



UK Atomic  
Energy  
Authority

**Rules of the  
United Kingdom Atomic Energy Authority  
Combined Pension Scheme**

**March 2024**



# UK Atomic Energy Authority Combined Pension Scheme

## Contents

<b>List of Changes (2009 onwards)</b> .....	<b>7</b>
<b>Section 1: Title, Scope and Membership</b> .....	<b>11</b>
Meaning of expressions used in the Rules.....	13
Rules and Former Rules .....	13
Eligibility for membership .....	13
Exclusions from membership .....	14
Right of entry/re-entry .....	15
Membership in the Civil Service.....	16
Membership in the Research Councils and Amersham International plc.....	16
Right to withdraw from the Scheme .....	17
<b>Section 2: Members' Periodical Contributions from Pensionable Earnings</b> .....	<b>18</b>
Normal Contributions .....	18
Contributions for periods of absence.....	23
Pensionable earnings .....	24
Benefits and contributions where pensionable earnings are reduced.....	25
Modification: reductions of contributions in respect of National Insurance.....	26
If not contracted out of graduated pension scheme.....	26
<b>Section 3: Service</b> .....	<b>27</b>
Qualifying service .....	27
Reckonable service .....	28
Periods of absence .....	29
Service other than as a Scheme member .....	30
Purchase of added years .....	30
Options for female members buying added years to purchase family benefits .....	36
Additional years reckonable for civil partner or same sex spouse survival benefits .....	37
Additional Voluntary Contributions Scheme .....	37
Shift Pay Pensions Savings Plan .....	38
<b>Section 4: Age Retirement Requirements</b> .....	<b>39</b>
Part 1: Normal retirement.....	39
Retirement age and normal benefits .....	39
Pensionable final earnings.....	41
Modification: compulsory abatement of benefit because of a State benefit .....	43
Guaranteed minimum pension .....	45
Allocation: voluntary abatement of benefit to increase or provide a benefit for a spouse or dependant.....	45
Commutation of Trivial Pensions .....	48

## UK Atomic Energy Authority Combined Pension Scheme

Part 2: Revision of benefits and re-employment.....	49
Pensions increase .....	49
Re-employment .....	50
Abatement of pension during re-employment.....	50
Recovery of part of lump sum compensation payment.....	52
Revision of benefits after re-employment.....	53
Contributions during re-employment .....	61
Partial Retirement .....	61
<b>Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation .....</b>	<b>64</b>
Ill-health retirement benefits.....	64
Death benefits.....	65
Termination of pensionable service on resignation or withdrawal from the Scheme.....	68
Resignation after 2 or more years' service .....	69
Early payment of preserved benefits in case of ill-health.....	70
Early payment of preserved benefits in certain personal circumstances.....	70
Lump sum payable on death before preserved benefits come into payment .....	70
Resignation after less than 2 years' service .....	70
Return of basic contributions.....	71
Payment .....	71
Deduction from return of basic contributions .....	72
Refund of contributions for family benefits .....	73
Early retirement .....	73
<b>Section 6: Family Benefits.....</b>	<b>74</b>
Part 1: Pensions for widows of members with two or more years' service or dying after pension age.....	74
Part 2: Long term pensions for dependent children.....	86
Part 3: Short term pensions for widow(er)'s and dependent children.....	89
Part 4: Widower's Pensions .....	91
Part 5: Invalidity pensions for permanently incapacitated children of members.....	100
<b>Section 7: Additional Voluntary Contribution Scheme .....</b>	<b>106</b>
1 Scheme Status, Definitions and Interpretation .....	106
2 Membership and Contributions .....	108
3 Member Benefits.....	110
4 Benefits on Death .....	112
5 Transfers .....	114
6 Administration of the Scheme .....	115
7 Liability and Indemnity of the Authority.....	117

