
STATUTORY INSTRUMENTS

2008 No. 653

The National Health Service Pension Scheme Regulations 2008

PART 3

BENEFITS FOR PRACTITIONERS ETC.

CHAPTER 3.J

MISCELLANEOUS AND SUPPLEMENTARY PROVISIONS

Interest on delayed payments

3.J.9 Interest on late payment of benefits and refunds of contributions

(1) This regulation applies if the whole or part of an amount to which this regulation applies is not paid by the end of the period of one month beginning with the due date.

(2) This regulation applies to any amount payable by way of a pension, lump sum, refund of contributions under the Scheme (other than any amount due under regulation 3.C.5 or 3.C.6) or interim award.

(3) The Secretary of State must pay interest on the unpaid amount to the person to whom it should have been paid unless the Secretary of State is satisfied that the unpaid amount was not paid on the due date because of some act or omission on the part of the member or other person to whom it should have been paid.

(4) The interest on the unpaid amount is calculated at the base rate on a day to day basis from the due date for the amount to the date of its payment and compounded with three-monthly rests.

(5) For the purposes of this regulation, except where paragraph (6) applies, “due date”, in relation to an unpaid amount, means—

- (a) in the case of an amount in respect of a pension or lump sum payable to a member under Chapter 3.D, the day immediately following that of the member’s retirement from pensionable employment,
- (b) in the case of an amount in respect of a pension payable on a member’s death, the day after the date of death,
- (c) in the case of an amount in respect of a lump sum under Chapter 3.E that is payable to the member’s personal representatives, the earlier of—
 - (i) the date on which probate or letters of administration were produced to the Secretary of State, and
 - (ii) the date on which the Secretary of State was satisfied that the lump sum may be paid as provided in regulation 3.E.21(9) (amount of lump sum: dual capacity members),
- (d) in the case of an amount in respect of any other lump sum under that Chapter, the day after the date of the member’s death, and

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- (e) in the case of an amount in respect of a refund of contributions, the day after that on which the Secretary of State received from Her Majesty's Commissioners of Revenue and Customs the information required for the purposes of calculating the amount to be subtracted under regulation 3.C.16(3) or (4) (repayment of contributions).
- (6) If, on the date which, in accordance with paragraph (5), would have been the due date for an unpaid amount in respect of a pension, lump sum or refund of contributions, the Secretary of State was not in possession of all the information necessary for the calculation of the amount payable in respect of the pension, lump sum or refund, the due date for the unpaid amount is the first day on which the Secretary of State was in possession of that information.
- (7) In this regulation, "interim award" means—
 - (a) any amount paid by way of an interim payment calculated by reference to an expected benefit under the Scheme pending final calculation of the full value of that benefit, and
 - (b) any amount paid that increases the amount of an earlier payment due to a backdated or later increase in pensionable pay.