

SCHEDULE 2

Regulation 2

“SCHEDULE 4

Regulation 184

The Partnership Death Benefits Arrangements

PART 1

Preliminary

Interpretation

1. In this Schedule—

“the 1972 Section” means Section II of the PCSPS;

“the 2002 Section” means Section I of the PCSPS;

“the 2007 Section” means Section III of the PCSPS;

“alpha” means the scheme established by regulation 3;

“death benefits” in relation to a person means benefits payable in the event of the person’s death;

“final pensionable earnings” has the meaning given in paragraph 2;

“last day of eligible service” in relation to a person (P) means the last day, during P’s current period of service in scheme employment, of P’s latest period of service during which P has a partnership pension account to which P’s employer is paying contributions; and

“partnership death benefits arrangements” means the arrangements for payment of death benefits set out in this Schedule or in the scheme made under section 1 of SA 1972 which provided for death benefits for persons who have a partnership pension account.

Meaning of “final pensionable earnings”

2.—(1) In this Schedule, “final pensionable earnings” in relation to a person (P) to whom this Schedule applies means the greater of—

(a) P’s permanent pensionable earnings in the 12 months ending on P’s last day of eligible service; and

(b) P’s permanent pensionable earnings in one of the last 2 complete scheme years ending on or before the last day on which P was in scheme employment.

(2) This sub-paragraph applies where—

(a) P’s last day of eligible service is after 29th July 2007;

(b) P returned from unpaid leave or unpaid absence during the 12 months ending with P’s last day of eligible service;

(c) P was in scheme employment during the whole of the period of 12 months ending with P’s last day of eligible service; and

(d) during the period of unpaid leave or unpaid absence referred to in paragraph (b) P did not have a partnership pension account to which P’s employer was paying contributions.

(3) Where sub-paragraph (2) applies, the period of 12 months referred to in sub-paragraph (1)(a) shall be taken as being the period of 365 days plus the number of days during the period of unpaid leave or unpaid absence referred to in sub-paragraph (2)(b).

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(4) If the period of 365 days referred to in sub-paragraph (3) includes 29th February, that paragraph has effect with the substitution for “365” of “366”.

(5) For the purpose of sub-paragraph (1), P’s permanent pensionable earnings for any period include any assumed pay which P is treated as receiving during that period.

(6) If P was in part-time service during any period which is relevant for the purpose of sub-paragraph (1), P’s final pensionable earnings are calculated by reference to P’s actual rate of pensionable earnings during that period.

(7) If P was not in scheme employment during the whole of the 12 month period referred to in sub-paragraph (1)(a), that sub-paragraph applies as if it referred to P’s annualised permanent pensionable earnings in P’s latest period of scheme employment ending with P’s last day of eligible service.

(8) For the purposes of sub-paragraph (7), P’s annualised permanent pensionable earnings for a period are—

$$PPE \times \frac{365}{N}$$

where—

PPE is P’s permanent pensionable earnings for the period; and

N is the number of days in the period.

(9) If the period referred to in sub-paragraph (8) includes 29th February, sub-paragraph (8) has effect with the substitution for “365” of “366”.

(10) Only pensionable earnings in P’s latest continuous period of service in scheme employment are to be taken into account for the purposes of sub-paragraph (1)(a) and (b).

(11) In sub-paragraph (10), “continuous period of service in scheme employment” means a period of service in scheme employment disregarding any gap in service in scheme employment not exceeding 6 months.

PART 2

Application

Persons to whom this Schedule applies

3. Subject to paragraph 4, this Schedule applies to any person who—
- (a) has a partnership pension account; and
 - (b) is in service in a scheme employment immediately prior to the person’s death.

Exclusions from Schedule application

4. This Schedule does not apply to a person (P) if—
- (a) the terms of P’s employment provide that the partnership death benefits arrangements do not apply to P;
 - (b) P’s employer has made alternative provision for death benefits in respect of P;
 - (c) P’s employer is not making payments to the scheme manager for the arrangements for payment of death benefits set out in this Schedule to apply to P; or
 - (d) P opts for the partnership death benefits arrangements not to apply to P.

PART 3

Lump sum death benefits

Payment of lump sum death benefits

5. A lump sum death benefit is payable if a person to whom this Schedule applies dies before reaching the age of 75.

Nominations for lump sum death benefits

6.—(1) A person to whom this Schedule applies (P) may nominate a person or persons to receive a lump sum death benefit.

(2) P may nominate—

- (a) one or more individuals, or
- (b) one incorporated or unincorporated body.

(3) If P nominates two or more individuals, P may indicate in the nomination how P wishes the payments to be apportioned between them.

(4) A nomination may only be made by notice in writing to the administrator of this scheme in such form as the scheme manager requires or is willing to accept.

(5) P may revoke or alter a nomination by a further notice in writing to the administrator of this scheme in such form as the scheme manager requires or is willing to accept.

Invalid nominations of individuals

7.—(1) The nomination of an individual by a person to whom this Schedule applies (P) is invalid if—

- (a) the individual nominated is P's spouse or civil partner and the individual is not P's spouse or civil partner when P dies;
- (b) the individual predeceases P; or
- (c) the individual is convicted of the offence of murder or manslaughter of P.

(2) The scheme manager may determine that the nomination of an individual is invalid if the individual is convicted of any offence (apart from those mentioned in sub-paragraph (1)(c)) of which the unlawful killing of P is an element.

Payment of lump sum death benefit to nominees or personal representatives

8.—(1) The scheme manager may pay the lump sum death benefit payable in respect of a person to whom this Schedule applies (P) to—

- (a) the person or persons nominated by P under paragraph 6 (“the nominees”);
- (b) P's personal representatives; or
- (c) both the nominees and P's personal representatives.

(2) If the scheme manager decides to pay all or part of the lump sum death benefit to the nominees and more than one individual has been nominated, the payment is to be made to them in such proportions as the scheme manager considers appropriate.

(3) If the scheme manager decides to pay the lump sum death benefit to the nominees and to P's personal representatives, the payment is to be made to them in such proportions as the scheme manager considers appropriate.

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Amount of lump sum death benefits

9.—(1) Subject to sub-paragraphs (2) to (6), the amount of the lump sum death benefit payable in respect of a person to whom this Schedule applies (P) is equal to the amount of P's final pensionable earnings multiplied by 3.

(2) If, in respect of P, a lump sum is payable under rule E.16 of the 2002 Section (amount of lump sum benefit under rule E.14: deferred members), the amount specified in sub-paragraph (1) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of P under rule E.16 of the 2002 Section.

(3) If, in respect of P, a lump sum is payable under rule 3.16 of the 1972 Section (preserved benefits), the amount specified in sub-paragraph (1) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of P under rule 3.16 of the 1972 Section.

(4) If, in respect of P, a lump sum is payable under rule F.13 of the 2007 Section (amount of lump sum benefit under rule F.11: deferred members and pensioner members) as it applies to a deceased deferred member of Section III (within the meaning of that Section), the amount specified in sub-paragraph (1) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of P under rule F.13 of the 2007 Section.

(5) If, in respect of P, a lump sum is payable under regulation 131 (amount payable on death of deferred member or pensioner member of alpha (death out of service)) as it applies to a deceased deferred member of alpha (within the meaning of that scheme), the amount specified in sub-paragraph (1) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of P under regulation 131.

(6) If, in respect of P, lump sums are payable under two or more of the provisions of the PCSPS or alpha referred to in sub-paragraphs (2) to (5), the amount specified in sub-paragraph (1) is only payable if and to the extent that it exceeds the aggregate amount of the lump sums that are payable.”