## UK Atomic Energy Authority Combined Pension Scheme

8	Amendment of the Rules .....	117
9	Winding-up the Scheme.....	118
10	General Provisions.....	119
<b>Section 8: Shift Pay Pension Savings Plan .....</b>		<b>121</b>
1	Scheme Status, Definitions and Interpretation .....	121
2	Membership and Contributions .....	123
3	Member Benefits.....	125
4	Benefits on Death .....	128
5	Transfers .....	129
6	Administration of the Scheme .....	130
7	Liability and Indemnity of the Authority.....	133
8	Amendment of the Rules .....	133
9	Winding-up the Scheme.....	133
10	General Provisions.....	134
<b>Section 9: Calculation of Transfer Values .....</b>		<b>137</b>
Part 1: Outgoing transfers.....		137
Part 2: Incoming transfer values .....		143
Part 3: Mixed transfer values .....		145
Part 4: Old Cases, interim transfers and public sector transfer arrangements.....		147
Part 5: Miscellaneous.....		147
<b>Section 10: Miscellaneous Provisions.....</b>		<b>151</b>
<b>Section 11: Finance and Accounting Provisions .....</b>		<b>155</b>
<b>Section 12: The Lifetime or Annual Allowance Charge .....</b>		<b>158</b>
<b>Section 13: Interpretation .....</b>		<b>159</b>
<b>Section 14: Pensions Sharing on Divorce .....</b>		<b>164</b>
Part 1: Interpretation .....		164
Part 2: Ex-Spouse Participants .....		164
Part 3: Pension debit members.....		167
<b>Section 15: New Fair Deal Employees .....</b>		<b>169</b>
Conditions for Eligibility.....		169
Additional Protections for the Scheme .....		169
Application of Rules .....		171
Information to be Provided by Employers.....		171
<b>Appendix 1: Limits on the number of Added Years which may be bought.....</b>		<b>173</b>
<b>Appendix 1(A): (Rules 3.27(a) and 3.30) Contributions for Added Years on Early Retirement .....</b>		<b>173</b>
<b>Appendix 2: Periodic Contributions for Added Years – Retirement Age 60.....</b>		<b>173</b>

## UK Atomic Energy Authority Combined Pension Scheme

<b>Appendix 3: Table of Adjustment of the Pension Payable under this Scheme to a Member in Receipt of the Flat Rate Pension to which the member is entitled under the National Insurance Acts.....</b>	<b>174</b>
<b>Appendix 4: Transfer Values .....</b>	<b>176</b>
<b>Appendix 5: Some Former Rules .....</b>	<b>186</b>
<b>Appendix 6: Unallocated.....</b>	<b>206</b>
<b>Appendix 7: Injury Benefits .....</b>	<b>207</b>
<b>Appendix 8: Benefits in the event of Premature Retirement in the Public Interest or on other grounds.....</b>	<b>217</b>

## UK Atomic Energy Authority Combined Pension Scheme

### List of Changes (2009 onwards)

[Note: This list of changes and comments are for information only and do not form part of the rules.]

Date of Change	Section / Rule	Comment
Oct 2009	<ul style="list-style-type: none"> <li>• 1.01</li> <li>• 13.01</li> </ul>	Employees of UKAEA Ltd., RSRL and DSRL cease to be eligible as active members.
Apr 2010	<ul style="list-style-type: none"> <li>• 13.01</li> <li>• 5.19</li> <li>• 5.20</li> </ul>	Springfield Fuels Ltd. – transfer from Active Deferred to Deferred status.  Minimum age for Early Retirement.
Aug 2013	<ul style="list-style-type: none"> <li>• 1.01</li> <li>• 13.01</li> <li>• 2.01(4)(a)</li> <li>• 2.06(3)(a) and (b)</li> <li>• 3.19</li> <li>• 3.27(b)(ii)(a)</li> <li>• 3.41</li> <li>• 4.58(1)</li> <li>• 2.01(A)</li> <li>• Appendix 8 8.06(c), 8.10 and 8.15</li> <li>• 1.05(3)</li> </ul>	To allow employees of Public Health England to remain as members for a limited period following their transfer from the Health Protection Agency on 1 <sup>st</sup> April 2013.  To allow members currently paying the maximum contribution rate prior to 1 April 2012 to continue to pay for their current contract if the increases to member contributions as a result of the introduction of further contributions (see below) takes their contributions above the normal scheme limit on member contributions of 15% of pensionable earnings.  Details of the further contributions payable by members from 1 April 2012, 2013 and 2014.  Remove provision for tapering of the compensation payment paid by lump sum in the case of Premature Retirement in the Public Interest.  Remove the reference to having one opportunity to re-join the scheme, to allow for Auto-Enrolment under the Government's Workplace Pension Initiative.
Nov 2014	<ul style="list-style-type: none"> <li>• 13.01 Definitions and other references</li> </ul>	Changes to take account of the Marriage (Same Sex Couples) Act 2013 and the Civil Partnership (Scotland) Act 2014. The effect of these changes is to provide the same survivor benefits to same sex married spouses as those available to civil partners under the Civil Partnership Act 2004.

