
STATUTORY INSTRUMENTS

1995 No. 639

**The Judicial Pensions (Additional
Voluntary Contributions) Regulations 1995**

PART IV

**JUDICIAL ADDED YEARS SCHEME, JUDICIAL ADDED BENEFITS SCHEME
AND JUDICIAL ADDED SURVIVING SPOUSE'S PENSION SCHEME**

Interpretation

4.1.—(1) In this Part, unless the context otherwise requires —

“the JABS” means the Judicial Added Benefits Scheme constituted by this Part of the Regulations;

“the JASSPS” means the Judicial Added Surviving Spouse’s Pension Scheme constituted by this Part of the Regulations;

“the JAYS” means the Judicial Added Years Scheme constituted by this Part of the Regulations.

“pension-capped salary” in relation to a member means, for any period of 12 months, so much of his aggregate salary in that period as, within the meaning of section 590C(1) of the 1988 Act does not exceed the permitted maximum for the relevant year of assessment.

(2) Except where otherwise provided, any reference to added years, added units of benefits or added units of surviving spouse’s pension shall include a reference to parts of years, parts of units of benefit and parts of units of surviving spouse’s pension respectively.

(3) The JAYS, the JASSPS and the JABS shall be administered in accordance with the regulations set out in this Part.

(4) The administrators of the JAYS, the JASSPS and the JABS shall be the administrators of an existing scheme or of the pension scheme constituted under Part I of the 1993 Act as appropriate.

Membership

4.2.—(1) Membership of the JAYS and the JASSPS shall be open to any person to whom Part I of the 1993 Act applies.

(2) A member of the JAYS shall, subject to the provisions of these regulations, have a right to increase his length of service in qualifying judicial office by the purchase of added years of pension credit.

(3) A member of the JASSPS shall, subject to the provisions of these regulations, have a right to purchase added units of surviving spouse’s pension during any period in which he currently has a spouse to whom benefits could be paid under the scheme.

(4) Membership of the JABS shall be open to a person who is a member of an existing scheme except those officers referred to in regulation 2.2(1)(b)(ii) to (vi).

(5) A member of the JABS shall, subject to the provisions of these regulations, have a right to purchase added units of benefit in his existing scheme.

Limits on the added years that may be purchased under the JAYS

4.3.—(1) The maximum number of years service which may accrue to a member is 20.

(2) The maximum number of added years that a member may purchase is the difference between the number of years service determined in accordance with this regulation and 20.

(3) The administrators shall require the provision of information relating to retained benefits and retained death benefits in accordance with regulations 2.3 and 2.4.

(4) The administrators shall determine the number of years service by aggregating —

- (a) the length of prospective service to the assumed retirement age from the age of the scheme member (in years and days) at the date of his first appointment to qualifying judicial office; and
- (b) the service equivalent of
 - (i) any benefit from a voluntary contributions scheme;
 - (ii) any of the retained benefits mentioned in regulation 2.3;
 - (iii) any transfer value from another scheme (except a transfer from another judicial pension scheme under the provisions of section 12 of the 1993 Act).

Limits on the added benefits that may be purchased under JASSPS

4.4. Added units of benefit in the JASSPS may be purchased up to such amount as the administrators determine will provide a surviving spouse's pension equal to the amount calculated in accordance with regulation 2.10(1).

Limits on the added benefits that may be purchased under the JABS

4.5.—(1) For the purposes of this regulation —

“aggregated retirement benefit” has the meaning given to it in regulation 2.1 and shall be determined in accordance with regulation 2.8; and

“lump sum benefit” means the aggregate of the lump sum benefits that may be paid to the member from the sources set out in regulation 2.8(1).

(2) The administrators shall require the provision of information relating to retained benefits and retained death benefits in accordance with regulations 2.3 and 2.4.

(3) The aggregated retirement benefit shall not exceed the figure calculated in accordance with regulation 2.12(1).

(4) The lump sum benefit shall not exceed the figure calculated in accordance with subparagraphs (a) or (b) as appropriate—

- (a) on retirement at the member's normal pension age the appropriate fraction of final salary (as defined in regulation 2.1) ascertained in accordance with the scale set out in the Occupational Pension Schemes (Maximum Rate Lump Sum) Regulations 1987(1) as amended from time to time; and
- (b) on retirement before the member's normal pension age on the ground of ill-health, the fraction of final salary ascertained in accordance with the scale set out in the Occupational Pension Schemes (Maximum Rate Lump Sum) Regulations 1987, as amended from time

to time, which the member could have received had he remained in service until his normal pension age.

