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## **RULES OF THE ISLE OF MAN GOVERNMENT UNIFIED SCHEME 2011**

This document is an informal consolidated version of the Rules of Isle of Man Government Unified Scheme 2011 and includes amendments up to and including 25 July 2022. The amendments have been incorporated into the original Rules by the Public Sector Pensions Authority in order to provide a single document for ease of reference.

Please note that these consolidated Rules are for information only and should not be relied upon as a definitive statement of the pension scheme regulations. The original and amending Statutory Documents can be found on the Tynwald website.

### **Isle of Man Government Unified Scheme 2011**

The Isle of Man Government Unified Scheme 2001 (SD 0389/2011) was made by the Civil Service Commission under sections 1(1) and 2(1) of the Superannuation Act 1984 on 31 May 2011 and approved by Tynwald on 22 June 2011 under sections 1(1) and 2(1) of the Superannuation Act 1984.

The following amendments have subsequently been made by the Public Sector Pensions Authority under Section 6(1)(c) of the Public Sector Pensions Act 2011.

<b>SD Number</b>	<b>Amendment</b>	<b>Approved</b>
0139/12	Isle of Man Government Unified (Amendment) Scheme 2012	April 2012
0178/2013	Isle of Man Government Unified Scheme (Amendment) Scheme 2013	July 2013
2014/0247	Isle of Man Government Unified Scheme (Amendment) Scheme 2014	November 2014
2014/0274	Isle of Man Government Unified Scheme (Amendment) (No.2) Scheme 2014	October 2014
2015/0267	Isle of Man Government Unified Scheme (Amendment) Scheme 2015	October 2015
2016/0200	Isle of Man Government Unified Scheme (Amendment) Scheme 2016	September 2016
2017/0020	Isle of Man Government Unified Scheme (Amendment) Scheme 2017	February 2017
2020/046	Isle of Man Government Unified Scheme (Amendment) Scheme 2020	February 2020
2020/0282	Public Sector Pensions (Cost Sharing) Scheme 2020	June 2020
2021/0128	Isle of Man Government Unified Scheme (Amendment) Scheme 2021	June 2021
2022/0239	Isle of Man Government Unified Scheme (Amendment) Scheme 2022	XXXX

# Rules of the Isle of Man Government Unified Scheme 2011

## Arrangement of paragraphs

Section.	Page
1	Definitions and Interpretation..... 1
2	Overriding Provisions .....25
3	Benefits for Existing Pensioner Members and Existing Deferred Members.....29
4	Contracted-In Members .....31
5	Admission of Employing Authorities .....31
6	Pensionable Service .....32
7	Adjustments to Pensionable Service for Part-Time Employees .....35
8	Qualifying Service .....36
9	Calculating Service .....37
10	Pensionable Pay.....37
11	Assumed Pay.....37
12	Final Pensionable Pay for Members apart from CARE Members, Protected Hospital Doctor Members and Section 8(b) Members — .....38
13	Final Pensionable Pay for CARE Members .....41
14	Eligibility and Joining this Scheme .....42
15	Concurrent Employments.....45
16	Termination of Active Membership.....46
17	Absence.....47
18	Resumption of Active Membership.....50
19	Linking Periods of Pensionable Service .....53
20	Option to have periods of Service treated separately where pay is reduced .....55
21	Entitlement to Short Service Benefit.....56
22	Calculation of Short Service Benefit .....56
23	Early Leavers not entitled to Short Service Benefit.....58
24	Employing Authorities' Contributions.....59
25	Guarantees, indemnities and bonds .....59
26	Member Contributions.....60
27	Contractual Additional Pension Contribution Membership and Contractual Additional Pension Contributions .....60
28	Limits on Contributions.....65
29	Money Purchase Additional Voluntary Contributions .....65
30	Augmentation.....66
31	Retirement Pension for Active Members.....67
32	Continuing in service after age 75.....72
33	Pension Credit Members' benefits .....73
34	Pension Credit Members with 2 or more Pension Credits.....74
35	Reduction in Pension Debit Members' benefits .....74
36	Charges associated with Pension Sharing Orders.....75
37	Incapacity Pension for Active Members.....76
38	Incapacity Pension for Deferred Members .....82
39	Enhanced Early Retirement on Termination of Employment by Employing Authority .....85

40	Refund of contributions where a Member is single on retirement .....	86
41	Lump Sum on Retirement.....	87
42	Early payment of retirement lump sum.....	90
43	Timing .....	91
44	Duration.....	92
45	Payment Method .....	92
46	Review.....	92
47	Guaranteed Minimum Pensions .....	92
48	Payment of Lump Sum Death Benefits .....	95
49	Nomination of a Surviving Nominated Partner.....	97
50	Death of Active Member .....	98
51	Death of Pensioner Member .....	101
52	Death of Deferred Member .....	103
53	Death of a Pension Credit Member .....	106
54	Death of a Recent Leaver .....	106
55	Benefits for Children.....	107
56	Death of a Member in Part-Time Service.....	108
57	Dual Capacity Membership – death benefits.....	108
58	GMPs for Surviving Spouses and Civil Partners.....	109
59	Power to withhold benefits.....	110
60	Polygamous Marriages.....	110
61	Transfers to this Scheme.....	111
62	Transfers from this Scheme.....	113
63	Bulk transfers out .....	116
64	Bulk transfers in .....	117
65	Transfers of Pension Credits .....	118
66	This rule has been deleted.....	118
67	This Rule has been deleted.....	118
68	Notices.....	118
69	Determinations by medical practitioners .....	119
70	Assignment and Bankruptcy .....	119
71	Forfeiture .....	120
72	Overpayment of Benefits .....	121
73	Incapacity and Minority .....	121
74	Information from Employing Authorities .....	122
75	Information from Members .....	122
76	Claims for Benefits.....	122
77	Unclaimed Money .....	123
78	Taxation, Levies and Election.....	123
79	Time Limits.....	123
80	Discretionary Compensation Payments.....	123
81	General prohibition on unauthorised payments .....	124
82	Employing authority record keeping and contribution estimates .....	124
83	Cost Sharing .....	125
84	Scheme reviews and accounts .....	125
	SCHEDULES.....	141

**SCHEDULE I**

Transitional Provisions relating to Transfer

Member following a Bulk Transfer ..... 141

**SCHEDULE II**

Member Contributions..... 143

# Rules of the Isle of Man Government Unified Scheme 2011

## Definitions and Interpretation

### 1 Definitions and Interpretation

1.1 In these Rules, unless the context otherwise requires —

**"1957 Act"** means the Payment of Members' Expenses Act 1957;

**"1975 Act"** means the Payment of Members' Expenses Act 1975;

**"1978 Act"** means the Income Tax (Retirement Benefit Schemes) Act 1978 (an Act of Tynwald).

**"1986 Act"** means the Miscellaneous Provisions Act 1986;

**"1989 Act"** means the Payment of Members' Expenses Act 1989;

**"1993 Act"** means the Pension Schemes Act 1993 (an Act of Parliament).

**"1999 Act"** means the Welfare Reform and Pensions Act 1999 (an Act of Parliament).

**"2001 Act"** means the National Health Service Act 2001 (an Act of Tynwald).

**"2006 Act"** means the Employment Act 2006 (an Act of Tynwald).

**"2011 Act"** means the Public Sector Pensions Act 2011 (an Act of Tynwald).

**"2 years' Qualifying Service"** means 2 years (whether a single period of that duration or two or more periods totalling 2 years) in which the Member was at all times employed either —

- (a) in Pensionable Service under the scheme;
- (b) in service in employment which was contracted-out by reference to the scheme; or
- (c) in accordance with Rule 19 in linked qualifying service under another Public Sector pension scheme.

**“40 Year Member”** means a former Civil Servant —

- (a) who is a Former 1.5% Contributions Member;
- (b) who by age 55 and before age 60 has accrued 40 Years Pensionable Service before 31 March 2023, where that service does not include:
  - i. any service enhancement previously granted on joining this Scheme on 1 April 2012;
  - ii. any service enhancement achieved through the provisions of the Public Sector Compensation Scheme 2013<sup>1</sup>;
  - iii. any service enhancement achieved through Rule 27 (Contractual Additional Pension Contribution Membership and Contractual Additional Pension Contributions);

and

- (c) who has been notified by his or her Employing Authority and the Public Sector Pensions Authority that he or she is a 40 Year Member.

**“Active Member”** means a person in Pensionable Service who is currently accruing benefits under this Scheme.

**“Active Membership”** means the status of being an Active Member.

**“Added Years”** means additional years of pension purchased by a Contractual Additional Pension Contributions Member under Rule 27.

**“Additional Adoption Leave”** means leave under section 96 of the 2006 Act.

**“Additional Death Benefits”** has the meaning given to that expression in Rule 27.1.

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<sup>1</sup> SD 2014/0021

**“Additional Maternity Leave”** means leave under section 81 of the 2006 Act.

**“Additional Pension Benefits”** has the meaning given to that expression in Rule 27.

**“Additional Voluntary Contributions”** means the voluntary contributions paid by a Member pursuant to the voluntary contributions requirements of section 111 of the 1993 Act.

**“Admission Agreement”** means an agreement which allows public sector employees whose employment is transferred from their public sector employment to an external provider of those services, to remain in their former Public Sector Pension Scheme for so long as they are mainly or wholly employed in connection with the delivery of the outsourced service.

**“Annual Earnings”** means the aggregate of the annual salary, wages, fees and other payments paid to the Member or Pensioner Member by their employer in respect of their employment in the preceding 12 months.

**“Assumed Pay”** has the meaning given to that expression in Rule 11.

**“Beneficiary”** means a person who is absolutely or contingently entitled to a benefit, whether immediate or prospective, under this Scheme.

**“Break”** means a break in Service that is 28 days or less.

**“Bulk Transfer”** has the meaning given to that expression in Rule 64.

**“CARE Member”** means a Member who is a Practitioner.

**“CARE Pensionable Pay”** means, in respect of a CARE Member, the figure derived from dividing by 3 the total Pensionable Pay notified by the CARE Member to the Public Sector Pensions Authority in respect of the 3 complete financial years before the date of the Member’s death or, if a Member was in Pensionable Service for less than 3 complete financial years before the date of the Member’s death, the expression means the figure derived by dividing the total Pensionable Pay notified by the Member by the number of complete financial years in which the Member was actually in Pensionable Service and Pensionable Pay was earned and declared.



**“Cash Equivalent”** means the cash equivalent of any benefits that have accrued to or in respect of a Member —

- (a) at the date the Member makes an application to take his or her cash equivalent; or
- (b) at the date the Member’s Pensionable Service terminates,

subject to any reductions made under regulations made under section 97(4) of the 1993 Act.

**“Cash Transfer Sum”** has the meaning given to that expression in section 101AB of the 1993 Act.

**“Child”**, in relation to a deceased Member, means a person —

- (a) who is —
  - (i) his or her biological child;
  - (ii) his biological and financially dependent on the Member at the date of the Member’s death;
  - (iii) his or her step-child by a marriage entered into or a civil partnership formed before the date on which the Member left Pensionable Service;
  - (iv) a child whom the Member had legally adopted before the date on which the Member left Pensionable Service or whom the Member had intended to adopt immediately before he or she left Pensionable Service;
  - (v) a brother or sister or a child of the brother or sister of the Member or his or her Surviving Adult Dependant, with any half-brother or step-brother being treated as a brother and any half-sister or step-sister being treated as a sister, if the Member was his or her legal guardian;

- (vi) a child who immediately before the Member left Pensionable Service had been dependent on the Member for at least 2 years or, if less, half the child's life;
  - (vii) a child of the Member conceived but not born if the child is born no more than one year after the Member left Pensionable Service; or
  - (viii) a child of a person nominated under Rule 49 at the time the Member left Pensionable Service who was —
    - (A) born before the Member left Pensionable Service and who, if the Member dies after leaving Pensionable Service, was dependent on the Member at the time the Member left Pensionable Service and at the date of the Member's death; or
    - (B) born one year or less after the Member left Pensionable Service and who is either dependent on the Member immediately after being born or would have been dependent on the Member if the Member had not died before the child was born; and
- (b) who is —
- (i) is below age 18;
  - (ii) is below age 23 and undergoing full-time vocational training or education being —
    - (A) the time before the end of the school or university term in which the person leaves, namely the last day of December, March or August depending upon the term the person leaves; or
    - (B) if the person leaves before the end of a term or is expelled, being the time before the date the person leaves or is expelled;
  - (ii) is —

- (A) at the date of the Member's death, a person to whom either (i) or (ii) applies and is, in the opinion of the Public Sector Pensions Authority having regard to the advice of a Registered Medical Practitioner, suffering from a mental or physical disability rendering the person unable to support himself or herself financially; and
- (B) subsequently, irrespective of age, after any review that may be carried out by the Public Sector Pensions Authority every 3 years, shown to be continuing to so suffer, unless the person is financially supported by and dependent on any individual other than the Member or, following the Member's death, the benefits payable in respect of the Member.

**"Child's Allowance"** means a pension payable in accordance with Rule 55.

**"Civil Partner"** has the meaning given to that expression in section 1 of the Civil Partnership Act 2011.

**"Civil Servant"** means a public servant previously appointed under the Civil Service Act 1990 and employed under the Public Service Commission Act 2015.

**"Comparable Alternative Employment"** in relation to rules 14.3, 37.8, 37.9(a), 38.4 and 38.5(a) means employment, whether with an Employing Authority or not, in respect of which a Pensioner Member's Annual Earnings when added to their pension from this scheme is equal to or exceeds 90% of the value of the Pensioner Members pre-retirement annual pensionable pay, increased, in respect of each 12 month period after the date before the first day they take up re-employment, in line with the Index the date at which the Pensioner Member commences re-employment.

**"Compensation Regulations"** means the Public Sector Compensation Scheme 2013.

**"Contracting-Out Rights"** has the meaning given to that expression in Rule 47.7.

**“Contractual Additional Pension Contributions”** means the periodic additional voluntary contributions paid by a Contractual Additional Pension Contributions Member during the Contractual Additional Pension Contributions Period.

**“Contractual Additional Pension Contributions Member”** means a Member who —

- (a) has written notification given by the Public Sector Pensions Authority prior to the Implementation Date that he or she is eligible to be a Contractual Additional Pension Contributions Member in this Scheme;
- (b) confirms to the Public Sector Pensions Authority prior to the Implementation Date that he or she elects to join this Scheme as a Contractual Additional Pension Contributions Member ; and
- (c) following his or her election under (b), has written confirmation given by the Public Sector Pensions Authority of his or her status as a Contractual Additional Pension Contributions Member.

**“Contractual Additional Pension Contributions Membership”** means the status of being a Contractual Additional Pension Contributions Member.

**“Contractual Additional Pension Contributions Period”** means the period that starts on the Contractual Additional Pension Contributions Start Date and ends on the Contractual Additional Pension Contributions End Date.

**“Contractual Additional Pension Contributions End Date”**, in respect of a Contractual Additional Pension Contributions Member, means the date on which his or her Contractual Additional Pension Contributions cease to be payable as contained in a written notice given by the Public Sector Pensions Authority to the Contractual Additional Pension Contributions Member within 6 months of his or her Joining Date or as soon as reasonably practicable after that date.

**“Contractual Additional Pension Contributions Start Date”**, in respect of a Contractual Additional Pension Contributions Member, means the date on which his or her Contractual Additional Pension Contributions start to be payable as contained in a written notice given by the Public Sector Pensions Authority to the

Contractual Additional Pension Contributions Member within 6 months of his or her Joining Date or as soon as reasonably practicable after that date.

**“Contribution Refund”**, in relation to a Member of the Scheme has the meaning given in section 101AB (4) of the 1993 Act but for the purposes of this Scheme —

- (a) Subsection (5) of that section does not apply; and
- (b) “employee contributions” means, in relation to the Member, contributions deemed to have been made to the scheme by or on behalf of the Member on the Member’s own account.

**“Council of Ministers”** means the Council of Ministers of the Isle of Man Government as established under the Council of Ministers Act 1990.

**“Deferred Member”** means a person who has accrued rights in respect of a period of Pensionable Service and is neither an Active Member nor a Pensioner Member in relation to the Scheme benefits accrued under this Scheme during the period of Pensionable Service.

**“Dental Performer”** means a dental practitioner, within the meaning of the National Health Service Act 2001, whose name is included in the dentists register and who also performs general dental services under a contract for services with the Department of Health that relate to the provision of general dental services under section 6 of the 2001 Act.

**“Dependent’s Pensionable Service”** means –

- (a) in relation to a Section 1 to 6, 8 and 9 Member a Member’s Pensionable Service calculated under Rule 6.1 including any period of past service credited to a Member by the Scheme Actuary as a result of maintaining a past service undertaking with regard to the payment of an incapacity pension, but excluding:
  - (i) any period of Service credited to the Member as part of an augmentation on joining this Scheme as the result of a Bulk Transfer under Rule 64; and

(ii) any period of Service credited to a Member as part of an augmentation as a result of the Member moving Sections under Rule 18A

(b) In relation to a Section 8(a) Member a members Pensionable Service credited to a Member as a result of maintaining a past service undertaking with regard to the payment of a Surviving Adult Dependent's Pension and as confirmed in writing to the member in a statement issued by the PSPA within 12 months of the Member joining this Scheme.

**"Divorce Requirements"** means the requirement for the disclosure of information in relation to this Scheme and the provision of benefits under this Scheme in respect of the former husband, wife or Civil Partner of a Member under the 1993 Act and the 1999 Act.

**"Date of Change"**, in relation to a Section 8 Member or a Section 8 (a) Member, means the earlier of the date of the Order changing Members pay made under Members Expenses Act 1989 or

- (a) in the case of a member of the Keys , the date of the next general election to be held under the Representation of the People Act 1995<sup>2</sup> following the coming into operation of the Isle of Man Government Unified (Amendment) Scheme 2021<sup>3</sup>;
- (b) in the case of a member of the Council at the time the Isle of Man Government Unified Scheme (Amendment) Scheme 2021 is approved, the date on which he or she goes out of office
  - (i) pursuant to section 10 of the Isle of Man Constitution Amendment Act 1919<sup>4</sup> ; or
  - (ii) for any other reason, if earlier.
- (c) in the case of President at the time the Isle of Man Government Unified Scheme (Amendment) Scheme 2021 is made, the date of re-election or in the case of the next successor to that office, the date of first election to that office pursuant to Section 2 of the Constitution Act 1990.

**"Due Date"** has the meaning given to that expression in Rule 80.4.

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<sup>2</sup> AT13 - 1995

<sup>3</sup> SD 2021/0128

<sup>4</sup> AT2 - 1919

**“Earlier Service”** means —

- (a) in the case of a change of circumstances within Rule 20.2(a), the Service in the employment that the Member has left; and
- (b) in the case of a change of circumstances within Rule 20.2(b), the Service in the employment before the change in the Member’s duties took effect.

**“Eligible Employment”** means employment or appointment as an Employee.

**“Employee”** means a Public sector employee or a person whose employment has been transferred from the public sector to an organisation outside of the public sector under the terms of an Admission Agreement.

**“Employing Authority”** means:

- (i) the employer of a Public Sector employee; or,
- (ii) if the employee is a public sector office holder, means the person for the time being paying the remuneration of the employee; or
- (iii) if the Employee whose employment has been transferred under the terms of an Admission Agreement means the organisation outside of the public sector which has entered into the Admission Agreement and to whom Section 14 of this Scheme does not Apply.

**“Existing Pension”** means a pension in payment as at the Implementation Date in respect of service with an Employing Authority or a deferred pension in respect of service with an Employing Authority.

**“Existing Deferred Member”** means a person who immediately before the Implementation Date had a deferred pension in respect of his or her service with an Employing Authority and, where the Public Sector Pensions Authority so determines, by reference to pensionable service in the public sector in the Island and by reference to any entitlement that arose from transferred in pensions rights, and who was on the Implementation Date transferred into this Scheme.

**“Extra Pension”** means an additional amount of pension benefits purchased by a Contractual Additional Pension Contributions Member under Rule 27.

**“Existing Pensioner Member” means —**

(a) a person who was immediately before the Implementation Date receiving a pension in payment in respect of his or her service with an Employing Authority and, if the Public Sector Pensions Authority so determines, by reference to pensionable service in the public sector in the Island and by reference to any entitlement that arose from transferred in pensions rights, and who was on the Implementation Date transferred into this Scheme; or

(b) a person who is the beneficiary of a Scheme Member and was immediately before the Implementation Date receiving a pension or allowance in payment in respect of the scheme member’s service with an Employing Authority.

**“Final Pensionable Pay”** has the meaning given to that expression in Rules 12, 12A, 12B and 13.

**“Firefighter”** means:

(a) any person established under sections 1(2) and 1(4) of the Fire Services Act 1984 (as amended, consolidated or re-enacted from time to time); or

(b) any person who is employed by the Department of Infrastructure (or such other department as may replace it from time to time) for the purposes of fire fighting at an Airport maintained by that department; or

(c) any person who is a member of the Civil Service whose duties wholly or mainly relate to fire-fighting at an Airport maintained by the Department of Infrastructure (or such other department as may replace it from time to time).

**“Former 1.5% Contributions Member”** means a Member who is given written notice by the Public Sector Pensions Authority within 6 months of the member’s Joining Date or as soon as reasonably practicable after that date stating that the



Member is a Former 1.5% Contributions Member within his or her relevant Section of this Scheme.

**“Gainful Employment”** means employment, whether with an Employing Authority or not, in respect of which a Member’s Annual Earnings equal or exceed the higher of —

- (a) 20% of the rate of Annual Earnings applicable to the Member on the day before the first day of relevant sickness absence, increased, in respect of each 12 month period after that date, in line with the Index; and
- (b) the annual rate of the lower earnings limit determined by Treasury from time to time.

**“GDS Contract”** means a contract under section 31 of the 2001 Act for the provision of general dental services.

**“GMS Contract”** means a contract under section 31 of the 2001 Act for the provision of general medical services.

**“GMP”** means a guaranteed minimum pension as defined in section 8 of the 1993 Act.

**“GMP Requirements”** means the GMP requirements referred to in section 12E of the 1993 Act by reference to this Scheme.

**“GP Performer”** means a Registered Medical Practitioner, other than a Locum Practitioner, whose name is included in the medical practitioners list under Section 4 of the National Health Service Act 2011 and who performs essential services, additional services, enhanced services, commissioned services or certification services or a combination of those services under a GMS contract.

**“GP Provider”** means a GP Performer who is —

- (a) a GMS practice;
- (b) a partner in a partnership that is a GMS practice; or

(c) a shareholder in a company limited by shares that is a GMS practice, and who performs medical services as or on behalf of that practice or contractor.

**“Guaranteed Cash Equivalent Transfer Amount”** has the meaning given to that expression in Rule 62.10.

**“Guaranteed Minimum”** means a guaranteed minimum under section 14 of the 1993 Act or section 17 of the 1993 Act.

**“Ill-health Qualifying Pensionable Service”** means a Member’s Qualifying Service under Rule 8 but excluding:

- (a) any period of Service credited to the Member as part of an augmentation on them joining this Scheme following a transfer under Rule 61 or Rule 64; and
- (b) any period of Service credited to a Member as part of an augmentation as a result of the Member moving Sections under Rule 18A.

