

SCHEDULE 3

Payments for added pension

PART 3

Periodical payments for added pension

Application of Part

6. This Part applies in relation to an active member of this scheme who opts to make periodical payments for added pension under this scheme.

Member's option to make periodical payments for added pension

7.—(1) The option notice must specify—

- (a) the periodical payment period; and
- (b) the amount of the periodical payment to be deducted by the member's employer from the member's pay in each pay period.

(2) The amount of the periodical payment may be expressed as—

- (a) a percentage of the amount of a payment of the member's pensionable earnings; or
- (b) a fixed sum.

(3) The amount of the periodical payment must not be less than any minimum amount determined by the scheme manager.

Cancellation of option by member

8.—(1) The member may, by written notice to the scheme manager, cancel the option at any time during the periodical payment period ("notice of cancellation").

(2) If the member cancels the option, the periodical payments cease to be payable from the beginning of the next scheme year after the scheme manager receives the notice of cancellation.

Periodical payments

9.—(1) The periodical payments are payable by deduction by the member's employer from the member's pay during the periodical payment period.

(2) The periodical payment period—

(a) begins with—

- (i) if the member exercises the option within 3 months after joining this scheme, the first appropriate pay period beginning on or after the date on which the scheme manager receives the option notice; or
- (ii) in any other case, the first appropriate pay period of the scheme year beginning on or after the date on which the scheme manager receives the option notice; and

(b) ends on the earlier of—

- (i) the date on which the member ceases to be an active member of this scheme; and
- (ii) the date specified in the option notice.

(3) Subject to sub-paragraph (4), during a period of assumed pay the member may—

- (a) stop the periodical payments; or
 - (b) continue the periodical payments as if the member were receiving pensionable earnings at the rate that applied at the beginning of the period of assumed pay.
- (4) During any period in which the member is receiving statutory maternity pay within the meaning of the Social Security Contributions and Benefits Act 1992(1) or is on paid maternity leave, paid adoption leave, paid maternity support leave or paid adoption support leave, the member may—
- (a) stop the periodical payments; or
 - (b) make periodical payments of an amount determined by reference to the member’s actual pay during that period.
- (5) If a member stops the periodical payments during a period of assumed pay, the member may by written notice to the scheme manager resume the periodical payments in the next pay period after the period of assumed pay ends.

Amount of added (self only) pension for a scheme year (periodical payments)

- 10.—(1) This paragraph applies in relation to each scheme year during which a member makes periodical payments to increase the member’s retirement benefits only.
- (2) An amount of added (self only) pension is credited to the active member’s account for that scheme year.
- (3) The amount is determined by the scheme manager in accordance with actuarial tables, having regard to the cost in the scheme year of providing retirement benefits to a person of the member’s age and gender.

Amount of added (all beneficiaries) pension for a scheme year (periodical payments)

- 11.—(1) This paragraph applies in relation to each scheme year during which a member makes periodical payments to increase—
- (a) the member’s retirement benefits; and
 - (b) death benefits payable in respect of the member.
- (2) An amount of added (all beneficiaries) pension is credited to the active member’s account for that scheme year.
- (3) The amount is determined by the scheme manager in accordance with actuarial tables, having regard to the cost in the scheme year of providing retirement benefits to—
- (a) a person of the member’s age; and
 - (b) dependants of a person of that age.

(1) 1992 c.4.