

## SCHEDULE 1

### THE NEW FIREFIGHTERS' PENSION SCHEME (SCOTLAND)

#### PART 3

#### PERSONAL AWARDS

##### **Commutation: general**

**9.**—(1) Subject to paragraphs (3) and (4), a person entitled or prospectively entitled to any pension under this Part may commute a portion of it (“the commuted portion”) for a lump sum.

(2) The lump sum shall be calculated by multiplying by 12 the amount of the person’s pension represented by the commuted portion at the date of retirement.

(3) A person taking ill-health retirement may not commute any portion of a higher tier ill-health pension.

(4) The commuted portion must not exceed—

(a) in a case to which rule 5(4) or (5) of this Part applies, one quarter of the amount of the pension calculated in accordance with that paragraph; or

(b) in any other case, one quarter of the amount to which the person is entitled by way of pension.

(5) In order to commute a portion of a pension a person must—

(a) not earlier than four months before the date on which the person intends to retire; but

(b) not later than the day before the pension comes into payment,

give the authority written notice of commutation specifying the commuted portion.

(6) Notice of commutation takes effect on the day of the person’s retirement (“the effective date”).

(7) The authority shall—

(a) from the effective date, reduce the person’s pension by the commuted portion; and

(b) as soon as reasonably practicable after the effective date, pay the lump sum.

(8) In relation to a deferred pension, a pension on member-initiated early retirement, a pension on authority-initiated early retirement, or either or both of the two pensions referred to in rule 7 of this Part, paragraphs (6) and (7) of this rule have effect as if references to the day of retirement and the effective date were references to the date on which the pension comes into payment.

(9) For the purposes of this rule—

(a) the pension of a pension debit member shall be taken to be the amount of the pension after reduction in accordance with rule 12 of this Part; and

(b) no account shall be taken of any increase under rule 2 or 3 of Part 7 of the Compensation Scheme in an award to a serviceman.