**“Ill-health Pensionable Service”** means a Member’s Pensionable Service calculated under Rule 6.1, including any period of past service credited to a Member by the Scheme Actuary as a result of maintaining a past Service undertaking with regard to the payment of an incapacity pension, but excluding:

- (a) any period of Service credited to the Member as part of an augmentation on joining this Scheme as the result of a Bulk Transfer under Rule 64; and
- (b) any period of Service credited to a Member as part of an augmentation as a result of the Member moving Sections under Rule 18A.

**“Implementation Date”**, in respect of a provision of these Rules, means such date or dates as the Public Sector Pensions Authority, in accordance with paragraph 2(b) of the Isle of Man Unified Pensions Scheme 2011, appoints by order for the provision to come into operation.

**“Index”** means the inflationary index used for the Pensions Increase (Annual Review) Order, made by Treasury and approved by Tynwald.

**“Joining Date”**, in respect of a Member, means the date the Member was admitted to this Scheme under Rule 14.

**“Later Service”** means —

- (a) in the case of a change of circumstances within Rule 20.2(a), the Service in the employment that the Member has begun; or
- (b) in the case of a change of circumstances within Rule 20.2(b) the Service in the employment after the change in the Member’s duties took effect.

**“Locum Practitioner”** means a Registered Medical Practitioner whose name is included in the medical performers list and who is engaged, otherwise than in pursuance of a commercial arrangement with an agent, under a contract for services by —

- (a) the Department of Health; or
- (b) a GMS practice,

to deputise or assist temporarily in the provision of essential services, additional services, enhanced services or certification services or any combination those services.

**“Longer Break”** means a break in Service that is more than 28 days.

**“Lower Tier Ill-Health Criteria”**, in relation to the question whether the Member satisfies those criteria, means —

- (a) ill health or a mental or physical incapacity that renders the Member incapable of efficiently discharging the duties of —
  - (i). the Member’s normal duties of work; or
  - (ii). comparable alternative employment,

as determined by the Public Sector Pensions Authority having consulted the Member’s Employing Authority; and

(b) which the Public Sector Pensions Authority, having regard to the advice of a Registered Medical Practitioner, is satisfied, on the balance of probabilities, the Member will continue to meet or satisfy at least until he or she reaches —

- (i). age 65; or
- (ii). in the case of a Section 7 Member, age 55.

**“Maternity Leave”** means leave that a person is entitled to under regulations made under Section 79 of the 2006 Act.

**“Member”** means an Active Member, a Deferred Member, a Pensioner Member or a Pension Credit Member.

**“Membership”** means the status of being a Member.

**“Member Contributions”** means contributions paid or payable by an Active Member under Rule 26.

**“Member of Tynwald”** means any person serving, or has previously served, as a Member of Tynwald except where he or she is a Member of Tynwald by virtue of his or her office.

**“Members of the Judiciary”** means –

(a) judges of the High Court (within the meaning of section 3(1) of the *High Court Act 1991*); and

(b) the Attorney General and Her Majesty’s Solicitor General for the Island.

**“Mental Health Officer”** means a person working in an approved place used for the treatment of patients suffering from mental disorder who is employed for the whole or almost the whole of his or her time in the direct treatment or care for those patients.

**“MHO Status Member”** means a Section 2 Member of this Scheme who as at 6 March 1995 —

(a) was in pensionable service under the National Health Service Pension Scheme as a Mental Health Officer; or

- (b) had accrued rights to benefits under the National Health Service Pension Scheme arising out of a previous period in which the Member was engaged as a Mental Health Officer and who at no time since the last occasion on which the Member was so engaged has had a break in pensionable service under the National Health Service Pension Scheme for any one period of 5 years or more.

but does not include a Member who has had a combined break in pensionable service under the National Health Service Pension Scheme or Service or both after the Implementation Date that would have been pensionable service under the National Health Service Pension Scheme, had the Member still been a member of that scheme, for any one period of 5 years or more.

**“Money Purchase Additional Voluntary Contributions”** means any additional contributions or Additional Voluntary Contributions that are paid by a Member on a money purchase basis to any type of money purchase arrangement established for this purpose by the Public Sector Pensions Authority.

**“National Health Service Pension Scheme”** means the National Health Superannuation Scheme 2007 or the National Health Service Pension Scheme 2008, established under section 2 of the Superannuation Act 1984.

**“New Employer's Scheme”** has the meaning given to that expression in Rule 63.1(c).

**“Officer of Hospice Care”** means a person who is employed by Hospice Care and who is—

(a) a health care professional —

- (i). within the meaning of section 3 of the Health Care Professionals Act 2014; and
- (ii). who is a member of a profession, referred to in section 60(2) of the Health Act 1999 (an Act of Parliament); or

(b) an individual identified as a Health Care Assistant by Hospice Care.

**“Other Scheme”**, in respect of a Member, means a scheme or arrangement that the Public Sector Pensions Authority determines is eligible to be treated as an Other Scheme for the purposes of these Rules where the Public Sector Pensions Authority has given the Member written notice of its eligibility.

**“Paid Family Leave”** means leave that is —

- (a) Maternity Leave;
- (b) Paternity Leave;
- (c) Additional Maternity Leave during which the Active Member receives contractual pay from her Employing Authority;
- (d) Parental Leave during which the Active Member receives contractual pay from his or her Employing Authority; or
- (e) Additional Adoption Leave during which the Active Member receives contractual pay from his or her Employing Authority.

**“Paid Family Leave Period”** has the meaning given to that expression in Rule 17.2.

**“Parental Leave”** means leave to which a person is entitled in accordance with under regulations made under Section 84 of the 2006 Act.

**“Part-Time Service”** means a period of Service during which an Employee’s contractual hours are less than the number of contractual hours for a person employed in the employment on a whole-time basis.

**“Paternity Leave”** means leave to which a person is entitled under regulations made under Section 90 of the 2006 Act.

**“Pensionable Pay”** has the meaning given to that expression in Rule 10.

**“Pensionable Service”** has the meaning given to that expression in Rule 6.

**“Pension Credit”** means a credit under section 29(1)(b) of the 1999 Act and includes a credit under corresponding Northern Ireland legislation.

**“Pension Credit Member”** means a person who has rights under this Scheme that are attributable, directly or indirectly, to a Pension Credit.

**“Pension Credit Rights”** has the meaning given to that expression by section 101B of the 1993 Act.

**“Pension Debit Member”** means a Member of this Scheme (including an Existing Deferred Member or an Existing Pensioner Member) whose benefits, or future benefits, under this Scheme have been reduced under section 31 of the 1999 Act whether before or after the Member became a Member of this Scheme.

**“Pensioner Member”** means a person who is entitled to the present payment of benefits relating to a period of Pensionable Service under this Scheme and who is not currently accruing benefits under this Scheme in respect of that period of Pensionable Service but does not include a Child or a Surviving Adult Dependant of the Pensioner Member.

**“Pension Increase Date”** means the first Monday on or after 6 April in each year.

**“Pension Sharing Order”** means such an order or provision as is mentioned in section 28(1) of the 1999 Act.

**“Permitted Longer Break”** means a Longer Break where:

- (a) the Member has requested they rejoin the Section they were in prior to the Longer Break; and
- (b) the Member’s Employing Authority consented to the Longer Break before it commenced and notified the Public Sector Pensions Authority accordingly; and
- (c) the Public Sector Pensions Authority, after consulting with the Member’s Employing Authority, determines, at its absolute discretion, that it is satisfied that the Longer Break is for the purposes of training or work to enhance the reputation or perception of the Isle of Man or to benefit the Member’s job or for the benefit of the Member’s Employing Authority.

**“Practitioner”** means —

- (a) a Registered Medical Practitioner, who is a Locum Practitioner, a GP Provider or a GP Performer; or
- (b) a Dental Performer,

who is engaged to provide services to the Department of Health and Social Care under a GMS Contract or a GDS Contract.

**“Preservation Requirements”** means the provisions of Chapter I of Part IV to the 1993 Act.

**“Protected Hospital Doctor Member”** means a Member who has received written notification from the Public Sector Pensions Authority that he or she is a Protected Hospital Doctor Member

**“Public Sector Employee”** means a person in respect of whom the Public Sector Pensions Authority may make a scheme under section 6(1)(c) of the 2011 Act.

**“Public Sector Pensions Authority”** means the Public Sector Pensions Authority as established by the Pensions Act 2011.

**“Qualifying Service”** has the meaning given to that expression in Rule 8.

**“Recent Leaver”** means a person —

- (a) who left Pensionable Service less than 12 months before his or her death;
- (b) who was not a Deferred Member or a Pensioner Member because of rights resulting from the Pensionable Service; and
- (c) in respect of whom no transfer of his or her Cash Equivalent under Rule 62 or Contribution Refund has been paid in respect of the period of Pensionable Service.

**“Registered Medical Practitioner”** means a fully registered person within the meaning of the Health Care Professionals Act 2014, who holds a licence to practise under that Act.



**“Rule”** means a Rule of this Scheme.

**“Scheme”** means this scheme, namely the Isle of Man Government Unified Scheme 2011.

**“Scheme Actuary”** means the actuary to this Scheme appointed for the purpose by the Public Sector Pensions Authority.

**“Section”** means a section of Membership under this Scheme by which the contributions and benefits payable in respect of a Member are to be determined.

**“Section 1 (Standard) Member”** means a Member who —

- (a) has received written notification from the Public Sector Pensions Authority that he or she is a Section 1 (Standard) Member; or
- (b) becomes a Section 1 (Standard) Member automatically under Rule 14; or
- (c) was previously a Section 2-6, 8, 8(a) or 9 Member in this Scheme but has subsequently become a Section 1 (Standard) Member; or
- (d) is a Member of Tynwald or a Member of the Judiciary who has elected to become a Section 1 (Standard) Member.

**“Section 2 Member”** means —

- (a) a Member who receives written notice from the Public Sector Pensions Authority within 6 months of the Implementation Date or as soon as reasonably practicable after that date that he or she is a Section 2 Member; or
- (b) a Member who is admitted or re-admitted to this Scheme as a Section 2 Member under Rule 14.8 or Rule 18A.

**“Section 3 Member”** means —

- (a) a Member who receives written notice from the Public Sector Pensions Authority within 6 months of the Implementation Date or as soon as reasonably practicable after that date that he or she is a Section 3 Member; or

- (b) a Member who is admitted or re-admitted to this Scheme as a Section 3 Member under Rule 14.8 or Rule 18A.

**“Section 4 Member”** means —

- (a) a Member who receives written notice from the Public Sector Pensions Authority within 6 months of the Implementation Date or as soon as reasonably practicable after that date that he or she is a Section 4 Member;  
or
- (b) a Member who is admitted or re-admitted to this Scheme as a Section 4 Member under Rule 14.8 or Rule 18A.

**“Section 5 Member”** means —

- (a) a Member who receives written notice from the Public Sector Pensions Authority within 6 months of the Implementation Date or as soon as reasonably practicable after that date that he or she is a Section 5 Member;  
or
- (b) a Member who is admitted or re-admitted to this Scheme as a Section 5 Member under Rule 14.8 or Rule 18A.

**“Section 6 Member”** means —

- (a) a Member who receives written notice from the Public Sector Pensions Authority within 6 months of the Implementation Date or as soon as reasonably practicable after that date that he or she is a Section 6 Member;  
or
- (b) a Member who is admitted as a Section 6 Member under Rule 14.8 or Rule 18A.

**“Section 7 Member”** means —

- (a) a Member who receives written notice from the Public Sector Pensions Authority within 6 months of the Implementation Date or as soon as reasonably practicable after that date that he or she is a Section 7 Member;  
or

(b) a person employed as a Firefighter.

**“Section 8 Member”** means -

- (a) A Member who has received written notification from the Public Sector Pensions Authority that he or she is a Section 8 Member; or
- (b) a Member who —
  - (i) was a Section 8(a) Member but
  - (ii) has subsequently elected to become a Section 8 Member; and
- (c) is a Member of Tynwald.

**“Section 8 (a) Member”** means -

- a) A Member who has received written notification from the Public Sector Pensions Authority that he or she is a Section 8 Member; and
- b) is a Member of Tynwald.

**“Section 8 Deferred Member”** means a Member who is -

- a) a Deferred Member who has received written notification from the Public Sector Pensions Authority that he or she is a Section 8 Deferred Member; and
- b) is a Member of Tynwald.

**“Section 8 (a) Deferred Member”** means a Member who is -

- a) a Deferred Member who has received written notification from the Public Sector Pensions Authority that he or she is a Section 8 (a) Deferred Member; and
- b) is a Member of Tynwald

**“Section 9 Member”** means -

A Member who has received written notification from the Public Sector Pensions Authority that he or she is a Section 9 Member; and

is a Member of the Judiciary.

**“Section 2-6 Member”** means a Section 2 Member, a Section 3 Member, a Section 4 Member, a Section 5 Member or a Section 6 Member.

**“Section Contribution Rate”** means the rate specified in Rule 26.

**“Service”** means service as an Employee.

**“Short Service Benefit”** has the meaning given to that expression in section 71(2) of the 1993 Act.

**“Special Class Officer Member”** means a Section 2 Member of this Scheme who —

(a) as at 6 March 1995 —

(i) was in pensionable service under the National Health Service Pension Scheme as a nurse, physiotherapist, midwife or health visitor; or

(ii) had accrued rights to benefits under the National Health Service Pension Scheme arising out of a previous period in which he or she was engaged in such employment and who at no time since the last occasion on which the Member was so engaged has had a break in pensionable service under the National Health Service Pension Scheme for any one period of 5 years or more; and

(b) has spent the last 5 years of his or her Eligible Employment as a nurse, physiotherapist, midwife or health visitor,

but does not include a Member who has a combined break in pensionable service for any one period of 5 years or more under the National Health Service Pension Scheme or Service or both after the Implementation Date that would have been pensionable service under the National Health Service Pension Scheme, had the Member still been a member of that scheme.

**“Specified Date”** has the meaning given to that expression in Rule 62.3.

**“Special Unpaid Leave”** means any period of special or extended unpaid leave in excess of one calendar month that is not Unpaid Family Leave.

**“Statement of Entitlement”**, in relation to a Member, means a statement of the Cash Equivalent of the Member’s accrued benefits under this Scheme given in accordance with Rule 62.1.

**“State Pension Age”** means pensionable age as defined in section 181(1) of the 1993 Act.

**“Surviving Adult Dependant”**, in relation to a deceased Member, means —

- (a) a person who was the spouse or Civil Partner of the Member when the Member died; or
- (b) a person nominated by the Member in accordance with Rule 49.

**“Tax Year”** has the same meaning as “Income Tax Year” as defined in section 120 of the Income Tax Act 1970.

**“Three Month Condition”** means the condition that is set out in section 101AA(2) of the 1993 Act in relation to a Member having completed a minimum period of service in relation to a pension scheme.

**“Transfer Benefits”** means all or such part of the benefits of a Beneficiary or group of Beneficiaries under this Scheme as the Public Sector Pensions Authority, determine for the purpose of making a transfer under Rule 62.

**“Transfer Member”** has the meaning given to that expression in Rule 64.2.

**“Transfer Provisions”** has the meaning given to that expression in Rule 64.4.

**“Transferring Scheme”** has the meaning given to that expression in Rule 64.1.

**“Transferring Employees”** has the meaning given to that expression in Rule 63.1(a).

**“Treasury”** means the Board of Tynwald called Treasury, as established under the Treasury Act 1985.

**“Trivial Commutation Lump Sum”** means the lump sum which would be a trivial commutation lump sum under regulations made under section 2(5) of the 1978 Act if this Scheme were a retirement benefits scheme approved for the purposes of Section 2 of the 1978 Act.

**“Unpaid Family Leave Period”** has the meaning given to that expression in Rule 17.7.

**“Upper Tier Ill-Health Criteria”**, in respect of a Member, means—

- (a) ill health or mental or physical incapacity that renders the Member incapable of Gainful Employment; and
- (b) where the Public Sector Pensions Authority, having regard to the advice of a Registered Medical Practitioner, is satisfied that the criteria referred to in subparagraph (a) will, on the balance of probabilities, persist at least until the Member reaches —
  - (i). age 65; or
  - (ii). in the case of a Section 7 Member, age 55

A reference in these Rules to an Act of Parliament and any subsidiary legislation made under such an Act is as applied in the Island by order of Tynwald.

1.2 The arrangement of paragraphs and the headings to of Rules are for reference purposes only and do not affect the meaning or construction of this Scheme.

## **2 Overriding Provisions**

2.1. Subject to Rule 3.1, the provisions in this Rule 2 are overriding and apply although a Rule or any other announcement, notification or provision of this Scheme appears to contradict them.

2.2. These Rules apply to all Members of this Scheme unless it is explicitly stated that they apply to a Member or Members of a particular Section or Sections.

2.3. A pension will not be payable to a Member under these Rules unless the Member

has left the Eligible Employment to which that pension relates.

- 2.4. If a Member has more than one period of Pensionable Service under this Scheme, the Rules applicable to the Member are the Rules applicable to his or her latest period of Membership, and any previous Rules that may have applied to an earlier period of Pensionable Service cease to have effect in respect of the Member.
- 2.5. The maximum aggregate level of pension payable under these Rules before a pension has been commuted under Rule 41 is —
  - (a) in relation to a Section 7 Member, 66.9% of the Member's Final Pensionable Pay; and
  - (aa) In relation to a Section 9 Member, 50% of the Member's Final Pensionable Pay;
  - (b) in all other cases, 75% of the Member's Final Pensionable Pay.
- 2.6. The maximum aggregate level of pension payable to a Child or Surviving Adult Dependent of a Member before a pension has been commuted is —
  - (a) in relation to a Section 7 Member, 33.3% of the Member's Final Pensionable Pay;
  - (aa) In relation to a Section 8(a) Member and a Section 8 (a) Deferred Member, the benefits calculated in accordance with Rule 50.7A, 51.7A or 52.5A; and
  - (b) in all other cases, 37.5% of the Member's Final Pensionable Pay.
- 2.7. If it appears to the Public Sector Pensions Authority that a Member has been incorrectly notified of a term governing his or her Membership, including, but not limited to —
  - (a) the Section to which the Member belongs;
  - (b) the benefits to which the Member or a Beneficiary is entitled;
  - (c) the rate or frequency of the contributions the Member must pay under this Scheme;

- (d) the value of pension benefits to which the Member is entitled as an Existing Pensioner Member or an Existing Deferred Member; or
- (e) if applicable, the rate or frequency of his or her Contractual Additional Pension Contributions or Contractual Additional Pension Contributions Period,

the Public Sector Pensions Authority must write to the affected Member setting out the extent and nature of the error or errors and the steps the Public Sector Pensions Authority proposes to take to correct the error.

- 2.8. If the Public Sector Pensions Authority has notified a Member of an error in accordance with Rule 2.7 it may take such steps as it considers appropriate to rectify the error including, but not limited to, varying the Member's Section of Membership, and varying his or her entitlement to benefits or contribution rates, both prospectively and retrospectively.
- 2.9. If a Member is notified by the Public Sector Pensions Authority that the Member has Membership within a particular Section of this Scheme, the contributions that are payable by the Member as a member of the Section are to be calculated and taken as being due from the date specified in the notification.
- 2.10. If contributions owed by a Member are overdue for any reason, including but not limited to a delay in a Member receiving notification confirming his or her status as a Member within a particular Section of this Scheme, the overdue amount must be paid by deduction from the Member's Pensionable Pay by his or her Employing Authority at such rate as the Public Sector Pensions Authority directs.
- 2.11. If, where Rule 2.10 applies, the Member ceases to be an Active Member before the amount overdue has been paid under Rule 2.10, the amount outstanding becomes payable by the Member immediately and if the Member does not repay the amount owed, the Public Sector Pensions Authority may reduce his or her benefits accordingly.
- 2.12. An Employing Authority or the Public Sector Pensions Authority when making a decision or when giving or withholding its agreement or consent or when



exercising or not exercising a power in relation to this Scheme must comply with —

- (a) the Contracting-Out Requirements;
- (b) the Preservation Requirements; and
- (c) the Divorce Requirements.

2.13. Unless otherwise required to do so under the 2011 Act, the Public Sector Pensions Authority when making a decision or when giving or withholding its agreement or consent or when exercising or not exercising a power in relation to this Scheme must do so at its absolute and uncontrolled discretion.

2.14. The decision of the Public Sector Pensions Authority is final on all questions that are left to its determination or decision in relation to this Scheme and on all matters relating to the management and administration of this Scheme where these Rules are silent.

2.15. Nothing in these Rules —

- (a) restricts the right of an Employing Authority to terminate the employment of an Employee with the Employing Authority; or
- (b) may be used in aggravation of damages or compensation in proceedings brought by the Employee against an Employing Authority in respect of the termination of his or her employment.

2.16. If the Public Sector Pensions Authority reduces or varies the benefits under this Scheme relating to a Member with the Member's agreement, the Member's agreement binds any other Beneficiary whose benefits under this Scheme relate to that Member.

2.16A In cases where the Public Sector Pensions Authority has made a payment and is subsequently informed of a change in pay which reduces or increases a members final pensionable pay which results in either an under or over payment of pension, Cash Equivalent Transfer, Refund of Contributions or any other award made under

the Scheme, unless requested to do so by the member, the Public Sector Pensions Authority will only make a revision to an underpayment of any award or payment made or seek to recover any overpayment made if the difference in the member's final pensionable pay exceeds the following de minimus levels:

- (i) Cash Equivalent Transfers £20
- (ii) All other awards £10.

2.17. In relation to Membership of a particular Section within this Scheme:

- (a) Active Membership of Section 7 is only available to a Member who is employed as a Firefighter;
- (b) an Employee who is a Firefighter can only be a Member of Section 7 in respect of that employment; and
- (c) a Member who is employed as a Practitioner is only eligible for Active Membership as a CARE Member in respect of that employment.

### **3 Benefits for Existing Pensioner Members and Existing Deferred Members**

3.1. In relation to Existing Pensioner Members and Existing Deferred Members only, the provisions in this Rule 3 override any other Scheme Rule or provision.

3.2. The Public Sector Pensions Authority must within 12 months of the Implementation Date send to each Existing Pensioner Member and Existing Deferred Member a statement setting out the value of benefits (“**Benefit Statement**”) to which the Member is prospectively entitled under this Scheme as an Existing Pensioner Member or as an Existing Deferred Member.

3.3. Subject to Rules 2.8 to 2.17 —

- (a) the information contained in any Benefit Statement shall override any inconsistent Rule relating to the value, calculation and/or administration of the relevant Existing Pensioner Member's and / or Existing Deferred Member's Scheme benefits; and

- (b) Rules 6 to 29 inclusive, Rule 31 and Rule 37 shall not apply to or in respect of Existing Pensioner Members or Existing Deferred Members unless expressly stated to do so.
- 3.4. Subject to Rule 3.3, where details of the calculation and / or administration of any Existing Pensioner Member's and/or Existing Deferred Member's pension benefits are not contained in the Benefit Statement, those benefits (including any entitlement to receive them) shall be calculated and administered in accordance with these Rules, and
  - (a) references to "Members", "Deferred Members", or "Pensioner Members" shall be deemed to include Existing Deferred Members and Existing Pensioner Members as appropriate; and
  - (b) references to "Pensionable Service", "Qualifying Service, "Pensionable Pay" or "Final Pensionable Pay" in the Rules shall have the meanings given to them in the Benefit Statement.
- 3.5. An Existing Deferred Member must notify the Public Sector Pensions Authority when he or she wishes payment of their deferred pension to start, provided that their deferred pension will only be payable if the Existing Deferred Member has left the Eligible Employment to which the pension relates.
- 3.6. The pension payable to an Existing Deferred Member shall be calculated using the benefit value detailed in their Benefit Statement. The benefit value used in such calculations shall be increased at the rate of annual increase in the Index subject to the minimum rate necessary to comply with the Preservation Requirements.
- 3.7. An Existing Deferred Member may request that their pension benefits are paid out from the Scheme at an age earlier or later than the age specified as the Retirement Age stated in their Benefit Statement. Where an Existing Deferred Member makes such a request, the Public Sector Pensions Authority will start paying that member's pension at the requested age but —
  - (a) the amount of pension paid will be reduced or increased in accordance with advice taken from the Scheme Actuary; and

- (b) no pension benefits will be paid before the Existing Deferred Member's 55th birthday unless the pension is payable under Rule 38;
- 3.8. If the Public Sector Pensions Authority does not receive a notification under Rule 3.5, it shall start to pay the Existing Deferred Member's pension when the Existing Deferred Member reaches age 75.

