

SCHEDULES

SCHEDULE 5

PENSIONS: MISCELLANEOUS AMENDMENTS AND ALTERNATIVE TO ANTI-FRANKING RULES

PART I

MISCELLANEOUS AMENDMENTS

Transfer values where pension in payment

5.—(1) In section 93(2) of the Pension Schemes Act (calculation of cash equivalents), for “and” at the end of paragraph (a) there shall be substituted—

“(aa) for a cash equivalent, including a guaranteed cash equivalent, to be reduced so as to take account of the extent (if any) to which an entitlement has arisen under the scheme to the present payment of the whole or any part of—

(i) any pension; or

(ii) any benefit in lieu of pension; and”.

(2) In section 94(7) of that Act (variation and loss of rights under section 90)—

(a) after “right” there shall be inserted “if”; and

(b) paragraph (a) shall cease to have effect.

(3) In Article 121(1) of the Pensions Order (interpretation of Part II), in the definition of “pensioner member”, after “other benefits” there shall be inserted “and who is not an active member of the scheme”.

(4) Sub-paragraph (2) has effect in relation to any case in which the whole or any part of a pension or other benefit becomes payable on or after the coming into operation of that sub-paragraph.