if any) for that opening balance; or
- (b) an amount determined by the scheme manager under regulation 55.

(4) The relevant year is the year in which the member makes an election under regulation 83.

Calculation of amount of accrued pension for purposes of deferment

30.—(1) For the purpose of a deferred member's account, the amount of accrued earned pension is the sum of the following amounts specified in the active member's account as at the end of the last day of pensionable service—

- (a) the opening balance of standard earned pension for the last active scheme year and the index adjustment for that opening balance;
- (b) the amount of standard earned pension (if any) for the last active scheme year;
- (c) the opening balance of club transfer earned pension (if any) for the last active scheme year and the index adjustment for that opening balance; and
- (d) the amount of club transfer earned pension (if any) for the last active scheme year.