
STATUTORY RULES OF NORTHERN IRELAND

2008 No. 256

The Health and Social Care (Pension Scheme) Regulations (Northern Ireland) 2008

PART 3

BENEFITS FOR PRACTITIONERS ETC.

CHAPTER 3

CONTRIBUTIONS

Basic contributions by members

Contributions by members

160.—(1) Each active member must make contributions to the Scheme in respect of the member's pensionable earnings in accordance with regulation 161.

(2) Contributions under paragraph (1) will be paid at the rate specified in regulation 161 and in accordance with this Chapter.

(3) A member who is absent from service in circumstances within regulation 140(1) to (3) may make contributions to the Scheme in respect of the member's pensionable earnings in accordance with those provisions and regulation 161.

Members' contribution rate

161.—(1) Contributions under regulation 160(1) must be paid at the member's contribution rate for the period in question.

(2) Subject to paragraph (3), a member's contribution rate for that period is the percentage specified in Column 2 of the following Table in respect of the corresponding pensionable earnings range specified in Column 1 of the Table into which the member's pensionable earnings fall.

Table

<i>Column 1</i> <i>Amount of pensionable earnings</i>	<i>Column 2</i> <i>Contribution rate</i>
Up to £19,682	5%
£19,683 to £65,002	6.5%
£65,003 to £102,499	7.5%
£102,500 to any higher amount	8.5%

(3) The Department may make a determination substituting any or all of the pensionable earnings amounts or contribution rates specified in the table in paragraph (2) with effect from a date specified in the determination.

(4) Before making a determination under paragraph (3), the Department must consider the advice of the Scheme actuary and the Department of Finance and Personnel.

(5) In paragraphs (6) to (11), a practitioner does not include a dentist performer.

(6) If a practitioner commences practitioner service for the first time (having no earlier practitioner service or earlier officer service) at any time during the 2008–2009 scheme year—

(a) that practitioner’s pensionable earnings in respect of that scheme year shall be the amount agreed between the host Board on the one hand and the practitioner on the other hand as representing their estimate of practitioner’s pensionable earnings from all practitioner sources for that year; and

(b) contributions payable for that part year shall be those specified in Column 2 of the Table in paragraph (2) in respect of the amount of pensionable earnings referred to in Column 1 of that Table which corresponds to those estimated earnings.

(7) If a practitioner—

(a) commences further practitioner service (“the later service”) at any time during the 2008–2009 scheme year;

(b) at the time of commencing that later service—

(i) has other practitioner service as a practitioner in respect of which he is liable to pay contributions in accordance with paragraph (6), or

(ii) had previously been, but no longer is, in other practitioner service in respect of which he was liable to pay contributions in accordance with paragraph (6),

(“the earlier service”), and

(c) regardless of whether or not the practitioner also is, or previously also was, in HSC employment under Part 2 during the 2008–2009 scheme year,

the practitioner shall pay contributions in respect of the later service at the rate determined in accordance with paragraph (6) in respect of the earlier service.

(8) If a practitioner—

(a) commences practitioner service as a practitioner (“the later service”) at any time during the 2008–2009 scheme year;

(b) had previous practitioner service during that scheme year in respect of which he was liable to pay contributions to the scheme as a dentist performer in accordance with paragraph (12) (“the earlier service”), but

(c) had ceased the earlier service prior to commencing the later service, and

(d) regardless of whether or not the practitioner also is, or previously also was, in HSC employment under Part 2 during the 2008–2009 scheme year,

the practitioner shall pay contributions in respect of the later service at the rate determined in accordance with paragraph (6) in respect of the earlier service.

(9) If a practitioner—

(a) commences practitioner service as a practitioner (“the later service”) at any time during the 2008–2009 scheme year;

(b) at the time of commencing that later service had not been in any other practitioner service;

(c) prior to commencing that later service has been in HSC whole-time or part-time employment (excluding any employment under a zero hours contract) in respect of

which he was liable to pay contributions to the scheme as an officer in accordance with regulation 28 (“the earlier service”), but

(d) had ceased all those earlier officer services prior to commencing the later service, the practitioner shall pay contributions in respect of the later service at the rate determined in accordance with paragraph (6) in respect of the earlier service.

(10) Where paragraph (9) applies and the practitioner had two or more earlier officer services, that practitioner shall pay contributions in respect of the later service referred to in paragraph (9) (a) at the rate determined—

- (a) in accordance with regulation 28 in respect of whichever of the earlier officer services is the last to cease, or
- (b) where all of those earlier officer services, or the last two or more of them, cease on the same day, in accordance with paragraph (6).

