
STATUTORY INSTRUMENTS

2015 No. 445

The Police Pensions Regulations 2015

PART 7

Retirement benefits

CHAPTER 6

Payment options

Option to commute part of pension

124.—(1) A member who becomes entitled to payment for life of a full retirement pension or an ill-health pension may opt under this regulation to exchange part of the pension for a lump sum.

(2) An option under this regulation may only be exercised before the first payment of the pension is made.

(3) If a member exercises the option, for every £1 by which the amount of the member's annual rate of full retirement pension or ill-health pension is reduced, the member must be paid a lump sum of £12.

(4) The lump sum may not be more than 25% of the amount advised by the scheme actuary as representing the cash value of the pension.

(5) A member may not exchange pension for lump sum under this regulation to the extent that it would result in a scheme chargeable payment for the purposes of Part 4 of FA 2004 (see section 241 of that Act).

(6) If paragraph (7) applies, the member may opt to exchange only so much of the pension that exceeds the guaranteed minimum, multiplied by such factor as is indicated for a person of the member's description in actuarial tables.

(7) This paragraph applies if the member has a guaranteed minimum under section 14 of PSA 1993 in relation to the whole or part of a pension as a result of receipt by this scheme of a transfer payment from another pension scheme in respect of which the member had such a guaranteed minimum.

Status:

Point in time view as at 01/04/2015.

Changes to legislation:

There are currently no known outstanding effects for the The Police Pensions Regulations 2015, Section 124.