

## SCHEDULE 2

Regulation 4(2)

### ADJUSTMENT OF SUPPLEMENT ON MULTIPLE PENSIONS

1. This Schedule applies where a person is in receipt of—
  - (a) more than one principal pension taking the form of periodical payments;
  - (b) more than one principal pension taking the form of a gratuity; or
  - (c) more than one derivative pension—

being pensions in respect of which supplement may be paid under regulation 3.

2. Where the supplement determined under this Schedule on a notional pension comprising all the pensions referred to in paragraph 1(a), (b) or (c), as the case may be, is less than the sum of the supplements determined under these Regulations apart from this Schedule in respect of each pension comprised in the notional pension, the supplement in respect of each of these pensions shall be adjusted in accordance with paragraphs 12 and 13 of this Schedule.

#### **Amount of supplement on notional pension**

3. The amount of supplement on a notional pension shall be the amount of the addition determined in accordance with paragraphs 5 to 10 less the total overseas increase determined in accordance with paragraph 11.

#### **Increasable rate of notional pension**

4. The increasable rate of the notional pension shall, subject to paragraph 10(2)(b), be the sum of the increasable rates of the pensions comprised in it.

#### **Determination of addition on the notional pension**

5. The addition in respect of the notional pension shall be the sum of the additions in respect of the pensions comprised in it, and for the purpose only of this provision the additions in respect of those pensions shall be determined in accordance with Part III but subject to the special rules in relation to the application of section 6 of the Act set out in paragraphs 6 to 9, and subject also to paragraph 10 where applicable.

6. Where the notional pension includes two or more pensions in respect of which section 6 of the Act is applicable in accordance with Part III, and they are all earnings-related pensions, and the 1971 rate of any of those pensions as calculated in accordance with section 6 includes the amount of the increase under section 2 of the Pensions (Increase) Act 1962(1), the amount of that increase shall be allowed in respect of only one of those pensions and the 1971 rates of the pensions shall be adjusted accordingly.

7. Where the notional pension includes two or more pensions in respect of which section 6 of the Act is applicable in accordance with Part III, and they are all contributory derivative pensions, and two or more of those pensions qualify under Schedule 5 for the increase under a particular Table, or paragraph of a Table, in the Annex to that Schedule—

- (a) the increases under that Table or paragraph in respect of all the pensions which so qualify (as reduced where appropriate under paragraph 4 of that Schedule) shall in total be limited to the increase which would be payable under that Table or paragraph in respect of a single pension of which the rate by reference to which the increase is calculated is the sum of the rates (as the case may be, the increasable rate or that rate as increased under previous

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(1) 1962 c. 2; repealed by the Act, Schedule 7.

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Tables) by reference to which the increase under that Table or paragraph in respect of each pension which so qualifies is calculated; and

- (b) the total amount of increases as so limited shall be apportioned among the pensions which so qualify in proportion to the size of the increase which would have been made in respect of each pension but for that limitation.

**8.—(1)** Where the notional pension includes two or more pensions in respect of which section 6 of the Act is applicable in accordance with Part III and those pensions include at least one earnings-related pension and at least one contributory derivative pension—

- (a) in relation to each earnings-related pension in respect of which section 6 of the Act is applicable, where the 1971 rate as calculated in accordance with section 6 of the Act as applied by Part III includes the amount of any increase under the former Pensions (Increase) Acts specified in sub-paragraph (2) of this paragraph, the pension shall for the purpose of this paragraph be treated as qualifying for that increase under the said former Pensions (Increase) Acts; and where that increase is adjusted in accordance with head (b) or (d) of this sub-paragraph the 1971 rate shall be adjusted accordingly;
- (b) if one or more of the contributory derivative pensions to which section 6 of the Act is applicable qualify under Schedule 5 for the increase under a particular Table, or paragraph of a Table, in the Annex to that Schedule and one or more of the earnings-related pensions to which section 6 is applicable qualify for the increase under the provision of the former Pensions (Increase) Acts corresponding to that Table or paragraph as specified in sub-paragraph (2) of this paragraph—
  - (i) the increases payable under that Table or paragraph and the corresponding provision in respect of all the pensions which so qualify (as reduced where appropriate, in the case of contributory derivative pensions, under paragraph 4 of Schedule 5) shall in total be limited to the increase which would be payable under the Table or paragraph in respect of a single pension of which the rate by reference to which the increase is calculated is the sum of the rates (as the case may be, the increasable rate or that rate as increased under previous Tables or provisions) by reference to which the increase under that Table, paragraph or corresponding provision in respect of each pension which so qualifies is calculated; and
  - (ii) the total amount of increases as so limited shall be apportioned among the pensions which so qualify in proportion to the size of the increase which would have been made in respect of each pension but for that limitation;
- (c) if two or more of the contributory derivative pensions to which section 6 of the Act is applicable qualify under Schedule 5 for the increase under a particular Table, or paragraph of a Table, in the Annex to that Schedule but none of the earnings-related pensions to which section 6 is applicable qualify for the increase under the provision of the former Pensions (Increase) Acts corresponding to that Table or paragraph as specified in sub-paragraph (2) of this paragraph, paragraph 7 shall apply in respect of the increase of the contributory derivative pensions;
- (d) if two or more earnings-related pensions to which section 6 of the Act is applicable qualify for the increase under section 2 of the Pensions (Increase) Act 1962 but none of the contributory derivative pensions to which section 6 is applicable qualify under Schedule 5 for the increase under paragraph (b) of Table V in the Annex to that Schedule—
  - (i) the increases under the said section 2 in respect of all the pensions which so qualify shall in total be limited to the increase which would be payable under the said section 2 in respect of a single pension of which the rate by reference to which the increase is calculated is the sum of the rates by reference to which the increase under the said section 2 in respect of each pension which so qualifies is calculated; and

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- (ii) the total amount of increases as so limited shall be apportioned among the pensions which so qualify in proportion to the size of the increase which would have been made in respect of each pension but for that limitation.