#### **4 Contracted-In Members**

- 4.1. Unless a Member's Employing Authority determines otherwise, a Member who was, at the Implementation Date, in contracted-in employment, remains in contracted-in employment in relation to this Scheme and a reference to contracting-out within these Rules does not apply to the Member.

### **Employing Authorities**

#### **5 Admission of Employing Authorities**

- 5.1. An Employing Authority is eligible to participate in this Scheme as follows —
- (a) subject to Rule 14.1, Employees of the Employing Authority may become Active Members under Rules 14.2, 14.3 and 14.7;
  - (b) the Employing Authority may exercise any powers given to it as an Employing Authority under these Rules; and
  - (c) the Employing Authority must observe and perform the provisions of this Scheme applicable to it as an Employing Authority.
- 5.2. If the Public Sector Pensions Authority, by regulations made under section 3(4)(a) of the 2011 Act, amends section 3 of that Act so as to apply the Act in respect of the superannuation of any person or class of persons, the effect is that —
- (a) the employer of the person or class of person becomes an Employing Authority and, subject to Rule 14.1, employees of that Employing Authority may become Active Members under Rules 14.3 and 14.7;

- (b) the Employing Authority may exercise any powers given to it as an Employing Authority under these Rules; and
- (c) the Employing Authority must observe and perform the provisions of this Scheme applicable to it as an Employing Authority.

## **Service**

### **6 Pensionable Service**

6.1. Subject to Rules 6.2 and 6.3 and Rule 7 “Pensionable Service”, in respect of a Member, means —

- (a) a period of Service in respect of which the Member is in receipt of Pensionable Pay other than a period of Service following the effective date of a notice issued by the Member under Rule 16.1(b); or
- (b) a period of Service in respect of which the Member is treated as receiving Assumed Pay,

and is the aggregate of —

- (i) any period of Service in respect of which the Member contributes to this Scheme under Rule 26;
- (ii) any period of absence from Service that counts as Pensionable Service under Rule 17;
- (iii) any period of Service credited to the Member as Pensionable Service under Rule 61 or 64;
- (iv) any additional Service purchased by additional employer or employee contributions under Rule 27 or 30;
- (v) any period of Service credited to the Member as Pensionable Service on joining this Scheme; and
- (vi) any period of Service that the Member has validly elected to link to

his or her current Pensionable Service under Rule 19 or that is automatically linked under Rule 17 or 18A.

6.2. For the purposes of determining Pensionable Service, Part-Time Service is to be pro-rated against the contractual hours for a comparable whole-time employment in accordance with Rule 7.

6.3. In relation to MHO Status Members—

(a) subject to Rule 27.17, after the Member has served 20 or more actual years of Service any additional Pensionable Service thereafter accrues at double the rate of actual Pensionable Service undertaken;

(b) subject to Rule 6.3(c), Pensionable Service is subject to the following —

(i) a maximum of 40 years' service if the Member is aged 55 or below;  
or

(ii) a maximum of 45 years' service if the Member is aged over 55;

(iii) for those Members to whom (i) applies, service will cease to accrue from the date the member accrues 40 years' service until the date the Member reaches age 55;

(iv) for those members to whom (iii) applies, after age 55 service will continue to accrue at double the rate for each complete year of Pensionable Service undertaken up to a maximum of 45 years; and

(c) if the Member's Pensionable Service exceeds 45 years without his or her having doubled service under Rule 6.3(a), the limit at 6.3(b)(ii) does not apply to the Member.

6.4 In relation to an employee whose employment has been transferred from their public sector employment to an external provider of those services under the terms of an Admission Agreement, the employee may only accrue pensionable service for so long as they are mainly or wholly employed in connection with the delivery of the outsourced service.

6.5 Pensionable Service (“PS”), in respect of a Section 8 Member or a Section 8 (a) Member, shall be calculated using the following formula —

$$PS = A + B$$

Where –

“A” means the sum of the period of Pensionable Service in respect of the Member ending on the Date of Change and the appropriate service credit under paragraph (1) and (3) of this Rule; and

“B” means the number of complete years of Pensionable Service in respect of the Member after the Date of Change, with each additional day of Pensionable Service counting proportionately.

(1) Subject to paragraph (3), any period of Pensionable Service during which the Member received an approved additional allowance shall be increased by the proportion that the approved additional allowance bears to the annual sum (periods when the ratios between the approved additional allowance and the annual sum were different being treated as separate periods for this purpose).

(2) In paragraph (1) the amount of service by which Pensionable Service has been increased is known as a “service credit”.

(3) Where –

(a) a Member has received more than one approved additional allowance; and

(b) the allowances are payable while the Member was holding different offices referred to in the Schedule to the Members of Tynwald (Annual Sums) Order 2014<sup>5</sup>, either concurrently or during separate periods of Pensionable Service, a service credit shall be calculated in accordance with paragraph (1) in respect of each approved additional allowance.

(4) For the purpose of this Rule 6.5 —

“annual sum” means —

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<sup>5</sup> SD2014/0079.

- (a) in paragraph (1), the amount payable under section 1(1) of the 1989 Act or section 1(1) of the 1975 Act (as amended by the 1986 Act) to a Member on the last day on which the Member was in receipt of an approved additional allowance;
- (b) in paragraph (3), the amount payable under section 1(1)(a) of the 1975 Act or section 1(1)(a) of the 1957 Act to a scheme member on the last day on which the Member was in receipt of an approved additional allowance or 31 December 1986, whichever is the later.

**“approved additional allowance”** means as the case may be —

- (a) in paragraph (1), any allowance payable under section 1(2) or 2 of the 1989 Act or section 1(2) or 6(1)(a) of the 1975 Act (as amended by the 1986 Act);
- (b) in paragraph (3), any allowance payable under section 1(1), (b), (c) or (d) or 6(1)(a) of the 1975 Act or section 1(1)(b), (c), (d) or (e) or 6(1)(i) of the 1957 Act.

## **7 Adjustments to Pensionable Service for Part-Time Employees**

- 7.1. Subject to Rule 13.2, in the case of a Member who has spent one or more periods of Employment in part-time service, the number of days of Pensionable Service in any year shall be calculated using the formula —

$$A/B$$

where —

**“A”** means the total number of determined hours of part-time Employment of the Member in the year in question; and

**“B”** means the number of hours per annum if the membership during that period were on a whole-time basis.

- 7.2. If an Active Member immediately prior to receiving an incapacity pension in accordance with Rule 37.2(b) was in a period of Part Time Service, any period of prospective Pensionable Service in relation to the Active Member is to be



calculated as follows —

**A/B x C**

where —

**A** is the Active Member's adjusted period of Pensionable Service immediately prior to the date the Member's Pensionable Service terminated, as calculated in accordance with Rule 6;

**B** is the period of Pensionable Service the Active Member would have accrued had he or she been in comparable whole-time employment during the whole of that period of Part Time Service; and

**C** is the number of calendar years and part years in the period between the date the member's Pensionable Service terminated and the date the Member is due to reach age 65.

## **8 Qualifying Service**

8.1. "Qualifying Service" means, subject to Rule 27.17, the aggregate of —

- (a) any period of Service in respect of which the Member is in receipt of Pensionable Pay or is treated as receiving Assumed Pay;
- (b) any periods of Unpaid Family Leave in respect of which the employee contributions have been paid in accordance with Rule 17.8;
- (c) any period of Service that the Member has validly elected to link to his or her current period of Pensionable Service under Rule 19 or that is automatically linked under Rules 17 or 18A; and
- (d) any period of Service that qualified for benefits in respect of a transfer in from another scheme under Rule 61 or Rule 64.

8.2. In determining Qualifying Service, Part-Time Service is not to be pro-rated against the contractual hours that would apply to a comparable whole-time employment.

## **9 Calculating Service**

- 9.1. Periods of Service are to be expressed in the first instance in complete years and days.
- 9.2. If a period is required to be expressed as a number of days, the number of days is to be calculated by dividing the period found under Rule 9.1 expressed in days by 365 and rounding the resulting figure to the nearest 4 decimal places.
- 9.3. The initial aggregation of periods that require to be aggregated is to be done in the first instance by reference to periods expressed in years or days under Rule 9.1 or 9.2 .
- 9.4. If, when all periods of Service that require to be aggregated have been aggregated, there is any excess part day over the number of whole days, the excess is to be rounded up to a full day.

## **Pay**

### **10 Pensionable Pay**

- 10.1. “Pensionable Pay” means, in respect of a particular period, the amount of a Member’s basic pay, salary wages or fees paid to the Member from his or her Employing Authority, plus anything else, whether in a specific case or generally, that the Public Sector Pensions Authority determines in accordance with Rule 10.2.
- 10.2. The Public Sector Pensions Authority, at the request of an Employing Authority, may determine that an additional element of remuneration not specified in Rule 10.1 may be counted as Pensionable Pay.
- 10.3. As at the Implementation Date, or thereafter, there will be no change in the calculation of the individual elements of a Member’s Pensionable Pay unless 10.2 applies.

### **11 Assumed Pay**

- 11.1. “Assumed Pay” means the Pensionable Pay that a Member would have received

had the Member not —

- (a) been seconded to a different employer, whether the secondment is to an Employing Authority or otherwise;
- (b) been in receipt of sick pay, whether statutory or contractual;
- (c) been on Paid Family Leave;
- (d) been on employer approved leave;
- (e) been called out or recalled for permanent service in the reserve forces or regular forces in pursuance of a call out order made under the Reserve Forces Act 1980 and 1982 (Isle of Man) Order 1986 or the Reserve Forces Act 1996 (Isle of Man) Order 2010 unless the Member's time spent in the service is counted as service for the purposes of an armed forces pension schemes.

**12 Final Pensionable Pay for Members apart from CARE Members, Protected Hospital Doctor Members and Section 8(a) Members —**

12.1. In respect of each period of Active Membership and subject to Rules 12.2 to 12.7 and 19, "Final Pensionable Pay" for all Members, other than CARE Members, Protected Hospital Doctor Members, and Section 8(a) Members means the highest annual average of a Member's Pensionable Pay payable in any 3 consecutive years ending in the 13 years immediately preceding the termination of the period of Active Membership.

12.2. In calculating Final Pensionable Pay, a Member's Pensionable Pay is to be annually revalued as follows —

- (a) the Member's Pensionable Pay for the calendar year ending on the date the Member's Active Membership terminates is to be revalued on a pro-rata basis in accordance with the percentage annual increase in the Index as calculated at the previous Pension Increase Date; and
- (b) the Member's Pensionable Pay for any other preceding year or part year is

to be revalued in accordance with —

- (i) the percentage annual increase in the Index as calculated at the Pension Increase Date following that year; and
- (ii) the percentage annual increase in the Index as calculated at the Pension Increase Date during each subsequent year.

- 12.3. If the Public Sector Pensions Authority reasonably considers that a Member's Pensionable Pay cannot be determined for the whole of the 13 years immediately preceding the Member's retirement, termination of Pensionable Service or death, the Member's Final Pensionable Pay is the average set out in Rule 12.1 using the Member's Pensionable Pay over such lower number of years as the Public Sector Pensions Authority considers appropriate.
- 12.4. Where a Member was immediately before the Implementation Date an active member of a pension scheme in respect of his service with an Employing Authority (and, where the Public Sector Pensions Authority so determines, by reference to pensionable service in the public sector in the Isle of Man) and was on the Implementation Date transferred into the Scheme the Public Sector Pensions Authority may have regard to that Member's pensionable pay under the pension scheme from which he was transferred for the purposes of determining that Member's Final Pensionable Pay.
- 12.5. When calculating Final Pensionable Pay using pensionable pay figures from a Member's former pension scheme under Rule 12.4 the total amount of a Member's pensionable pay received in any complete tax year shall be deemed to be his Pensionable Pay for that tax year.
- 12.6. If a Member has been in Pensionable Service for less than 3 years, his or her Final Pensionable Pay is the annual average of the Member's Pensionable Pay over the entire period of the Member's Pensionable Service, revalued in accordance with Rule 12.2, if appropriate.
- 12.7. If a Member has been in Pensionable Service for less than 1 year, his or her Final Pensionable Pay is the Pensionable Pay that the Member would have received in 1

year, calculated by multiplying the aggregate of his or her actual earnings during the Member's period of Pensionable Service by 365 and then dividing the figure arrived at by the number of days the Member had actually been in Pensionable Service.

- 12.8. If any period during the last 3 years of a Member's Service did not count as Pensionable Service by virtue of Rule 17, then, to determine 3 consecutive years ending in the 13 years immediately preceding the Member's retirement, the period of 13 years may be extended so that it incorporates the last 3 full years of the Member's Pensionable Service; and to calculate the annual average under Rule 12.1 any period of Unpaid Family Leave is to be excluded.
- 12.9. Subject to review by the Public Sector Pensions Authority on a case-by-case basis, in calculating a Member's Final Pensionable Pay, a Member's Pensionable Pay for any period of Pensionable Service during which the Member was in Part-Time Service is to be taken to be the Pensionable Pay for a comparable whole-time employment as verified by the Member's Employing Authority.

## **12A Final Pensionable Pay for Protected Hospital Doctor Members**

12A.1 In respect of each period of Active Membership during which a Member was a Protected Hospital Doctor and subject to Rule 19, "Final Pensionable Pay" for a Protected Hospital Doctor Member means Pensionable Pay in respect of the Member's last year of Pensionable Service, ending on the date the Member ceases to be in that employment, or dies, whichever occurs first, except that —

- (a) if the Member's Pensionable Pay was greater in either or both of the 2 consecutive years immediately preceding the Member's last year of Pensionable Service, "Final Pensionable Pay" is to be taken to mean the Pensionable Pay in respect of which of those years in which it was its greatest; or
- (b) if the member was in Pensionable Service for less than 12 months, "Final Pensionable Pay" is to be taken to mean the Pensionable Pay received by the Member divided by the Member's number of days of Pensionable Service multiplied by 365

## **12B Final Pensionable Pay for Section 8(a) Members**

12B.1 In respect of each period of Active Membership and subject to Rule 19, “Final Pensionable Pay” for Section 8 (a) Members means the aggregate of the annual sums payable to a person, together with any approved additional allowance under section 1(2) and 2 of the 1989 Act at the rate in force on the day before he or she ceases to be a Member of Tynwald.

12B.2 In rule 12B.1-

- (1) “annual sum” means the aggregate of the annual sums payable to a person under section 1(1) and 3 of the 1989 Act on the day before he ceases to be a Member of Tynwald; and
- (2) “approved additional allowance” means the allowance payable to a person at any time during his membership of Tynwald which bears the greater proportion to the amount payable under either section 1(1) of the 1989 Act or section 1(1) of the 1975 Act or section 1(1)(a) of the 1975 Act or section 1(1)(a) of the 1957 Act according to which enactment was in force at the time any allowance was in payment.

## **13 Final Pensionable Pay for CARE Members**

13.1. Subject to Rule 19, and Rules 13.2 to 13.3, “Final Pensionable Pay” in respect of a CARE Member means, in respect of each period of Active Membership during which the Member was a CARE Member, an amount calculated using the formula  $Y/Z$ ,

where —

**Y** is the Member’s total Pensionable Pay for each year of Pensionable Service, with the Pensionable Pay having been re-valued in accordance with Rule 13.3; and

**Z** is the number of years and days of Pensionable Service in the relevant period of Active Membership.

- 13.2. In calculating the "Final Pensionable Pay" in respect of a CARE Member, the Member's Pensionable Pay for any period of Pensionable Service during which the CARE Member was in Part-Time Service is to be calculated using the CARE Member's actual Pensionable Pay received for that period and his or her Pensionable Service is not to be calculated on a pro rata basis.
- 13.3. Pensionable Pay for each year of Pensionable Service for a CARE Member is to be revalued for each year of Pensionable Service, apart from —
- (a) the year in which the Member left Service, and
  - (b) the previous complete year,
- to the date on which the Member's Active Membership ceased by the percentage rate of increase in the Index applicable to the Pension Increase Date plus 1.5%.

## **Membership**

### **14 Eligibility and Joining this Scheme**

- 14.1. Subject to Rules 14.2 and 14.3, the eligibility requirements for an Employee to become an Active Member are that —
- (a) the Employee is at least 16 years old and less than 75 years old;
  - (b) the Employee is employed in Eligible Employment;
  - (c) in the case of an Employee resuming Active Membership under Rule 18 having previously opted out —
    - (i) that the Employee undergoes such medical examination as his or her Employing Authority or the Public Sector Pensions Authority may require; and
    - (ii) that the person requiring the medical examination under Rule 14.1(c)(i) decides that the result of it is satisfactory;
  - (d) subject to Rules 14.2 and 14.3, the Employee is not in receipt of:

- (i) a pension attributable to his or her own Pensionable Service under this Scheme; or
- (ii) another pension attributable to any previous pensionable service attributable to previous Eligible Employment;
- (e) the Employee is not a member of another employer's scheme in respect of the Member's Service with his or her Employing Authority; and
- (f) in the case of an Employee of Hospice Care, the Employee is employed as an Officer of Hospice Care.

14.2. If an Employee was at the Implementation Date simultaneously —

- (a) a Pensioner Member, an Existing Pensioner Member or an Existing Deferred Member; and
- (b) an Active Member,

the Member may continue in his or her Active Membership until the date upon which the Member's period of Pensionable Service with the relevant Employing Authority ceases.

14.3. A Member who is in receipt of a pension as a result of satisfying the Lower-Tier Ill Health Criteria may, on request, re-join this Scheme if the Member —

- (a) is under age 55; and
- (b) has not taken up —
  - (i) his or her previous role; or
  - (ii) comparable alternative employment as determined by the Public Sector Pensions Authority after consulting the Member's Employing Authority;

and, so long as the Member has not opted-out in accordance with Rule 16.1(b) and satisfies all the eligibility requirements in Rule 14.1, is automatically an Active Member of the Section of Membership specified in Rule 14.4 from the date specified in Rule 14.6.



- 14.4. An Employee admitted to Active Membership is admitted as a Section 1 (Standard) Section Member unless the Employee —
- (a) is a Firefighter, in which case the Employee is admitted to Active Membership as a Section 7 Member;
  - (b) has received written notice from the Public Sector Pensions Authority that he is a Section 7 Member; or
  - (c) is admitted or re-admitted to Active Membership as a Section 2-6 Member; or
  - (d) is a Tynwald Member, in which case the individual will be admitted to Active Membership as a Section 8 Member;
  - (e) has received written notice from the Public Sector Pensions Authority that he or she is a Section 8 member;
  - (f) is a Member of the Judiciary, in which case he or she will be admitted to Active Membership as a Section 9 Member, unless he or she has elected to join Section 1 (standard); or
  - (g) has received written notice from the Public Sector Pensions Authority that he or she is a Section 9 Member.
- 14.5. A Member who is employed as a Practitioner is only eligible for Active Membership as a CARE Member in respect of that employment.
- 14.6. Subject to Rules 18 and 18A, the date mentioned in Rule 14.3 is the date on which the Member became eligible to join this Scheme, as contained in a written notice given by the Member's Employing Authority to the Public Sector Pensions Authority.
- 14.7. A Section 8 Member or a Section 8(a) Member who was —
- (a) an Active Member on the Date of Change; and
  - (b) received notice from the PSPA that his or her Membership had ceased and whose membership status was either as a "Section 8 Deferred Member" or

“Section 8(a) Deferred Member”

is eligible to be readmitted for Active Membership in Section 8 or Section 8 (a), as the case may be, from the day after the Date of Change.

14.8. **This rule has been deleted..**

14.9. If there is any doubt or dispute as to whether or not a person is or is not eligible for Active Membership or Active Membership within a particular Section, the decision of the Public Sector Pensions Authority, after consulting the person’s Employing Authority, is final and binding on all parties.

**15 Concurrent Employments**

15.1. Subject to Rule 15.2 or 15.3, if for any period a person holds 2 or more employments in respect of which the person is or, apart from this Rule, would be eligible to be an Active Member of this Scheme a person may be admitted separately to Active Membership in respect of each concurrent employment that the Member holds.

15.2. Each concurrent Active Membership under Rule 15.1 is to be treated separately for the purposes of calculating benefit entitlements.

15.3. The aggregate of a person’s benefits under 2 or more concurrent Active Memberships is not to exceed the benefits to which the Member would have been entitled if the Member had just one employment that the Public Sector Pensions Authority determines is comparable whole-time employment. The Public Sector Pensions Authority may adjust the benefits payable accordingly.

15.4. If a Member holds or has held 2 or more Active Memberships concurrently the benefits in respect of any of his or her Active Memberships can only be taken by the Member if the Member has ceased all of his or her Active Memberships. Accordingly if a person holds 2 or more concurrent Active Memberships under this Rule 15 and —

- (a) leaves Service in relation to any Active Membership prior to age 55 the Member will be entitled to benefits under Rule 23; or

- (b) leaves Service in relation to any Active Membership between ages 55 and 75 the Member will be entitled to elect either —
  - (i) to receive a benefit under Rule 23; or
  - (ii) if the Member no longer holds any Active Memberships, to receive his or her pension in respect of any or all of the Member's former Active Memberships under Rule 31 and, if it applies to the Member, Rule 19.

## **16 Termination of Active Membership**

16.1. Subject to Rule 16.2, an Active Member —

- (a) who ceases to be an Employee;
- (b) who opts out of this Scheme by giving the Public Sector Pensions Authority written notice of his or her intention to do so;
- (c) who ceases to be eligible under Rule 14.1; or
- (d) whose Active Membership is terminated under Rule 17, Rule 42.5 or Rule 62.12,

ceases to be an Active Member.

16.2. If an individual holds more than one concurrent Active Membership in relation to this Scheme, Rule 16.1 applies separately to each Active Membership the Member holds.

16.3. Cessation of Active Membership under Rule 16.1 has effect —

- (a) immediately if a Member ceases to be an Active Member under Rules 16.1(a), 16.1(c) or 16.1(d); or
- (b) from the date on which the written notice is received by the Public Sector Pensions Authority if a Member opts out of the Scheme under Rule 16.1(b).

16.4. If an Active Member opts out of this Scheme in accordance with Rule 16.1(b) within

3 months of the date specified in Rule 14.6 any Member Contributions that the Member has paid in accordance with Rule 26 are to be refunded to the Member and his or her entitlement to any benefits in respect of the period of Pensionable Service for which his or her Member Contributions have been refunded are extinguished.

