

SCHEDULES

SCHEDULE 1

Amendments to the 2015 Scheme

4. In Part 5 (retirement benefits) in Chapter 2—
 - (a) in regulation 68 (annual rate of retirement pension (active members))—
 - (i) in paragraph (2) for “paragraphs (a), (b) and (c)” substitute “paragraphs (a), (b), (ba) and (c)”;
 - (ii) after paragraph (2)(b), insert—
 - “(ba) the sum of—
 - (i) the equivalent amount to the NFPS lower tier ill-health pension (if any) or the equivalent amount to the FPS lower tier ill-health pension (if any) specified in the member’s retirement account,
 - (ii) subtracting the commutation amount (if any) specified in that account in relation to that amount; and”;
 - (b) in regulation 70 (employer initiated retirement) after paragraph (2) insert—

“(3) Where an employer is considering making the determination in paragraph (2) in respect of an active member who is a connected member of the NFPS, or a connected special member of the NFPS, in relation to that active member’s pension account, the employer must also consider making a determination under article 16 (pension on Board-initiated early retirement) of Part 3 of the NFPS.”;
 - (c) in regulation 73 (entitlement to lower tier ill-health pension and to higher tier ill-health pension), after paragraph (3) insert—

“(4) Where an active member (A) is entitled to a lower tier ill-health pension and paragraph 22 (transition member who has not reached normal pension age under the NFPS) or paragraph 24 (transition member who has not reached normal pension age under the FPS) of Schedule 2 applies in relation to A—
 - (a) if paragraph 22 applies in relation to A, A is also entitled to an amount equivalent to the annual amount of a lower tier ill-health pension that would, if the member were entitled to payment of a lower tier ill-health pension under article 12(2) of the NFPS, be payable to the member under the NFPS;
 - (b) if paragraph 24 applies in relation to A, A is also entitled to an amount equivalent to the annual amount of a lower tier ill-health pension that would, if the member were entitled to payment of a lower tier ill-health pension under article 15 (ill-health awards) of the FPS, be payable to the member under the FPS.

(5) In these Regulations—
 - (a) the amount equivalent to the annual amount of a lower tier ill-health pension in sub-paragraph (a) of paragraph (4) is referred to as the “equivalent amount to the NFPS lower tier ill-health pension”;

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- (b) the amount equivalent to the annual amount of a lower tier ill-health pension in sub-paragraph (b) of paragraph (4) is referred to as the “equivalent amount to the FPS lower tier ill-health pension”.”;
- (d) in regulation 74 (annual rate of ill-health awards)—
 - (i) after paragraph (3) insert—

“(3A) In the case of a member who is entitled to an equivalent amount to the NFPS lower tier ill-health pension or to an equivalent amount to the FPS lower tier ill-health pension, the adjusted lower tier ill-health pension includes the adjusted equivalent amount.”;
 - (ii) after the definition of “the adjusted lower tier ill-health pension” insert—

““the adjusted equivalent amount” means—

 - (a) in the case of a member who is entitled to an equivalent amount to the NFPS lower tier ill-health pension, that amount calculated—
 - (i) excluding from the calculation the amount of any additional period of service purchased under Part 11 of the NFPS, and
 - (ii) without the deduction of any commuted portion;
 - (b) in the case of a member who is entitled to the equivalent amount to the FPS lower tier ill-health pension, that amount calculated without the deduction of any commuted portion.”;
- (e) in regulation 77 (consequence of review) after paragraph (6) insert—

“(6A) Where L is entitled to an equivalent amount to the NFPS lower tier ill-health pension or to an equivalent amount to the FPS lower tier ill-health pension, paragraphs (3) and (5) apply as if the reference to “lower tier ill-health pension” included an equivalent amount to the NFPS lower tier ill-health pension or an equivalent amount to the FPS lower tier ill-health pension, as the case may be.”;
- (f) after regulation 79 (option to commute part of pension), insert—

“Option to commute part of an equivalent amount

79A.—(1) A member who becomes entitled to the immediate payment of an equivalent amount to the NFPS lower tier ill-health pension or to an equivalent amount to the FPS lower tier ill-health pension may opt under this regulation to exchange part of the pension for a lump sum.

- (2) The option may only be exercised—
 - (a) by written notice to the scheme manager which sets out the amount to be commuted; and
 - (b) before the first payment of the equivalent amount to the NFPS lower tier ill-health pension or to an equivalent amount to the FPS lower tier ill-health pension is made.
- (3) Where the person is entitled to the immediate payment of an equivalent amount to the NFPS lower tier ill-health pension and exercises the option to commute under this article, the lump sum is calculated—
 - (a) in the case of a person who is a connected member of the NFPS in accordance with paragraphs (2) and (4) of article 19 (commutation: general) of Part 3 of the NFPS, and

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- (b) in the case of a person who is a connected special member of the NFPS in accordance with paragraphs (2A), (4) and (4A) of article 19(1) of Part 3 of that Scheme.”.

(1) Paragraphs (2A) and (4A) were inserted by [S.R. 2015 No. 9](#).