## UK Atomic Energy Authority Combined Pension Scheme

Date of Change	Section / Rule	Comment
Jan 2015	<ul style="list-style-type: none"> <li>• 5.09</li> </ul>	<p>If an individual is required to leave their employer and the CNPP during a period of employment elsewhere, which but for the policy of the new employer would have been considered a secondment, the individual will be allowed to resume 'active deferred' status in the CPS on re-joining the original Site Licence Company and the original CNPP section.</p>
Jun 2015	<ul style="list-style-type: none"> <li>• 1.05(viii)</li> <li>• 1.08(ii) and 3.17(4)</li> <li>• 2.04</li> <li>• 2.12(2)</li> <li>• 3.07</li> <li>• 6.07</li> <li>• 4.03(ii) and 4.43</li> <li>• New rules 4.59 to 4.67</li> <li>• 5.11(a)</li> </ul>	<p>Introduces extension of scheme membership beyond the age of 65.</p> <p>Reflects administration arrangements for the Authority Schemes.</p> <p>Maximum reckonable service. Removes the requirement to restrict service to 40 years by normal pension age but retains the restriction to 45 years total reckonable service in the scheme.</p> <p>Additional Lump Sum. Allows members to commute pension to receive an additional lump sum which, when added to the normal lump sum payable, will bring the total lump sum to the maximum tax-free lump sum available under HMRC regulations.</p> <p>Partial Retirement. To allow members, with the employer's permission, to reduce their annual pensionable earnings by at least 20%, receive their pension based on service and pensionable final earnings at the date of 'partial retirement' and to continue working. The member may opt to receive part or all of their pension benefit accrued to the date of the partial retirement arrangement, and their reckonable service will be reduced by the proportion the benefits taken bears to the whole of the pension benefit accrued to the date of the arrangement having force. Any residual reckonable service will be added to reckonable service subsequently accrued and subsequent benefits will be calculated using the reckonable service and pensionable final earnings at final retirement.</p> <p>Early payment of preserved benefits. Change from age 50 to 55 is required following a change in regulations affecting the age from which a pension can be paid.</p>
Oct 2015	<ul style="list-style-type: none"> <li>• 14.09A</li> </ul>	<p>Early Payment of ex-spouse participant benefits – New Rule. To make the CPS rules consistent with other public sector schemes, in particular to allow the early payment of benefits if over the age of 55 (subject to actuarial reductions).</p>

## UK Atomic Energy Authority Combined Pension Scheme

Date of Change	Section / Rule	Comment
Nov 2015	• Section 7	Additional Voluntary Contributions – New section.  To take account of the legislative changes under the Pension Schemes Act 2015, which allows for flexibility on how benefits from Defined Contribution schemes such as the AVC and SPPP can be taken.
	• Section 8	Shift Pay Pension Savings Plan – New section.  In addition to the change noted above for the AVC scheme, this section now enables the fund under the SPPP to be used independently of benefits being taken from the Combined Pension Scheme (CPS) i.e. if the CPS benefits are to be transferred, the shift pay fund no longer needs to be transferred or if it is to the same arrangement as the CPS benefit. This follows legislation which allows the benefits to be treated separately.
Mar 2018	• 1.07 • 13.01	Extend membership to employees of United Kingdom Research and Innovation (UKRI) who were employed by the Research Councils and were members of this pension scheme on 31 March 2018.
Sep 2018	• 1.01 • 13.01	Enable certain employees of the Nuclear Decommissioning Authority (formerly employees of International Nuclear Services Limited) to remain in membership of the CPS following their transfer to the NDA.
	• 4.03	To allow members to commute pension to receive an additional lump sum to bring the total lump sum payable up to an amount less than or equal to a maximum permissible allowance.
Oct 2018	• All	Remove references to he/she him/her his/her etc. where the gender of the member is not relevant to the meaning of the rule.
	• 1.04 • 11.04 • 13.01 • Section 15	To allow eligible employees under 'New Fair Deal' to be members of the scheme.
April 2019	• 4.59 • 4.61	To allow members who meet the conditions for partial retirement to make an application from the normal minimum pension age under s279 of the Finance Act 2004.
Jan 2020	• 9.02	Add the restriction to transfers from the UKAEA scheme other than to schemes not offering 'flexible benefits' under the Pension Schemes Act 2015.