## **17 Absence**

- 17.1. Subject to Rules 17.2 to 17.13, if a Break or Longer Break in respect of a Member is due to ill-health or incapacity the Member may, if the Public Sector Pensions Authority, agrees, remain an Active Member until his or her Service terminates but the Public Sector Pensions Authority and the Member's Employing Authority may change the terms as to contributions and benefits applying to the Member.
- 17.2. An Active Member, who is absent from work for his or her Employing Authority in exercise of the Member's right to Paid Family Leave, continues in Active Membership while the Member remains entitled to Paid Family Leave (the "**Paid Family Leave Period**").
- 17.3. During a Paid Family Leave Period an Active Member continues to accrue benefits on the same basis and subject to the same terms and conditions that would otherwise have applied had the Member not been on Paid Family Leave and had continued to work normally.
- 17.4. During a Paid Family Leave Period an Active Member's Employing Authority must contribute under this Scheme at the rate that the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, determines.
- 17.5. During a Paid Family Leave Period, subject to an Active Member moving between Sections under Rule 18A, an Active Member must make Member Contributions, including any Contractual Additional Pension Contributions, at the rate and percentage applicable to the Member immediately prior to the absence, but based on the Active Member's remuneration paid by his or her Employing Authority during the Paid Family Leave Period.
- 17.6. Subject to Rule 17.7, any period while an Active Member is absent from work for

his or her Employing Authority in exercise of the Member's right to Unpaid Family Leave (the "**Unpaid Family Leave Period**") is not Pensionable Service.

17.7. An Unpaid Family Leave Period of 12 months or less may be counted as Pensionable Service and, subject to an Active Member moving between Sections under Rule 18A, benefits are to continue to accrue on the same basis, and subject to the same terms and conditions, that would otherwise have applied had the relevant Member not been on Unpaid Family Leave and had continued working normally if —

(a) within 3 months of the Member's return to work on full pay following an Unpaid Family Leave Period the Member gives the Public Sector Pensions Authority written notice that he or she wishes to pay all Member Contributions, including any Contractual Additional Pensions Contributions, that would have been payable during the Unpaid Family Leave Period had the Member been working normally and receiving pay at the level applicable to the Member immediately before his or her Unpaid Family Leave began and, in the case of Contractual Additional Pension Contributions, the pay applicable to the Member immediately before his or Paid Family Leave Period began; and

(b) the Member pays the appropriate amount of Member Contributions, including any Contractual Additional Pension Contributions, under Rule 17.7(a) within 12 months of the Public Sector Pensions Authority receiving written notice under Rule 17.7(a).

17.8. If the Active Member is not credited with Pensionable Service in respect of the whole period of absence, then his or her future Pensionable Service on returning to work at the end of the Member's Unpaid Family Leave Period is to be treated as continuous with the period of Pensionable Service that ended immediately before the absence began.

17.9. An Employing Authority must notify the Public Sector Pensions Authority in writing where it grants a Member Special Unpaid Leave, specifying, if known, the length of time the Special Unpaid Leave has been granted for.

17.10. A Member who is on Special Unpaid Leave —

- (a) will not be credited with Pensionable Service in respect of the period of Special Unpaid Leave;
- (b) will not be required to pay Member Contributions under Rule 26 during the period of Special Unpaid Leave; and
- (c) will not, during the period of Special Unpaid Leave be entitled to any death benefits under Rule 50 and will instead be entitled to death benefits as a Deferred Member under Rule 52.

17.11. If a Member who has been granted Special Unpaid Leave by an Employing Authority —

- (a) does not actively return to work as an Eligible Employee with the Employing Authority within 12 months of the Special Unpaid Leave commencing; or
- (b) leaves Service during the period of Special Unpaid Leave

their Active Membership shall, unless the Public Sector Pensions Authority decides otherwise at its complete discretion, be treated as having terminated on the date that their Special Unpaid Leave commenced and all of their Scheme benefits shall be calculated accordingly.

17.12. An Employing Authority must notify the Public Sector Pensions Authority in writing within 28 days of a Member's Special Unpaid Leave ending of —

- (a) the date that the Member's Special Unpaid Leave ended;
- (b) the duration of the Member's Special Unpaid Leave;
- (c) the circumstances in which the Special Unpaid Leave has ended; and
- (d) the employment terms and conditions applying to the Member, if different from those that applied before the Special Unpaid Leave commenced.

17.13 Any period during which an Active Member is absent from work for his or her

Employing Authority due to the Member's participation in a strike or other industrial action is not Pensionable Service of the Member.

## **18 Resumption of Active Membership**

- 18.1. Subject to Rules 18.2 to 18.8, an Employee who has ceased to be an Active Member under Rule 16 or Rule 17 may be re-admitted to Active Membership if he or she satisfies all the eligibility requirements in Rule 14.1.
- 18.2. If a person opts out of Active Membership under Rule 16.1(b) the Member may only be re-admitted to Active Membership once unless the Public Sector Pensions Authority decides otherwise at its complete discretion.
- 18.3. Subject to Rule 14.1(c), a person must be re-admitted to Active Membership under Rule 18.1 on submitting a written application to the Public Sector Pensions Authority requesting re-admission.
- 18.4. Re-admission to Active Membership if a Member has previously opted out of this Scheme is subject to such conditions or special arrangements as the Public Sector Pensions Authority may impose.
- 18.5. If a Member ceases to be a Contractual Additional Pension Contributions Member, he or she may not be re-admitted to Contractual Additional Pension Contributions Membership.
- 18.6. If a Member ceases to be an Active Member and is re-admitted to Active Membership under Rule 18.1 his or her new period of Active Membership commences —
  - (a) if the person's previous Active Membership ceased because he or she opted-out under Rule 16.1(b), on the first day of the pay period beginning after the person's application to re-join this Scheme under Rule 18.2 is received by the Public Sector Pensions Authority or on such later date as the person may specify; or
  - (b) if the Member's previous Active Membership ceased under Rule 16.1(a) or 16.1(c), on the date on which the Member became eligible for Active

Membership again.

18.7. If a person ceases to be an Active Member and is re-admitted to Active Membership under Rule 18.1 then, except as stipulated by Rule 18A or Rule 19:

- (a) the benefits for each period of Pensionable Service ending before the Active Member's retirement under Rule 31 are to be treated and calculated separately under Rules 21 to 23; and
- (b) the benefits for the period of Pensionable Service, if any, ending on the Active Member's retirement under Rule 31 are to be treated and calculated separately under Rule 31.

18.8 In the case of a person who ceases to be an Active Section 8 Member or a Section 8 (a) Member who is also a Section 8 Deferred Member or a Section 8(a) Deferred Member —

- (a) the benefits for each period of Pensionable Service ending before the Active Member's retirement under Rule 31 are to be treated and calculated under Rules 21 to 23; and
- (b) the benefits for the period of Pensionable Service, if any, ending on the Active Member's retirement under Rule 31 are to be determined and calculated under Rule 31

#### **18A Moving Between Sections —**

18A.1 Nothing in this Rule 18A prejudices:

- (a) the requirement for a Member to satisfy the eligibility requirements set out in Rule 14.1 to become an Active Member; or
- (b) the ability of an Employee to have Active Membership of more than one Section in respect of each concurrent employment they hold, in accordance with Rule 15.

18A.2 A Section 2-6, 8, 8(a) or 9 Member may elect, by giving the Public Sector Pensions Authority at least 2 months' notice in writing, to cease being a Section



2-6 Member and instead be a Section 1 (Standard) Member.

18A.3 Where a Member makes an election under Rule 18A.2 they shall cease to be a Section 2-6, 8, 8(a), or 9 Member, and be moved onto the terms applying to a Section 1 (Standard Member) on the next practicable pay date following receipt of the notice by the Public Sector Pensions Authority, unless the Member has specified a date in their notification which is later, in which case it will be the next available pay date following the date specified by the Member.

18A.4 Where Rule 18A.3 applies to a Member, he or she shall:

- (a) cease to be a Section 2-6, 8, 8(a) or 9 Member, and will have no benefits payable under any of Sections 2-6, 8, 8(a) or 9;
- (b) be treated, for the purpose of taking his or her benefits under these Rules, as having one single period of Pensionable Service; and
- (c) subject to Rule 18A.5, be treated for all purposes under the Rules as a Section 1 (Standard) Member.

18A.5 Where Rule 18A.3 applies, for the purpose of paying benefits under the Scheme, the Public Sector Pensions Authority shall, after receiving the advice of the Scheme Actuary, make any adjustments to the Member's Pensionable Service, accrual rate, benefits payable, or the factors used to calculate such benefits to reflect the Pensionable Service attributable to the Member's Section 2-6 Membership and any differences in the accrual rate applicable to that period of Membership.

18A.6 Subject to Rules 18A.1 to 18A.5, a Section 2-6 Member who:

- (a) ceases to be an Active Member within one or more of those Sections; and
- (b) subsequently wishes to re-join this Scheme or a Section of this Scheme must re-join the Scheme as a Section 1 (Standard Member) unless:
  - (i) the Member has had a Break, or

- (ii) the Member has had a Permitted Longer Break; or
- (iii) the Public Sector Pensions Authority, at its absolute discretion, gives written consent to a Member permitting them to re-join one or more of Sections 2 to 6, even if the Member would not otherwise be eligible to do so under the Rules of the Scheme

in which case the Member must re-join the same Section they were in previously.

18A.7 A Member who re-joins the same Section that they were in immediately prior to a Break or a Permitted Longer Break shall have their Pensionable Service before and after the Break or Permitted Longer Break automatically aggregated and treated as a continuous period of Pensionable Service (unless the Member started to receive any benefits under this Scheme during the Break or Permitted Longer Break) but the period of the Break or Permitted Longer Break is not to be treated as Pensionable Service.

## **19 Linking Periods of Pensionable Service**

19.1

- (1) Subject to sub-paragraph (2), if an Employee is re-admitted to Active Membership under Rule 18 within 5 years of the cessation of his or her Active Membership under Rule 16.1, the Employee may give the Public Sector Pensions Authority written notice, within 12 months of the date of readmission to Active Membership, that the Employee's previous period of Pensionable Service is to be linked with his or her current period of Pensionable Service.
- (2) Rule 19 (1) does not apply in the case of a Section 8 Member or a Section 8(a) Member whose eligibility to join this Scheme falls under Rule 14.7 and who is thereby also a deferred Section 8 Member or deferred Section 8(a) Member.
- (3) In the case of such a person, two periods of Pensionable Service before the Date of Change are not permitted to be aggregated and treated as a continuous period of Pensionable Service.

19.2 Where an Employee makes an election under Rule 19.1(1), they shall have their

Pensionable Service from their previous and current periods of Active Membership aggregated and treated as a continuous period of Pensionable Service (unless the Member has already started to receive any benefits under the Scheme) but the period of Service in between any periods of Active Membership is not to be treated as Pensionable Service.

- 19.3 Subject to Rule 18A, if an Employee gives the Public Sector Pensions Authority notice under Rule 19.1(1), his or her total Pensionable Service includes the total Pensionable Service attributable to the previous period of Active Membership.
- 19.4 If an Employee does not notify the Public Sector Pensions Authority that he or she wishes to link the Employee's previous period of Pensionable Service with his or her current period of Pensionable Service in accordance with Rule 19.2 —
- (a) the benefits for each period of Pensionable Service ending before the Active Member elects to receive his or her pension under Rule 31.1 are to be treated and calculated separately under Rules 21 to 23; and
  - (b) the benefits for the last period of Pensionable Service, if any, ending on the day the Active Member starts to receive his or her first payment of pension under Rule 31.1 are to be treated and calculated separately under Rule 31.
- 19.5 If a Member dies within 12 months of readmission to Active Membership and has not made an election under Rule 19.1(1) the Public Sector Pensions Authority must, on behalf of the Member, determine whether or not to link the Member's periods of Pensionable Service and must make the determination so as to provide the highest aggregate level of benefits in respect of the Member.
- 19.6 If a Member links his or her Pensionable Service under this Rule 19, the Member is to be treated, for the purposes of taking his or her benefits under these Rules, as having one single period of Active Membership in respect of those linked periods of Pensionable Service. If necessary, any calculations used to determine such a Member's Scheme benefits including any benefits attributable to Contractual Additional Pension Contributions Membership, are to be adjusted to the extent necessary to reflect any differences in the accrual rate applicable to each period of

Active Membership, such adjustment to be made by the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary.

## **20 Option to have periods of Service treated separately where pay is reduced**

20.1. This Rule applies if —

- (a) the Pensionable Pay of an Active Member who has at least 2 years' Qualifying Service is reduced by at least 25%; and
- (b) the reduction occurs in one of the circumstances specified in Rule 20.2.

20.2. The circumstances are that —

- (a) the Member is transferred from one Eligible Employment to another; or
- (b) the Member's duties change while the Member continues in the same Eligible Employment, other than —
  - (i) at the Member's request; or
  - (ii) as a result of misconduct by the Member.

20.3. If this Rule 20 applies, the Member may, by giving written notice to the Public Sector Pensions Authority before the end of the period of 3 months beginning with the first day of the Later Service, elect to be treated for the purposes of this Scheme —

- (a) as if he or she had opted out of Pensionable Service and become a Deferred Member of this Scheme on the termination of the Earlier Service; and
- (b) if the Member remains an Active Member of this Scheme in the Later Service, as if the Member had re-joined this Scheme as an Active Member on the day on which the Later Service began.

20.4. Rule 20.3 does not prevent the Member's Earlier Service and Later Service counting as a single continuous period of Qualifying Service.

## Withdrawal from Pensionable Service and Preservation of Benefits

### 21 Entitlement to Short Service Benefit

21.1. If an Active Member ceases to be an Active Member under Rules 16.1 or 17, his or her Pensionable Service ceases.

21.2. Subject to Rule 18 and Rule 18A, after a person's Active Membership ceases the person's obligation to pay contributions ceases and the person accrues no further benefits.

21.3. Subject to Rule 21.4, if a Member does not start to receive the payment of a pension under Rule 31 when the Member ceases to be an Active Member and —

(a) he or she has completed at least 2 years' Qualifying Service when the Member ceased to be an Active Member; or

(b) a transfer payment in respect of his or her rights under an Other Scheme has been received under Rule 61;

the Member is entitled to a Short Service Benefit calculated in accordance with Rule 22.1 and the Preservation Requirements.

21.4. In the case of a Section 8 Deferred Member or a Section 8 (a) Deferred Member who became a Deferred Member on the Date of Change, any entitlement to Short Service Benefit will be determined and calculated by reference to the Member's Pensionable Service up to and including the Date of Change.

### 22 Calculation of Short Service Benefit

22.1. Subject to Rule 22.2 and 22.2A, unless an Active Member to whom Rule 21.3 applies —

(a) is entitled to an immediate pension under Rule 37 or 38; or

(b) elects to transfer his or her Cash Equivalent under Rule 62,

a deferred pension is payable to the Member under this Scheme at some future date as follows —

- (i) The Member may notify the Public Sector Pensions Authority when he or she wishes payment of the deferred pension to start provided that a deferred pension will only be payable provided the Member has left the Eligible Employment to which the pension relates;
- (ii) the amount will be calculated under Rule 31 accordingly but by reference to the Member's Final Pensionable Pay and Pensionable Service at the date his or her Active Membership ended and using the percentage accrual rate applicable to the Member's Section at the age at which he notifies the Public Sector Pensions Authority he wishes the payment of his deferred pension to commence in accordance with 22.1(i) above,

increased at the rate of annual increase in the Index subject to the minimum rate necessary to comply with the Preservation Requirements.

22.2. Unless the Public Sector Pensions Authority receives a notification under Rule 22.1, it shall start to pay the Member's pension when the Member reaches age 75.

22.2A Subject to Rule 22.3, a deferred pension under Rule 22.1 may not be paid before age 55 except in the circumstances and on the terms set out in Rule 38.

22.3.

- (1) In relation to a Section 7 Member, a deferred pension payable under Rule 22.1 —
  - (a) is calculated in accordance with Rule 31; and
  - (b) does not become payable before age 60.
- (2) In relation to a Section 8 Deferred Member, a deferred pension payable under Rule 22.1 is to be calculated in accordance with Rule 31 and is not to become payable before age 65.
- (3) In relation to a Section 8 (a) Deferred Member, a deferred pension payable under Rule 22.1 is to be calculated in accordance with Rule 31 and is not to become payable before age 60.

22.4. A deferred pension calculated under Rule 22.1 is to be revalued during the period between the date Active Membership ended and the deferred pension started to

be paid. The GMP will be revalued at the rate of the annual increase in the Index subject to the minimum rates necessary to comply with the Contracting-out Requirements and the balance is to be revalued at the rate of annual increase in the Index subject to the minimum rates necessary to comply with the Preservation Requirements.

## **23 Early Leavers not entitled to Short Service Benefit**

### **23.1. A Member —**

- (a) to whom Rule 21.1 applies; and
- (b) who is not entitled to Short Service Benefit under Rule 21.3;

is entitled to a Contribution Refund or a Cash Transfer Sum if the Member satisfies the Three Month Condition and elects within 12 months of leaving this Scheme.

### **23.2. Any Contribution Refund payable to or in respect of a Member must —**

- (a) be reduced by any tax chargeable under section 8 of the 1978 Act;
- (b) be calculated using methods and assumptions that the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, determines as appropriate to provide the minimum amount necessary to comply with section 101AF of the 1993 Act; and
- (c) be paid without interest.

### **23.3. A Cash Transfer Sum payable in respect of a Member must —**

- (a) be made to another Scheme in accordance with the requirements of section 101AE of the 1993 Act; and
- (b) be calculated using methods and assumptions that the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, determines as appropriate to provide the minimum amount necessary to comply with section 101AF of the 1993 Act.

### **23.4. The payment of a Contribution Refund as mentioned in Rule 23.1 or a Cash**

Transfer Sum as mentioned in Rule 23.3 extinguishes both the entitlement to benefits under this Scheme of the Deferred Member and the entitlement to benefits under this Scheme of any Beneficiary in relation to the Deferred Member.

## **Contributions**

### **24 Employing Authorities' Contributions**

- 24.1. An Employing Authority must, in respect of each person who is an Active Member of this Scheme and in employment with the Employing Authority, pay or arrange to have paid into the revenue of the Island the amount of contributions that the Public Sector Pensions Authority, having regard to the advice of the Scheme Actuary, shall decide.
- 24.1A An Employing Authority that is an external provider of services covered by an Admissions Agreement must pay a contribution of 20% of each Public Sector Employee's Pensionable Pay in monthly instalments. The level of this contribution will be subject to any increases calculated under the Public Sector Cost Sharing Scheme 2020<sup>6</sup> or any other instrument that applies a cost sharing mechanism to this Scheme.
- 24.2. If a Member is treated as being in receipt of Assumed Pay under Rule 11, the Employing Authority contributions payable under this Rule 24 are to be based on the relevant Member's level of Assumed Pay.
- 24.3. An Employing Authority must in addition pay, in accordance with Rule 24.1, any contributions payable under Rule 30 (augmentation).

### **25 Guarantees, indemnities and bonds**

- 25.1. Treasury may, in its sole discretion, require an Employing Authority to have in force a guarantee, indemnity, bond or agreement that provides payment to Treasury by the Employing Authority or by a third party of such amount as is specified in the guarantee, indemnity or bond, should the Employing Authority fail

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<sup>6</sup> SD 2020/0282



to meet its liabilities under Rule 24.

## **26 Member Contributions**

- 26.1. Subject to Rule 17, an Active member must pay contributions of an amount equal to the percentage of his or her Pensionable Pay as determined by the PSPA and set out in Schedule I to these Rules after –
- (i) seeking the advice of the Scheme Actuary;
  - (ii) consulting with Treasury and Scheme Members; and
  - (iii) having obtained Tynwald approval.
- 26.2. The Member’s Employing Authority must deduct the Member’s contributions under this Rule 26 from any Pensionable Pay paid by the Employing Authority to the Member and, in accordance with section 9(3)(a) of the 2011 Act, pay the contributions into the revenue of the Island.

## **27 Contractual Additional Pension Contribution Membership and Contractual Additional Pension Contributions**

- 27.1. Subject to Rules 27.2 to 27.20, a Contractual Additional Pension Contributions Member must, in accordance with the terms contained in a written notice given to him or her by the Public Sector Pensions Authority, make Contractual Additional Pension Contributions during the Contractual Additional Contributions Period to do all or any of the following —
- (a) to increase by a specified amount the benefits payable to the Member under Rule 31 (“**Extra Pension**”);
  - (b) to increase the benefits payable to a Surviving Adult Dependant or Child under Rules 50 to 55 as applicable (“**Additional Death Benefits**”);
  - (c) to increase the number of years in respect of which those benefits under Rule 31 are payable (“**Added Years**”),
- (collectively referred to as “**Additional Pension Benefits**”).
- 27.2. If a Contractual Additional Pension Contributions Member exercises any of the

options under Rule 27.1, the Member's Contractual Additional Pension Contributions is to be deducted from the Member's Pensionable Pay by his or her Employing Authority, and paid into the general revenue of the Island in accordance with Rule 26.

27.3. The rate of Contractual Additional Pension Contributions payable under this Rule 27 may be varied from time to time by the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary.

27.4. If a Contractual Additional Pension Contributions Member —

(a) dies; or

(b) the Public Sector Pensions Authority is satisfied that he or she meets the Upper Tier Ill-Health Criteria,

before the end of the period of 12 months beginning with the Contractual Additional Pension Contributions Start Date and the Public Sector Pensions Authority is satisfied that the Member became a Contractual Additional Pensions Member in good faith, any benefits payable are to be calculated as if all contributions that would have fallen due after the date of death or after the date of retirement had been made.

27.5. If a Contractual Additional Pension Contributions Member dies after the end of the period of 12 months beginning with the Contractual Additional Pensions Contributions Start Date but before the end of the Contractual Additional Pension Contributions End Date any benefits are to be calculated as if all contributions that would have fallen due after the date of death had been made.

27.6. If the Public Sector Pensions Authority is satisfied that a Contractual Additional Pension Contributions Member meets the Lower Tier Ill-Health Criteria under Rule 37.1 his or her Additional Pension Benefits are to be awarded by calculating Service on a pro-rata basis but using the accrual rate applicable for the age at which the member had contracted to take his or her benefits.

27.7. A Contractual Additional Pension Contributions Member may cease being a Contractual Additional Pension Contributions Member by giving written notice to

that effect to the Public Sector Pensions Authority.

27.8. If a Member gives notice under Rule 27.7, his or her obligation to pay Contractual Additional Pension Contributions ceases from his or her next pay date or as soon as reasonably practicable after that date and his or her Additional Pension Benefits are to be calculated on a pro-rata basis in accordance with such method as the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, determines. A Member who has cancelled his or her contributions under Rule 27.7 cannot recommence Contractual Additional Voluntary Contribution Membership.

27.9. A Contractual Additional Pension Contributions Member who has completed at least 2 years of Service following his or her Contractual Additional Pension Contributions Start Date and who —

- (a) leaves Service;
- (b) opts out of this Scheme under Rule 16.1(b); or
- (c) notifies the Public Sector Pensions Authority that he or she wishes to cease being a Contractual Additional Pension Contributions Member under Rule 27.7,

shall have his or her Contractual Additional Pension Contributions treated in the same manner and at the same time as his or her other benefits under Rule 22.

27.10. If a Contractual Additional Pension Contributions Member leaves Service and Rule 22 applies, the Public Sector Pensions Authority must establish a record in respect of the Member's Contractual Additional Pension Contributions that is to be increased in line with the Index before any pension under Rule 31 is paid.