(5) Added units of benefit in the JABS may be purchased up to such amount as the administrators determine will provide benefits equal to the lesser of the aggregated retirement benefit and the lump sum benefit.

Manner of making contributions into the JAYS

4.6.—(1) The right to purchase added years must be exercised by notice in writing to the administrators while the member is still holding qualifying judicial office and may not be exercised if the member has reached the assumed retirement age.

(2) Before contracting to purchase added years the member must sign a declaration stating that he has no reason to believe that his health may prevent him from serving until the assumed retirement age.

(3) Contributions to the JAYS shall be made by way of periodical deductions from salary only and shall commence on a date agreed between the administrators and the member.

(4) The rate of contribution for each added year shall be calculated, to two decimal places, in accordance with the formula $(A/B) \times$ pension-capped salary where —

- (i) A is the sum of the personal benefits and family benefits percentage figures which correspond to the length of time between the date agreed under regulation 4(6)(3) and the member's assumed retirement age and which are set out in the table in Schedule 1 appropriate to the salary group of the member at the date of his first contribution;
- (ii) B is the length of time referred to in sub-paragraph (i) in years and days (expressed in years and fractions of a year to four decimal places),

subject to the limit on total contributions allowed in any one year by regulation 4.9(1).

(5) For a part of a year the rate shall be that determined in paragraph (4) multiplied by the decimal fraction of a year (to four decimal places) which expresses the number of days being purchased, to a minimum of 0.01%.

(6) The making of periodical contributions at the relevant rate to the JAYS shall continue until the member —

- (i) reaches the assumed retirement age; or
 - (ii) dies; or
 - (iii) leaves qualifying judicial office; or
 - (iv) notifies the administrators that he wishes the contributions to cease,
- whichever occurs first.

Manner of making contributions into the JASSPS

4.7.—(1) Regulations 4.6(1) to (3) and 4.6(6) shall apply to the JASSPS except that for references to “added years” there shall be substituted references to “added units of surviving spouse’s pension” and for the reference to “the JAYS” there shall be substituted a reference to “the JASSPS”.

(2) Contributions shall be expressed as a level monthly payment per unit of additional surviving spouse’s pension and the level monthly payment, subject to a minimum of £1, shall be —

- (i) for each unit of additional surviving spouse’s pension, the amount applicable to the member’s age at the date of his first contribution as set out in the table in Schedule 2;
- (ii) for a part of a unit of additional spouse’s pension, the amount determined in sub-paragraph (i) above multiplied by the appropriate decimal fraction (to four decimal places);

subject to the limit on total contributions allowed in any one year by regulation 4.9(2).

Manner of making contributions into the JABS

4.8.—(1) Regulations 4.6(1) to (3) and 4.6(6) shall apply to the JABS except that for references to “added years” there shall be substituted references to “added units of benefit”, for the reference to “the JAYS” there shall be substituted a reference to “the JABS” and for references to “the assumed retirement age” there shall be substituted references to “his normal pension age”.

(2) The rate of contribution for each added unit of benefit shall be calculated, to two decimal places, in accordance with the formula $(A/B) \times \text{annual salary}$ where —

- (i) A is the sum of the personal benefits and family benefits percentage figures set out in the appropriate table in Schedule 3 which correspond to the length of time between the date agreed under regulation 4.6(3) and the member’s normal pension age; and
- (ii) B is the length of time referred to in sub-paragraph (i) in years and days (expressed in years and fractions of a year to four decimal places),

subject to the limit on total contributions allowed in any one year by regulation 4.9(3),

(3) For each part unit of benefit purchased the rate shall be that determined in paragraph (2) multiplied by the appropriate decimal fraction (to four decimal places), to a minimum of 0.01%.

(4) Schedule 4 to these Regulations shall apply for the purposes of determining which of the tables in Schedule 3 is appropriate to the member.

Maximum contributions

4.9.—(1) A member’s contribution to the JAYS in any tax year shall not exceed the smaller of —

- (a) such amount determined by the administrators, which if maintained at that level until the assumed retirement age, is likely to provide a number of years service equal to the limit set out in regulation 4.3(2), and
- (b) that percentage of the member’s pension-capped salary which, together with any contributions made by the member to the scheme constituted under Part I of the 1993 Act and any other judicial pension scheme (including voluntary contributions schemes) will bring the total contributions to 15% of that pension-capped salary.

