

**RULES OF THE NORTHERN IRELAND PARTNERSHIP PENSION  
ACCOUNT DEATH BENEFITS SCHEME**

**PART A  
INTERPRETATION**

**A.1 Interpretation: general**

(1) In these rules, unless the context otherwise requires, the following expressions shall have the following meanings-

“PCSPS(NI)” means the Principal Civil Service Pension Scheme (Northern Ireland);

“the 1972 Section” means Section II of the PCSPS(NI);

“the 2002 Section” means Section I of the PCSPS(NI);

“the 2007 Section” means Section III of the PCSPS(NI);

“assumed pay” shall have the same meaning as in rule A.3 of the 2002 Section;

“Civil Service Compensation Scheme (Northern Ireland)” means the Civil Service Compensation Scheme (Northern Ireland) which was made on 28<sup>th</sup> August 1996 under Article 3 of the Superannuation (Northern Ireland) Order 1972;

“eligible employment” means-

(a) employment in the Civil Service of the State;

(b) employment that is listed for the time being in Schedule 1 to the Superannuation (Northern Ireland) Order 1972;

“employment” includes an office or appointment, and related expressions are to be read accordingly;

“final pensionable earnings” has the meaning given in rule A.3 of this Scheme;

“last day of his eligible service” means the last day of the latest period of service falling within a person’s current period of eligible employment during which he has a partnership pension account to which his employer is paying contributions;

“partnership pension account”, in relation to a person in eligible employment, means-

- (a) a stakeholder pension scheme or a personal pension scheme to which the person's employer is paying contributions,
- (b) a stakeholder pension scheme or personal pension scheme to which his employer is not making contributions because:
  - (i) the person received benefits under section 2 of the Civil Service Compensation Scheme (Northern Ireland) (compulsory retirement and redundancy) or section 3 of that Scheme (flexible retirement) on the basis of enhanced reckonable service, and
  - (ii) the period by which his reckonable service was enhanced exceeds the period beginning with the day on which the person's retirement under those sections began and ending with the day before he was re-employed in the eligible employment, or
- (c) a stakeholder pension scheme or personal pension scheme to which his employer is not making contributions because he is not receiving earnings which are pensionable earnings for the purposes of this Scheme (other than because he is on an unauthorised absence);

“pensionable earnings” shall have the same meaning as in rule A.2 of the 2002 Section;

“permanent pensionable earnings” shall have the same meaning as in rule A.2 of the 2002 Section;

“permitted maximum” means the applicable figure for the tax year in which the person's eligible employment ends, which shall be-

- (a) in relation to any tax year before the tax year 2006-07, the figure specified for that tax year in an order made under section 590C of the Income and Corporation Taxes Act 1988, and
- (b) in relation to any later year, the figure found for that year by virtue of paragraphs (3) to (5);

“personal pension scheme” means a personal pension scheme within the meaning of section 1 of the Pension Schemes (Northern Ireland) Act 1993 that is registered under Chapter 2 of Part 4 of the Finance Act 2004;

“Scheme” means the Northern Ireland Partnership Pension Account Death Benefits Scheme;

“scheme year” means a period of one year beginning 1<sup>st</sup> April and ending 31<sup>st</sup> March (both dates inclusive);

“stakeholder pension scheme” means a scheme which is a stakeholder pension scheme for the purposes of Part II of the Welfare Reform and Pensions (Northern Ireland) Order 1999;

“the Department” means the Department of Finance and Personnel.

- (2) The Interpretation Act (Northern Ireland) 1954 applies for the interpretation of the rules of this Scheme as it applies to an Act of the Northern Ireland Assembly.
- (3) The figure referred to in paragraph (b) of the definition of “permitted maximum” is £108,600. This is subject to paragraphs (4) and (5).
- (4) If the retail prices index for the month of September preceding the tax year 2007-08 or any later tax year is higher than it was for the previous September, the figure for that year shall be an amount arrived at by-
  - (a) increasing the figure for the previous tax year by the same percentage as the percentage increase in the retail prices index, and
  - (b) if the result is not a multiple of £600, rounding it up to the nearest amount which is such a multiple.
- (5) If the retail prices index for the month of September preceding the tax year 2007-08 or any later tax year is not higher than it was for the previous September, the figure for that year shall be the same as for the previous tax year

## **A.2 Meaning of “retained rights person”**

This Rule has been deleted.