27.11. A Contractual Additional Pension Contributions Member who has less than 2 years of Service following his or her Contractual Additional Pension Contributions Start Date and who —

- (a) leaves Service;
- (b) opts out of this Scheme under Rule 16.1(b); or

- (c) notifies the Public Sector Pensions Authority that he or she wishes to cease being a Contractual Additional Pension Contributions Member under Rule 27.7,

is entitled —

- (i) to a Contribution Refund of his or her Contractual Additional Pension Contributions; or
- (ii) subject to Rule 27.12, to a Cash Transfer Sum,

and the provisions of Rule 23 in respect of those payments apply.

27.12. A Member may only apply for a Cash Transfer Sum of his or her Contractual Additional Pension Contributions if the Member elects at the same time to take a Cash Transfer Sum of his or her other pension benefits relating to the same Service to which the Member's Contractual Additional Pension Contributions relate.

27.13. The payment of a Contribution Refund or a Cash Transfer Sum under Rule 27.11 extinguishes the Member's entitlement to any Additional Pension Benefits under this Scheme in respect of his or her Contractual Additional Pension Contributions.

27.14. If a Contractual Additional Pension Contributions Member has made payments under Rule 27.1 the Member is to be credited with all or any of the following —

- (a) Added Years;
- (b) Additional Death Benefits;
- (c) Extra Pension,

as notified by the Public Sector Pensions Authority.

27.15. If a Contractual Additional Pension Contributions Member —

- (a) moves to Part-Time Service after his or her Joining Date; or
- (b) is already in Part-Time Service but varies his or her number of contractual hours of employment,

the Contractual Additional Pension Contributions Member may, by written notice

given to the Public Sector Pensions Authority, opt —

- (i) to continue to have the same percentage of earnings deducted in respect of his or her Contractual Additional Pension Contributions and have his or her Additional Pension Benefits calculated on a pro-rata basis to reflect the change in hours in respect of that period in a manner determined by the Public Sector Pensions Authority after receiving the advice of the Scheme Actuary; or
- (ii) to increase the percentage amount of earnings deducted each month in respect of his or her Contractual Additional Pension Contributions calculated on a pro-rata basis to reflect the change in hours but to maintain the same level of Additional Pension Benefits, in a manner determined by the Public Sector Pensions Authority after receiving the advice of the Scheme Actuary.

27.16. If a Contractual Additional Pension Contributions Member to whom Rule 27.15 applies does not elect an option under that Rule, the Public Sector Pensions Authority must administer the Member's benefits in line with Rule 27.15(b)(i) until it receives a written notice from the Member to do otherwise.

27.17. Added Years purchased by a Contractual Additional Pension Contributions Member do not count towards his or her Qualifying Service for the purpose of his or her entitlement to any benefits under this Scheme.

27.18. A Member's overall pension entitlement, including any Additional Pension Benefits, are subject to the maximums set out in Rules 2.5 and 2.6.

27.19. If a Contractual Additional Pension Contributions Member elects to take his or her Additional Pension Benefits earlier or later than the age notified to the Member by the Public Sector Pensions Authority on the Member's Joining Date, the benefits are to be reduced or increased as applicable by the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary.

27.20. A Contractual Additional Pension Contributions Member must take his or her pension benefits under Rule 31 at the same time as he or she takes the Additional

Pension Benefits arising from his or her Contractual Additional Pension Contributions if they are in respect of the same Service.

## **28 Limits on Contributions**

28.1. Contributions under these Rules are subject to any limit that may be set by the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary or the Treasury or both.

## **29 Money Purchase Additional Voluntary Contributions**

29.1. An Active Member may pay Money Purchase Additional Voluntary Contributions to secure additional defined contribution benefits under arrangements made by the Public Sector Pensions Authority.

29.2. The Public Sector Pensions Authority will have no liability whatsoever to Members in relation to the investment choices made by a Member under any arrangement the Public Sector Pensions Authority has made available to Members under Rule 29.1. In choosing to invest under any arrangement provided under Rule 29.1 to secure additional defined contribution benefits, Members do so entirely at their own risk.

29.3. The Public Sector Pensions Authority shall keep the arrangements it makes under Rule 29.1 under review.

29.4. Any Money Purchase Additional Voluntary Contributions that an Active Member pays under Rule 29.1 must be deducted from the Member's Pensionable Pay by his or her Employing Authority, and paid into the general revenue of the Island in accordance with Rule 26.

29.5. An Active Member may elect to commence, increase, stop or reduce Money Purchase Additional Voluntary Contributions by giving written notice of his or her intention to do so in accordance with arrangements made by the Public Sector Pensions Authority.

29.6. If an Active Member makes an election under Rule 29.5, the election will take effect from the next available pay date or as soon as practicable after that date.

- 29.7. If a Member's Pensionable Service ends, his or her Money Purchase Additional Voluntary Contributions cease.
- 29.8. A Member must take the pension or lump sum purchased by Money Purchase Additional Voluntary Contributions at the same time as the Member takes his or her pension or lump sum under this Scheme.
- 29.9. If a Member holds or has held 2 or more Active Memberships concurrently, the Member must take the pension or lump sum purchased by Money Purchase Additional Voluntary Contributions at the same time as the Member takes his or her pension or lump sum under one of those Active Memberships.

### **Augmentation**

#### **30 Augmentation**

- 30.1. Subject to the payment of any additional contributions required under Rule 30.2, the Public Sector Pensions Authority at the request of an Employing Authority may augment or vary benefits payable under this Scheme in relation to all or any of its Employees.
- 30.2. The Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, must determine the amount of additional contributions (if any) required to be paid by the relevant Employing Authority.
- 30.3. The Public Sector Pensions Authority must give the relevant Employing Authority written notice of the level of any additional contributions payable

under Rule 30.2, and the Employing Authority must pay those additional contributions or make appropriate arrangements for them to be paid.

- 30.4. Any additional contributions the relevant Employing Authority must pay under Rule 30.3 must be paid into the general revenue of the Island in accordance with Rule 24.1.

### **Benefits on Retirement**

#### **31 Retirement Pension for Section 1 to 7 Active Members**

- 31.1. Subject to Rules 31.2 to 31.8, an Active Member may elect to cease Active Membership and receive an annual pension at the rate specified in Rule 31.4 if the Member is aged between 55 and 75 years old and if —

- (a) the Member has at least 2 years' Qualifying Service;
- (b) a transfer payment in respect of the Member's rights under an Other Scheme has been received under Rule 61 in respect of the Member; or
- (c) the Member ceased employment in the year of his or her 75<sup>th</sup> birthday;

and if the Member holds or has held 2 or more Active Memberships under Rule 15, the Member will cease to hold all the Active Memberships and the Member has left the Eligible Employment to which the pension relates.

- 31.2. A Section 7 Member in Active Membership may elect to retire and receive an annual pension at the rate specified in Rule 31.4 if —

- (a) the Member is —
  - (i) aged 50 or above and has at least 25 years' Qualifying Service; or
  - (ii) aged 55 or above and has at least 2 years' Qualifying Service; and
- (b) if the Member holds or has held 2 or more Active Memberships under Rule 15.1, the Member will cease to hold all the Active Memberships.



31.3. Subject to Rule 31.3A a Contractual Additional Pension Contributions Member must take all of the benefits arising from his or her Contractual Additional Pension Contributions in respect of the Active Membership to which the Contractual Additional Pension Contributions relate at the same time as the Member starts to receive his or her annual pension under this Rule 31.

31.3A Any benefits that are payable as a consequence of the payment of Contractual Additional Pension Contributions shall not be subject to the calculation set out in Rule 31.4 (b).

31.4. Subject to Rules 2.5 and 31.5, the level of pension (“P”) payable for each Section 1-7 Member is calculated as follows —

(a) for Pensionable Service up to and including 31 March 2017 the sum of —

$$P = R \times FPP \times N$$

where —

“R” = the percentage set out in the table at Rule 31.7

“FPP” = Member’s Final Pensionable Pay

“N” = Number of complete years of Member’s Pensionable Service with additional completed days of Pensionable Service counting proportionately.

(b) for Service from 1 April 2017 up to the date of retirement the sum of —

$$P = (R \times FPP \times N) \times 94\%$$

where —

“R” = the percentage set out in the relevant table at Rule 31.7

“FPP” = Member’s Final Pensionable Pay

“N” = Number of complete years of Member’s Pensionable Service with additional completed days of Pensionable Service counting proportionately.

31.5. For Section 1 (Standard) Members and Section 2-6 Members the Percentage, as defined in the Table at Rule 31.7, may be increased as advised by the Scheme

Actuary to reflect each complete calendar month by which a Member is older than his or her Retirement Age, as defined in the Table at Rule 31.7, when Rule 31.4 applies to the Member.

31.6. The increased Percentage must not be greater than the Percentage that would have applied to a Member if his or her Retirement Age were one year greater than the Member actual Retirement Age.

31.7. In this Rule, “**Retirement Age**”, in relation to a Member, means the Member’s age in complete years at the date of his or her retirement and “**Percentage**” means the percentage of the Member’s Final Pensionable Pay.

RETIREMENT AGE	SECTION						
	1	2	3	4	5	6	7
	<b>PERCENTAGE</b>						
50	N/A	N/A	N/A	N/A	N/A	N/A	2.23%
51	N/A	N/A	N/A	N/A	N/A	N/A	2.23%
52	N/A	N/A	N/A	N/A	N/A	N/A	2.23%
53	N/A	N/A	N/A	N/A	N/A	N/A	2.23%
54	N/A	N/A	N/A	N/A	N/A	N/A	2.23%
55	0.81%	1.12%	1.29%	0.90%	1.26%	1.01%	2.23%
56	0.88%	1.20%	1.37%	0.98%	1.34%	1.10%	2.23%
57	0.95%	1.26%	1.44%	1.06%	1.41%	1.19%	2.23%
58	1.02%	1.33%	1.52%	1.14%	1.49%	1.27%	2.23%
59	1.09%	1.40%	1.60%	1.21%	1.56%	1.36%	2.23%
60	1.16%	1.46%	1.67%	1.29%	1.63%	1.44%	2.23%
61	1.22%	1.53%	1.75%	1.37%	1.72%	1.53%	2.23%
62	1.29%	1.61%	1.84%	1.44%	1.80%	1.62%	2.23%
63	1.36%	1.70%	1.94%	1.52%	1.90%	1.70%	2.23%
64	1.43%	1.79%	2.05%	1.60%	2.01%	1.79%	2.23%
65	1.50%	1.90%	2.17%	1.67%	2.12%	1.87%	2.23%
66	1.61%	2.03%	2.32%	1.79%	2.27%	2.01%	2.23%
67	1.71%	2.16%	2.47%	1.90%	2.42%	2.14%	2.23%
68	1.82%	2.30%	2.62%	2.02%	2.57%	2.27%	2.23%
69	1.92%	2.43%	2.77%	2.14%	2.72%	2.40%	2.23%
70	2.03%	2.56%	2.93%	2.25%	2.86%	2.52%	2.23%
71	2.13%	2.69%	3.08%	2.37%	3.02%	2.66%	2.23%
72	2.24%	2.83%	3.23%	2.49%	3.16%	2.79%	2.23%
73	2.34%	2.96%	3.38%	2.60%	3.31%	2.92%	2.23%
74	2.45%	3.09%	3.53%	2.72%	3.46%	3.05%	2.23%
75	2.55%	3.23%	3.69%	2.84%	3.60%	3.18%	2.23%

31.8. A 40 Year Member, MHO Status Member or Special Class Officer Member who

leaves Eligible Employment at any time after he or she reaches the age of 55 but before reaching the age of 60 may elect to start receiving an immediate annual pension on retirement from Active Membership, in which case the level of pension payable for each Member is the percentage accrual rate at Rule 31.7 applicable for a Section 2 Member at age 60 of the Member's Final Pensionable Pay for each complete year of the Member's Pensionable Service with additional completed days of Pensionable Service counting proportionately.

31.9. If a 40 Year Member, MHO Status Member or Special Class Officer Member does not elect to start receiving an immediate annual pension in accordance with Rule 31.8 the level of pension payable shall be calculated using the percentage of the Active Member's Final Pensionable Pay set out in the Table at Rule 31.7 for the age at which the Member takes his or her pension.

### **31A Retirement Benefits for Active Section 8 Members whose first membership of this Scheme commenced after the Date of Change and Active Section 9 Members**

31A.1 This Rule applies to a Member who is—

(a) a Section 8 Member —

- (i) whose first Active Membership commenced after the Date of Change; and
- (ii) who was not an Active Section 8 Member or an Active Section 8(a) Member before the Date of Change; and

(b) a Section 9 Member.

31A.2 For a Member to whom this Rule applies the level of pension ("P") payable at age 65 years or older is calculated using the formula —

$$P = 2\% \times (FPP \times PS)$$

where —

"FPP" means the Member's Final Pensionable Pay; and

"PS" means each complete year of the Member's Pensionable Service, with additional completed days of Pensionable Service counting proportionately.

31A.3 For a Member to whom this Rule applies who ceases to be an Active Member and is —

(a) aged 55 years or over but under 65 years; and

(b) is eligible for a Short Service Benefit,

may opt to receive immediate payment of the Short Service Benefit. The level of pension payable will be at a percentage of Pensionable Pay advised by the Scheme Actuary.

**31B Retirement Benefits for Active Section 8 Members whose first membership of this Scheme commenced before the Date of Change**

31B.1 This Rule applies to a Section 8 Member who is a Section 8 Deferred Member.

31B.2 The level of pension (“P”) payable at age 65 years or older is calculated using the formula—

$$P = A + B$$

where –

“A” means the pension for the Member’s Pensionable Service after the Date of Change calculated in accordance with 31A.2; and

“B” means the benefits for Pensionable Service before the Date of Change and calculated in accordance with Rule 22.

31B.3 A Section 8 Member who ceases to be an Active Member and is —

(a) aged 55 years or over but under 65 years; and

(b) is eligible for a Short Service Benefit,

may opt to receive immediate payment of the Short Service Benefit. The level of pension payable will be at a percentage of Pensionable Pay advised by the Scheme Actuary.

**31C Retirement Benefits for Active Section 8 (a) Members whose first membership of this Scheme commenced before the Date of Change**

31C.1 This Rule applies to a Section 8(a) Member who is also a Section 8(a) Deferred Member.

31C.2 The level of pension (“P”) payable at age 60 years or older is to be calculated using

the formula —

$$P = A + B$$

where A is to be calculated using the formula —

$$A = 2.5\% \times (FPP \times PS)$$

where —

“**FPP**” means the Active Member’s Final Pensionable Pay; and

“**PS**” means each complete year of the Active Member’s Pensionable Service, with additional completed days of Pensionable Service counting proportionately; and

“**B**” means the benefits for Pensionable Service before the Date of Change and calculated in accordance with Rule 22.

31C.3 A Section 8 (a) Member who ceases to be an Active Member and is —

(a) aged 50 years or over but under 60 years; and

(b) is eligible for a Short Service Benefit,

may opt to receive immediate payment of the Short Service Benefit. The level of pension payable will be at a percentage of Pensionable Pay advised by the Scheme Actuary.

## **32 Continuing in service after age 75**

32.1. If by a Member’s 75<sup>th</sup> birthday the Member has not elected to retire and receive his or her retirement pension in accordance with Rule 31, the Member is to taken to have done so and to have elected to receive his or her retirement pension with effect from his or her 75<sup>th</sup> birthday. The Member’s retirement pension comes into payment in accordance with Rule 31 even though the Member may remain in Service with an Employing Authority.

32.2. Accordingly, Member on reaching age 75 ceases to be an Active Member.

### **33 Pension Credit Members' benefits**

- 33.1. A Pension Credit Member is entitled to a pension and, if Rule 33.5 applies, a lump sum in accordance with the provisions of this Rule 33.
- 33.2. The value of a pension payable under Rule 33.1 is of an amount that complies with paragraph 5(b) of Schedule 5 to the 1999 Act and with such requirements as may be prescribed from time to time under that paragraph.
- 33.3. Subject to Rule 33.4, a pension payable under Rule 33.1 is to be paid from the later of —
- (a) the date on which the Pension Credit Member reaches age 65; or
  - (b) the date on which the Pension Sharing Order under which the Member is entitled to the Pension Credit takes effect.
- 33.4. A Pension Credit Member who is over the age of 55 may elect to receive the pension payable under Rule 33.1 at any time before he or she reaches age 65. In such a case, the amount of pension payable is to be reduced by such amount as the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, determines.
- 33.5. A Pension Credit Member is entitled to a lump sum under this Rule 33
- (a) if no lump sum has been paid under this Scheme to the Member prior to the date on which the Pension Sharing Order giving rise to the Pension Credit comes into effect; or,
  - (b) if the Member was immediately before the Implementation Date an active member of a pension scheme in respect of his or her service with an Employing Authority (and, if the Public Sector Pensions Authority so determines, by reference to pensionable service in the public sector in the Isle of Man) and was on the Implementation Date transferred into the Scheme, under the Member's former pension scheme.
- 33.6. A lump sum payable under Rule 33.5 is to be calculated on the basis set out in Rule 41.

33.7. The Public Sector Pensions Authority may allow a Pension Credit Member who, in the opinion of the Public Sector Pensions Authority, after receiving the advice of a Registered Medical Practitioner, has a life expectancy of less than 1 year, to commute the whole of his or her Pension Credit for a lump sum payable to the Pension Credit Member.

33.8. The lump sum payment under Rule 33.7 is to be calculated as follows —

- (a) a maximum of 30% of the overall pension value, as determined by the Public Sector Pensions Authority and calculated on a basis approved by the Scheme Actuary, may be commuted at the rate of £18 of lump sum for every £1 per annum of pension commuted;
- (b) the residual pension following the commutation under Rule 33.8(a) may be commuted for a lump sum of 5 times the residual pension.

#### **34 Pension Credit Members with 2 or more Pension Credits**

34.1. If a Pension Credit Member is entitled to 2 or more Pension Credits —

- (a) benefits are payable to the Pension Credit Member under this Scheme as if the Member were 2 or more persons, each being entitled to one of the Pension Credits so that 2 or more pensions or lump sums are paid to the one Pension Credit Member; and
- (b) the amounts of the benefits are to be determined accordingly.

#### **35 Reduction in Pension Debit Members' benefits**

35.1. Benefits to which a Pension Debit Member would be entitled under this Scheme if no pension debit applied to the benefits is to be reduced in accordance with and to the extent required by section 31 of the 1999 Act.

35.2. The pension paid to the Surviving Adult Dependant of a deceased Pension Debit Member under Rules 50.5, 51.5 and 52.3 is to be reduced by the proportion by which the deceased's Scheme benefits have been reduced in accordance with section 31 of the 1999 Act or would have been reduced if the Pension Debit Member had become entitled to them on the day he or she died.

- 35.3. The amount of the reduction under Rule 35.2 is to be calculated in accordance with guidelines issued to the Public Sector Pensions Authority by the Scheme Actuary.
- 35.4. Subject to Rule 35.5, if a Child of a Pension Debit Member becomes entitled to a pension under Rules 50.8, 51.8 or 52.6, the Child's Allowance is to be first calculated in accordance with Rule 55 as if references to the Pension Debit Member's pension were to such a pension without taking account of any reduction applied to that pension by virtue of section 31 of the 1999 Act.
- 35.5. The amount of a pension paid to a Child of a Pension Debit Member is to be reduced to the extent required by section 31 of the 1999 Act.

## **36 Charges associated with Pension Sharing Orders**

- 36.1. The Public Sector Pensions Authority may at its discretion require either a Pension Credit Member or a Pension Debit Member or both to pay the reasonable administrative expenses involved in giving effect to a Pension Sharing Order or providing information or both in relation to a proposed Pension Sharing Order.
- 36.2. At the first notification of the parties' intention to seek a Pension Sharing Order, the Public Sector Pensions Authority must notify both the relevant Pension Credit Member and Pension Debit Member of the charges the Public Sector Pensions Authority intends to make and the timing and method of payment of those charges as required by Regulation 2 of the Pensions on Divorce etc. (Charging) Regulations 2000.
- 36.3. The Public Sector Pensions Authority may require payment of the charges in each case, or may provide for the charges to be deducted from all or any of the following —
- (a) the Pension Credit;
  - (b) the benefits payable under Rule 33;
  - (c) the accrued rights of the Pension Debit Member under this Scheme,
- in accordance with the notification giving to the parties by the Public Sector Pensions Authority.



## 37 Incapacity Pension for Active Members

37.1. An Active Member may elect, by giving written notice to the Public Sector Pensions Authority, to start receiving his or her pension at any time if —

- (a) the Member is under age 65;
- (b) the Member has at least 2 years' Ill-health Qualifying Pensionable Service;
- (c) the Public Sector Pensions Authority is satisfied that the Active Member satisfies —
  - (i) the Lower Tier Ill-Health Criteria; or
  - (ii) the Upper Tier Ill-Health Criteria; and
- (d) the Member has left the Eligible Employment to which the pension relates.

37.2. The pension referred to in Rule 37.1 is to be calculated as follows —

- (a) if an Active Member satisfies the Lower Tier Ill-Health Criteria, the pension is to be calculated under Rule 31.4, but the percentage of the Active Member's Final Pensionable Pay to be used in the calculation is to be —
  - (i) for a Section 7 Member, the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to a Section 7 Member at age 65;
  - (ii) For Section 1- 6 Members, the greater of —
    - (A) the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to a Section 1 (Standard) Member at age 65; or
    - (B) the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to the Member's actual section and age; and

- (iii) For Section 8, 8(a) or 9 Member, subject to Rule 2.5, the greater of
  - 
  - (A) the percentage of Final Pensionable Pay stated in Rule 31.4A applicable age 65; or
  - (B) for Section 8(a) Members the percentage of Final Pensionable Pay under Rule 31.4B applicable to the Member's age;
- (iv) subject to Rules 2.5, 31.8 and 37.3, calculated by reference to his or her Ill-Health Pensionable Service;
- (b) Subject to Rule 37.3, if an Active Member satisfies the Upper Tier Ill-Health Criteria, the pension is to be calculated under Rule 31, but —
  - (i) the percentage of the Active Member's Final Pensionable Pay referred to in Rule 31.4 is —
    - (A) for a Section 7 Member, the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to a Section 7 Member at age 65; and
    - (B) For Section 1-6 Members, the greater of —
      - (aa) the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to a Section 1 (Standard) Member at age 65; or
      - (bb) the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to the Member's actual section and age; and
    - (C) For Section 8, 8(a) or 9 Member, subject to Rule 2.5, the greater of
      - 
      - (aa) the percentage of Final Pensionable Pay stated in Rule 31.4A applicable age 65; or

- (bb) for Section 8(a) or (b) Members the percentage of Final Pensionable Pay under Rule 31.4B applicable to the Member at Age 65; and
- (ii) subject to Rules 2.4, 31.8 and 37.3, is to be calculated by reference to his or her Ill-health Qualifying Pensionable Service plus his or her prospective Pensionable Service up to age 65; and
- (c) if the Member is a Contractual Additional Pension Contributions Member, the pension payable is to be adjusted in accordance with Rules 27.4 or 27.6, as appropriate.

37.3. In respect of a Section 7 Member and taking into account the overriding provision at Rule 2.5, the pension payable under Rule 37.1 and calculated under Rule 37.2(b) is to be calculated by reference to Section 7 Member's prospective Pensionable Service up to age 55.

