

SCHEDULE 7

Regulation D3

RECKONABLE SERVICE ARISING FROM PAYMENT OF ADDITIONAL CONTRIBUTIONS IN RESPECT OF PAST PERIODS

1.—(1) In paragraphs 1 to 7 of this Schedule—

“the principal election” means the election under regulation C4(2);

“the past period” means the period specified under regulation C4(7)(a);

“the contribution period” means the period specified under regulation C4(7)(c);

“full-time contributor” means a person who has paid or is paying additional contributions for a past period under Part I of Schedule 4 and has not been in part-time pensionable employment during any part of the contribution period;

“part-time contributor” means a person who has paid or is paying additional contributions for a past period under Part I of Schedule 4 and has been in part-time pensionable employment at some time during the contribution period;

(2) Any reference in this Schedule, in relation to a part-time contributor to a period which a person is entitled to count as reckonable service arising from the contribution period or any part of it is a reference to a period calculated by applying the formula in regulation D1(2) to the contribution period or part of it.

2. Where a person—

- (a) is a full-time contributor who has completed payment of additional contributions;
- (b) is a full-time contributor who ceased to be in pensionable employment before the end of the contribution period and has made a payment under paragraph 8(3) or 8(4) of Schedule 4, or
- (c) is a part-time contributor who was in pensionable employment at the end of the contribution period, whose principal election has not ceased to have effect under paragraph 7 of Schedule 4 and who has made a payment under paragraph 6(1) of Schedule 4, or
- (d) is a part-time contributor who ceased to be in pensionable employment before the end of the contribution period and has made a payment under paragraph 9(5) of Schedule 4, or
- (e) has completed payment of additional contributions in accordance with Schedule 5,

he shall be entitled to count the past period as reckonable service.

3.—(1) This paragraph applies when a person—

- (a) is a part-time contributor who was in pensionable employment at the end of the contribution period, whose principal election has not ceased to have effect under paragraph 7 of Schedule 4 and who has not made a payment under paragraph 6 of Schedule 4,
- (b) is a full-time or part-time contributor who ceases to be in pensionable employment before the end of the contribution period, does not again enter such employment within one month and before becoming entitled to payment of retirement benefits and does not make any payment under paragraph 8, 9, 10 or 12 of Schedule 4, or
- (c) is a part-time contributor who ceases to be in pensionable employment before the end of the contribution period and makes a payment under paragraph 9(3) or 9(4) of Schedule 4,

and where neither paragraphs 4 nor 5 apply.

(2) The person is entitled to count as reckonable service

$A \times C$

B

where—

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A is the past period,
 B is the contribution period, and
 C is determined in accordance with sub-paragraph (3).

(3) The value of C is as follows—

- (a) where the person falls within sub-paragraph (1)(a), C is the period which the person is entitled to count as reckonable service which arises from the contribution period,
- (b) where the person falls within sub-paragraph (1)(b) and is a full-time contributor, C is so much of the contribution period as has elapsed when the pensionable employment ended;
- (c) where the person falls within sub-paragraph (1)(b) and is a part-time contributor, C is the period which the person is entitled to count as reckonable service which arises from so much of the contribution period as has elapsed when the pensionable employment ended;
- (d) where the person falls within sub-paragraph (1)(c) and makes a payment under paragraph 9(3) of Schedule 4, C is so much of the contribution period as has elapsed when the pensionable employment ended; and
- (e) where the person falls within sub-paragraph (1)(c) and makes a payment under paragraph 9(4) of Schedule 4, C is the aggregate of—
 - (i) the period which the person is entitled to count as reckonable service which arises from so much of the contribution period as has elapsed when the pensionable employment ended, and
 - (ii) the period from the date when the pensionable employment ended to the end of the contribution period.

4.—(1) This paragraph applies to a full-time or part-time contributor who falls within paragraph 3(1)(b) and who, when his pensionable employment ended, was incapacitated and had not attained the age of 60.

(2) In this paragraph A and B have the same meanings as in paragraph 3.

(3) If the person was a full-time contributor he is entitled to count as reckonable service—

- (a) where the contribution period would not have expired before he attained the age of 60—

$$A \times \frac{D}{B}$$

where

D is the period from the start of B to his 60th birthday, or

- (b) in any other case, A.

(4) If the person was a part-time contributor he is entitled to count as reckonable service—

- (a) where the contribution period would not have expired before he attained the age of 60—

$$A \times \frac{D}{B}$$

where

D is the aggregate of—

- (i) the period which he is entitled to count as reckonable service which arises from so much of the contribution period as had elapsed when the pensionable employment ended, and
- (ii) the period from the date when the pensionable employment ended to his 60th birthday, or

- (b) in any other case

$$A \times \frac{E}{F}$$

where—

E is the period which he is entitled to count as reckonable service which arises from so much of the contribution period as had elapsed when the pensionable employment ended,

F is so much of the contribution period as elapsed when the pensionable employment ended.

