
DRAFT STATUTORY INSTRUMENTS

2015 No.

The Judicial Pensions Regulations 2015

PART 10

Transfers

CHAPTER 1

Preliminary

Application of Part

131. This Part—

- (a) supplements the rights conferred by or under Chapter 4 of Part 4 (transfer values) of PSA 1993 and is without prejudice to that Chapter; and
- (b) supplements the rights conferred by or under Chapter 5 of that Part⁽¹⁾ (early leavers: cash transfer sums and contribution refunds) and is without prejudice to that Chapter.

Interpretation of Part

132. In this Part—

“cash equivalent” means an amount calculated in accordance with regulations made under section 97 (calculation of cash equivalents) of PSA 1993⁽²⁾;

“guarantee date” has the meaning given in regulation 135;

“guaranteed cash equivalent” means, in relation to calculating the transfer value of accrued rights to benefits under this scheme, the cash equivalent of those benefits as at the guarantee date, as specified in a statement of entitlement;

“statement of entitlement” means, in relation to an active or deferred member’s accrued rights to benefits under this scheme, a statement by the scheme manager of the cash equivalent of those benefits as at the guarantee date;

“transfer value” means—

- (a) for accrued rights to benefits under this scheme, an amount equal to—
 - (i) the guaranteed cash equivalent of those benefits; or
 - (ii) the guaranteed cash equivalent together with any increase payable under regulation 137; and
- (b) for accrued rights to benefits under another pension scheme, an amount—
 - (i) determined by the scheme actuary of that scheme; and

⁽¹⁾ Chapter 5 of Part 4 of the Pension Schemes Act 1993 was inserted by the Pensions Act 2004 (c. 35) section 264.

⁽²⁾ Section 97 was amended by the Pensions Act 1995 (c. 26) Schedule 6 paragraph 4 and the Child Support, Pensions and Social Security Act 2000 (c. 19) Schedule 5 paragraph 8.

- (ii) specified in a statement of accrued rights provided by the scheme manager of that scheme.

CHAPTER 2

Transfers out

Transfer value payments made to other schemes or pension arrangements

133.—(1) A transfer value payment may only be made in respect of the accrued rights to benefits of an active or deferred member of this scheme.

(2) A transfer value payment may only be made to—

- (a) a registered pension scheme that is not a connected scheme; or
- (b) a pension arrangement that is a qualifying recognised overseas pension scheme for the purposes of Part 4 (pension schemes etc.) of FA 2004.

(3) A transfer value payment may not be made in respect of rights that are attributable (directly or indirectly) to a pension credit.

(4) A member may only require the scheme manager to use a transfer value payment in a way specified in section 95(2) (ways of taking right to cash equivalent) of PSA 1993(3).

(5) The whole of the transfer value payment must be made in accordance with the provisions of this regulation.

(6) If section 96(2) (further provisions concerning exercise of option under section 95) of PSA 1993(4) applies, benefits attributable to the following may be excluded from the transfer value payment—

- (a) the member's accrued rights to a guaranteed minimum pension; or
- (b) the member's accrued rights attributable to service in contracted-out employment, within the meaning of Part 3 (certification of pension schemes and effects on members' state scheme rights and duties) of PSA 1993, on or after 6 April 1997.

Application for a statement of entitlement

134.—(1) This regulation applies in relation to an active or deferred member of this scheme (P) who requires a transfer value payment to be made in respect of P's accrued rights to benefits under this scheme.

(2) Before requesting the transfer value payment, P must apply for a statement of entitlement by notice to the scheme manager.

(3) P may withdraw the application by notice to the scheme manager at any time before the statement is provided.

(4) P may make a second application by notice to the scheme manager in the period of 12 months beginning with the date of the first application(5).

Statement of entitlement

135.—(1) The scheme manager must specify in the statement of entitlement the date by reference to which the cash equivalent is calculated ("guarantee date").

(3) Section 95(2) was amended by [S.I. 2001/3649](#).

(4) Section 96(2) was amended by the Pensions Act 1995 (c. 26) Schedule 5 paragraph 63, the Welfare Reform and Pensions Act 1999 (c. 30) Schedule 2 paragraph 3, the Pensions Act 2007 (c. 22) Schedule 4 paragraphs 1 and 29 and [S.I. 2011/1730](#).

(5) Regulation 6(3) of [S.I. 1996/1847](#) provides that a member may not make a second application within this period unless the rules of the scheme provide otherwise.

- (2) Unless paragraph (4) applies, the guarantee date must fall within both the following periods—
 - (a) the 3 months beginning with the date of the member’s application for the statement of entitlement (“the 3 month period”); and
 - (b) the 10 days ending with the date on which the member is provided with that statement (“the 10 day period”).
- (3) In counting the 10 day period, Saturdays, Sundays, Christmas Day, New Year’s Day and Good Friday are excluded.
- (4) The scheme manager may specify in the statement of entitlement a guarantee date that falls within the 6 months beginning with the date of the member’s application for the statement of entitlement if—
 - (a) for reasons beyond the control of the scheme manager, the information needed to calculate the amount of the cash equivalent cannot be obtained before the end of the 3 month period; and
 - (b) the scheme manager considers it reasonable to specify a guarantee date that falls outside the 3 month period.

Request for transfer value payment to be made

136.—(1) An active or deferred member of this scheme who is provided with a statement of entitlement may request a transfer value payment to be made in respect of the member’s accrued rights to benefits under this scheme.