37.4. A Pensioner Member in receipt of a pension under this Rule 37 who satisfied the Lower Tier Ill-Health Criteria may make a written application to the Public Sector Pensions Authority requesting that it considers whether the Pensioner Member has subsequently satisfied the Upper Tier Ill-Health Criteria. A Pensioner Member may only make the application if —

- (a) at the time his or her ill-health pension was awarded under Rule 37.1(c)(i) the Public Sector Pensions Authority, after receiving the advice of a Registered Medical Practitioner, certified that the ill-health or incapacity in respect of which his or her ill-health pension was awarded is such that future reassessment could be appropriate and that an application under this Rule 37.4(a) should be permitted;
- (b) the Pensioner Member makes the application to the Public Sector Pensions Authority within 3 years from the date on which the Pensioner Member first received a pension under Rule 37.1;
- (c) the application is accompanied by further written medical evidence —

- (i) that relates to whether the Pensioner Member satisfies the Upper Tier Ill-Health Criteria at the date the Public Sector Pensions Authority considers the application; and
    - (ii) that is in respect of the same physical or mental impairment as a result of which the Pensioner Member previously satisfied the Lower Tier Ill-Health Criteria; and
  - (d) he or she has not previously made an application under this Rule 37.4.
- 37.5. If, after considering the further medical evidence provided by the Pensioner Member, the Public Sector Pensions Authority determines that the Pensioner Member satisfies the Upper Tier Ill-Health Criteria, then as from the date the Public Sector Pensions Authority makes that determination the Pensioner Member —
- (a) ceases to be entitled to a pension as calculated under Rule 37.2(a); and
  - (b) becomes entitled to a pension as calculated under Rule 37.2(b).
- 37.6. A Pensioner Member in receipt of a pension under this Rule 37 who satisfies the Upper Tier Ill-Health Criteria must, by written notice, inform the Public Sector Pensions Authority if, while in receipt of the pension, he or she takes up Gainful Employment before age 65.
- 37.7. With effect from the date on which the Pensioner Member takes up, or has taken up, any Gainful Employment his or her pension is reduced to the level of pension the Member would have received if at the date his or her pension under Rule 37.1 came into payment the Member had satisfied the Lower Tier Ill-Health Criteria and been awarded a pension under Rule 37.2(a).
- 37.8. Despite Rule 37.6, a Pensioner Member in receipt of a pension under this Rule 37 who satisfies the Lower Tier Ill-Health Criteria or the Upper Tier Ill-Health Criteria must, by written notice, inform the Public Sector Pensions Authority if, while in receipt of the pension, he or she takes up the Member's previous role or comparable alternative employment.
- 37.9. If a Pensioner Member gives notice in accordance with Rule 37.8 and is under age

- (a) the Member's pension is suspended with effect from the date on which the Member's re-employment in his or her previous role or employment in comparable alternative employment commenced or is to commence; and
- (b) the Member's is eligible to resume Active Membership in accordance with Rule 18.

37.10. If a Member's pension has been suspended under Rule 37.9(a) payment of the pension resumes —

- (a) at such age between the ages of 55 and 75 as the Member may request; or
- (b) if the Member satisfies the criteria to receive a pension under Rule 38.1,

in which case the amount of pension payable is to be adjusted to reflect the percentage of Final Pensionable Pay stated in the relevant table at Rule 31.7 for the age at which the event in Rule 37.10(a) or Rule 37.10(b) occurs.

37.11. On resumption under Rule 37.10 the amount of pension payable shall be recalculated in accordance with Rule 31.4 but:

- (a) where payment of the pension resumes under Rule 37.10(a) using the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to the Member's Section for the age at which the event in Rule 37.10(a) occurs and disregarding any service enhancement previously granted under Rule 37.2(b)(ii); or
- (b) where payment of the pension resumes under Rule 37.10(b) using a percentage of Pensionable Pay of 1.5% and further adjusted to reflect any lump sum which has already been taken under Rules 41 or 42.

37.12. If a Pensioner Member gives notice in accordance with Rule 37.8 and he or she is aged 55 years or over the Member may elect —

- (a) for his or her pension under this Rule 37 to remain in payment but be recalculated under Rule 31 using the percentage of Final Pensionable Pay

stated in the table at Rule 31.7 for the age at which the Member ceased to satisfy the Lower Tier Ill-Health Criteria; or

(b) for his or her pension under this Rule 31.7 to be suspended, in which case payment of the pension resumes —

(i) at such age between the ages of 55 and 75 as the Member may request; or

(ii) if the Member satisfies the criteria to receive a pension under Rule 38.1,

and the amount of pension payable is to be adjusted to reflect the percentage of Final Pensionable Pay stated in the relevant table at Rule 31.7 for the age at which the event in Rule 37.11(b)(i) or Rule 37.11(b)(ii) occurs.

37.13. The Public Sector Pensions Authority may request a medical review of a Pensioner Member who is in receipt of an incapacity pension under this Rule 37.

37.14. The Public Sector Pensions Authority may not request a review under Rule 37.13 more than once in every 3 years unless,

(a) after receiving the advice of a Registered Medical Practitioner, it is of the opinion that an earlier review is necessary; or

(b) for those Members who meet the Ill-Health criteria after 25 July 2022 the Authority has reason to believe that the Member no longer satisfies the Upper Tier or Lower Tier Ill-Health criteria, as applicable.

37.15. If following a review under Rule 37.13, the Public Sector Pensions Authority is of the opinion, after receiving the advice of a Registered Medical Practitioner, that the Pensioner Member no longer satisfies the conditions in Rule 37.1(c), the Public Sector Pensions Authority may vary, suspend or terminate a pension paid under Rule 37.1.

37.16. A Member, Employing Authority or Registered Medical Practitioner must make a claim or an appeal in respect of a claim for pension under Rule 37 in such a manner

as the Public Sector Pensions Authority determines.

### **38 Incapacity Pension for Deferred Members**

38.1. A Deferred Member may elect, by giving written notice to the Public Sector Pensions Authority, to start receiving his or her pension at any time before the Member retires if he or she satisfies the Upper Tier Ill-Health Criteria and the Member has left the Eligible Employment to which the pension relates.

38.1A. A Section 8 Member or a Section 8 (a) Member who –

(a) receives pension under Rule 37; and

(b) after the Date of Change became a Section 8 Deferred Member or a Section 8

(a) Deferred Member,

is also eligible to receive a pension under Rule 38.

38.2. The pension mentioned in Rule 38.1 must be calculated under Rule 31 as follows —

(a) for a Section 7 Member, by applying the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to a Section 7 Member at age 55;

(aa)

(i) for a Section 8 or 9 Member by applying the percentage of Final Pensionable Pay stated in Rule 31.A or 31.B, as the case may be, at age 65

(ii) for a Section 8(a) Member, by applying the percentage of Final Pensionable Pay stated in Rule 31.C at age 65

(aaa) in the case of an Existing Deferred Member, the amount of pension will be as set out in their Benefit Statement and;

(b) in all other cases, by applying the percentage of Final Pensionable Pay stated in the table at Rule 31.7 applicable to a Section 1 (Standard) Member

at age 65,

and is to be calculated by reference to his or her Ill-Health Pensionable Service only. For the purposes of the calculation the Deferred Member's Final Pensionable Pay is to be revalued in line with the Index from the date on which his or her Active Membership ceased to the date of the Member's retirement under Rule 38.1.

38.3. A Pensioner Member in receipt of a pension under this Rule 38 or an Existing Pensioner Member must, by written notice, inform the Public Sector Pensions Authority if, while in receipt of a pension, he or she takes up Gainful Employment before age 65.

38.4. Omitted.

38.5. If a Pensioner Member gives notice in accordance with Rule 38.3 and is under age 55 —

- (a) the Member's pension under Rule 38.1 is suspended with effect from the date on which the Member's Gainful Employment commenced; and
- (b) the Member may resume Active Membership in accordance with Rule 18 if he or she meets the Membership eligibility criteria .

38.6. If a Member's pension has been suspended under Rule 38.5(a) payment of that pension resumes —

- (a) at such age between the ages of 55 and 75 as the Member may request; or
- (b) if the Member subsequently satisfies the criteria to receive a pension under Rule 38.1,

in which case the amount of pension payable is to be adjusted to reflect the percentage of Final Pensionable Pay stated in the table at Rule 31.7 for the age at which the event in Rule 38.6(a) or Rule 38.6(b) occurs.

38.7. If a Pensioner Member gives notice in accordance with Rule 38.3 and he or she is aged 55 years or over the Member may elect —



- (a) for his or her pension under this Rule 38 to remain in payment but —
  - (i) in the case of a Pensioner Member who was not previously an Existing Deferred Member, recalculated under Rule 31 using the percentage of Final Pensionable Pay stated in the relevant table at Rule 31.7 for the age at which the Member ceased to satisfy the Upper Tier Ill-Health Criteria; or
  - (ii) in the case of a Pensioner Member who was previously an Existing Deferred Member, recalculated under Rule 3.7; or
- (b) for payment of his or her pension under this Rule 38 to be suspended in which case payment of the pension resumes —
  - (i) in the case of a Pensioner Member who was not previously an Existing Deferred Member —
    - (A) at such age between the ages of 55 and 75 as the Member may request; or
    - (B) when the Member satisfies the criteria to receive a pension under Rule 38.1,
 

and the amount of pension payable is to be adjusted to reflect the percentage of Final Pensionable Pay stated in the relevant table at Rule 31.7 for the age at which the event in Rule 38.7(b)(i) or Rule 38.7(b)(ii) occurs, subject to a maximum of 1.5% and further adjusted to reflect any lump sum which has already been taken under Rule 41 and 42; or
  - (ii) in the case of a Pensioner Member who was previously an Existing Deferred Member, at such age between the ages of 55 and 75 as the Member may request, adjusted as necessary under Rule 3.7.

38.8. The Public Sector Pensions Authority may request a medical review of any Pensioner Member who is in receipt of an incapacity pension under this Rule 38.

38.9. The Public Sector Pensions Authority may not request a review under Rule 38.8

more than once in every 3 years unless,

(a) after receiving the advice of a Registered Medical Practitioner, it is of the opinion that an earlier review is necessary; or

(b) for those Members who meet the Upper Tier Ill-Health criteria after 25 July 2022 the Authority has reason to believe that the Member no longer satisfies the Upper Tier Ill-Health criteria.

38.10. If, following a review under Rule 38.8, the Public Sector Pensions Authority is of the opinion, after receiving the advice of a Registered Medical Practitioner, that the Pensioner Member no longer satisfies the conditions in Rule 38.1, the Public Sector Pensions Authority may vary, suspend or terminate a pension paid under this Rule 38.

38.11. A Deferred Member must make a claim or an appeal in respect of a claim for pension under Rule 38 in such a manner as the Public Sector Pensions Authority determines.

### **39 Enhanced Early Retirement on Termination of Employment by Employing Authority**

39.1. If a Member has his or her employment terminated by the Member's Employing Authority —

(a) in the interests of efficiency; or

(b) on the grounds of redundancy,

and the Member otherwise qualifies to start taking his or her benefits under these Rules, the Employing Authority may, at its total discretion, but subject to Rules 2.5 and 30, make a written request to the Public Sector Pensions Authority for the Public Sector Pensions Authority to approve the payment of benefits to the Member that are greater than those to which the Member would normally be entitled.

- 39.2. If a Member has his or her employment terminated by the Member's Employing Authority in circumstances in which retirement benefits are payable under the Compensation Regulations the PSPA may upon receipt of written confirmation from the Member's Employing Authority and subject to Rules 2.5 and 30 —
- (a) approve the payment of benefits to the Member that are greater than those to which the Member would normally be entitled; and
  - (b) approve the payment of benefits to the Member before the age of 55.

#### **40 Refund of contributions where a Member is single on retirement**

- 40.1. Subject to Rule 40.1A, if a Former 1.5% Contributions Member does not have a spouse or Civil Partner or a partner under Rule 49.1 at the date on which payment of his or her pension under this Scheme commences the Member is entitled to a refund of those contributions —
- (a) that were deducted as pension contributions from his or her earnings by the Member's Employing Authority in the period prior to the Member becoming a Member of this Scheme; and
  - (b) that relate to the most recent continuous period prior to the Member becoming a Member of this Scheme during which the Former 1.5% Contributions Member did not have a spouse or Civil Partner.

40.1A If at any time after becoming a Member of the Scheme but before becoming eligible to receive a payment under Rule 40.1 a Former 1.5% Contributions Member marries, enters into a civil partnership or nominates a partner under Rule 49, he or she shall cease to be entitled to any refund of contributions under Rule 40.1.

40.2. The refund of contributions under Rule 40.1 is to be calculated on such basis as the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary determines.

40.3. A refund of contributions under rule 40.1 shall immediately extinguish any entitlement to benefit under Rules 51.5 and 52.3 in respect of any period to which the refund relates.

## **41 Lump Sum on Retirement**

- 41.1. Subject to Rules 41.2 to 41.9, an Active Member or a Deferred Member may elect, by giving written notice to the Public Sector Pensions Authority before his or her pension, including any pension purchased by way of Money Purchase Additional Voluntary Contributions or Contractual Additional Pensions Contributions, becomes payable, to commute up to a maximum of 30% of the value of the pension, as determined by the Public Sector Pensions Authority and calculated on a basis approved by the Scheme Actuary, for a lump sum.
- 41.2. Subject to Rule 42, the Member must take the lump sum at the same time as the pension to which it relates and it must come into payment on or before the date on which the Member starts to receive the pension to which it relates.
- 41.3. Subject to Rule 41.4 the lump sum payable in relation to a Member is £18 of lump sum for every £1 per annum of pension commuted.
- 41.4. The lump sum payable under Rule 41.1 in respect of a Section 7 Member is —
- (a) if the Member is aged 55 or more when he or she retires and subparagraph (c) does not apply to the Member, £18 of lump sum for every £1 of pension commuted;
  - (b) if the Member is aged 50 or more under age 55 when he or she retires and subparagraph (c) does not apply to the Member, the amount in pounds shown in Table 1 of lump sum for every £1 of pension commuted; or
  - (c) if the Member was aged 48 or more on 1 April 2012 and is aged 50 or more when he or she retires, and will have accrued 30 years or more service, thereby achieving the maximum permitted pension under Rule 2.5 (a) between age 50 and 55 years, the amount in pounds shown in Table 2 of lump sum for every £1 of pension commuted..

**Table 1**

<b>Age in completed years and months on day pension commences</b>												
<b>Years</b>	<b>Months</b>											
	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>
<b>50</b>	19	18.98	18.97	18.95	18.93	18.92	18.9	18.88	18.87	18.85	18.83	18.82
<b>51</b>	18.8	18.78	18.77	18.75	18.73	18.72	18.7	18.68	18.67	18.65	18.63	18.62
<b>52</b>	18.6	18.58	18.57	18.55	18.53	18.52	18.5	18.48	18.47	18.45	18.43	18.42
<b>53</b>	18.4	18.38	18.37	18.35	18.33	18.32	18.3	18.28	18.27	18.25	18.23	18.22
<b>54</b>	18.2	18.18	18.17	18.15	18.13	18.12	18.1	18.08	18.07	18.05	18.03	18.02

(d)

**Table 2**

Age in completed years and months on day pension commences												
Years	Months											
	0	1	2	3	4	5	6	7	8	9	10	11
50	22.4	22.3	22.3	22.3	22.3	22.2	22.2	22.2	22.2	22.1	22.1	22.1
51	22.1	22.0	22.0	22.0	22.0	21.9	21.9	21.9	21.9	21.8	21.8	21.8
52	21.8	21.7	21.7	21.7	21.7	21.6	21.6	21.6	21.6	21.5	21.5	21.5
53	21.5	21.4	21.4	21.4	21.3	21.3	21.3	21.3	21.2	21.2	21.2	21.1
54	21.1	21.1	21.1	21.0	21.0	21.0	21.0	20.9	20.9	20.9	20.9	20.8
55	20.8	20.8	20.8	20.7	20.7	20.7	20.6	20.6	20.6	20.5	20.5	20.5
56	20.4	20.4	20.4	20.4	20.3	20.3	20.3	20.2	20.2	20.2	20.1	20.1
57	20.1	20.0	20.0	20.0	19.9	19.9	19.9	19.8	19.8	19.8	19.7	19.7
58	19.7	19.6	19.6	19.6	19.5	19.5	19.5	19.4	19.4	19.4	19.3	19.3
59	19.3	19.2	19.2	19.2	19.1	19.1	19.1	19.0	19.0	19.0	18.9	18.9
60	18.9	18.8	18.8	18.7	18.7	18.7	18.6	18.6	18.6	18.5	18.5	18.5
61	18.4	18.4	18.4	18.3	18.3	18.2	18.2	18.2	18.1	18.1	18.1	18.0
62	18.0	18.0	17.9	17.9	17.8	17.8	17.8	17.7	17.7	17.7	17.6	17.6
63	17.5	17.5	17.5	17.4	17.4	17.4	17.3	17.3	17.2	17.2	17.2	17.1
64	17.1	17.1	17.0	17.0	16.9	16.9	16.9	16.8	16.8	16.8	16.7	16.7
65	16.6											

41.5. The Public Sector Pensions Authority may allow an Active Member or a Deferred Member who, in the opinion of the Public Sector Pensions Authority, after receiving the advice of a Registered Medical Practitioner, has a life expectancy of less than 1 year to commute the whole of his or her pension for a lump sum.

41.6. The lump-sum payable under Rule 41.5 is to be calculated as follows —

- (a) in the case of a Deferred Member who has already taken a lump sum under Rule 41.1, his or her residual pension may be commuted for a lump sum of 5 times the Member's annual pension value;
- (b) in all other cases a maximum of 30% of the pension value may be commuted at the rate of £18 of lump sum for every £1 per annum of pension commuted following which the residual pension may be commuted for a lump sum of 5 times the residual pension.

41.7. The Public Sector Pensions Authority may authorise the payment of a lump sum of

such amount as determined by the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, to a Member in the place of all of the Member's benefits under this Scheme —

- (a) to the extent to which the Contracting-out Requirements will allow; and
- (b) on the basis that the lump sum is taken to be a Trivial Commutation Lump Sum and subject to the applicable charges to tax accordingly.

41.8. The payment of a lump sum under Rule 41.1 or Rule 41.5 extinguishes the Member's entitlement to lump sum benefits under this Scheme and reduces the value of the Member's pension to reflect the lump sum taken.

41.9. The payment of a lump sum under Rule 41.7 extinguishes both the entitlement to benefits under this Scheme of the Member and the entitlement to benefits under this Scheme of any Beneficiary in respect of the Member.

## **42 Early payment of retirement lump sum**

42.1. Subject to Rule 42.2, an Active Member who is aged 55 or over but under age 75 may make a written application to the Public Sector Pensions Authority requesting early payment of his or her retirement lump sum in accordance with this Rule 42.

42.2. Rule 42 applies to Section 7 Members except that the minimum age for early payment specified in Rule 42.1 is 50 if the Section 7 Member has at least 25 years' Pensionable Service.

42.3. If the Public Sector Pensions Authority is satisfied that —

- (a) a Member continues to be employed in the Eligible Employment in which the Member was an Active Member, or, if the Member has more than one such Eligible Employment, in at least one of those employments; and
- (b) exceptional circumstances exist that justify permitting early payment,

the Public Sector Pensions Authority may permit the Member to commute up to a maximum of 30% of the value of his or her pension, as determined by the Public Sector Pensions Authority and calculated on a basis approved by the Scheme

Actuary, for a lump sum in accordance with Rule 42.4 but to remain in Eligible Employment and to defer payment of his or her pension in accordance with Rules 42.6 and 42.7.

- 42.4. If the Public Sector Pensions Authority permits early payment of a retirement lump sum under Rule 42.3 the lump sum payable is to be calculated on the basis set out in Rules 41.3 and 41.4, such pension being calculated in accordance with Rule 31 as at the date of payment of the lump sum.
- 42.5. The Member ceases to be in Active Membership from the date on which the Member receives the lump sum payment under Rule 42.3.
- 42.6. Payment of the Member's pension commences when the Member ceases to be employed in the Eligible Employment in which the Member was an Active Member.
- 42.7. The pension payable under Rule 42.6 is to be calculated in accordance with Rule 22 and is to be adjusted to reflect payment of the lump sum on such basis as the Public Sector Pensions Authority, after receiving the advice of the Scheme Actuary, determines.
- 42.8. If a Member has taken a lump sum under Rule 41.1 or 42.1 no further lump sum may be paid under Rule 41 or 42.

### **43 Timing**

- 43.1. A pension becomes payable as soon as the Member elects to take his or her benefits under Rule 31.1 (or, in the case of an Existing Deferred Member, Rule 3.5) and is eligible to do so. The pension becomes payable on the 25<sup>th</sup> day of the calendar month following the event giving rise to the pension, unless the Public Sector Pensions Authority notifies the recipient in advance of some other date.
- 43.1A If a Deferred Member leaves a Surviving Adult Dependant, the Surviving Adult Dependant is to be paid a pension from the day following the date of the Deferred Member's death.
- 43.2. The first payment to a Pensioner Member but not to a Surviving Adult Dependant or Child is to include a proportionate payment for the month in which the pension



became payable.

- 43.3. Pensions are to be paid monthly in arrears unless the Public Sector Pensions Authority notifies the recipient in advance that some other interval, not exceeding 12 months, applies.

#### **44 Duration**

- 44.1. Subject to Rules 37.9, 37.12, and 38.5, a pension is payable from the day stipulated in Rule 43.1 or 43.1A for life.

44.1A A Child's Allowance is payable in accordance with Rule 55.2

- 44.2. Subject to Rule 47.1, the last payment to a Pensioner Member (other than a Child) is that payable on or immediately before the date of death or earlier termination and is not to be apportioned.

- 44.3. The last payment due in respect of a Child is that which coincides with eligibility ceasing in accordance with Rule 55.6 and the final instalment is to be proportioned to take account of the event that gave rise to the cessation of the pension

#### **45 Payment Method**

- 45.1. A pension and lump sum will be paid in accordance with arrangements made by the Treasury.

#### **46 Review**

- 46.1. All GMPs in course of payment are to be reviewed and adjusted in accordance with the Contracting-out Requirements.

- 46.2. All pensions in excess of GMPs in course of payment are to be reviewed and, if necessary, adjusted at each Pension Increase Date by such rate as is determined by the Public Sector Pensions Authority.

#### **47 Guaranteed Minimum Pensions**

- 47.1. If a Member has a Guaranteed Minimum in relation to benefits under this Scheme —

- (a) nothing in these Rules permits or requires anything that would cause requirements made by or under the 1993 Act in relation to such a Member and such a Member's rights under this Scheme not to be met in the case of the Member;
- (b) nothing in these Rules prevents anything from being done that is necessary or expedient to be done to meet such requirements in the case of the Member; and
- (c) the following provisions of this Rule are without prejudice to the generality of this Rule 47.1.

47.2. If apart from this Rule 47 —

- (a) no pension would be payable to the Member under this Scheme; or
- (b) the weekly rate of the pensions payable would be less than the Guaranteed Minimum,

a pension or pensions at a weekly rate or an aggregate weekly rate equal to the Guaranteed Minimum are payable to the Member for life from the date on which the Member reaches State Pension Age.