(11) Where paragraph (9) applies but for the fact that the earlier officer service, or one or more of them in the case of multiple earlier officer services, was a zero hours contract, the practitioner shall pay contributions in respect of the later service referred to in paragraph (9)(a) at the rate determined in accordance with paragraph (6).

(12) If a dentist performer commences practitioner service for the first time (having no earlier practitioner service or officer service) at any time during the 2008–2009 scheme year—

- (a) that dentist performer’s pensionable earnings for that scheme year shall be calculated according to the formula—

$$\frac{EPE}{NDPE} \times 365$$

where—

EPE is an estimate of the dentist performer’s pensionable earnings from all dentist performer sources for the days of practitioner service in the scheme year; and

NDPE is the number of days of practitioner service, and

- (b) contributions payable for the 2008–2009 scheme year shall be those specified in Column 2 of the Table in paragraph (2) in respect of the amount of pensionable earnings referred to in Column 1 of that Table corresponding to the dentist performer’s pensionable earnings for the 2008–2009 scheme year calculated in accordance with this paragraph.

(13) If a dentist performer—

- (a) commences further practitioner service as such a performer (“the later service”) at any time during the 2008–2009 scheme year;
- (b) at the time of commencing that later service—
 - (i) has other practitioner service as a dentist performer in respect of which he is liable to pay contributions in accordance with paragraph (12), or
 - (ii) had previously been, but no longer is, in other practitioner service as a dentist performer in respect of which he was liable to pay contributions in accordance with paragraph (12), (“the earlier service”), and
- (c) regardless of whether or not the practitioner also is, or previously also was, in HSC employment under Part 2 during the 2008–2009 scheme year,

the practitioner shall pay contributions in respect of the later service at the rate determined in accordance with paragraph (12) in respect of the earlier service.

(14) If a dentist performer—

- (a) commences practitioner service as a dentist performer (“the later service”) at any time during the 2008–2009 scheme year;
- (b) had previous practitioner service during that scheme year in respect of which he was liable to pay contributions to the scheme as a practitioner (other than a dentist performer) in accordance with paragraph (6) (“the earlier service”), but
- (c) had ceased the earlier service prior to commencing the later service, and
- (d) regardless of whether or not the dentist performer also is, or previously also was, in HSC employment under Part 2 during the 2008–2009 scheme year,

the dentist performer shall pay contributions in respect of the later service at the rate determined in accordance with paragraph (12) in respect of the earlier service.

(15) If a dentist performer—

- (a) commences practitioner service as a dentist performer (“the later service”) at any time during the 2008–2009 scheme year;
- (b) at the time of commencing that later service had not been in any other practitioner service;
- (c) prior to commencing that later service has been in HSC whole-time or part-time employment (excluding any employment under a zero hours contract) in respect of which he was liable to pay contributions to the Scheme as an officer in accordance with regulation 28 (“the earlier service”), but
- (d) had ceased all those earlier officer services prior to commencing the later service,

the dentist performer shall pay contributions in respect of the later service at the rate determined in accordance with regulation 28 in respect of the earlier officer services.

(16) Where paragraph (15) applies and the dentist performer had two or more earlier officer services, that dentist performer shall pay contributions in respect of the later service referred to in paragraph (15)(a) at the rate determined—

- (a) in accordance with regulation 28 in respect of whichever of the earlier officer services is the last to cease, or
- (b) where all of those earlier officer services, or the last two or more of them, cease on the same day, in accordance with paragraph (12).

(17) Where paragraph (15) would apply but for the fact that the earlier officer service, or one or more of them in the case of multiple earlier officer services, was a zero hours contract, the dentist performer shall pay contributions in respect of the later service referred to in paragraph (15)(a) at the rate determined in accordance with paragraph (12).

(18) Where, at any time during the 2008–2009 scheme year, a practitioner (other than a dentist performer) also commences practitioner service as a dentist performer (or vice versa) the practitioner service as a practitioner (other than as a dentist performer) and the practitioner service as dentist performer will each be treated separately under this regulation.

(19) If, apart from this paragraph, the earnings for a scheme year in respect of a member’s whole-time employment would not be a whole number of pounds, it must be rounded down to the nearest whole pound.

(20) If, in the 2008–2009 scheme year a member is in practitioner service and concurrently in HSC employment in respect of which he is liable to pay contributions in accordance with regulation 28, contributions payable in respect of the member’s practitioner service shall be determined under this Part and contributions payable in respect of the member’s HSC employment shall be determined under Part 2.

(21) In this regulation, “a zero hours contract” means pensionable employment under Part 2 in respect of a contract under which—

- (a) an employing authority does not guarantee to provide work for the member;
- (b) there are no specified working hours or working patterns;
- (c) the member is paid only for work actually done under it.

