
STATUTORY INSTRUMENTS

2010 No. 492

The National Health Service Pension Scheme,
Injury Benefits and Additional Voluntary
Contributions (Amendment) Regulations 2010

PART 2

Amendment of the National Health Service Pension Scheme Regulations 1995

Substitution of regulation Q17

14. For regulation Q17 (revaluation of increases bought under options: members' pensions), substitute—

“Revaluation of increases bought under options: members' pensions

Q17.—(1) Where an option under regulation Q8, Q10 or Q11 has been exercised, the final amount of the increase in a member's pension immediately before the beginning date for that pension shall be determined in accordance with this regulation.

(2) Where the increase in pension is in respect of an option that was exercised less than 2 months before the increase becomes payable, the final amount is calculated in accordance with paragraph (4).

(3) Where the increase in pension is in respect of an option that was exercised 2 or more months before the increase in pension becomes payable, the final amount is calculated in accordance with paragraph (5).

(4) The calculation referred to in paragraph (2) is as follows—

-
- | | |
|----------|---|
| Step 1 – | Calculate the basic amount of the increase in accordance with regulations Q14 to Q16, to find the Step 1 amount. |
| Step 2 – | Add to the Step 1 amount an amount that is equal to any increases that would be due under the Pensions (Increase) Act 1971(1) on a pension of the same amount as the Step 1 amount when it first falls into payment, to find the Step 2 amount. |
| Step 3 – | Divide the Step 2 amount by the Step 1 amount, to find the Step 3 factor. |
| Step 4 – | Divide the Step 1 amount by the Step 3 factor to find the final amount referred to in paragraph (1). |
-

(5) The calculation referred to in paragraph (3) is as follows—

Status: This is the original version (as it was originally made).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

-
- Step 1 – Calculate the basic amount of the increase in accordance with regulations Q14 to Q16, to find the Step 1 amount.
 - Step 2 – Multiply the Step 1 amount by the retail prices index for the second month before the month in which the increase in pension will become payable, to find the Step 2 amount.
 - Step 3 – Divide the Step 2 amount by the retail prices index for the month in which the option was exercised, to find the Step 3 amount.
 - Step 4 – Take the greater of the Step 1 amount and Step 3 amount, to find the Step 4 amount.
 - Step 5 – Add to the Step 4 amount an amount that is equal to any increases that would be due under the Pensions (Increase) Act 1971 on a pension of the same amount as the Step 4 amount when it first falls into payment, to find the Step 5 amount.
 - Step 6 – Divide the Step 5 amount by the Step 4 amount, to find the Step 6 factor.
 - Step 7 – Divide the Step 4 amount by the Step 6 factor to find the final amount referred to in paragraph (1).
-

(6) In this regulation, “the beginning date”, in relation to a pension, means the date on which it is treated as beginning for the purposes of the Pensions (Increase) Act 1971 (see section 8(2) of that Act).”.