47.3. Subject to Rule 47.4, if —

- (a) on reaching State Pension Age a Member is still in employment, whether or not it is Eligible Employment; and
- (b) if it is not Eligible Employment, the Member consents to a postponement of the Member's entitlement under Rule 47.2,

Rule 47.2 does not apply until the Member leaves employment.

47.4. If a Member continues in employment for a further 5 years after reaching State Pension Age and does not then leave employment, the Member is entitled from the end of that period to so much of the Member's pension under these Rules as equals the Member's Guaranteed Minimum or to so much of the Member's pensions under these Rules as together have a weekly rate equal to the Member's Guaranteed

Minimum unless the Member consents to a further postponement of the entitlement.

47.5. If Rule 47.3 or 47.4 applies, the amount of the Guaranteed Minimum to which the Member is entitled under this rule is increased in accordance with section 15 of the 1993 Act.

47.6. If —

- (a) before reaching State Pension Age a Member becomes entitled to the immediate payment of a pension; and
- (b) the Member has a Guaranteed Minimum in relation to the whole or part of the pension,

the weekly rate of the pension, so far as attributable to that service, must not be less than the Guaranteed Minimum.

47.7. This Rule 47.7 applies if a person has ceased to be in employment that was contracted-out by reference to this Scheme and —

- (a) all the person's rights to benefits under this Scheme, except the person's rights in respect of the person's Guaranteed Minimum (the person's "**Contracting-Out Rights**"), have been transferred under Rules 61 to 64;
- (b) the person has no rights to benefits under this Scheme apart from the person's Contracting-Out Rights; or
- (c) the person has rights subject to Regulations made under section 37A of the 1993 Act.

47.8. If Rule 47.7 applies —

- (a) from the date on which the person reaches State Pension Age the person is entitled to a pension payable for life at a weekly rate equal to his or her Guaranteed Minimum, if any; and
- (b) in respect of rights subject to Regulations made under section 37A of the

1993 Act, a pension subject to the prohibitions and restrictions set out therein,

but a person falling within Rule 47.7 is not to be regarded as a Pensioner Member for the purposes of Rules 48 to 60.

47.9. Rules 47.2 to 47.8 do not apply to —

- (a) a pension that is forfeited —
  - (i) as a result of a conviction for treason; or
  - (ii) in a case where an offence within Rule 71.3 is committed;
- (b) a pension that is commuted under Rule 41.5; or
- (c) a pension that is commuted under Rule 41.7,

but if any other provision of this Scheme is inconsistent with this Rule 47.9, this Rule 47.9 prevails.

47.10. In this Rule 47, references to the amount of a pension are to its amount —

- (a) disregarding any pension payable under Rule 27; and
- (b) after the subtraction of any amount exchanged under Rule 41.

### **Benefits on Death**

#### **48 Payment of Lump Sum Death Benefits**

48.1. Subject to Rule 48.2, a Member, Existing Deferred Member and Existing Pensioner Member may nominate one or more persons or incorporated body or unincorporated body to receive lump sum benefits payable on his or her death.

48.2. A Member's nomination in accordance with Rule 48.1 is invalid or becomes void if —

- (a) the nominated beneficiary is the Member's Surviving Adult Dependant at the time of the nomination and the marriage, civil partnership or

relationship between the Member and the Surviving Adult Dependant formally ends; or

- (b) at the time of the Member's death the nominee is dead; or
- (c) the nominee is convicted of the Member's murder or manslaughter.

48.3. A lump sum benefit payable under this Scheme in respect of the death of a Member may be paid in one payment or in a series of 2 or more payments to or for the benefit of —

- (a) if a valid nomination is in place under Rule 48.1, to the nominee or, if more than one, to the nominees in such shares as the Member has specified or in the absence of specified shares in equal shares;
- (b) if there is no valid nominee under Rule 48.1, to the Surviving Adult Dependant of the Member; or
- (c) if there is no valid nominee under Rule 48.1 and no Surviving Adult Dependant, to the Member's personal representatives.

48.4. Subject to Rule 48.5, any balance of lump sum benefit not paid under Rule 48.3 within 2 years of the earlier of —

- (a) the date the Public Sector Pensions Authority could reasonably have known of the Member's death; and
- (b) the date when the Public Sector Pensions Authority first knew of the death, is to be paid to the Member's personal representatives.

48.5. If before the expiry of 2 years from the date of death of a Member the Public Sector Pensions Authority is satisfied that there is no person who is within the descriptions in Rule 48.3 then no benefit is payable in respect of the Member.

48.6. If a payment has been made in accordance with this Rule 48 and —

- (a) it was made in accordance with a nomination under Rule 48.1 that is subsequently found to be invalid or has become void;

- (b) a false declaration has been made by the Member or the Beneficiary in relation to the benefits paid out; or
- (c) relevant information or evidence has been withheld by the Member or the Beneficiary,

the Treasury may recover any payments or part of any payments made.

#### **49 Surviving Partner**

49.1. If, at the time of the death of a Member —

- (a) the Member has a partner (P) who is not the Member's spouse or Civil Partner;  
and
- (b) the requirements in Rule 49.2 are met,

P is entitled to the same rights and benefits on the Member's death as if P had been the Member's spouse or Civil Partner.

49.2 The requirements referred to in Rule 49.1 are —

- (a) the partner and the Member were —
  - (i) in an exclusive, long-term, committed relationship;
  - (ii) legally free to marry or enter into a civil partnership; and
  - (iii) either —
    - (A) financially interdependent; or
    - (B) the partner was financially dependent on the Member or *vice versa*; and
- (b) the Public Sector Pensions Authority is satisfied that the partner and Member's relationship had existed for at least 2 years or such shorter period as the Authority may at its discretion specify.

49.3 A Surviving Adult Dependant's pension under Rule 50.5, 51.5 or 52.3 is not to be paid to the Member's Partner under this Rule 49 unless the Member's Partner is able to provide satisfactory evidence to the Public Sector Pensions Authority that the requirements in Rule 49.2(a) applied at the time of the Member's death..

## **50 Death of Active Member**

50.1. On the death of an Active Member benefits are to be paid under Rules 50.2 to 50.9.

50.2. A lump sum will be payable to which Rule 48 applies of an amount that is equal to 3 times the Active Member's Pensionable Pay or, in the case of a CARE Member, his or her CARE Pensionable Pay, as at the date of his or her death.

50.3. In addition to the lump sum payable under Rule 50.2 a short-term pension will be payable to —

(a) if the Member leaves a Surviving Adult Dependant, his or her Surviving Adult Dependant; or

(b) if the Member does not leave a Surviving Adult Dependant but leaves one or more Children, to his or her Children in equal shares.

50.4. The short-term pension payable under Rule 50.3 is a sum equal to the Member's monthly Pensionable Pay or, in the case of a CARE Member, his or her CARE Pensionable Pay, as at the time of the Member's death and is payable pro-rata for the pay month in which the Member's death occurs and in full for the following 3 complete pay months.

50.5. If an Active Member has at least 2 years' Pensionable Service and leaves a Surviving Adult Dependant, the Surviving Adult Dependant is to be paid a pension for life from the date on which payment of a short-term pension under Rule 50.3 ceases.

50.6. Subject to Rule 50.6A, 50.7, 50.7A and 50.7B, the Surviving Adult Dependant's pension ("P") payable under Rule 50.5 is to be calculated in accordance with the following formula —

$$P = 0.625\% \times FPP \times PS$$

where —

“**FPP**” means the Member’s Final Pensionable Pay; and

“**PS**” means the longer of the following periods —

(a) the period of the Dependent’s Pensionable Service the Member would have accrued if the Member had remained in pensionable service until the age 65; and

(b) the actual period of the Dependent’s Pensionable Service.

50.6A For Section 1 to 6 Members, the pension calculated under Rule 50.6, any pension attributable to Pensionable Service from 1 April 2017 will be the sum of A multiplied by B

Where -

A is the pension calculated in accordance with rule 50.6

and

B is 94%

50.7. In relation to a Section 7 Member, the Surviving Adult Dependant’s pension payable under Rule 50.5 is 1.11% of the Member’s Final Pensionable Pay multiplied by the lesser of —

(a) if the Member was under age 55 on his or her death, the number of years and days of Pensionable Service the Member would have accrued had the Member remained in Pensionable Service to age 55;

(b) if the Member was over age 55 on his or her death, the number of years and days of Pensionable Service accrued by the Member up unto his or her death; or

(c) 30 years.



50.7A For Section 7 Members, the pension calculated under Rule 50.7, any pension attributable to Pensionable Service from 1 April 2017 is to be determined in accordance with the formula —

$$P = A \times 94\%$$

where —

A is the pension calculated in accordance with rule 50.7.

50.7B In relation to a Section 8(a) Member, the Surviving Adult Dependant's pension ("SADP") payable under Rule 50.5 is to be determined in accordance with the formula —

$$SADP = A \times B.$$

Where —

A is to be determined in accordance with the formula —

$$A = 75\% \times P \times DPS/PS;$$

B is to be determined in accordance with the formula —

$$B = 0.625\% \times FPP \times PS.$$

In the formula for A —

P is the Member's Pension calculated in accordance with Rule 31A, 31B or 31C as the case may be (subject to Rule 2.5A), on his or her date of death.

DPS is the Member's period of Dependent's Pensionable Service; and

PS is the period of Pensionable Service the Active member accrued up to his or her date of death.

In the formula for B —

FPP means the Member's Final Pensionable Pay; and

“PS” means the longer of the following periods —

- (a) the length of the Pensionable Service accrued from immediately after the date the member joined the Scheme that the Member would have accrued had the Member remained in Service to age 65; and
- (b) the number of years and days of the Pensionable Service accrued from immediately after the date the member joined the Scheme.

50.8. If an Active Member leaves a Child, a Child's Allowance is payable in accordance with Rule 55.

50.9. In addition to the benefits under Rule 50.5, if an Active Member was a Contractual Additional Pension Contributions Member and has selected to purchase Additional Death Benefits, a pension equivalent to 50% of his or her Extra Pension is payable to the Member's Surviving Adult Dependant for life from the date on which payment of a short-term pension under Rule 50.3 ceases.

## **51 Death of Pensioner Member**

51.1. On the death of a Pensioner Member benefits are to be paid under Rules 51.2 to 51.9. In the case of an Existing Pensioner Member, the value of any benefits to be paid on their death will be as set out in their Benefit Statement.

51.2. If a Pensioner Member dies within 5 years after the date his or her pension under Rule 31 became payable, a lump sum is payable to which Rule 48 applies of an amount equal in value to the monthly pension that was payable at the date of the Member's death multiplied by 60 months (5 years) less the total amount of pension paid to date of death.

51.3. In addition to the benefits under Rule 51.2, a short-term pension is payable to —

- (a) if the Member leaves a Surviving Adult Dependant, his or her Surviving Adult Dependant; or
- (b) if the Member does not leave a Surviving Adult Dependant but leaves one or more Children, his or her Children in equal shares.

- 51.4. The short-term pension payable under Rule 51.3 is a sum equal to the Pensioner Member's pension as at the time of his or her death and is payable for the pension month in which the Pensioner Member's death occurs and the following 3 complete pension months.
- 51.5. If the Pensioner Member or Existing Pensioner Member leaves a Surviving Adult Dependant, the Surviving Adult Dependant is to be paid a pension from the date on which payment of a short-term pension under Rule 51.3 ceases.
- 51.6. Subject to Rule 51.7 and 51.7A, the Surviving Adult Dependant's pension payable under Rule 51.5 is 0.625% of the Dependent's Pensioner Member's Final Pensionable Pay for each year of the Member's Pensionable Service, increased in line with the Index to the date of the Pensioner Member's death.
- 51.7. In relation to a Section 7 Member, the Surviving Adult Dependant's pension payable under Rule 51.5 is 1.11% of the Pensioner Member's Final Pensionable Pay for each year of the Member's Pensionable Service, increased in line with the Index to the date of the Pensioner Member's death.
- 51.7A In relation to a Section 8(a) Member, the Surviving Adult Dependant's pension ("SADP") payable under Rule 51.5 is to be determined in accordance with the formula —

$$SADP = A \times B.$$

Where —

A is to be determined in accordance with the formula —

$$A = 75\% \times P \times DPS/PS;$$

B is to be determined in accordance with the formula —

$$B = 0.625\% \times FPP \times PS.$$

In the formula for A —

P is the Member's Pension calculated in accordance with Rule 31.4A or

31.4B (subject to Rule 2.5A), on his or her date of death, in respect of a past service credit,

**DPS** is the Member's period of Dependent's Pensionable Service; and

**PS** is the period of Pensionable Service the Active member accrued up to his or her date of death.

In the formula for **B** —

**"FPP"** means the Member's Final Pensionable Pay; and

**"PS"** means the number of years and days of the Pensionable Service accrued from immediately after the date the member joined the Scheme up to the date of his or her cessation of Active Membership.

Increased in line with the Index from the date of cessation of Active Membership up until the date of his or her death.

51.8. If a Pensioner Member leaves a Child, a Child's Allowance is payable in accordance with Rule 55.

51.9. In addition to the benefits under Rule 51.5, if an Active Member was a Contractual Additional Pension Contributions Member and has selected to purchase Additional Death Benefits, a pension equivalent to 50% of his or her Extra Pension is payable to the Member's Surviving Adult Dependant.

## **52 Death of Deferred Member**

52.1. Subject to Rules 52.1A and 52.8 on the death of a Deferred Member benefits are to be paid under Rules 52.2 to 52.7. In the case of an Existing Deferred Member, the value of any benefits to be paid on their death will be as set out in their Benefit Statement.

52.1A For Section 1 to 7 Members, Any Lump Sum or Pension which is calculated under Rules 52.2, 52.4 and 52.5 will be subject to the following calculation –

The lump sum (under Rule 52.2) or pension (under Rule 52.4 or 52.5) which is attributable to Pensionable Service from 1 April 2017 will be the sum of **A multiplied by B**

Where -

**A** is the lump sum or pension calculated in accordance with Rule 52.2 or 52.4 or 52.5, as the case may be

and

**B** is 94%

- 52.2. A lump sum is payable to which Rule 48 applies of an amount that is equal to 5 times the Member's annual deferred pension calculated using the formula **P x S x A**.

where —

**P** is the Member's Final Pensionable Pay at the date on which the Member left Pensionable Service revalued in line with the Index up to the date of his or her death;

**S** is the total complete years and days of the Member's Pensionable Service;

**A** is the higher of —

- (i) 1.5%; and
- (ii) the percentage accrual rate under Rule 31.4, 31A or 31B that would have applied to the Member as at the date of his or her death.

- 52.3. If a Deferred Member leaves a Surviving Adult Dependant, the Surviving Adult Dependant is to be paid a pension.

- 52.4. Subject to Rule 52.5 and 52.5A, a Surviving Adult Dependant's pension payable under rule 52.3 is 0.625% of the Deferred Member's Final Pensionable Pay, increased in line with the Index from the date of cessation of Active Membership up until the date of his or her death, for each year of the Deferred Member's

Dependent's Pensionable Service.

52.5. In relation to a Section 7 Member, the Surviving Adult Dependant's pension payable under Rule 52.3 is 1.11% of the Deferred Member's Final Pensionable Pay, increased in line with the Index from the date of cessation of Active Membership up until the date of his or her death, for each year of the Deferred Member's Pensionable Service.

52.5A In relation to a Section 8 or 8(a) Member, the Surviving Adult Dependant's pension ("SADP") payable under Rule 51.5 is to be determined in accordance with the formula —

$$SADP = A \times B.$$

Where —

**A** is to be determined in accordance with the formula —

$$A = 75\% \times P \times DPS/PS;$$

**B** is to be determined in accordance with the formula —

$$B = 0.625\% \times FPP \times PS.$$

In the formula for **A** —

"**P**" is the Member's Pension calculated in accordance with Rule 31.4A or 31.4B (subject to Rule 2.5A), on his or her date of death, in respect of a past service credit,

"**DPS**" is the Member's period of Dependent's Pensionable Service; and

"**PS**" is the period of Pensionable Service the Active member accrued up to his or her date of death.

In the formula for **B** —

"**FPP**" means the Member's Final Pensionable Pay; and

“PS” means the number of years and days of the Pensionable Service accrued from immediately after the date the member joined the Scheme up to the date of his or her cessation of Active Membership.

Increased in line with the Index from the date of cessation of Active Membership up until the date of his or her death.”

52.6. If the Deferred Member leaves a Child, a Child’s Allowance is payable in accordance with Rule 55.

52.7. In addition to the benefits under Rule 52.3, if an Active Member was a Contractual Additional Pensions Contributions Member and has selected to purchase Additional Death Benefits, a pension equivalent to 50% of his or her Extra Pension is payable to the Member ‘s Surviving Adult Dependant.

### **53 Death of a Pension Credit Member**

53.1. On the death of a Pension Credit Member benefits are to be paid under Rules 53.2 to 53.3.

53.2. On the death of a Pension Credit Member before any pension under Rule 33 comes into payment, a lump sum is payable to which Rule 48 applies of an amount that is equal to 3 times the annual pension to which the Member would have become entitled if he or she had retired at age 65.

53.3. On the death of a Pension Credit Member within 5 years of the date his or her pension under Rule 33 came into payment, a lump sum is payable to which Rule 48 applies of an amount that is equal in value to the monthly pension that was payable at the date of the Pension Credit Member’s death multiplied by the number of complete months in the remainder of that 5 year period.

### **54 Death of a Recent Leaver**

54.1. If —

(a) a Recent Leaver dies leaving a Surviving Adult Dependant who has a Guaranteed Minimum in relation to benefits in respect of the Recent Leaver

under this Scheme; and

(b) the Member died before reaching the age of 65,

the Surviving Adult Dependant is entitled to a pension that is payable for life of an amount equal to that person's GMP, disregarding any additional pension under Rule 27.

## **55 Benefits for Children**

55.1 Subject to Rule 55.7, the Child's Allowance payable under Rules 50.8, 51.8 or 52.6 is an amount equal to 50% of the Surviving Adult Dependant's pension that is payable under Rule 50, 51 or 52, or would have been payable under those Rules if the Member had left a Surviving Adult Dependant, for each Child up to a maximum of 100% of the Surviving Adult Dependant's pension for 2 or more Children. The Child's Allowance payable in respect of an Existing Pensioner Member or an Existing Deferred Member will be as set out in their Benefit Statement.

55.2 A Child's Allowance is payable from the later of —

(a) the date of the Member's death;

(b) the date on which the Child was born;

(c) the date on which payment of a short-term pension in respect of the Member under Rule 50.3 or 51.3 ceased.

55.3 If a Member leaves 2 or more Children, the total Child's Allowance payable under Rule 55.1 is to be divided equally among the Children.

55.4 The Public Sector Pensions Authority may pay the Child's Allowance —

(a) for the benefit of the Child under Rule 73; or

(b) to the Child if he or she is age 16 or over.

55.5 The receipt by or on behalf of a Child in respect of money paid to him or her under Rule 55.4(b) is a good discharge to the Treasury.



- 55.6 Payment of a Child's Allowance to an individual Child ceases when the recipient ceases to be a Child, but the Public Sector Pensions Authority may at its discretion re-allocate among any remaining Children the recipient's share of the Child's Allowance.
- 55.7 The Public Sector Pensions Authority may at its discretion in exceptional circumstances increase the amount of a Child's Allowance.
- 55.8 If a Child's Allowance has been awarded and the Public Sector Pensions Authority subsequently becomes aware of an additional Child, being a persons who was a Child as at the date of the Member's death, or a Child born after the Member's death, the Public Sector Pensions Authority may at its discretion adjust any Child's Allowance payable.

## **56 Death of a Member in Part-Time Service**

- 56.1 Lump sum death benefits payable under Rule 50.2 and short-term pension payable under Rule 50.3 in respect of a Member who was in Part-Time Service are to be based on the Pensionable Pay or, in the case of a CARE Member, the CARE Pensionable Pay the Member was in receipt of at the date of his or her death, including any appropriate increase in line with the Index from the date of cessation of Active Membership up to the date of death, rather than the full-time equivalent pay.

## **57 Dual Capacity Membership – death benefits**

- 57.1 If a deceased Member —
- (a) was a Member of this Scheme in 2 or more of the categories specified in Rule 57.2;
  - (b) was a Pensioner Member in respect of 2 or more pensions;
  - (c) was a Deferred Member in respect of 2 or more pensions;
  - (d) was a Pension Credit Member in respect of 2 or more Pension Credits; or
  - (e) had 2 or more concurrent Active Memberships at the date of his or her

death,

benefits are payable in respect of the Member under these Rules as if 2 or more Members of the categories in question had died, so that 2 or more pensions or lump sums are payable in respect of the one deceased Member, and the amounts payable are to be determined accordingly.

57.2 The categories of Member referred to in Rule 57.1 are —

- (a) an Active Member;
- (b) a Deferred Member;
- (c) a Pensioner Member; and
- (d) a Pension Credit Member.

57.3 If a Pension Credit Member is also an Active Member, Deferred Member or Pensioner Member, any period of time that may count for any purpose in connection with his or her Pension Credit benefits under Rule 33 is not to be taken into account in determining his or her entitlement to, or calculation of, benefits under this Scheme other than his or her Pension Credit benefits under Rule 33.

## **58 GMPs for Surviving Spouses and Civil Partners**

58.1. If a person who is the Surviving Adult Dependant of a deceased Active Member, Deferred Member or Pensioner Member has a Guaranteed Minimum in relation to benefits in respect of the deceased Member under this Scheme —

- (a) nothing in these Rules permits or requires anything that would cause requirements made by or under the 1993 Act in relation to such a person and such a person's rights under a scheme not to be met in the case of the person;
- (b) nothing in these Rules prevents anything from being done that is necessary or expedient to be done to meet such requirements in the case of the person; and
- (c) Rule 58.2 is without prejudice to the generality of this Rule 58.1.

58.2. If apart from this Rule —

- (a) a pension would not be payable to the Surviving Adult Dependant under these Rules; or
- (b) the weekly rate of the pensions payable would be less than the Guaranteed Minimum,

a pension or pensions the weekly rate of which or the aggregate weekly rate of which is equal to the Guaranteed Minimum, are payable to the Surviving Adult Dependant for life.

58.3. Rule 58.2 does not apply to a pension that is forfeited —

- (a) as a result of a conviction for treason; or
- (b) in a case where an offence within Rule 71.3 is committed.

## **59 Power to withhold benefits**

59.1. If the Public Sector Pensions Authority considers that —

- (a) a relevant false declaration has been made to the Public Sector Pensions Authority by a Member or Beneficiary; or
- (b) relevant information has not been disclosed by a Member or Beneficiary,

the Public Sector Pensions Authority may at its discretion direct that the payment of a benefits awarded under this Scheme be withheld or stopped and may take such steps as it deems appropriate to recover benefits already paid.

## **60 Polygamous Marriages**

60.1. This Rule applies if at the date of death of a Member (including an Existing Deferred Member or an Existing Pensioner Member) the Member was married to one or more persons under a law that permits polygamy.

60.2. If, had the Member left a Surviving Adult Dependant, a benefit would have been payable to that Surviving Adult Dependant as such, the benefit is payable —

- (a) if there is one person who was polygamously married to the Member, to that person; or
  - (b) if there are 2 or more such persons to the persons in equal shares.
- 60.3. A person's share of a pension under Rule 60.2 does not increase on the death of another such persons.