Contributions by employing authorities: general

162.—(1) Each employing authority must contribute to the Scheme, in respect of each person who is an active member of the scheme in an employment with the authority, at such a rate as the Department specifies from time to time.

(2) In specifying such a rate, the Department must take account of the cost of providing for any increase in pensions under the Scheme as a result of orders made under the provisions of the Pensions (Increase) Act (Northern Ireland) 1971⁽¹⁾ and Article 69 of the Social Security Pensions (Northern Ireland) Order 1975⁽²⁾.

(3) Any contributions payable under this regulation must be paid to the Department.

(4) If for any period a person holds more than one employment with an employing authority in respect of which the person is an active member of the Scheme, this regulation applies in respect of each of those employments as if it were the only employment held.

(5) The rate for the period commencing on 1st April 2008 and ending on 31st March 2009 is 15.7%.

Guarantees, indemnities and bonds

163.—(1) This regulation applies if—

- (a) an employing authority fails to pay contributions in accordance with regulation 162, and
- (b) the authority is—
 - (i) a GMS practice;
 - (ii) an APMS contractor; or
 - (iii) an OOH provider.

(2) The Department may require the authority to have in force a guarantee, indemnity or bond which provides for payment to the Department, should that authority fail to meet them, of all future liabilities of the authority under—

- (a) these Regulations, or
- (b) the Health and Personal Social Services (Superannuation) (Additional Voluntary Contributions) Regulations (Northern Ireland) 1999⁽³⁾.

(3) The guarantee, indemnity or bond must be in such form, in respect of such an amount and provided by such a person as the Department approves for the purpose.

Payment of Contributions

164.—(1) Contributions under this Part must be paid in respect of all periods of practitioner service—

- (a) until the member completes 45 years' pensionable service, or

(1) 1971 c. 35

(2) S.I.1975/1503 (N.I. 15)

(3) S.R. 1999 No. 294

- (b) where the notice required by regulation 139(3) has been properly received, until the member ceases practitioner service.
- (2) Except if paragraph (3) applies, principal medical practitioners shall pay C1 contributions to the host Board.
- (3) Principal dental practitioners shall pay C1 contributions in respect of pensionable earnings that relate to particular GDS arrangements to the employing authority that is a party to those GDS arrangements, and that employing authority is liable to pay the C3 contributions that are payable in respect of those pensionable earnings.
- (4) If a principal medical practitioner is engaged under a contract of service or for services by an employing authority or is a partner or shareholder in an employing authority that is not an OOH provider, that authority shall—
 - (a) deduct C1 contributions from any pensionable earnings it pays to him; and
 - (b) if it is not also the host Board, pay those contributions to that Health and Social Services Board.
- (5) Subject to paragraph (6), if a principal medical practitioner is—
 - (a) an employing authority which is a GMS practice or an APMS contractor; or
 - (b) a shareholder or partner in such an employing authority,that employing authority must pay C3 contributions to the host Health and Social Services Board.
- (6) If a principal medical practitioner is a shareholder or partner in more than one employing authority referred to in paragraph (5), each employing authority must pay C3 contributions on any pensionable earnings it pays to the practitioner or, as the case may be, on the practitioner's share of the partnership profits, to the host Board.
- (7) If paragraph (4) applies (but paragraph (5) does not) and the employing authority referred to in that paragraph—
 - (a) is not the host Board, that authority must pay C3 contributions to the host Board;
 - (b) is the host Board, that Health and Social Services Board must pay C3 contributions to the Department in respect of any pensionable earnings it pays to him.
- (8) If an assistant dental practitioner or an assistant medical practitioner (other than a locum practitioner) is engaged under a contract of service or for services by an employing authority, that authority shall—
 - (a) deduct C1 contributions from any pensionable earnings it pays to him; and
 - (b) in the case of an assistant medical practitioner, if it is not also the host Board, pay those contributions to that Health and Social Services Board.
- (9) In the case of an assistant medical practitioner, if paragraph (8) applies and the employing authority referred to in that paragraph—
 - (a) is not the host Board, that authority shall pay C3 contributions to the host Board;
 - (b) is the host Board, that Health and Social Services Board shall pay C1 and C3 contributions to the Department in respect of any pensionable earnings it pays to him.
- (10) A locum practitioner must pay C1 contributions to the host Board.
- (11) If a locum practitioner is liable to pay contributions under paragraph (10) in respect of pensionable locum work he does for an employing authority which is not—
 - (a) the host Board;
 - (b) a GMS practice;
 - (c) an APMS contractor,

that employing authority must pay C3 contributions to the host Board.

