
STATUTORY INSTRUMENTS

2022 No. 319

The Judicial Pensions Regulations 2022

PART 12

Supplementary

CHAPTER 2

Payment of benefits: general

Late payment of retirement index adjustment

120. Nothing in these Regulations requires any part of a pension attributable to a retirement index adjustment to be paid before the end of the last active scheme year.

Commencement Information

II Reg. 120 in force at 1.4.2022, see [reg. 1\(4\)](#)

Commutation of small pensions

121.—(1) This regulation applies if—

- (a) the pension entitlement of a single capacity member or the pension entitlement of a single capacity member's beneficiary does not exceed the small pensions commutation maximum; or
- (b) the total pension entitlement of a dual capacity member or the total pension entitlement of a dual capacity member's beneficiary does not exceed the small pensions commutation maximum.

(2) The scheme manager may, subject to paragraph (4), pay the member or the member's beneficiary a lump sum of an amount advised by the scheme actuary as representing the cash value of the pension if—

- (a) the member or the member's beneficiary consents to receipt of a lump sum in place of the pension; and
- (b) the requirements of the commutation provisions that apply in the circumstances, had this scheme been a registered pension scheme, are met.

(3) The lump sum under paragraph (2) may only be paid before the first payment of the pension is made.

(4) The scheme manager may not pay a lump sum under paragraph (2) which would be a trivial commutation lump sum had this scheme been a registered pension scheme where—

- (a) the member has been paid—
 - (i) a trivial commutation lump sum under the 2015 Regulations or from any registered pension scheme; or

- (ii) a lump sum from the FPJR 2017 which would have been a trivial commutation lump sum had that scheme been a registered pension scheme; and
 - (b) a period of 12 months has elapsed from the date of that payment (or the earlier or earliest such payment where there is more than one).
- (5) The payment of a lump sum under this regulation in place of a pension discharges all liabilities under this scheme in respect of that pension.
- (6) In this regulation—
- “the commutation provisions” means the provisions permitting the commutation of pensions set out in—
- (a) paragraph 7 of Schedule 29 (registered pension schemes: authorised lump sums - supplementary) to FA 2004 (which defines trivial commutation lump sums for the purposes of Part 4 of that Act)(1) and, in relation to a pension payable under Part 8, paragraph 20 of that Schedule (which defines trivial commutation lump sum death benefit for the purposes of Part 4 of that Act)(2); and
 - (b) Part 2 (commutation payments) of the Registered Pension Schemes (Authorised Payment) Regulations 2009(3);
- “single capacity member” means a member of this scheme who is not a dual capacity member; and
- “the small pensions commutation maximum” means the amount that is permitted to be commuted taking account of all sources of pension and having regard to the commutation provisions that apply in the circumstances, had this scheme been a registered pension scheme.

Commencement Information

I2 Reg. 121 in force at 1.4.2022, see [reg. 1\(4\)](#)

Commutation supplement: small pensions

122.—(1) Where—

- (a) a member (P) ceases to be in pensionable service under this scheme (other than by death in service); and
- (b) P has exercised the option under regulation [121\(2\)](#),

P is entitled to be paid an additional amount (a “commutation supplement”) calculated under paragraph (2).

(2) The sum payable to P is an amount sufficient, after deduction of any applicable income tax and national insurance payable by P arising as a result of such payment, to result in P receiving a net sum equal to—

- (a) the income tax payable by P on 25% of any lump sum payable under regulation [121\(2\)](#) that relates only to uncrystallised rights under this scheme; plus
- (b) the national insurance contributions payable by P (if any) in relation to the lump sum received pursuant to regulation [121\(2\)](#).

(1) Paragraph 7 was amended by the Finance Act 2011 (c. 11), Schedule 16 paragraphs 23 and 29 and Schedule 18 paragraphs 1, 3 and 4 and [S.I. 2006/572](#).

(2) Paragraph 20 was amended by the Finance Act 2011, Schedule 16 paragraphs 32 and 39 and Schedule 18 paragraphs 1, 3 and 6.

(3) [S.I. 2009/1171](#), amended by the Finance Act 2014 (c. 26), section 42(6), the Taxation of Pensions Act 2014 (c. 30), Schedule 1 paragraph 73(3), [S.I. 2011/1751](#) and [2013/1818](#).

(3) The commutation supplement is payable at the same time as payment of the lump sum mentioned in regulation [121\(2\)](#).

(4) In this regulation, “uncrystallised rights” has the meaning given in section 212 of the FA 2004(4).

Commencement Information

I3 Reg. 122 in force at 1.4.2022, see [reg. 1\(4\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Judicial Pensions Regulations 2022, CHAPTER 2.