5. If a person had elected under paragraph 4 of Schedule 4 to shorten the contribution period—

- (a) he is in any case entitled to count as reckonable service

$$\frac{A \times H}{G}$$

where

G is the original contribution period and H is so much of it as had elapsed by the effective date of the election, and

- (b) paragraphs 3 and 4 have effect with the substitution;

- (i) as A, of

$$A - \left(\frac{A \times H}{G} \right),$$

- (ii) as B, of the shortened contribution period,

- (iii) as D, of the period from the effective date of the election to his 60th birthday, and

- (c) the definition of C in paragraph 3(3) shall have effect with the substitution for the words “the contribution period” of the words “the shortened contribution period”.

6.—(1) This paragraph applies where a full-time or part-time contributor revokes his election made under regulation C4 in accordance with paragraph (10) of that regulation.

- (2) Where this paragraph applies, the person is entitled to count as reckonable service—

$$\frac{A \times C}{B}$$

where

A is the past period

B is the contribution period, and

C is—

- (a) where the person is a full-time contributor, so much of B as had elapsed by the first day of the month following the date on which the revocation of that election has effect in accordance with regulation C4(11), and
- (b) where the person is a part-time contributor, the period which the person is entitled to count as reckonable service which arises from so much of the contribution period as had elapsed by the date referred to in (a) above.

7.—(1) This paragraph applies where a lump sum equal to the retirement lump sum that would otherwise have been receivable is paid under paragraphs 10 to 12 of Schedule 4.

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- (2) Where this paragraph applies, the person is entitled to count as reckonable service—
- (a) the period he would have been entitled to count under paragraph 3 if the lump sum had not been paid, and
 - (b) a period of

$$\frac{\frac{A}{B - \frac{3 \times D}{C}}}{80}$$

years, where

A is the retirement lump sum,

B is the lump sum that would have been payable under paragraph 8 or 9(5) of Schedule 4,

C is so much of the past period as he is not entitled to count under (a) above, and

D is his average salary.

8.—(1) This paragraph applies where a person paying additional contributions in accordance with Method 1, as described in paragraph 1 of Schedule 5, elects to cease to pay such contributions in accordance with paragraph 4 of that Schedule.

- (2) Where this paragraph applies, the person is entitled to count as reckonable service—

$$A \times \frac{C}{B}$$

where—

A is the number of years (or part thereof) elected to be purchased,

B is the period for which contributions were payable, and

C is so much of B as had elapsed by the date on which the election has effect in accordance with paragraph 4(2) of Schedule 5.

9.—(1) This paragraph applies where a person is continuing to pay contributions in accordance with Method 3 as described in paragraph 5 of Schedule 5 and—

- (a) before the end of the contribution period they cease to be payable, and
- (b) he does not make a lump sum payment under paragraph 6 of Schedule 5.

- (2) Subject to sub-paragraph (3), the person is entitled to count as reckonable service

$$A \times \frac{B}{C},$$

where—

A is the period in respect of which the contributions were being paid,

B is the number of instalments he has paid, and

C is the number of instalments he would have paid if the contributions had not ceased to be payable.

- (3) Where the contributions cease to be payable by reason of his—

- (a) dying, or
- (b) becoming incapacitated before attaining the age of 60,

he is entitled to count as reckonable service the whole of the period in respect of which the contributions were being paid.

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10.—(1) This paragraph applies where a person who is, in accordance with paragraph 7 of Schedule 5, continuing to pay contributions which he began to pay before 1973—

- (a) before attaining the age of 60 ceases to be in pensionable employment, and
 - (b) does not then become entitled to payment of retirement benefits under regulation E4(4) (incapacity) or to a short-service incapacity grant under regulation E17.
- (2) The person is entitled to count as reckonable service

$$A \times \frac{B}{C},$$

where—

A is the period in respect of which the contributions were being paid,

B is the period during which they were paid, and

C is the period from the start of B to his 60th birthday.

11.—(1) This paragraph applies where a person is continuing to pay contributions in accordance with paragraph 8 of Schedule 5 and—

- (a) ceases to be in full-time employment before the end of the period for which the contributions were payable (“the contribution period”); and
 - (b) does not again enter such employment within one month and before becoming entitled to payment of retirement benefits, and no lump sum payment is made under paragraph 9(3) of Schedule 5.
- (2) Subject to sub-paragraph (4), the person is entitled to count as reckonable service—

$$A \times \frac{C}{B}$$

where—

A is the past period,

B is the contribution period, and

C is so much of B as had elapsed when the pensionable employment ended.

(3) This sub-paragraph applies where—

- (a) when the pensionable employment ended the person was incapacitated and had not attained the age of 60, or
- (b) he died while in pensionable employment, or
- (c) he dies within 3 months after the end of the pensionable employment without having made an election under paragraph 9(3) of Schedule 5.

(4) Where sub-paragraph (3) applies—

- (a) if, when the pensionable employment ended, at least one year of the contribution period had elapsed he is entitled to count the whole of the past period as reckonable service, and
- (b) in any other case, he is not entitled to count any period as reckonable service and the additional contributions paid are to be refunded.