(2) For the purpose of sub-paragraph (1)(a) of this paragraph the provisions of the former Pensions (Increase) Acts are those set out in Column 2 below, and for the purpose of sub-paragraph (1)(b) and (c) the provision of the former Pensions (Increase) Acts corresponding to a Table, or paragraph of a Table, in the Annex to Schedule 5 set out in Column 1 below is the provision set out opposite it in Column 2 below:

Column 1 Table	Column 2 Provision of former Pensions (Increase) Acts
I	Pensions (Increase) Act 1920(2), section 1
II	Pensions (Increase) Act 1944(3), section 1
III paragraph (a)	Pensions (Increase) Act 1952(4), section 1
III paragraph (b)	Pensions (Increase) Act 1956(5), section 1
IV	Pensions (Increase) Act 1959(6), section 1
V paragraph (a)	Pensions (Increase) Act 1962, section 1
V paragraph (b)	Pensions (Increase) Act 1962, section 2
VI	Pensions (Increase) Act 1965(7), section 1
VII	Pensions (Increase) Act 1969(8), section 1

9. Where for the pensions in respect of which section 6 of the Act is applicable in accordance with Part III included in the notional pension the aggregate amount of their 1969 standards is less than the aggregate amount of their 1971 rates section 6(1) of the Act shall apply to the increase of all those pensions but otherwise section 6(1) shall not apply to the increase of any of them.

### Special provision for persons also holding Governor’s pension

10.—(1) This paragraph applies where a person has been granted both a Governor’s pension under a scheme made under section 2 of the 1973 Act and another pension in respect of which supplement may be paid under these Regulations the yearly amount of which was deducted in determining the amount of the Governor’s pension.

(2) Where this paragraph applies, for the purposes only of determining the amount of supplement on a notional pension under this Schedule—

- (a) the date at which the other pension in respect of which supplement may be paid under these Regulations is treated as having begun for the purposes of Part III shall be the date

(2) 1920 c. 36; section 1 was amended by the Statute Law Revision Act 1927 (c. 42), Schedule; the Act was repealed by the Pensions (Increase) Act 1971 (c. 56) (“the 1971 Act”), Schedule 7.

(3) 1944 c. 21; section 1 was amended by the Pensions (Increase) Act 1947 (c. 7), section 1(1); by the Pensions (Increase) Act 1956 (c. 39), Schedule 5; by the Pensions (Increase) Act 1962 (c. 2), section 5(1); the Act was repealed by the 1971 Act, Schedule 7.

(4) 1952 c. 45; section 1 was amended by the Pensions (Increase) Act 1956 (c. 39), Schedule 5; the Act was repealed by the 1971 Act, Schedule 7.

(5) 1956 c. 39; section 1 was amended by the Pensions (Increase) Act 1965 (c. 78), section 2(5)(b); the Act was repealed by the 1971 Act, Schedule 7.

(6) 1959 c. 50; repealed by the 1971 Act, Schedule 7.

(7) 1965 c. 78; repealed by the 1971 Act, Schedule 7.

(8) 1969 c. 7; repealed by the 1971 Act, Schedule 7.

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at which the Governor's pension is deemed to have begun under the Act as modified by any regulations made under section 5(3) of the Act<sup>(9)</sup>; and

- (b) the increasable rate of the other pension in respect of which supplement may be paid under these Regulations shall be the yearly amount deducted in determining the amount of the Governor's pension, notwithstanding that that yearly amount may include an increase made in accordance with any enactment, scheme or other instrument providing for increase of pensions, and the amount of any such increase shall not be an overseas increase in respect of that other pension.

#### **Determination of total overseas increase on notional pension**

**11.** The total overseas increase on the notional pension shall be the sum of all the overseas increases on all the pensions comprised in the notional pension.

#### **Adjustment of the amount of supplement on each pension comprised in the notional pension**

**12.** Where paragraph 2 applies, the supplement on each pension comprised in the notional pension shall, subject to paragraph 13, be the reduced amount produced by the formula—

$$\left(\frac{A}{B} \times C\right) - (D + E)$$

where—

A is the increasable rate of the pension in question plus the addition in respect of that pension;

B is the sum of the increasable rates and additions in respect of all the pensions comprised in the notional pension;

C is the increasable rate of the notional pension plus the addition in respect of the notional pension determined under this Schedule;

D is the increasable rate of the pension in question; and

E is the total overseas increase in respect of the pension in question.

**13.** Where the sum of the supplements in respect of all the pensions comprised in the notional pension, determined under paragraph 12, exceeds the supplement on the notional pension determined under this Schedule, the supplement on each pension comprised in the notional pension, determined under paragraph 12, shall be further reduced by deducting from it the amount produced by the formula—

$$F \times \frac{G}{H}$$

where—

F is the supplement on the pension in question determined under paragraph 12;

G is the amount by which the sum of the supplements on all the pensions comprised in the notional pension determined under paragraph 12 exceeds the supplement on the notional pension determined under this Schedule; and

H is the sum of the supplements on all the pensions comprised in the notional pension determined under paragraph 12.

(9) Section 5(3) of the Act was amended by the Social Security Pensions Act 1975 (c. 60), Schedule 4, Part 1, paragraph 18; the relevant regulations at present are S.I. 1976/889.