(12) In the case of an assistant dental practitioner who—

(a) is a vocational trainee—

(i) the GDS provider who employs him shall deduct C1 contributions from any pensionable earnings the provider pays to him and shall pay those contributions to the appropriate employing authority; and

(ii) that employing authority is liable to pay the C3 contributions that are payable in respect of those pensionable earnings; or

(b) is not a vocational trainee, the employing authority with which he has an arrangement from which his pensionable earnings are derived is liable to pay the C3 contributions that are payable in respect of those pensionable earnings.

(13) If contributions are payable by a locum practitioner under paragraph (10) in respect of pensionable locum work carried out for an employing authority which is—

(a) a host Board;

(b) a GMS practice; or

(c) an APMS contractor,

the host Board shall pay C3 contributions in respect of such a practitioner.

(14) C1 contributions that are required to be paid to an employing authority by or in respect of a principal or assistant dental practitioner in accordance with this regulation shall be paid to that employing authority not later than the 7th day of the month following the month to which the earnings relate.

(15) It shall be a function of an employing authority—

(a) to which C1 contributions are paid in respect of a principal or assistant dental practitioner in accordance with this regulation;

(b) which is liable to pay C3 contributions in respect of any principal or assistant dental practitioner;

(c) to forward or pay those contributions to the Department not later than the 12th day after the date on which, by virtue of paragraph (14), it is due to receive the C1 contributions or, in the case of C3 contributions, the related C1 contributions.

(16) Contributions which are required to be paid to the host Board in accordance with this regulation must be paid to that Health and Social Services Board not later than the 7th day of the month following the month in which the earnings were paid.

(17) If, as regards a principal or assistant medical practitioner, an employing authority—

(a) is not the host Board, it shall be a function of that employing authority to provide the host Board with a record of any—

(i) pensionable earnings paid by it to a practitioner;

(ii) contributions deducted by it in accordance with paragraph (4) or (8),

not later than the 7th day of the month following the month in which the earnings were paid;

(b) is the host Board that has deducted contributions in accordance with paragraph (4) or (8) and is liable to pay C3 contributions in respect of any pensionable earnings it pays to a practitioner, it shall be a function of that Health and Social Services Board to maintain a record of—

(i) the matters referred to in paragraph (a)(i) and (ii); and

(ii) any contributions paid to it by the principal medical practitioner; and

(iii) any contributions paid to it by a locum practitioner.

(18) It shall be a function of the host Board to pay the contributions—

- (a) paid to it by a principal medical practitioner, non-GP provider or locum practitioner;
- (b) paid to it by another employing authority;
- (c) it is liable to pay by virtue of paragraphs (7)(b) and (9)(b),

in accordance with the provisions of this regulation, to the Department not later than the 19th day of the month following the month in which the earnings were paid.

(19) Without prejudice to any other method of recovery, if in respect of C1 contributions—

- (a) a principal dental practitioner, a principal medical practitioner, an assistant dental practitioner, an assistant medical practitioner or locum practitioner has failed to pay contributions; or
- (b) an employing authority has failed to deduct such contributions,

in accordance with this paragraph, the Department may recover any sum that remains due in respect of those contributions by deduction from any payment by way of benefits to, or in respect of, the member entitled to them if—

- (i) the member agrees to such a deduction; and
- (ii) the deduction is to the member's advantage.

(20) For the purposes of this regulation—

- (a) "C1 contributions" means contributions payable under regulation 160 by a practitioner under the Scheme;
- (b) "C3 contributions" means contributions payable under regulation 162 by an employing authority in respect of a practitioner.

Additional contributions to purchase additional pensions

Member's option to pay additional periodical contributions to purchase additional pension

165.—(1) An active member may opt to make additional periodical contributions by monthly instalments during the contribution option period—

- (a) to increase by a specified amount the benefits payable to the member under Chapter 4 (members' retirement benefits) (including if a member dies after a pension becomes payable, the benefits paid to a surviving partner and dependent children at the same rate as the member's pension for three or six months under Chapter 5 (death benefits)), or
- (b) to increase by a specified amount those benefits and to increase the benefits otherwise payable in respect of surviving partners and dependent children under Chapter 5 (death benefits) in respect of the member.

(2) A member may exercise the option under paragraph (1) more than once.

(3) If a member exercises an option under paragraph (1), any regular additional contributions must be deducted from the member's earnings and paid to the Department in the same manner as is specified in respect of C1 contributions (within the meaning of regulation 164) in relation to that member.

(4) The annual amount of the periodical contributions payable at the beginning of the contribution option period must not be—

- (a) less than the minimum amount, or
- (b) an amount, other than a multiple of, the minimum amount.