(2) A member’s contribution to the JASSPS in any tax year shall not exceed that percentage of the member’s pension-capped salary which together with —

- (a) any contributions made by the member to the scheme constituted under Part I of the 1993 Act; and
- (b) any other judicial pension scheme (including voluntary contributions schemes),

will bring the total contributions to 15% of that pension-capped salary.

(3) A member’s contribution to the JABS in any tax year shall not exceed the smaller of —

- (a) such amount determined by the administrators, which if maintained at that level until his normal pension age, is likely to provide benefits equal to the limits set out in regulation 4.5(5); and
- (b) that percentage of the member’s salary which is subject to tax under Schedule E under Part V of the 1988 Act which, together with any contributions made by the member to his existing scheme and any other judicial pension scheme (including voluntary contributions schemes) will bring the total contributions to 15% of that salary.

Valuation of benefits under the JAYS

4.10.—(1) If a member leaves qualifying judicial service or makes an election under section 13 of the 1993 Act on or after reaching the assumed retirement age, any added years that he has purchased shall count as full years service for the purpose of determining the length of his service in qualifying judicial office under the 1993 Act.

(2) If a member retires on the ground of ill-health or dies before the assumed retirement age, he shall, for the purposes of calculating the appropriate annual rate of pension under section 3 of the 1993 Act, be credited with the full amount of added years for which he is paying contributions, provided that where—

- (a) he retires on the ground of ill health or dies within twelve months of contracting to purchase added years; or
- (b) he dies or retires on the ground of ill health because of an incapacity to which he became subject within twelve months of that date;

the administrators are satisfied that the declaration given in accordance with regulation 4.6(2) was made in good faith.

(3) If a member ceases making contributions before reaching the assumed retirement age for reasons other than death or retirement on the ground of ill-health, then, at the date that he so ceases he shall be credited with added years of service in accordance with the formula $A \times (B/C)$ where —

- (a) A is the number of added years for which he had contracted to pay contributions;
- (b) B is the period (expressed in years and days) over which he has paid contributions for those added years; and
- (c) C is the period (expressed in years and days) calculated from the date of commencement of contributions, over which he would have paid contributions for those added years if he had continued in service until the assumed retirement age.

(4) If a member who has ceased to participate in the scheme under paragraph (3), subsequently starts to pay contributions again, this regulation and regulations 4.6 and 4.13 shall apply separately to those contributions and the value of benefits purchased with them.

(5) For the purposes of this regulation, parts of added years purchased by a member shall be valued on a pro-rata basis.

Valuation of Benefits under the JASSPS

4.11.—(1) Where a member has purchased added units of surviving spouse's pension his surviving spouse shall be entitled to receive additional pension under the scheme constituted by Part 1 of the 1993 Act.

(2) The annual amount of additional pension per unit shall be £1,000 together with increases in line with the Index from the earlier of the member's assumed retirement age or his death.

(3) Such additional pension shall be payable at the same times and intervals and in the same manner as the surviving spouse's pension under section 5 of the 1993 Act.

(4) If a member retires on the ground of ill-health or dies before the assumed retirement age he shall be credited with the number of units of surviving spouse's pension for which he is paying contributions, provided that where —

- (a) he dies or is retired on the ground of ill-health within twelve months of the date of contracting to purchase added units of surviving spouse's pension, or
- (b) he dies or is retired on the ground of ill-health because of an incapacity to which he became subject within twelve months of that date,

the administrators are satisfied that the declaration given in accordance with regulation 4.6(2) as applied by regulation 4.7(1), was made in good faith.

(5) If a member ceases making contributions before the assumed retirement age for reasons other than death or retirement on the ground of ill-health then, at the date he so ceases he shall be credited with added units of surviving spouse's pension in accordance with the formula $A \times (B/C)$ where —

- (a) A is the number of added units of surviving spouse's pension for which he had contracted to pay contributions;
- (b) B is the number of months contributions which he has paid for those added units; and
- (c) C is the number of months contributions which he would have paid for those added units if he had continued in service until the assumed retirement age.

(6) If a member who has ceased to participate in the scheme under paragraph (5), subsequently starts to pay contributions again, this regulation and regulations 4.7 and 4.13 shall apply separately to these contributions and the value of surviving spouse's pension purchased with them.

(7) For the purposes of this regulation, part added units of surviving spouse's pension purchased by a member shall be valued on a pro-rata basis.

