
STATUTORY INSTRUMENTS

2022 No. 319

The Judicial Pensions Regulations 2022

PART 6

Retirement benefits

CHAPTER 5

Payment options

Options under this Chapter

58. The options under this Chapter are—

- (a) the option under regulation 60 (option to commute part of pension) to exchange part of a retirement pension for a lump sum;
- (b) the option under regulation 61 (option to commute whole of member's accrued pensions (serious ill-health)) to exchange the total of the member's accrued pensions for a lump sum in cases of serious ill-health.

Commencement Information

I1 Reg. 58 in force at 1.4.2022, see [reg. 1\(4\)](#)

Exercising an option under this Chapter

59. A member may exercise an option under this Chapter by notice (a “commutation notice”) to the scheme manager in a form required by the scheme manager.

Commencement Information

I2 Reg. 59 in force at 1.4.2022, see [reg. 1\(4\)](#)

Option to commute part of pension

60.—(1) A member who becomes entitled to the immediate payment of a retirement pension under this scheme may opt under this regulation to exchange part of the pension for a lump sum.

(2) An option under this regulation may only be exercised before the first payment of the pension is made.

(3) Where a member exercises the option mentioned in paragraph (1), for every £1 by which the amount of the member's annual rate of pension is reduced, the member must be paid a lump sum of £12.

(4) A member may not exchange pension for lump sum under this regulation to the extent that it would result in more than 35.7% of the member's pre-commuted pension being exchanged for the lump sum.

Commencement Information

I3 Reg. 60 in force at 1.4.2022, see [reg. 1\(4\)](#)

Option to commute whole of member's accrued pensions (serious ill-health)

61.—(1) This regulation applies where there is a medical certificate stating that an active member or deferred member of this scheme has a life-expectancy of less than 12 months.

(2) The member may opt under this regulation to exchange the total of that member's accrued pensions for a lump sum.

(3) An option under this regulation may only be exercised before the first payment of the pension is made.

(4) The lump sum payable to the member is an amount equal to—
(A+B+C) x 5

where—

A means the total annual amount of full retirement pension;

B means the total annual amount of partial retirement pension; and

C means the total annual amount of ill-health pension.

(5) For the purpose of paragraph (4), "total annual amount" means—

(a) in relation to a full retirement pension or partial retirement pension to which the member would be entitled apart from this option, the sum of—

(i) the annual rate of pension to which the member would be entitled apart from this option, calculated as at the date the option is exercised, but without subtracting the early payment reduction (if any); and

(ii) the amount of increase (if any) in the annual rate of that pension under PIA 1971 calculated as at that date; and

(b) in relation to an ill-health pension, the sum of—

(i) the annual rate of pension to which the member would be entitled apart from this option, calculated as at the date when payment would first be due, but without subtracting the early payment reduction (if any); and

(ii) the amount of increase (if any) in the annual rate of that pension under PIA 1971 calculated as at that date.

(6) The lump sum must be paid to the member as soon as is reasonably practicable after the option is exercised.

Commencement Information

I4 Reg. 61 in force at 1.4.2022, see [reg. 1\(4\)](#)

Commutation supplement

62.—(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 either regulation 61(3) or regulation 61(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 any lump sum payable under either regulation 61(3) or regulation 61(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 either of those regulations.

(3) The commutation supplement is payable at the same time as payment of the lump sum.

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

Commencement Information

I5 Reg. 62 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 5.