(5) In paragraph (4) “the minimum amount” means the amount that would, in accordance with tables prepared for the Department by the Scheme actuary for the scheme year in which the contributions are paid, be the amount of the contributions required to secure an increase in the member’s pension of—

- (a) £250, or
- (b) such other amount as the Department may for the time being determine,

assuming that the contributions are made in accordance with the option for the remainder of the option period.

(6) The tables referred to in paragraph (5)—

- (a) may specify different amounts for different descriptions of members, and
- (b) may be amended during a scheme year,

but no such amendment affects the contributions payable during that year under any option, except an option under which contributions begin to be paid after the date on which the amendment takes effect.

(7) The total increase in the member’s pension as a result of contributions made under this regulation, taken together with any increase as a result of—

- (a) contributions made under regulation 167 (member’s option to pay additional lump sum contributions to purchase additional pension), or
- (b) contributions made under regulation 168 (payment of additional lump sum contributions by employing authority),

may not exceed £5000 or such other amount as the Department may for the time being determine (taking into account any increase in the member’s pension as a result of the exercise of an option in accordance with regulations 34 to 43).

(8) In this Part “the contribution option period”, in relation to an option under this regulation, means a period of whole years, that—

- (a) is specified in the option,
- (b) begins with the pay period in respect of which the first contribution is made under the option,
- (c) is not less than 1 year nor more than 20 years, and
- (d) does not end later than the member’s 65th birthday.

Effect of member being absent or leaving and rejoining the Scheme during the contribution option period

166.—(1) This paragraph applies if during the contribution option period a member who has exercised the option under regulation 165 is absent from work because of—

- (a) illness or injury,
- (b) maternity leave,
- (c) adoption leave,
- (d) paternity leave,
- (e) parental leave, or
- (f) a leave of absence of the kind mentioned in regulation 140(3).

(2) If paragraph (1) applies—

- (a) the contributions under the option continue to be payable unless the member ceases paying contributions under regulation 160, and

- (b) if the member does so cease, the member may continue to make contributions in accordance with the option if the member resumes making contributions under regulation 160 before the end of the period of 12 months beginning with the day on which the member first ceased to pay those contributions.
- (3) This paragraph applies if—
 - (a) a member exercises the option under regulation 165,
 - (b) the member ceases to be an active member during the contribution option period, and
 - (c) the member becomes an active member again before the end of the period of 12 months beginning with the day on which the member ceased to be an active member.
- (4) If paragraph (3) applies, the member may continue to make contributions in accordance with the option after becoming an active member again unless a repayment of contributions has been made to the member under regulation 175.
- (5) For the purposes of paragraph (4) it does not matter whether the member has paid any of the repaid contributions back to the Department.

Member's option to pay lump sum contribution to purchase additional pension

- 167.**—(1) An active member may opt to make a single lump sum contribution—
- (a) to increase by a specified amount the benefits payable to the member under Chapter 4 (members' retirement benefits) (including if a member dies after a pension becomes payable, the benefits paid to a surviving partner and dependent children at the same rate as the member's pension for three or six months under Chapter 5 (death benefits)), or
 - (b) to increase by a specified amount those benefits and to increase the benefits otherwise payable in respect of surviving partners and dependent children under Chapter 5 (death benefits) in respect of the member.
- (2) A member may only make a contribution under this regulation of an amount that is—
- (a) not less than the minimum amount, and
 - (b) in the case of an amount exceeding the minimum amount, a multiple of the minimum amount.
- (3) In paragraph (2) “the minimum amount” means the amount that is, in accordance with tables prepared for the Department by the Scheme actuary, the amount of the single contribution required at the time that the option is exercised to secure an increase in the member's pension of—
- (a) £250, or
 - (b) such other amount as the Department may for the time being determine.
- (4) A member may exercise the option under paragraph (1) more than once.
- (5) If a member exercises an option under paragraph (1)—
- (a) the additional contribution is payable by the member to the employing authority—
 - (i) by deduction from the member's earnings or otherwise, and
 - (ii) before the end of the period of 1 month beginning with the day on which the member is notified by the Department that the option is accepted, and
 - (b) the employing authority must pay it to the Department not later than the 19th day of the month following the month in which the earnings were paid or, as the case may be, the employing authority received payment of the contribution.
- (6) The total increase in the member's pension as a result of contributions made under this regulation, taken together with any increase as a result of—

- (a) contributions made under regulation 165 (member's option to pay additional periodical contributions to purchase additional pension), or
- (b) contributions made under regulation 168 (payment of additional lump sum contributions by employing authority),

may not exceed £5000 or such other amount as the Department may for the time being determine (taking into account any increase in the member's pension as a result of the exercise of an option in accordance with regulations 34 to 43).