Valuation of Benefits under the JABS

4.12.—(1) If a member leaves qualifying judicial service on or after reaching his normal pension age, any added unit of benefit that he has purchased shall entitle him to an additional pension benefit under his existing scheme of 1/40th of his annual salary at the date of retirement together with a lump sum of 2/40ths of his annual salary at the date of retirement and shall entitle his surviving spouse to a surviving spouse's pension of 1/80th of that salary payable on his death and so proportionately for any part unit of benefit purchased.

(2) Any unit purchased shall not be taken into account for the purposes of determining —

- (a) the length of service for the purpose of calculating entitlement to pension benefits under the existing scheme; or
- (b) the length of qualifying service for determining the date of retirement.

(3) If member retires on the ground of ill-health or dies before his normal pension age, he shall be credited with the number of units for which he is paying contributions, provided that where —

- (a) he retires on the ground of ill-health or dies within twelve months of the date of contracting to purchase added units of benefit, or
- (b) he dies or retires on the ground of ill-health because of an incapacity to which he became subject within twelve months of that date,

the administrators are satisfied that the declaration given in accordance with regulation 4.6(2), as applied by regulation 4.8(1), was made in good faith.

(4) If a member ceases making contributions before his normal pension age for reasons other than death or retirement on the ground of ill-health, then, at the date he so ceases he shall be credited with added units of benefit in accordance with the formula $A \times (B/C)$ where —

- (a) A is the number of added units of benefit for which he had contracted to pay contributions;
- (b) B is the period (expressed in years and days) over which he has paid contributions for those added units; and
- (c) C is the period (expressed in years and days) calculated from the date of commencement of contributions, over which he would have paid contributions for those added units if he had continued in service until his normal pension age.

(5) If a member who has ceased to participate in the scheme under paragraph (4), subsequently starts to pay contributions again, this regulation and regulations 4.8 and 4.13 shall apply separately to those contributions and the value of benefits purchased with them.

Refund of contributions

4.13.—(1) If a member who has bought added years or added units of benefit under the JAYS or the JABS is both unmarried and has no eligible children at the time that he retires, dies or otherwise leaves his judicial pension scheme, he shall be entitled to a refund in accordance with this regulation.

(2) Where paragraph (1) applies, the amount to be refunded to a member of the JAYS shall be calculated by applying the percentage figure ascertained in accordance with the formula A/B to the pension capped salary he received for the period from the date he last ceased to have either a spouse or eligible children until the date of retirement where —

- (i) A is the family benefits percentage figure which corresponds to the length of time between the date agreed under regulation 4.6(3) and the member's date of retirement and which is set out in the table in Schedule 1 is appropriate to the salary group of the member at the date of his first contribution; and
- (ii) B is the length of time referred to in sub-paragraph (i) in years and days (expressed in years and fractions of a year to four decimal places).

(3) Where paragraph (1) applies, the amount to be refunded to a member of the JABS shall be calculated by applying the percentage figure ascertained in accordance with the formula A/B to the pension capped salary he received during the period from the date he last ceased to have either a spouse or eligible children until the date of retirement where —

- (i) A is the family benefits percentage figure set out in the appropriate table in Schedule 3 which corresponds to the length of time between the date agreed under regulation 4.6(3) and the member's date of retirement; and
- (ii) B is the length of time referred to in sub-paragraph (i) in years and days (expressed in years and fractions of a year to four decimal places).

(4) Schedule 4 to these Regulations shall apply for the purposes of determining which of the tables in Schedule 3 is appropriate to the member.

(5) Where the spouse of a member who has bought added units of surviving spouse's pension dies or is divorced before the member ceases to be a member of the scheme constituted under Part 1 of the 1993 Act, contributions to the JASSPS shall not be refunded.

(6) Refunds made under this regulation shall be —

- (a) paid with compound interest at the rate announced annually by the Treasury in relation to the PCSPS and which is based on average building society interest rates; and
- (b) subject to a deduction of the appropriate amount in respect of tax charged under section 598 of the 1988 Act.

Monies

4.14. Benefits payable to members under the JAYS, the JASSPS or the JABS shall —

- (a) in respect of a member holding an office within Part I of Schedule 1 to the 1993 Act at the date of retirement be charged on and paid out of the Consolidated Fund; and
- (b) in respect of a member holding any other office at the date of retirement be paid out of money provided by Parliament.