

SCHEDULE 1

Payments for extra pension

PART 4

Enhanced effective pension age payments

CHAPTER 2

Exercising the enhanced effective pension age option

Exercise of option

- 37.**—(1) An enhanced effective pension age option may only be exercised—
- (a) by notice to the scheme manager in a form required by the scheme manager (“the option notice”); and
 - (b) with the approval of the Minister.
- (2) An option notice must state the enhanced effective pension age which is to apply under the option.
- (3) A member may not exercise an enhanced effective pension age option during—
- (a) a period of assumed pay; or
 - (b) any scheme year in which the member has reached the overall limit of extra pension for that year.

Payment of pension at enhanced effective pension age

- 38.**—(1) For any part of a scheme year in which a member makes periodical payments for an enhanced effective pension age option, the member is entitled to payment of a full retirement earned pension or partial retirement earned pension attributable to the option at the enhanced effective pension age stated in the option without actuarial reduction.
- (2) The amount of pension attributable to the option is reduced if the periodical payments are stopped before the end of the periodical payment period.
- (3) For any period in which the periodical payments are stopped, an amount of standard earned pension is credited to the active member’s account instead of an amount of earned pension attributable to the option.

Member ceases to be in pensionable service in an eligible employment

- 39.**—(1) An enhanced effective pension age option in relation to pensionable service in an eligible employment ceases to have effect when the member ceases to be in that pensionable service.
- (2) Periodical payments cease to be payable from the member’s last day of pensionable service in relation to that employment.
- (3) If the member re-enters pensionable service in that employment after a gap in pensionable service not exceeding 5 years, the periodical payments resume from the first pay period of the next scheme year beginning after the date on which the member re-enters pensionable service.
- (4) Sub-paragraph (3) does not apply if before the member re-enters pensionable service in that employment the member notifies the scheme manager that the payments are not to resume.

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(5) If the member re-enters pensionable service in that employment after a gap in pensionable service of more than 5 years, the member may not resume periodical payments in relation to that option without the approval of the Minister.

Cancellation of option

40.—(1) A member may, by notice to the scheme manager, cancel an enhanced effective pension age option at any time during the periodical payment period.

(2) If the member cancels the option, the periodical payments cease to be payable from the beginning of the next scheme year after the scheme manager receives notice of the cancellation.

(3) A member may cancel that part of the periodical payments which relate to the years after the member would reach 60 and before the member would reach 65 without cancelling that part of the periodical payments which relate to the years after the member would reach 65 and before the member would reach normal pension age.

(4) A member who has cancelled an enhanced effective pension age option may not resume periodical payments in relation to that option without the approval of the Minister.

Determining the value of an enhanced effective pension age option

41.—(1) The value of an enhanced effective pension age option at any time is a value determined by the scheme manager as at that time.

(2) A member who has exercised an enhanced effective pension age option—

- (a) may at any time ask the scheme manager to provide a statement of the value of the enhanced effective pension age option; and
- (b) must ask the scheme manager to provide a statement of the value of the enhanced effective pension age option before an added pension option may be exercised in relation to the member.