
STATUTORY INSTRUMENTS

1995 No. 300

The National Health Service Pension Scheme Regulations 1995

PART N

Transfers from other pension arrangements

Member's right to transfer accrued rights to benefits to the scheme

N1.—(1) Within 12 months after joining the scheme, a member in pensionable employment may, in writing, request the Secretary of State to accept a transfer payment in respect of the member's rights under another occupational pension scheme, a personal pension scheme, or a buy-out policy (but not in respect of rights under a scheme that is approved by the Commissioners of Inland Revenue by virtue of section 591(2)(h) of the Income and Corporation Taxes Act 1988 (free-standing AVC schemes)).

(2) The Secretary of State shall not accept the transfer payment unless—

- (a) the transferring scheme or insurance company provides all the information about the member's rights that the Secretary of State reasonably requires; and
- (b) the amount of the transfer payment is at least equal to the yearly rate of the guaranteed minimum pension for which the Secretary of State would be liable as a result of accepting the transfer payment, multiplied by the factor appropriate to the member's age, as set out in the following table.

<i>member's age</i>	<i>appropriate factor</i>
29 or under	8
30 — 39	9
40 — 49	10
50 or over	12

(3) The Secretary of State shall not accept the transfer payment if—

- (a) the member joins the scheme, or requests the Secretary of State to accept the transfer payment, after reaching age 60, or
- (b) the request is made following a notice given under regulation B4(5) (opted-out person rejoining the scheme) in circumstances where the member had a previous opportunity to request the Secretary of State to accept a transfer payment in respect of those same rights but did not take that opportunity.

(4) If the Secretary of State accepts the transfer payment, the member will be credited with an additional period of pensionable service as described in whichever of regulations N2 (transfers made under the Public Sector Transfer Arrangements) and N3 (transfers that are not made under the Public Sector Transfer Arrangements) is applicable.

(5) For the purposes of calculating a member's final year's pensionable pay, any period of pensionable service with which a member is credited in respect of a transfer payment will be treated

as pensionable employment and the pensionable pay by reference to which that service is calculated will be treated as pensionable pay received in respect of that employment.

Transfers made under the Public Sector transfer Arrangements

N2.—(1) Subject to paragraph (2), if the transfer is from another occupational pension scheme that participates in the Public Sector Transfer Arrangements, the additional period of pensionable service to be credited to the member in respect of the transfer payment will be equal to the period that, if used to calculate a cash equivalent under regulation M3 (amount of member’s cash equivalent), would produce an amount equal to the amount of the transfer payment.

(2) Paragraph (1) applies only if the transfer payment—

- (a) represents all the member’s rights to benefits under the transferring scheme; and
- (b) is calculated in a manner that is consistent with the actuarial methods and assumptions used by the Secretary of State to calculate cash equivalents under regulation M3 in the case of transfers under the Public Sector Transfer Arrangements.

(3) For the purpose of calculating the additional period of pensionable service under paragraph (1), regard shall be had to the member’s age and marital status, and to the yearly rate of pay and any other factor notified to the Secretary of State by the trustees or managers of the transferring scheme as having been taken into account for the purpose of calculating the amount of the transfer payment.

Transfers that are not made under the Public Sector Transfer Arrangements

N3.—(1) Except where regulation N2 (transfers made under the Public Sector Transfer Arrangements) applies, the additional period of pensionable service to be credited to the member in respect of the transfer payment will be calculated in a manner that is consistent with the actuarial methods and assumptions used by the Secretary of State to calculate cash equivalents under regulation M3 (amount of member’s cash equivalent), in the case of transfers that are not made under the Public Sector Transfer Arrangements.

(2) When calculating the additional period of pensionable service under paragraph (1), due allowance shall be made for the expected increase in the pensionable pay of all members of the same age as the member in respect of whom the transfer payment is being accepted between the date on which that member joins the scheme (or the date on which the transfer payment is accepted, if that is more than 12 months later) and the date on which the member will reach age 60.

Transfers in respect of more than one member

N4.—(1) The Secretary of State may, after taking advice from the Government Actuary, accept a single transfer payment from another occupational pension scheme, in respect of two or more members, if each of those members consent.

(2) Where the Secretary of State accepts a single transfer payment in respect of two or more members, each such member shall be credited with an additional period of pensionable service, calculated by the Secretary of State on the advice of the Government Actuary.

Waiver of transfer payments

N5.—(1) The Secretary of State may waive payment of any transfer payment.

(2) If the Secretary of State waives payment of any transfer payment, regulations N1 to N4 will apply as if the transfer payment had been accepted.