## **A.3 Meaning of “final pensionable earnings”**

- (1) In this Scheme, “final pensionable earnings” means the greater of:
  - (a) the person’s permanent pensionable earnings in the 12 months ending on the last day of his eligible service;
  - (b) the person’s permanent pensionable earnings in one of the last two complete scheme years ending on or before the last day on which he was in eligible employment.
- (1A) This rule is modified by paragraph (1B) if—
  - (a) the person’s last day of eligible service is after 29<sup>th</sup> July 2007;
  - (b) the person returns from unpaid leave or unpaid absence during the 12 months ending with that last day;
  - (c) the person was in eligible employment during the whole of that 12 months; and
  - (d) the unpaid leave or unpaid absence was not a period during which the person had a partnership pension account to which

his employer was paying contributions (the days in that period of leave or absence being referred to as non-contributory days in paragraph (1B)).

- (1B) When this paragraph applies, the period of 12 months referred to in paragraph (1)(a) shall be taken as being the period of 365 days plus the number of non-contributory days.
- (1C) But if the period calculated under paragraph (1B) would include 29<sup>th</sup> February, that paragraph has effect with the substitution for “365” of “366”.
- (2) The final pensionable earnings of a person to whom this Scheme applies who is employed part-time during any period are calculated by reference to the person’s actual rate of pensionable earnings during that period.
- (3) If at any time during any period that is relevant for paragraph (1) a person to whom this Scheme applies is treated as receiving assumed pay, for the purposes of that paragraph his permanent pensionable earnings for that period include that assumed pay.
- (4) If a person to whom this Scheme applies was not in eligible employment for the whole of the period of 12 months mentioned in paragraph (1)(a), that paragraph applies as if it referred to the person’s annualised permanent pensionable earnings in the latest period of eligible employment ending with the last day of his eligible service.
- (5) The person’s annualised permanent pensionable earnings for a period are **PPE x 365/N**, where –
- PPE** is the person’s permanent pensionable earnings for the period, and
- N** the number of days in the period.
- (6) But if that period includes the date 29<sup>th</sup> February, paragraph (5) has effect with the substitution for “365” of “366”.
- (7) Subject to paragraph (8), for the purposes of paragraph (1), only pensionable earnings in the latest period of eligible employment may be taken into account.
- (8) Where the latest period of eligible employment is separated from an earlier period of eligible employment to which paragraph (9) applies, pensionable earnings in the earlier period of eligible employment may be taken into account.
- (9) This paragraph applies where a person to whom this Scheme applies ceases to be employed in eligible employment and after a period not exceeding 6 months becomes employed again in eligible employment.
- (10) If the calculation of final pensionable earnings produces an amount exceeding the permitted maximum, the excess is disregarded.

## **PART B**

### **APPLICATION**

#### **B.1 Persons to whom this Scheme applies**

- (1) This Scheme applies to any person who has a partnership pension account.

This is subject to paragraphs (2) and (3).

- (2) A person is excluded from this Scheme if –
- (a) the terms and conditions of his employment provide that the Scheme does not apply to him, or
  - (b) his employer has made alternative provision for death benefits in respect of him, or
  - (c) his employer is not paying contributions to the Department for this Scheme to apply to him, or
  - (d) he opts for the Scheme not to apply to him.
- (3) A special adviser is excluded from this Scheme if he falls within paragraph (2) or if -
- (a) he was in eligible employment before 1<sup>st</sup> October 2002,
  - (b) he has a personal pension to which his employer was contributing before 1<sup>st</sup> October 2002, and
  - (c) he did not accept his employer's offer to provide death benefits in respect of him under this Scheme.

