

SCHEDULE C4

ADDITIONAL VOLUNTARY CONTRIBUTIONS

Functions of employing and administering authorities

5.—(1) As soon as an employing authority receive a notice under paragraph 1 they shall forward it to the appropriate administering authority.

(2) The appropriate administering authority shall give effect to a notice under paragraph 1 as soon as reasonably practicable, and in any event—

- (a) in the case of a notice under paragraph 1(1), so that the member may begin to pay his contributions under paragraph 4 before the expiry of the period of six months beginning with the date on which he gives notice, and
- (b) in the case of a notice under paragraph 1(2), so that the member may pay his contributions at the varied amount or in the varied proportions, or, as the case may be, cease to pay his contributions, before the expiry of the period of three months beginning with that date.

6.—(1) Where a notice under paragraph 1 specifies that all or part of the contributions are to be used to provide benefits payable in the event of death, the appropriate administering authority shall make arrangements for the provision of those benefits under a pension policy.

(2) The pension policy shall provide that the appropriate administering authority are to make payments to the insurance company with which the policy is entered into of the same amounts as the contributions to be used as mentioned in sub-paragraph (1) within one month of the day on which they are payable by the member under paragraph 4.

(3) The policy shall—

- (a) be subject to the conditions mentioned in paragraphs 2 and 3 of this Schedule;
- (b) allow the member to vary his election under paragraph 1(2);
- (c) make provision for the arrangements mentioned in paragraphs 10 to 15 and 22 in the event of a change of employment by the member or, as the case may be, potential overpayment.

(4) Where—

- (a) a person to whom regulation C8 applies was before the commencement of his relevant service (as defined in that regulation) paying contributions to be used to provide benefits payable in the event of death, and
- (b) he has not elected to discontinue those contributions,

the appropriate administering authority shall continue to make the appropriate payments in respect of him during the period of his relevant service in accordance with the arrangements made under this paragraph.

7.—(1) The administering authority shall invest with a relevant body any contributions which are not to be used to provide benefits payable in the event of death.

(2) Subject to sub-paragraph (3) and paragraphs 10 to 17, to the member ceasing to be employed by the employing authority to which notice was given under paragraph 1(1), the appropriate administering authority shall as soon as reasonably practicable apply the accumulated value of the contributions invested as mentioned in sub-paragraph (1) to the provision of additional pension benefits under a pension policy.

(3) If the member dies before such a policy is entered into, the accumulated value shall be payable to his personal representatives.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(4) The contributions invested in accordance with sub-paragraph (1) shall not be used to provide benefits in the form of a lump sum unless—

- (a) the aggregate of the pension benefits provided under Parts D to G and the additional pension benefits provided by the pension policy mentioned in sub-paragraph (2) do not exceed the annual rate or amount referred to in regulation H5; and
- (b) the pension benefits provided under those Parts are being compounded in accordance with that regulation.

8. The benefits under a pension policy entered into under paragraph 6 or 7 shall be money purchase benefits the value of which is reasonable having regard to the amount of the contributions paid.

9. The administering authority—

- (a) shall consult the member before entering into a pension policy under paragraph 6 or 7; and
- (b) shall give effect, so far as is practicable and subject to paragraph 8, to his wishes with respect to the benefits to be provided under it.