

Changes to legislation: Pensions Act 2008, Part 2 is up to date with all changes known to be in force on or before 19 March 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 5

PENSION COMPENSATION PAYABLE ON DISCHARGE OF PENSION COMPENSATION CREDIT

Modifications etc. (not altering text)

- C1** Sch. 5 applied (24.7.2014) by [The Pensions Act 2011 \(Transitional, Consequential and Supplementary Provisions\) Regulations 2014 \(S.I. 2014/1711\)](#), regs. 1(1), **42(1)**, 53, 57 (with regs. 6, 41, 44(1), 47(1), 69(2), 72(1), 76(1)); coming into force immediately after s. 29 of 2011 c 19 - see S.I. 2014/1683, art. 2

PART 2

TRANSFeree ATTAINS PENSION COMPENSATION AGE BEFORE OR ON TRANSFER DAY

Compensation payable to transferee

- 4 (1) Compensation is payable in accordance with this paragraph where the transferee attains pension compensation age before or on the transfer day.
- (2) The transferee is entitled to periodic compensation commencing on the transfer day and continuing for life.
- (3) The annual rate of the periodic compensation is the aggregate of—
- (a) the initial annual rate of compensation,^{F1}...
 - [^{F2}(aa) if the commencement of periodic compensation under this paragraph has been postponed for any period by virtue of paragraph 16A, the amount of the actuarial increase under that paragraph, and]
 - (b) any increases under paragraph 17 (annual increases in periodic compensation).
- (4) This paragraph is subject to [^{F3}paragraph 16A (postponement of compensation) and] paragraph 18 (compensation cap).

Textual Amendments

- F1** Word in Sch. 5 para. 4(3)(a) omitted (13.3.2013) by virtue of [Pensions Act 2011 \(c. 19\)](#), s. 38(4), [Sch. 4 para. 31\(1\)\(a\)](#); S.I. 2013/585, art. 2(b)(iii)
- F2** Sch. 5 para. 4(3)(aa) inserted (13.3.2013) by [Pensions Act 2011 \(c. 19\)](#), s. 38(4), [Sch. 4 para. 31\(1\)\(b\)](#); S.I. 2013/585, art. 2(b)(iii)
- F3** Words in Sch. 5 para. 4(4) inserted (13.3.2013) by [Pensions Act 2011 \(c. 19\)](#), s. 38(4), [Sch. 4 para. 31\(2\)](#); S.I. 2013/585, art. 2(b)(iii)

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Compensation payable to widow, widower or surviving civil partner

- 5 (1) This paragraph applies where —
- (a) the transferee dies after liability in respect of the pension compensation credit has been discharged under section 116,
 - (b) the transferee was before death entitled under paragraph 4 to periodic compensation commencing on the transfer day, and
 - (c) the transferee is survived by a widow, widower or surviving civil partner (“the surviving partner”).
- (2) Subject to sub-paragraph (4), the surviving partner is entitled to periodic compensation commencing on the day following the transferee's death and continuing for life.
- (3) The annual rate of the periodic compensation at any time is half of the annual rate of the periodic compensation (including [^{F4}any actuarial increase under paragraph 16A and] any increases under paragraph 17) to which the transferee would at that time have been entitled under paragraph 4 had the transferee not died.
- [^{F5}(3A) If, on the day the transferee (“T”) died, commencement of T's periodic compensation under paragraph 4 was postponed by virtue of paragraph 16A, assume for the purposes of sub-paragraph (3) that the periodic compensation commenced immediately before the date of T's death.]
- (4) The surviving partner is not entitled to periodic compensation under this paragraph in such circumstances as may be prescribed.

Textual Amendments

- F4** Words in Sch. 5 para. 5(3) inserted (13.3.2013) by *Pensions Act 2011 (c. 19)*, s. 38(4), **Sch. 4 para. 32(1)(a)**; S.I. 2013/585, art. 2(b)(iii)
- F5** Sch. 5 para. 5(3A) inserted (13.3.2013) by *Pensions Act 2011 (c. 19)*, s. 38(4), **Sch. 4 para. 32(1)(b)**; S.I. 2013/585, art. 2(b)(iii)

Commencement Information

- I1** Sch. 5 para. 5 wholly in force at 6.4.2011; para. 5 in force for certain purposes at Royal Assent see s. 149(2)(k); para. 5 in force so far as not already in force at 6.4.2011 by S.I. 2011/664, **art. 2(3)**, Sch. Pt. 2

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 3(1A) inserted by [2023 c. 44 s. 1\(2\)](#)
- s. 5(1C) inserted by [2023 c. 44 s. 1\(3\)](#)
- s. 13(3)(ec) inserted by [2023 c. 20 Sch. para. 56](#)
- s. 13A inserted by [2023 c. 44 s. 1\(4\)](#)
- s. 24(1)(c) inserted by [2015 c. 8 Sch. 2 para. 43\(2\)\(d\)](#)
- s. 143(6)(7) inserted by [2023 c. 44 s. 1\(5\)\(b\)](#)