

## SCHEDULE 1

### PART II

2.—(1) The Secretary of State shall make six equal payments amounting in aggregate to £9,972,000, the first such payment to be made on 14 October 1994 and subsequent payments to be made on the fourteenth day of each following month.

(2) Interest shall accrue from 13 October 1994 on the outstanding balance for the time being of the amount specified in sub-paragraph (1), on 13 March 1995, at the rate of 4¼ per cent per annum, and the Secretary of State shall pay the interest which has so accrued on 14 March 1995.

(3) In this paragraph “outstanding balance”, in relation to the amount specified in sub-paragraph (1), means that amount reduced by the amount of any payments made under sub-paragraph (1).

3. The Secretary of State shall, in respect of each Table A amount, make twelve equal payments amounting in aggregate to that amount, the first such payment to be made on 14 April of the year specified in column 1 of Table A in relation to that amount and subsequent payments to be made on the fourteenth day of each following month.

4.—(1) Subject to sub-paragraph (3), interest shall accrue from 13 October 1994 to 13 October 1995 and during subsequent relevant periods on the outstanding balance of each Table A amount, on 13 October of each year, at the rate determined in accordance with sub-paragraph (2) in relation to the relevant period.

(2) Subject to sub-paragraph (3), the rate in relation to any relevant period shall be:—

$$\left(1.0425 \times \left(\frac{Z}{W}\right) - 1\right) \times 100$$

per cent per annum.

(3) Where paragraph 3 requires the Secretary of State to commence payment of a Table A amount during a relevant period, the rate at which interest shall accrue during that period under sub-paragraph (1) on the outstanding balance of the Table A amount in respect of which such payment is required shall be:—

$$\left(1.0425 \times \left(\frac{Z}{W}\right)^{24/23} - 1\right) \times 100$$

per cent per annum.

(4) In this paragraph—

“relevant period” means a period of twelve months, the first such period being the period from 13 October 1994 to 13 October 1995 and subsequent relevant periods being periods of 12 months starting from the end of the previous relevant period;

“W” means the retail prices index for the month of September in the year before the year in which the relevant period begins;

“Z” means the retail prices index for the month of September immediately before the date on which the relevant period begins; and

$$\frac{Z}{W}$$

shall be calculated to three decimal places and, if

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$$\frac{Z}{W}$$

is less than one, it shall be treated as one.

5. Where paragraph 6 does not require interest which has accrued under paragraph 4 to be paid on the day after it has accrued, that interest shall be added to the outstanding balance of the Table A amount in respect of which it has accrued.

6.—(1) Where paragraph 3 requires the Secretary of State to make any payment the Secretary of State shall also, on the same date, make a payment in respect of any interest which has accrued on and has been added to, or which is to accrue on, the outstanding balance of the Table A amount in respect of which paragraph 3 requires the Secretary of State to make payments, and the amount of any payment under this sub-paragraph shall be determined in accordance with the following provisions of this paragraph.

(2) The amount of any payment to be made under sub-paragraph (1) shall be such amount as is determined by the Secretary of State after consultation with the actuaries and notified to the persons administering the section.

(3) The Secretary of State shall make a determination on or before 14 March in each year in relation to the payments to be made under sub-paragraph (1) from 13 April in that year to 13 April in the following year, and shall, so far as reasonably practicable, determine the amounts so that the payments to be made each month during the period of 12 months from that 13 April are equal.

(4) If, from 13 April in the year in which the determination referred to in sub-paragraph (3) is made to 13 April in the following year, the payments made under sub-paragraph (1) are less than the interest which has accrued under paragraph 4 on the outstanding balance of the Table A amount in respect of which the payments have been made the Secretary of State shall, as soon as reasonably practicable, pay an amount equal to the shortfall; and where the payments made under sub-paragraph (1) exceed the interest which has accrued under paragraph 4 on such outstanding balance, the excess shall be deducted from any other amount payable to the persons administering the section under this Order.

Table A

(1) Year	(2) Amount
	£ million
1995	18.708
1996	17.232
1997	15.826
1998	14.501
1999	13.250
2000	12.070
2001	10.971
2002	9.937
2003	8.978
2004	8.084
2005	7.260

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(1) Year	(2) Amount
2006	6.492
2007	5.779
2008	5.121
2009	4.524
2010	3.972
2011	3.469
2012	3.023
2013	2.611
2014	2.249
2015	1.928
2016	1.642
2017	1.396
2018	1.175
2019	0.984
2020	0.823
2021	0.422
2022	0.402
2023	0.387
2024	0.372
2025	0.356
2026	0.341
2027	0.326
2028	0.316
2029	0.301
2030	0.291

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