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STATUTORY INSTRUMENTS

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**2006 No. 2931**

**The Employment Equality (Age)  
(Amendment No.2) Regulations 2006**

**Early retirement**

**11.**—(1) For paragraph 12 of Schedule 2 (reductions for early retirement) substitute—

“**12.**—(1) Subject to sub-paragraph (4), a minimum age for any member of a scheme to be entitled to a particular age related benefit that is paid in accordance with sub-paragraph (2) and is paid—

- (a) either with or without consent (whether of an employer, the trustees or managers of the scheme or otherwise), and
- (b) before the early retirement pivot age relevant to that age related benefit.

(2) The age related benefit must—

- (a) be actuarially reduced on the basis that the aim is to reflect that it is paid on a date before the applicable early retirement pivot age; and
- (b) not be enhanced by crediting the member with any additional periods of pensionable service or additional benefits.

(3) Sub-paragraph (1) shall also apply to different minimum ages for different groups or categories of members.

(4) Sub-paragraph (1) shall not apply to any member who retires on the grounds to which paragraph 13, 13A or 15 apply.”.

(2) For paragraph 13 of Schedule 2 (enhancements for early retirement) substitute—

“**13.**—(1) A minimum age for any active or prospective members of a scheme for payment of or entitlement to a particular age related benefit before the early retirement pivot age relevant to that age related benefit where—

- (a) the entitlement to the age related benefit at a minimum age applies to a member who is an active or prospective member of the scheme on 1st December 2006;
- (b) the age related benefit may be paid, at a minimum age, to the active or prospective member either with or without consent (whether of an employer, the trustees or managers of the scheme or otherwise); and
- (c) the age related benefit is enhanced in one or more of the ways specified in sub-paragraph (2).

(2) For the purposes of sub-paragraph (1)(c) the specified ways are the enhancement of any age related benefit payable to or in respect of the member calculated in one or more of the following ways—

- (a) by reference to some or all of the years of prospective pensionable service a member would have completed if he had remained in pensionable service until normal pension age;

- (b) by reference to a fixed number of years of prospective pensionable service;
- (c) by making an actuarial reduction which is smaller than if early retirement had been on grounds to which paragraph 12 applies; or
- (d) by not making any actuarial reduction for early retirement.

(3) Sub-paragraph (1) shall also apply to different minimum ages for different groups or categories of active or prospective members.

**13A.** Paragraph 13 shall continue to apply to any member who after 1st December 2006—

- (a) joins a scheme as a result of a block transfer or relevant transfer;
- (b) joins a scheme as a result of a block transfer or relevant transfer from a scheme to which paragraph (a) applied; or
- (c) joins a scheme on the basis that it will provide the same benefits as those provided by the scheme to which paragraph 13 applied.

**13B.—**(1) A minimum age for any member of a scheme for payment of or entitlement to a particular age related benefit on the grounds of redundancy where it is enhanced in accordance with sub-paragraph (2) and paid either with or without consent (whether of an employer, the trustees or managers of the scheme or otherwise).

(2) The enhancement of any age related benefit payable to or in respect of a member on the grounds of redundancy where the enhancement is calculated in one or more of the following ways—

- (a) by reference to the years of prospective pensionable service a member would have completed if he had remained in pensionable service until normal pension age;
- (b) by reference to a fixed number of years of prospective pensionable service;
- (c) by making an actuarial reduction which is smaller than if early retirement had been on grounds to which paragraph 12 applied; or
- (d) by not making any actuarial reduction for early retirement.

(3) Sub-paragraph (1) shall also apply to different minimum ages for different groups or categories of members.”.