Payment of additional lump sum contributions by employing authority

168.—(1) The employing authority of an active member may opt to make a single lump sum contribution—

- (a) to increase by a specified amount the benefits payable to the member under Chapter 4 (members' retirement benefits) (including if a member dies after a pension becomes payable, the benefits paid to a surviving partner and dependent children at the same rate as the member's pension for three or six months under Chapter 5 (death benefits)), or
- (b) to increase by a specified amount those benefits and to increase the benefits otherwise payable in respect of surviving partners and dependent children under Chapter 5 (death benefits) in respect of the member.

(2) An employing authority may only make a contribution under this regulation of an amount that is—

- (a) not less than the minimum amount (as defined in regulation 167(3)), and
- (b) in the case of an amount exceeding the minimum amount, a multiple of the minimum amount (as so defined).

(3) An employing authority may only exercise the option under paragraph (1) with the member's consent, but may exercise it more than once in respect of the same member.

(4) The total increase in the member's pension as a result of contributions made under this regulation, taken together with any increase as a result of—

- (a) contributions made under regulation 165 (member's option to pay additional periodical contributions to purchase additional pension), or
- (b) contributions made under regulation 167 (member's option to pay lump sum contribution to purchase additional pension),

may not exceed £5000 or such other amount as the Department may for the time being determine (taking into account any increase in the member's pension as a result of the exercise of an option in accordance with regulations 34 to 43).

(5) A contribution under this regulation must be paid by the employing authority to the Department within one month of the date on which the authority gave the Department notice under regulation 169(2).

Exercise of options under regulations 165, 167 and 168

169.—(1) A member exercising an option under regulation 165 or 167 must do so by giving notice in writing to the employing authority, giving such information as may be required and must, at the same time, provide the Department with a copy of that notice.

(2) An employing authority exercising an option under regulation 168 must do so by giving notice in writing to the Department, giving such information as may be required.

(3) An option under regulation 165, 167 or 168 may not be exercised during a period whilst the member is absent from work for any reason.

- (4) For the purposes of this Part—
 - (a) a member is treated as exercising an option under regulation 165 or 167 on the date on which the employing authority receives the member’s notice under paragraph (1), and
 - (b) an employing authority is treated as exercising an option under regulation 168 on the date on which the Department receives the authority’s notice under paragraph (2).
- (5) The Department may refuse to accept an option exercised under regulation 165, 167 or 168 and must do so if not satisfied that—
 - (a) the member is in good health, and
 - (b) in the case of an option exercised under regulation 165, there is no reason why the member’s health should prevent the member from paying the contributions for the whole contribution period.
- (6) If the Department refuses to accept such an option—
 - (a) the Department must give notice in writing of that fact—
 - (i) in the case of an option exercised under regulation 165 or 167, to the member, and
 - (ii) in the case of an option exercised under regulation 168, to the employing authority and the member, and
 - (b) this Part applies as if the option had not been exercised.
- (7) These Regulations also apply as if an option under regulation 167 or 168 had not been exercised if—
 - (a) in the case of an option under regulation 167, the payment is not received by the employing authority—
 - (i) before the end of the period of 1 month beginning with the day on which the Department notifies the member of the acceptance of the option, or
 - (ii) if it is earlier, on or before the member’s 65th birthday, and
 - (b) in the case of an option under regulation 169, the payment is not received by the Department—
 - (i) before the end of the period of 1 month beginning with the day on which the authority gave the Department notice under paragraph (2), or
 - (ii) if it is earlier, on or before the member’s 65th birthday.

Cancellation of options under regulation 167

170.—(1) A member may cancel an option under regulation 165(1) by giving the employing authority notice in writing.

(2) If a member cancels such an option, the additional periodical contributions cease to be payable for the first pay period beginning after the date on which the employing authority receives the notice and all subsequent pay periods.

(3) If it appears to the Department that the requirement in regulation 165(7) (overall maximum) will not be met if the member continues to make periodical contributions under an option exercised under regulation 165, the Department may cancel the option by giving the member notice in writing.

(4) If the Department cancels such an option, the additional periodical contributions cease to be payable for the first pay period beginning after the date specified in the notice and all subsequent pay periods.

Effect of payment of additional contributions under this Chapter

171.—(1) This regulation applies if—

- (a) an option is exercised by a member under regulation 165 and all the contributions to be made under the option are made,
- (b) an option is exercised by a member under regulation 167 or by a member's employing authority under regulation 168 and the lump sum payment is made.

(2) Subject to paragraph (9), the member's pension is increased by the full amount of the increase to be made in accordance with the terms of the option, after the final adjustment in that amount in accordance with regulation 174 (revaluation of increases bought under options).

(3) Paragraph (2) is without prejudice to any increase or reduction falling to be made in the total amount of the member's pension under Chapter 4 as a result of the member becoming entitled to payment of the pension before or after reaching the age of 65 (see regulations 178 to 180).