- (2) The request for the transfer value payment must—
 - (a) be made by notice to the scheme manager;
 - (b) specify the pension scheme or other pension arrangement to which the transfer value payment is to be made; and
 - (c) meet any other conditions the scheme manager requires.
- (3) The member by notice to the scheme manager may withdraw the request at any time before the transfer value payment is made.
- (4) The member may not withdraw the request if an agreement for the use of the whole or part of the transfer value payment has already been entered into with a third party.

Calculating the amount of a transfer value

137.—(1) If a transfer value is paid later than 6 months after the guarantee date, the amount of the guaranteed cash equivalent must be increased in accordance with regulations made under section 97 (calculation of cash equivalents) of PSA 1993.

- (2) If the transfer value is less than the minimum transfer value, the amount of the transfer value must be increased so that it is equal to the amount of the minimum transfer value.
- (3) In this regulation, “minimum transfer value” means the total of—
 - (a) the sum of all member contributions and payments for extra pension made by the member; and
 - (b) the sum of all transfer value payments received by this scheme in relation to the member.“member contributions” has the meaning given in regulation 124; and
“payments for extra pension” are payments made under Schedule 1.

Effect of transfers-out

138. If a transfer value payment is made under this Chapter in respect of a member's accrued rights to benefits under this scheme, those rights are extinguished.

CHAPTER 3

Transfers in

Application of Chapter

139. This Chapter applies in relation to an active member of this scheme (P) who has accrued rights under another pension scheme.

Interpretation of Chapter

140. In this Chapter—

“accrued rights” does not include rights accrued under the Judicial Additional Voluntary Contributions Scheme if the scheme manager considers that the amount to which the member is entitled under that Scheme is sufficient for the purchase of an annuity for the member;

“another pension scheme” means—

- (a) another occupational pension scheme that is a registered pension scheme but is not a connected scheme;
- (b) a personal pension scheme; or
- (c) the Judicial Additional Voluntary Contributions Scheme;

“Judicial Additional Voluntary Contributions Scheme” means the additional voluntary contribution scheme constituted under Part 2 of the Judicial Pensions (Additional Voluntary Contributions) Regulations 1995⁽⁶⁾;

“transfer date” means the earlier of—

- (a) if the scheme manager has provided a transfer statement, the last day of the period of 2 months beginning with the date of the statement; or
- (b) the day on which the transfer value payment is received by the scheme manager;

“transfer payment request” means a request to the scheme manager under this Chapter that a transfer value payment be accepted from another pension scheme;

“transfer statement” means a statement under regulation 142(2).

Transfer payment requests

141.—(1) P may by notice to the scheme manager make a transfer payment request in respect of some or all of P's accrued rights to benefits under another pension scheme.

(2) A transfer payment request—

- (a) must specify—
 - (i) the pension scheme from which the transfer value payment is requested to be made; and
 - (ii) the anticipated amount of the transfer value payment;
- (b) must meet any other conditions the scheme manager requires; and

(6) S.I. 1995/639, amended by S.I. 1996/52, 2006/747 and 2012/516.

- (c) subject to paragraph (3), must be made during the period of 12 months beginning with the day on which P becomes eligible to be an active member of this scheme.
- (3) A transfer payment request in relation to the Judicial Additional Voluntary Contributions Scheme must be made—
 - (a) within the period of 3 months ending with the day on which P is first entitled to receive retirement benefits under this scheme; or
 - (b) if the scheme manager considers it reasonable in the circumstances, within any longer period the scheme manager directs.
- (4) The scheme manager may direct that a transfer payment request is to be treated as having been made earlier than it was if the scheme manager considers it reasonable to do so in the circumstances.
- (5) Subject to paragraph (6), on receiving a transfer payment request, the scheme manager may accept the transfer value payment if all of such conditions as the scheme manager may have required are met.
- (6) The scheme manager may not accept a transfer payment request if—
 - (a) it would be applied in whole or in part in respect of—
 - (i) the member's entitlement to a guaranteed minimum pension; or
 - (ii) the entitlement of the member's spouse to a guaranteed minimum pension; and
 - (b) it is less than the amount required for that purpose, as calculated in accordance with actuarial tables.

Transfer statement

- 142.**—(1) This regulation applies in relation to a request by P for a transfer value payment to be accepted from another pension scheme.
- (2) The scheme manager may require that, before making a transfer payment request, P must ask the scheme manager to provide a statement of the amount of transferred pension that P will be entitled to count under regulation 143 if the transfer date falls within the period of 2 months beginning with the date of that statement.
- (3) The amount specified in the transfer statement must be an amount calculated by the scheme manager in accordance with actuarial guidance and tables by reference to—
 - (a) factors relating to P's circumstances as at the end of that 2-month period; and
 - (b) any other factors as at the date of the statement that the scheme actuary considers should apply.

Amount of transferred pension

- 143.**—(1) This regulation applies in relation to a transfer value payment received from another pension scheme in relation to P.
- (2) For the scheme year in which the transfer date falls, the amount of transferred pension P is entitled to count in respect of the transfer value payment is—
 - (a) the amount specified in the transfer statement; or
 - (b) if such a statement is not provided, an amount calculated by the scheme manager in accordance with actuarial guidance and tables by reference to any factors as at the transfer date that the scheme actuary considers should apply.
- (3) The amount of transferred pension P is entitled to count in a scheme year must not be more than 50% of P's annual rate of pensionable earnings as at the day P becomes an active member of this scheme.

Draft Legislation: This is a draft item of legislation. This draft has since been made
as a UK Statutory Instrument: The Judicial Pensions Regulations 2015 No. 182