## UK Atomic Energy Authority Combined Pension Scheme

<b>Date of Change</b>	<b>Section / Rule</b>	<b>Comment</b>
	<ul style="list-style-type: none"><li>• 4.43</li></ul>	Add a description of the salary to be used to determine whether abatement applies where members re-join the scheme on more than one occasion.
Jun 2022	<ul style="list-style-type: none"><li>• 4.08</li></ul>	Remove NI Modification from future pension payments.
Mar 2024	10.04	Modification of rule around forfeiting of benefits, allowing the scheme manager to remove an individual's benefits where qualifying offences have been committed after the person has left employment with an employer in the UKAEA pension scheme, providing that the offences were committed in conjunction with their service as a public servant.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 1: Title, Scope and Membership**

## **Section 1: Title, Scope and Membership**

### **1.01**

The Combined Pension Scheme of the United Kingdom Atomic Energy Authority provides pension benefits for its members and their dependants.

The Scheme is contributory, and benefits are available only to members, their dependants and legal personal representatives of members who have paid contributions in accordance with the Rules.

In accordance with Rules 1.04 and 1.07, former members of either the Principal Non-Industrial Superannuation Scheme or the Industrial Superannuation Scheme prior to 1 July 1997 who were employed by the following employers are deemed to have membership of the Combined Pension Scheme prior to that date:

- i) United Kingdom Atomic Energy Authority, together with certain Members of the Authority who are similarly eligible as described in Rule 1.04,
- ii) the Research Councils as described in Rule 1.07,
- iii) any department of the Civil Service in the capacity of an employer of a non-industrial civil servant who is a member of the Scheme by virtue of section 2(3) of the Atomic Energy Authority (Weapons Group) Act 1973, as described in Rule 1.06,
- iv) the National Radiological Protection Board, together with certain Members of the National Radiological Protection Board who are similarly eligible as described in Rule 1.04,
- v) British Nuclear Fuels Limited (subsequently plc.), by virtue of section 20(1) and (3) of the Atomic Energy Authority Act 1971,
- vi) Amersham plc. in the capacity of employer of any person who was in continuous employment since 4 January 1982 as described in Rule 1.07,
- vii) AEA Technology plc. under the terms of paragraph 2 of Schedule 4 of the Atomic Energy Act 1995.

Except as otherwise provided, membership from 1 July 1997 is restricted to employees of:

- i) United Kingdom Atomic Energy Authority, together with certain Members of the Authority who are similarly eligible as described in Rule 1.04,
- ii) the Health Protection Agency, in respect of such of its employees as it may determine under Schedule 1, paragraph 18 of the Health Protection Agency Act 2004,
- iii) British Nuclear plc. (renamed British Nuclear Group Sellafield Limited with effect from 1 April 2005), by virtue of section 20(1) and (3) of the Atomic Energy Authority Act 1971,
- iv) Amersham plc. in the capacity of employer of any person (being a person employed in an industrial capacity) who was in continuous employment since 4 January 1982, as described in Rule 1.07.

With effect from 1 April 2005 membership of the Scheme is extended to employees of the Civil Nuclear Police Authority in accordance with paragraph 7 (1) of Schedule 10 of the Energy Act 2004.

With effect from 1 April 2005 membership of the Scheme is extended to employees together with directors and other officers (who are not employees) of the following companies.

- British Nuclear Fuels plc.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 1: Title, Scope and Membership**

- British Nuclear Group Limited
- National Nuclear Laboratory (formerly known as Nexia Solutions Limited)
- Westinghouse Electric UK Limited (until 16 October 2006)
- Magnox Electric Limited (until 27 June 2007)
- British Nuclear Group Project Services Limited (until 17 January 2008)
- Energy Sales and Trading Limited (until 1 January 2007)
- Deva Manufacturing Services Limited (until 17 January 2008)
- BIL Solutions Limited (until 17 January 2008)
- Springfields Fuels Limited (until 16 October 2006)
- Uranium Asset Management Limited (until 16 October 2006)
- Direct Rail Services Limited
- International Nuclear Services Limited (prior to 1 October 2006 known as International Fuels Limited)
- LLWR Limited
- Reactor Site Management Company Limited (until 27 June 2007)
- Sellafield Limited (prior to 29 June 2007 known as British Nuclear Group Sellafield Limited)