(4) In the case of an option under regulation 165(1)(b), 167(1)(b) or 168(1)(b), any pension payable under Chapter 5 (death benefits) in respect of the member is increased by the appropriate amount.

(5) In paragraph (4), subject to regulations 172 and 173(3), "the appropriate amount" means—

- (a) in the case of a pension under regulation 194 the amount of which is determined under regulation 196 (active members) or regulation 198 (deferred members), 37.5% of the amount of the increase mentioned in paragraph (2) that would have applied in the member's case if the member had become entitled to the increase on the date of death (disregarding paragraph (3)),
- (b) in the case of a pension under regulation 194 the amount of which is determined under regulation 197 (pensioner members), 37.5% of the amount of the increase in the member's pension under paragraph (2) as a result of the option,
- (c) in the case of a pension under regulation 201 the amount of which is determined under regulation 203 (active members) or regulation 205 (deferred members), the appropriate fraction (within the meaning of regulation 203 or, as the case may be, regulation 205) of 75% of the amount of the increase mentioned in paragraph (2) that would have applied in the member's case if the member had become entitled to the increase on the date of death (disregarding paragraph (3)), and
- (d) in the case of a pension under regulation 201 the amount of which is determined under regulation 204 (pensioner members), the appropriate fraction (within the meaning of that regulation) of 75% of the amount of the increase in the member's pension as a result of the option.

(6) Except as provided in regulation 180 (partial retirement), no separate claim is required as respects any additional pension payable by virtue of this regulation.

(7) This regulation is subject to regulation 172.

(8) For the effect of the options under regulation 165 where this regulation does not apply, see regulation 173 (effect of part payment of periodical contributions).

(9) Paragraph (10) applies only to an option under regulation 165(1)(a), 167(1)(a) or 168(1)(a), where a pension is to be paid for either three or six months at the same rate as the member's pension was being paid at the date of that member's death.

(10) Any increase to the member's pension shall be included only in a benefit payable to a surviving partner or a dependent child in respect of the member under these Regulations whilst it is being paid at the rate and for the duration of one of the periods referred to in paragraph (9).

Effect of death or early payment of pension after option exercised under regulation 165, 167 or 168

172.—(1) If a member in respect of whom an option under regulation 165, 167 or 168 has been exercised dies before the end of the period of 12 months beginning with the date on which the option was exercised—

- (a) an amount equal to the contributions paid under the option must be paid—
 - (i) in the case of an option under regulation 165 or 167, to the member’s personal representatives, and
 - (ii) in the case of an option under regulation 168, to the employing authority which made the contribution, and
- (b) regulation 171 (4) does not apply.

(2) If a member in respect of whom an option under regulation 165 has been exercised dies after the end of the period of 12 months beginning with the date on which the option was exercised and before the end of the contribution option period, regulation 171(4) applies as if all contributions due after the date of death had been made.

(3) If a member in respect of whom an option under regulation 165, 167 or 168 has been exercised becomes entitled to a pension under regulation 182 (early retirement on ill-health (active members)) as a result of a claim made before the end of the period of 12 months beginning with the date on which the option was exercised—

- (a) regulation 171(2) and (4) does not apply, and
- (b) an amount equal to the contributions paid under the option must be paid—
 - (i) in the case of an option under regulation 165 or 167, to the member, and
 - (ii) in the case of an option under regulation 168, to the employing authority which made the contribution.

(4) If a member in respect of whom an option under regulation 165 has been exercised becomes entitled to a pension under regulation 182 before the end of the contribution option period as a result of a claim made after the end of the period of 12 months beginning with the date on which the option was exercised, regulation 171(2) and (4) applies as if all contributions under the option had been made.

(5) If a member in respect of whom an option under regulation 165, 167 or 168 has been exercised—

- (a) becomes entitled to a pension under regulation 179 (early payment of pension with actuarial reduction) or regulation 184 (early retirement on ill-health (deferred members)), or
- (b) becomes entitled to a pension under regulation 180 before reaching the age of 65,

the increase in the member’s pension under Chapter 4 (members' retirement benefits) which would otherwise be due under regulation 171(2) or (4) is reduced.

(6) The amount of the reduction is such amount as the Department determines, after consulting the Scheme actuary, to be appropriate by reason of the payment of the increase before the member reaches 65.

(7) This regulation is subject to regulation 173.

