

SCHEDULES

SCHEDULE 2

Section 9.

EARNINGS FACTORS AND TRANSFER VALUES

PART I

EARNINGS FACTORS

- 1 (1) In section 13 of the Social Security Act 1975—
 - (a) in subsection (5) (earnings factors to be expressed as whole numbers of pounds), after the word “shall”, in the first place where it occurs, there shall be inserted the words “, subject to subsection (5ZA) below,”; and
 - (b) the following subsection shall be inserted after that subsection—

“(5ZA) Subsection (5) above does not require earnings factors which have been revalued for the purpose of calculating guaranteed minimum pensions to be expressed as whole numbers of pounds.”
- (2) In subsection (5) of section 35 of the Social Security Pensions Act 1975 (earner’s guaranteed minimum), after the word “by” there shall be inserted the words “the same percentage as that prescribed for the increase of earnings factors by”.
- (3) This paragraph shall be deemed to have come into force on 6th April 1979.
- 2 The following section shall be inserted after section 60A of the Social Security Pensions Act 1975—

“60B Guaranteed minimum pensions attributable in part to period before 1988–1989

Where a guaranteed minimum pension is attributable in part to earnings factors for the period before the tax year 1988–1989 and in part to earnings factors for that tax year or for that tax year and subsequent tax years, the pension shall be calculated by applying section 60A above separately to the amount attributable to the period before the tax year 1988–1989 and to the amount attributable to that and subsequent tax years and then aggregating the two amounts so calculated.”

PART II

TRANSFER VALUES

- 3 In paragraph 12 of Schedule 1A to the Social Security Pensions Act 1975—
 - (a) in sub-paragraph (2), in the definition of “relevant date”, after the word “means” there shall be inserted the words “, subject to regulations under sub-paragraph (2C) below,”; and

Status: This is the original version (as it was originally enacted).

- (b) the following sub-paragraph shall be inserted after sub-paragraph (2B)—
- “(2C) Regulations —
- (a) may provide that a right at the relevant date to the cash equivalent of any part of the benefits specified in sub-paragraph (1) above which but for regulations under the foregoing provisions of this paragraph a member would have on the termination of his pensionable service in an employment to which a scheme applies shall, if his employment terminates at least one year before normal pension age, accrue to him on the date when it terminates and be valued accordingly; and
 - (b) may substitute, in relation to any case to which the regulations apply—
 - (i) a new definition of the “relevant date” for the definition in sub-paragraph (2) above, and
 - (ii) a new definition of “the last option date” for the definition in paragraph 15(2) below.”