## **Transfers**

### **61 Transfers to this Scheme**

- 61.1 Subject to Rules 61.2 to 61.13 an Active Member may apply for a transfer value payment in respect of some or all of the rights that have accrued to or in respect of him or her under an Other Scheme to be accepted by this Scheme.
- 61.2 An application under Rule 61.1 must —
- (a) be written;
  - (b) specify the Other Scheme from which the transfer value payment which must exceed £10,000 at the date of the application is to be made and the anticipated amount of the payment; and
  - (c) meet such other requirements as the Public Sector Pensions Authority may specify.
- 61.3 If an application is made by an Active Member in accordance with Rule 61.2 the Public Sector Pensions Authority may accept the transfer value payment and must pay it into the general revenue of the Island.
- 61.4 Subject to Rules 61.12 and 61.13, if the Public Sector Pensions Authority accepts the transfer value payment the Member is entitled to count the appropriate period of Pensionable Service determinable under Rule 61.5 for the purposes of calculating benefits payable to or in respect of the Member under this Scheme.
- 61.5 The period of service that the Member is entitled to count under Rule 61.4 as a result of the transfer value payment is to be determined by the Public Sector

Pensions Authority in accordance with guidance, tables and other relevant factors to be provided by the Scheme Actuary for the purpose.

- 61.6 For the purposes of the calculation under Rule 61.5 the Active Member's annual Pensionable Pay is to be taken to be the amount of that pay on the day on which the written transfer application, as prescribed under Rule 61.2 is received.
- 61.7 The Public Sector Pensions Authority may not, without the consent of the Employing Authority, accept a transfer payment under Rule 61.1 or a gift or transfer under Rule 61.8 if any benefit resulting from it, either under these Rules or under general law, would result in an unauthorised payment under section 11A of the 1978 Act to the extent that this Scheme were to be taken to be an approved scheme within the meaning of that Act.
- 61.8 Subject to Rule 61.7, the Public Sector Pensions Authority may, with the consent of the Employing Authority, accept gifts and other transfers of assets to this Scheme and must transfer them to the Treasury for the purposes of this Scheme.
- 61.9 The Public Sector Pensions Authority may not accept a transfer value payment if it would be applied either in whole or in part in respect of the Active Member's GMP or the Active Member's spouse's entitlement to a GMP, and it is less than the amount required for that purpose, as calculated in accordance with guidance and tables prepared by the Scheme Actuary for the purposes of this Rule 61.9.
- 61.10 The Public Sector Pensions Authority may, with the consent of the Employing Authority and the Treasury, give such indemnities or other agreements as the Treasury may approve to the Other Scheme in relation to the provision of benefits to the Member in respect of whom the Public Sector Pensions Authority accepts a transfer under Rule 61.1 subject to a limit on the liability of the Public Sector Pensions Authority under the indemnity or other agreement that is equal to the amount received in respect of the Member whose benefits are covered by the indemnity or other agreement.
- 61.11 The provisions of this Rule 61 do not apply to rights that are directly attributable to a Pension Credit.

61.12 Subject to approval by the Public Sector Pensions Authority, the amount or value of benefits credited under this Scheme to a Member following the receipt of a transfer value payment under this Rule 61 may be greater than the amount or value that would be credited to the Member under Rule 61.4 if —

- (a) an Employing Authority notifies the Public Sector Pensions Authority of the enhanced benefits that it wishes to be credited in respect of the Member; and
- (b) the Employing Authority pays into the general revenue of the Island such amount as the Scheme Actuary notifies to it as being required to provide such enhancement through this Scheme.

61.13 If a CARE Member applies for a transfer of benefits into this Scheme —

- (a) the Member is not to be credited with any additional Pensionable Service in respect of the transfer; but
- (b) his or her Pensionable Pay for the Tax Year in which the CARE Member joined this Scheme or, if later, the Tax Year in which the transfer value payment is received, for the purposes of calculating the Member's overall benefits in this Scheme is to be increased by an amount determined by the Public Sector Pensions Authority after receiving the advice of the Scheme Actuary.

## **62 Transfers from this Scheme**

62.1 A Member may make a written application to the Public Sector Pensions Authority for a statement (a "**Statement of Entitlement**") of the Cash Equivalent of the Member's accrued benefits under this Scheme (or in the case of an Existing Deferred Member, their existing benefits set out in their Benefit Statement) (the "**Transfer Benefits**") if —

- (a) the Member is an Active Member, he or she satisfies the Three Month Condition and is aged 75 or less; or
- (b) the Member is a Deferred Member who is entitled to Short Service Benefit,

and he or she has not yet taken any of his benefits under this Scheme.

- 62.2 If a Member has already applied for and been provided with a Statement of Entitlement within the previous 12 months the Public Sector Pensions Authority may at its discretion require the Member to pay the reasonable administrative expenses involved in providing the Statement of Entitlement.
- 62.3 The date on which the Statement of Entitlement is issued is the “**Specified Date**”.
- 62.4 If a Member makes an application under Rule 62.1, the Public Sector Pensions Authority is to provide the Statement of Entitlement to him on the basis set out in Rule 62.7 within 3 months after the date of his or her application, or within such longer period as the Public Sector Pensions Authority may reasonably require if the information needed for the Statement of Entitlement is not available for reasons beyond the Public Sector Pensions Authority’s control.
- 62.5 So long as the Member does not withdraw his or her application under Rule 62.1 before the Specified Date, the Public Sector Pensions Authority must provide the Member with a Statement of Entitlement calculated on such basis as appropriate to provide the minimum amount necessary to comply with section 97 1993 Act and shall be guaranteed for a period of 3 months from the Specified Date.
- 62.6 The Member may withdraw the application under Rule 62.1 by written notice to the Public Sector Pensions Authority at any time before the Specified Date.
- 62.7 Subject to Rules 62.11, 64 and the Occupational Pension Schemes (Transfer Values) Regulations 1996, the Public Sector Pensions Authority must calculate the Statement of Entitlement on such basis, as determined by the Scheme Actuary, as is appropriate to provide the minimum amount necessary to comply with section 97 of the 1993 Act. The entitlement in the Statement of Entitlement is guaranteed for a period of 3 months from the Specified Date.
- 62.8 A Member may apply for a transfer value payment of the amount stated in the Statement of Entitlement to be made to an Other Scheme. To be valid under this Rule the application must —
- (a) be written and addressed to the Public Sector Pensions Authority;

- (b) be made within 3 months of the Specified Date;
- (c) specify the Scheme or arrangement to which the transfer value payment is to be made;
- (d) in specifying that Other Scheme, satisfy the requirements for a receiving arrangement under section 95 of the 1993 Act; and
- (e) meet such other requirements as the Public Sector Pensions Authority may reasonably specify.

62.9 The Member may withdraw his or her application under Rule 62.8 if the withdrawal notice is received by the Public Sector Pensions Authority before it has entered into an agreement with a third party for the cash equivalent transfer value payment to be made under this Scheme.

62.10 On making an application that complies with the requirements of Rule 62.8, the Member becomes entitled to a payment of an amount equal to, or to amounts equal in aggregate to, the amount specified in the Statement of Entitlement (“**Guaranteed Cash Equivalent Transfer Amount**”).

62.11 On receipt of an application under Rule 62.8, the Public Sector Pensions Authority must advise the Treasury to pay from money provide for the purpose by Tynwald the Guaranteed Cash Equivalent Transfer Amount in accordance with the Member’s application under Rule 62.8.

62.12 If a transfer is made under Rule 62.11, the Member immediately ceases to be entitled to any Transfer Benefits relating to the transfer and, in the case of an Active Member, the Member immediately cease to be an Active Member, unless his or her Employing Authority otherwise directs before the transfer.

62.13 The Public Sector Pensions Authority has the discretion to authorise the payment of a transfer value in respect of a Member whose application fails to meet one or more of the requirements in Rule 62.8.

62.14 The benefits attributable to —

- (a) the Member’s accrued rights to a GMP; or



- (b) the Member's accrued rights attributable to service in contracted-out employment on or after 6 April 1997,

may be excluded from the cash equivalent transfer value payment if section 96(2) of the 1993 Act applies.

### **63 Bulk transfers out**

63.1 This Rule 63 applies if —

- (a) the employment of one or more Active Members (the "**Transferring Employees**") are transferred without their consent to a new employer;
- (b) on the transfer the Transferring Employees cease to be eligible to be Active Members of this Scheme;
- (c) after the transfer the Transferring Employees become active members of another occupational pension scheme (the "**New Employer's Scheme**");
- (d) the Public Sector Pensions Authority has agreed special terms for the making of transfer value payments in respect of the Transferring Employees to the New Employer's Scheme, after receiving the advice of the Scheme Actuary; and
- (e) the Transferring Employees have given their written consent to their rights being transferred in accordance with those terms.

63.2 In the case of the Transferring Employees the transfer value payment to be paid is not to be calculated in accordance with Rule 62.5, but is to be such amount as the Public Sector Pensions Authority determines to be appropriate in accordance with the special terms referred to in Rule 63.1(d), after receiving the advice of the Scheme Actuary.

63.3 This Rule 63 has effect with such modifications as are necessary to give effect to those terms.

63.4 If a transfer value payment is made under this Rule 63, no other payment or transfer of assets may be made in accordance with this Scheme by reason of the

Membership of persons covered by the transfer value payment.

#### **64 Bulk transfers in**

- 64.1 Subject to Rule 64.4, the Public Sector Pensions Authority may accept a transfer of all the superannuation benefits accrued under another scheme made or deemed to be made a scheme made by the Public Sector Pensions Authority under the Public Sector Pensions Act 2011 (the “**Transferring Scheme**”) and transferred under the rules of that scheme. Where the Public Sector Pensions Authority accepts such a transfer it shall be on terms that the Member shall then be entitled to such superannuation benefits under this Scheme calculated on a basis to be determined by the Public Sector Pensions Authority after taking the advice of the Scheme Actuary.
- 64.2 In these Rules, “**Transfer Member**” means a member or a beneficiary of a Transferring Scheme affected by a Bulk Transfer.
- 64.3 In these Rules, “**Bulk Transfer**” means the exercise of Rule 64.1 to transfer the superannuation benefits of the Transfer Members of a Transferring Scheme from the Transferring Scheme to this Scheme.
- 64.4 The Public Sector Pensions Authority may, with the consent of Tynwald, give effect to a Bulk Transfer.
- 64.5 As from the effective date of a Bulk Transfer, liabilities accrued in respect of a Transfer Member under the Transferring Scheme cease to be due under that scheme and the Transfer Member shall be superannuated in accordance with the terms of this Scheme.
- 64.6 The superannuation benefits each Transfer Member is to be entitled to under this Scheme pursuant to a Bulk Transfer are to be determined by the Public Sector Pensions Authority in accordance with guidance, tables and other relevant factors as determined by the Scheme Actuary for the purpose.
- 64.7 The Public Sector Pensions Authority must notify each Transfer Member of the superannuation benefits the Transfer Member is to be entitled to under this

Scheme. The notice must include relevant details as to the nature of the Transferring Member's participation in the Scheme and the Section of this Scheme in which the Transferring Member is to participate.

64.8 A Bulk Transfer does not require —

- (a) the consent of the Transfer Members affected by the Bulk Transfer; nor
- (b) a transfer value payment to be paid by the Transferring Scheme.

64.9 On a Bulk Transfer, this Scheme shall take effect in respect of Transfer Members subject to such modifications as the Public Sector Pensions Authority considers necessary to give effect to the Bulk Transfer.

64.10 Following a Bulk Transfer the provisions set out in the Schedule to these Rules shall apply in respect of the Transfer Members affected by the Bulk Transfer who become Active Members of the Scheme and to the extent that a provision of the Schedule to these Rules is inconsistent with a provision of these Rules, the provision of the Schedule applies.

## **65 Transfers of Pension Credits**

65.1 A transfer value is not to be paid or accepted by this Scheme in respect of any rights or benefits arising out of a Pension Credit.

### **General**

**66 This rule has been deleted**

**67 This Rule has been deleted**

## **68 Notices**

(1) Subject to Rules 68.2 to 68.4, a notice to be given to a person under these Rules may be given by delivering it to the person or by leaving it at the person's proper address or by sending it to the person by post or by electronic means.

68.2. For the purposes of Rule 68.1 —

- (a) the proper address of a Beneficiary is his or her latest address (including

an email address) known to the Public Sector Pensions Authority;

- (b) the proper address (including an email address) of the Public Sector Pensions Authority is its latest address notified by the Public Sector Pensions Authority to the Employing Authority; and
- (c) the proper address (including an email address) of an Employing Authority is the latest address notified by the Employing Authority to the Public Sector Pensions Authority.

68.3. A notice given to a person in accordance with Rule 68.1 is to be taken to have been received by the person on the day on which it is so given or, if sent by post, on the second day after it is sent.

68.4. A notice to be given to a Beneficiary under these Rules is to be taken to have been received by the Beneficiary if any procedure has been followed that appears to the Public Sector Pensions Authority to be adequate to draw the Beneficiary's attention to it.

## **69 Determinations by medical practitioners**

69.1. The Public Sector Pensions Authority may make arrangements to take the advice of an appointed Registered Medical Practitioner when exercising functions under these Rules in relation to a decision as to a person's health or degree of physical or mental infirmity or impairment that is required for the purposes of these Rules.

## **70 Assignment and Bankruptcy**

70.1. An assignment of, or a charge on, or an agreement to assign or charge, a right to a benefit under this Scheme is void.

70.2. On the bankruptcy of a Beneficiary, no part of the benefit paid to the Beneficiary may be paid to the Beneficiary's trustee in bankruptcy or other person acting on behalf of the creditors unless, following the bankruptcy of a Beneficiary, a court makes an income payments order requiring the payment of all or part of the benefit to be made to the Beneficiary's trustee in bankruptcy.

## 71 Forfeiture

- 71.1. This Rule 71 has effect to the extent to which the Contracting-out Requirements allow.
- 71.2. If, as a result of a Member's criminal, negligent or fraudulent act or omission a loss of funds occurs that arises out of or is connected with the Member's employment relationship with his or her Employing Authority, the Employing Authority may apply to the Public Sector Pensions Authority for the Member's benefits under this Scheme to be withheld in full or in part in order to account for the loss. The Public Sector Pensions Authority must inform the Treasury and the Employing Authority of any decision it makes in respect of the application.
- 71.3. The Public Sector Pensions Authority may cancel the payment of a Member's pension if the Member —
- (a) is convicted of one or more offences under the Official Secrets Acts 1911 for which the Member is sentenced on the same occasion
    - (i) to imprisonment for 10 years or more; or
    - (ii) to 2 or more consecutive terms of imprisonment amounting in the aggregate to 10 years or more;
  - (b) is convicted of treason, or
  - (c) in connection with employment to which this scheme applies, is convicted of an offence certified by a Minister or the Chairman of a Department or of a Statutory Board –
    - (i) to be gravely injurious to the Isle of Man; or
    - (ii) to be liable to lead to a serious loss of confidence in the public service.
- 71.3A If a person is convicted of unlawfully killing a public servant or a former public servant, the Public Sector Pensions Authority may cancel the payment of a benefit that would otherwise have become payable to the person by virtue of the death of the public servant or the former public servant.
- 71.4. For the purpose of this Rule 71, the Public Sector Pensions Authority is to calculate the value of the benefits or pension in question after receiving the advice of the Scheme Actuary.

## **72 Overpayment of Benefits**

- 72.1. If information or evidence supplied to the Public Sector Pensions Authority in connection with the provision of a benefit under this Scheme is subsequently proved to the satisfaction of the Public Sector Pensions Authority to be incorrect or insufficient, the Public Sector Pensions Authority must provide for the payment of the benefit that would have been payable had it been calculated by reference to the correct information or evidence.
- 72.2. If a Member or Beneficiary is paid benefits under this Scheme to which he or she is not entitled, the Public Sector Pensions Authority may, on discovering such an error take all reasonable steps to recover such payments from the Member including but not limited to offsetting any overpayment of a benefit against future payments of benefits.

## **73 Incapacity and Minority**

- 73.1. In the case of a Beneficiary who is incapable of acting by reason of illness, mental disorder, minority or otherwise, the Public Sector Pensions Authority may retain money due to the Beneficiary for any period and then apply or pay it under Rule 73.2.
- 73.2. In relation to money due to a Beneficiary to which Rule 73.1 applies —
- (a) the Public Sector Pensions Authority may apply the money for the benefit of the Beneficiary or his or her estate or may pay it to some other person who is or appears to the Public Sector Pensions Authority to be responsible for the Beneficiary's care;
  - (b) the receipt of the person to whom the Public Sector Pensions Authority pays the money is a discharge to the Public Sector Pensions Authority for it;
  - (c) the Public Sector Pensions Authority is not responsible for or obliged to supervise the way in which money paid under this Rule 73 is used; and
  - (d) the Public Sector Pensions Authority may make for the Beneficiary any

choice that the Beneficiary could make under this Scheme in respect of the money.

#### **74 Information from Employing Authorities**

74.1. An Employing Authority must supply to the Public Sector Pensions Authority any information it requests in respect of the Employing Authority or any of its Employees or former Employees who are Members or prospective Active Members.

#### **75 Information from Members**

75.1. The Public Sector Pensions Authority may request information from Members necessary to administer benefits under this Scheme. A request for information may include, but is not limited to, a request for the Member to confirm all or any of the following —

- (a) his or her eligibility for benefits under this Scheme;
- (b) his or her status as a Pensioner Member under this Scheme;
- (c) details of his or her employment with an Employing Authority;
- (d) his or her correspondence details.

#### **76 Claims for Benefits**

76.1. A Member claiming to be entitled to benefits under this Scheme must make a written claim to the Public Sector Pensions Authority in accordance with this Rule 76.

76.2. A person other than a Member claiming to be entitled to benefits under this Scheme must make a written claim to the Public Sector Pensions Authority in accordance with this Rule 76.

76.3. If a claim is made under this Rule 76, the person making the claim must, within 30 days of being requested to do so, provide the Public Sector Pensions Authority with —

- (a) evidence of entitlement;
- (b) information required in order to deal with the claim; and
- (c) any authority or permission necessary for the release by third parties of information in their possession relating to the claim,

## **77 Unclaimed Money**

- 77.1. The Public Sector Pensions Authority must use reasonable efforts to trace persons entitled to payments under these Rules.
- 77.2. If a Beneficiary fails to claim a benefit under this Scheme within the shortest of the periods referred to or mentioned in section 78 (7) of the 1993 Act, the benefit is not due or payable, but the Public Sector Pensions Authority may, at its discretion, pay all or any part of the benefit to or for the benefit of the Beneficiary.

## **78 Taxation, Levies and Election**

- 78.1. The Treasury must deduct from a payment made under this Scheme any tax that is required to be paid in respect of the payment.

## **79 Time Limits**

- 79.1. The Public Sector Pensions Authority may at its discretion extend a time limit referred to in these Rules.

## **80 Discretionary Compensation Payments**

- 80.1. If an amount payable by way of a pension, lump sum or refund of contributions under this Scheme is not paid by the end of the period of 3 months beginning with the Due Date the Member or other person to whom the payment should have been made may apply to the Public Sector Pensions Authority for compensation for the late payment.
- 80.2. An application under Rule 80.1 must set out sufficient detail of the amount of compensation claimed and the reason for the claim.
- 80.3. On receiving an application under Rule 80.1 the Public Sector Pensions Authority



must advise the Treasury accordingly and may, in its absolute discretion, recommend the award of any compensation it considers appropriate to the Member or other person to whom the payment should be made but the Treasury is not obliged to pay any compensation.

80.4. For the purposes of this Rule “**Due Date**” means —

- (a) in the case of an amount in respect of a pension or lump sum payable to a Member upon the Member leaving Pensionable Service, the date of the day after the day the relevant Member left Pensionable Service;
- (b) in the case of an amount in respect of a pension payable on a Member’s death, the date of the day after the day of the death;
- (c) in the case of an amount in respect of a lump sum payable on a Member’s death that is payable to the Member’s personal representatives the earlier of —
  - (i) the date on which probate or letters of administration were produced to the Public Sector Pensions Authority; and
  - (ii) the date on which the Public Sector Pensions Authority was satisfied that the lump sum may be paid as provided in Rule 48.3(c);
- (d) in the case of an amount in respect of any other lump sum payable on a Member’s death, the date of the day after the day of his or her death; and
- (e) in the case of an amount in respect of a refund of contributions, the date of the day after the day the Member left Pensionable Service.

## **81 General prohibition on unauthorised payments**

81.1. Nothing in these Rules is to be taken as requiring or authorising a payment to be made which, if made, would be an unauthorised payment for the purposes of section 11 of the 1978 Act.

## **82 Employing authority record keeping and contribution estimates**

82.1. A CARE Member must, in respect of each financial year, provide his or her

Employing Authority with a certificate of the Member's Pensionable Pay and Member Contributions based on accounts drawn up in accordance with generally accepted accounting practice by the Employing Authority of which the Member is an Employee; the certificate to be supplied by the date required by the Employing Authority.

- 82.2. An Employing Authority must, in respect of each Member, keep a record of —
- (a) the Member Contributions deducted from the Member's salaries in accordance with Rule 26.2;
  - (b) the contributions made under Rule 24; and
  - (c) the Pensionable Pay for each year that the Member is in Active Membership,

in a manner approved by the Public Sector Pensions Authority.

- 82.3. The Employing Authority must provide a statement in respect of the matters mentioned in Rule 84.2 to the Public Sector Pensions Authority within 2 months of the end of each financial year.

### **83 Cost Sharing**

- 83.1. The provisions of the Public Sector (Cost Sharing) Scheme 2020 apply to all Members of this Scheme or Members of a Section or Sections of this Scheme..

- 83.2. After making a determination under the Public Sector (Cost Sharing) Scheme 2020, the Public Sector Pensions Authority must amend this Scheme in respect of one or more of the following —

- (a) member contributions payable under Rule 26;
- (b) employing authority contributions payable under Rule 24; and
- (c) the level of Benefits paid under Rule 31.

### **84 Scheme reviews and accounts**

- 84.1. The Public Sector Pensions Authority must keep accounts of all income and

expenditure in respect of this Scheme in a form approved by the Scheme Actuary.

84.2. An Employing Authority must keep accounts of all Member Contributions collected by the Employing Authority under this Scheme and paid into the general revenue of the Island in accordance with section 9(3)(a) of the 2011 Act and send them to the Public Sector Pensions Authority annually.

84.3. The Scheme Actuary must —

- (a) prepare an actuarial report on the liabilities of this Scheme and its potential income under these Rules on the third anniversary of this Rule coming into force and at the expiration of every subsequent period of 3 years; and
- (b) send a copy of the actuarial report to Treasury for consultation as soon as practicable.

84.4. The actuarial report referred to in Rule 84.3 must be based on actuarial assumptions determined by the Public Sector Pensions Authority after receiving the advice of Treasury.

## SCHEDULE I

(Rule 26.1)

### MEMBER CONTRIBUTIONS

<b>Category of Membership</b>	<b>Percentage rate of Pensionable Pay payable</b>
Section 1 (Standard) Member (appointed on or after 1 April 2017)	7.50%
Section 1 (Standard) Member (appointed before 1 April 2017)	7.50%
Section 2 Member	10.25%
Section 2 Protected Hospital Doctor Member	12.10%
Section 3 Member	12.25%
Section 4 Member	9.10%
Section 5 Member	12.00%
Section 6 Member	10.90%
Section 7 Member	13.50%
Section 8 Member	10.00%
Section 8 (a) Member	15.00%
Section 9 Member	10.00%