Effect of part payment of periodical contributions

173.—(1) This regulation applies if—

- (a) the full number and amount of contributions due under an option under regulation 165 for the whole contribution option period are not made, and
 - (b) regulation 172(1) to (4) does not apply.
- (2) The increase in the member's pension under Chapter 4 is the appropriate proportion of the increase that would have been made under regulation 171(2) if the full number and amount of contributions had been made (but taking account of regulation 172(5) if that applies).
- (3) In the case of an option under regulation 165(1)(b), the increase in any benefit payable under Chapter 5 (death benefits) in respect of the member is the appropriate proportion of the increase that would have been made under regulation 171(4) if the full number and amount of contributions had been made (but taking account of regulation 172(5) if that applies).
- (4) For the purposes of paragraphs (2) and (3), the appropriate proportion is calculated in accordance with such method as the Scheme actuary may determine and specify in guidance given to the Department.
- (5) In making a determination under paragraph (4), the Scheme actuary must have regard to—
- (a) the proportion that the total contributions paid bears to the full amount of contributions due under an option under regulation 165 for the whole contribution option period, and
 - (b) the preservation requirements.

Revaluation of increases bought under options: members' pensions

174.—(1) This regulation applies for the purposes of determining the final amount of the increase in a member's pension as a result of the exercise of an option under regulation 165, 167 or 168.

(2) The amount of that increase immediately before the beginning date for that pension is found as follows—

Step 1

Calculate the amount of the increase in accordance with regulations 171 to 173 immediately before that date ("the basic amount").

Step 2

Multiply the basic amount by the retail prices index for the second month before that in which the person becomes entitled to it, 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

Add to the Step 3 any amount by which the Step 3 amount would be increased under the Pensions (Increase) Act (Northern Ireland) 1971 if it were the amount of the member's pension, to find the Step 4 amount.

Step 5

Divide the Step 4 amount by the Step 3 amount to find the Step 5 factor.

Step 6

Divide the Step 3 amount by the Step 5 factor to find the adjusted basic amount.

(3) The amount of the increase in a member's pension as a result of the exercise of an option under regulation 165, 167 or 168 as at the beginning date for that pension is—

- (a) if the adjusted basic amount is greater than the basic amount, the adjusted basic amount, and

(b) otherwise the basic amount.

(4) 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 section 8(2) of the Pensions (Increase) Act (Northern Ireland) 1971.

Repayment of contributions

Repayment of contributions

175.—(1) The contributions made by a member under this Chapter are not repayable in any circumstances except if—

- (a) paragraph (2) applies, or
- (b) Chapter V of Part IV of the 1993 Act (early leavers: cash transfer sums and contribution refunds) applies and the payment is made in accordance with that Chapter.

(2) This paragraph applies if—

- (a) a person who is not a pensioner member ceases to be an active member and does not continue to be, or become, an active member for the purposes of Part 2 within 12 months of ceasing practitioner service,
- (b) the person does not fall within sub-paragraph (a), (b), (c) or (d) of regulation 176(2) (former members entitled to a pension),
- (c) paragraph (1)(b) does not apply, and
- (d) the person claims repayment of contributions under this regulation by applying in writing to the Department.

(3) If paragraph (1)(b) applies, the person is entitled to be paid the amount to which the person is entitled under Chapter V of Part IV of the 1993 Act, less—

- (a) such part of any contributions equivalent premium paid in respect of the person as is permitted by or under section 57 of the 1993 Act, and
- (b) an amount equal to the income tax payable under section 205 of the Finance Act 2004 (short service refund lump sum charge) as a result of the repayment.

(4) If paragraph (2) applies, the person is entitled to be paid an amount equal to the sum of the contributions made by the person under this Chapter, less the amounts mentioned in paragraph (3) (a) and (b).

(5) If a repayment is made under this regulation, the member’s rights under the Scheme are extinguished unless the person or the person’s spouse or civil partner is entitled to a guaranteed minimum pension under the Scheme and a contributions equivalent payment has not been paid.

(6) A person—

- (a) who is entitled to a repayment of contributions under this regulation, and
- (b) whose pensionable service did not cease because the person’s employment was terminated at the person’s request,

is entitled to interest on the amount of the repayment unless the person’s pensionable service ceased because the person’s employment was terminated by reason of misconduct or inefficiency.

(7) Subject to paragraphs (8) and (9), the interest is calculated on a compound basis at the rate of 2.5% per year, with yearly rests, for the period starting on 1st April after the contributions were paid and ending with the day the member leaves pensionable service.

(8) Paragraph (7) does not apply if paragraph (1)(b) applies and the person is entitled to a greater amount of interest under Chapter V of Part IV of the 1993 Act.

(9) So far as the contributions were paid under another scheme and were included in a transfer payment to the Scheme—

- (a) interest for the period before the transfer payment was made is calculated in accordance with the scheme making the transfer payment (subject to any provision made in any statutory provision applicable to the transfer), and
- (b) paragraph (7) does not apply as respects that period.