
SCOTTISH STATUTORY INSTRUMENTS

2015 No. 94

**The National Health Service Pension
Scheme (Scotland) Regulations 2015**

PART 5

Members' benefits

CHAPTER 2

Age retirement

Conversion of part of pension into lump sum

76.—(1) Subject to paragraph (2) and Part 2 of Schedule 11, the following members may apply to the scheme manager to receive a lump sum in place of part of a pension—

- (a) a member who is entitled to payment of a retirement pension;
- (b) a pension credit member who is entitled to payment of a pension credit retirement pension.

(2) Paragraph (1)(b) only applies if—

- (a) the member's pension credit is derived from rights attributable to the pensionable service of a pension debit member; and
- (b) a retirement pension does not become payable to the pension debit member before the day on which a pension-sharing order takes effect in respect of that pensionable service.

(3) Subject to paragraph (4), where an application is made pursuant to paragraph (1), the amount of pension converted into a lump sum is £1 for every £12 paid as a lump sum to the member.

(4) Paragraph (5) applies if a retirement pension converted under this regulation—

- (a) is adjusted by virtue of regulation 92; or
- (b) is abated to zero by virtue of regulation 85(3) and regulation 86 applies.

(5) The amount of pension converted into a lump sum for any retirement pension that subsequently becomes payable to the member is an amount determined by the scheme manager after consulting the scheme actuary.

(6) If the pension is an ill health pension under regulation 89, the option under this regulation may only be exercised by giving notice to the scheme manager—

- (a) at the time of claiming the pension; or
- (b) before such later time as the scheme manager specifies in writing.

(7) If the pension is an Upper Tier IHP under regulation 92 in substitution for a Lower Tier IHP under regulation 89, the option under this regulation may only be exercised—

- (a) in relation to the difference between the Lower Tier IHP that ceases to be payable pursuant to sub-paragraph (a) of regulation 92(5) and the Upper Tier IHP to which the member becomes entitled under sub-paragraph (b) of that regulation; and

- (b) by giving notice to the scheme manager—
 - (i) at the time of the award of the Upper Tier IHP, or
 - (ii) before such later time as the scheme manager specifies in writing.
- (8) Notice under paragraph (6) or (7) must be—
 - (a) given in writing;
 - (b) in such form as the scheme manager requires.
- (9) In paragraph (7) the references to a Lower Tier IHP and an Upper Tier IHP must be construed in accordance with regulation 89.
- (10) This regulation does not apply to a pension credit member whose rights under this scheme are attributable to a disqualifying pension credit for the purposes of paragraph 2 of Schedule 29 to the 2004 Act⁽¹⁾.

(1) Paragraph 2 of Schedule 29 has been amended by section 161(1) of, and paragraphs 1 and 23 of Schedule 23 to, the Finance Act 2006 (c.25), section 70 of, and paragraphs 1 and 11(1) and (4) of Schedule 20 to, the Finance Act 2007 (c.11), section 65 of, and paragraphs 23 and 25 of Schedule 16 to, the Finance Act 2011 (c.11) and section 48(5) of, and paragraphs 5 and 8(1) and (2) of Schedule 22 to, the Finance Act 2013 (c.29).