## **PART C**

#### **C.1 Lump sum death benefits**

- (1) If a person to whom this Scheme applies dies before reaching his 75<sup>th</sup> birthday, the Department may pay the lump sum calculated in accordance with paragraph (4) to-
- (a) the person or persons nominated by that person in accordance with rule C.2 and/or
  - (b) that person's personal representatives.
- (2) If the Department decides to pay all or part of the lump sum to persons nominated in accordance with rule C.2 and more than one individual has been so nominated, the payment is to be made to them in such proportions as it considers appropriate.

- (3) If the Department decides to pay the lump sum to the person or persons nominated in accordance with rule C.2 and to the personal representatives, the payment is to be made to the relevant parties in such proportions as it considers appropriate.
- (4) The amount of the lump sum payable under this rule is an amount equal to the person's final pensionable earnings multiplied by three.

This is subject to paragraphs (6) to (9).

- (5) This paragraph has been deleted.
- (6) The amount of the lump sum must not exceed the greater of-
  - (a) four times the person's final pensionable earnings, or
  - (b) £5000.
- (7) If a lump sum is payable in respect of a person to whom this Scheme applies under rule 3.16 of the 1972 Section (Preserved benefits), the amount specified in paragraph (4) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of him under rule 3.16 of the 1972 Section.
- (8) If a lump sum is payable in respect of a person to whom this Scheme applies under rule E.16 of the 2002 Section (Amount of lump sum benefit under rule E.14: deferred members), the amount specified in paragraph (4) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of him under rule E.16 of the 2002 Section.
- (8A) If a lump sum is payable in respect of a person to whom this Scheme applies under rule F.13 of the 2007 Section (Amount of lump sum benefit under rule F.11: deferred members and pensioner members) in that person's capacity as a deceased deferred member of the 2007 Section, the amount specified in paragraph (4) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of him under rule F.13 of the 2007 Section."; and
- (9) If a lump sum is payable in respect of a person to whom this Scheme applies under-
  - (a) rule 3.16 of the 1972 Section (Preserved benefits) and under rule E.16 of the 2002 Section (Amount of lump sum benefit under rule E.14: deferred members),
  - (b) rule 3.16 of the 1972 Section (Preserved benefits) and under rule F.13 of the 2007 Section (Amount of lump sum benefit under rule F.11: deferred members and pensioner members) in that person's capacity as a deceased deferred member of the 2007 Section,

- (c) rule E.16 of the 2002 Section (Amount of lump sum benefit under rule E.14: deferred members) and under rule F.13 of the 2007 Section in that person's capacity as a deceased deferred member of the 2007 Section, or
- (d) rule 3.16 of the 1972 Section, rule E.16 of the 2002 Section and rule F.13 of the 2007 Section in that person's capacity as a deceased deferred member of the 2007 Section,

the amount specified in paragraph (4) is only payable if and to the extent that it exceeds the aggregate amount of any lump sum payments made in respect of him under rule 3.16 of the 1972 Section, rule E.16 of the 2002 Section or rule F.13 of the 2007 Section.

## **C.2 Nominations for lump sum death benefits**

- (1) For the purposes of rule C.1 (lump sum death benefits), a person to whom this Scheme applies ("the member") may nominate-
  - (a) one or more individuals, or
  - (b) one incorporated or unincorporated body.
- (2) If the member nominates two or more individuals, he may indicate in the nomination how he wishes the payments to be apportioned between them.
- (3) The member must make his nomination by notice in writing to the Scheme administrator in such form as the Department may prescribe or is willing to accept.
- (4) The member may revoke or alter a nomination by a further notice in writing to the Scheme administrator in such form as the Department may prescribe or is willing to accept.
- (5) The nomination of a person is invalid if the person nominated is an individual who-
  - (a) was married to the member, or was the civil partner of, at the date the nomination was made and is not married to, or is the civil partner of, the member immediately before the member's death, or
  - (b) predeceases the member.
- (6) If a person nominated is convicted of the offence of murder or manslaughter of the member, the person's nomination is to be treated as invalid from the member's death.

- (7) If the person nominated is convicted of any offence, other than those mentioned in paragraph (6), of which the unlawful killing of the member is an element, the person's nomination may, at the discretion of the Department, be treated as invalid from the member's death.