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STATUTORY INSTRUMENTS

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**2008 No. 653**

The National Health Service Pension Scheme Regulations 2008

PART 3

BENEFITS FOR PRACTITIONERS ETC.

CHAPTER 3.J

MISCELLANEOUS AND SUPPLEMENTARY PROVISIONS

*Commutation of small pensions*

**3.J.5 Commutation of small pensions**

(1) The Secretary of State may pay any person entitled to a pension under the Scheme a lump sum representing the capital value of the pension and of any benefits that might have become payable under the Scheme on the person's death apart from the payment if the conditions specified in paragraph (2) are met.

(2) The conditions are that the payment complies with the following requirements (so far as apply)—

- (a) the contracting-out requirements,
- (b) the preservation requirements,
- (c) regulation 2 of the Occupational Pension Schemes (Assignment, Forfeiture, Bankruptcy etc.) Regulations 1997<sup>(1)</sup>,
- (d) regulation 3(2)(b) of the Pension Sharing (Pension Credit Benefit) Regulations 2000<sup>(2)</sup>,
- (e) the lump sum rule (see, in particular, paragraph 7 of Schedule 29 to the 2004 Act: trivial commutation lump sums for the purposes of Part 4 of that Act), and
- (f) the lump sum death benefit rule (see, in particular, paragraph 20 of that Schedule: trivial commutation lump sum death benefit for the purposes of that Part).

(3) The lump sum must be calculated by the Secretary of State in accordance with advice from the Scheme actuary.

(4) The payment of a lump sum under this regulation discharges all liabilities of the Secretary of State in respect of the pension in question and of any other such benefits as mentioned in paragraph (1).

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(1) [S.I. 1997/785](#).  
(2) [S.I. 2000/1054](#).