Employees of the National Radiological Protection Board were eligible for membership until that Board ceased to exist on 1 April 2005, together with certain members of the Board who were eligible as described in Rule 1.04. The undertaking of the Board was transferred to the Health Protection Agency on 1 April 2005 and former employees of the Board who were transferred to the said Agency and former members of the Board who have become both employees and members of the Agency continue to be eligible for membership pursuant to a determination of the Agency under paragraph 18 of Schedule 1 to the Health Protection Agency Act 2004. On 1st April 2013 members who are employees of the Health Protection Agency will transfer to Public Health England, but may remain members of this Scheme for a limited period as determined by the Authority.

With effect from 1 April 2008 membership of the Scheme is extended to employees together with directors and other officers (who are not employees) of the following companies:

- Research Sites Restoration Limited
- Dounreay Site Restoration Limited
- UKAEA Limited

Provided that with effect from 1 November 2009 employees of Research Sites Restoration Ltd., Dounreay Site restoration Ltd. and UKAEA Ltd. will cease to be eligible to continue as active members of the scheme.

Membership is extended to an employee of the Nuclear Decommissioning Authority who, immediately before becoming an employee of the Nuclear Decommissioning Authority as a result of a transfer which took effect on 1 October 2018 (to which the Transfer of Undertakings Protection of Employment) Regulations 2006 applied), was:

- i) employed by International Nuclear Services Limited, and

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 1: Title, Scope and Membership**

- ii) a member, or eligible to be a member, or would have been eligible to become a member of the Combined Pension Scheme had the member attained an age, or fulfilled a condition, specified in the Combined Pension Scheme.

**Meaning of expressions used in the Rules**

**1.02**

Throughout the Rules of the scheme, the employing bodies shall be called the employers and shall have the meanings assigned in Rule 13.01.

**1.03**

The Scheme shall be deemed to have been established on 1 August 1954, and to have come into operation on that date. The Scheme is constituted –

**Rules and Former Rules**

- I. in the case of a member whose last day of service was before 1 October 1973, by those Rules determined by the Authority and approved by the Prime Minister and the First Lord of the Treasury (or in the case of a former non-industrial scheme member 1 June 1972, by those Clauses and Rules determined by the Authority and approved by the Lord President of the Council) in 1954 as amended from time to time up to and including the amendments made in 1971 (hereinafter called "the Former Rules");
- II. in the case of a member in service 1 October 1973, (or in the case of a former non-industrial scheme member on or after 1 June 1972), by the Rules of which this rule forms part (hereinafter called "the Rules"), which, with respect to such a member, shall be deemed to have superseded the Former Rules with effect from that date but without prejudice to anything done there under before that date; provided that:
  - a) in the case of a former non-industrial scheme member whose last day of service was before 1 June 1972 but not earlier than 29 February 1972, the Authority may apply such of the Rules, with or without modification, as they may determine;
  - b) certain of the Rules take later effect, as therein indicated;
  - c) Rule 4.40 (which provides for increasing certain benefits in step with the cost of living) applies to payments of such benefits due on or after 1 September 1971, irrespective of the date of the last day of the member's service;
  - d) where, on or after 1 October 1973 (or 29 February 1972 in the case of a former non-industrial member) and before the date on which the Rules were approved by the Secretary of State, any action was taken or arrangements made by the Authority, in relation to any member or any dependant of a member, in anticipation of the Rules but (as subsequently appears) at variance with any of their provisions, that action or those arrangements (as the case may be) shall be deemed to have been taken or made in pursuance of the provisions of a Rule.
- III. This rule does not apply to the Additional Voluntary Contributions scheme or the Shift Pay Pension Savings Plan the Rules of which are described in Sections 7 and 8 of the Combined Pension Scheme of the United Kingdom Atomic Energy Authority.

**Eligibility for membership**

**1.04**

With effect from 6 April 1988 (or 1 April 2005 in the case of employees of the Civil Nuclear Police Authority, the Health Protection Agency and eligible employees, directors and other

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 1: Title, Scope and Membership**

officers of the Designated BNFL Companies), and with the exceptions and limitations described in Rules 1.05, 1.06 and 1.07, the following are or have been eligible to participate in the Scheme:

- a)
  - 1. each employee of an employer;
  - 2. any Member of the Authority who, under Paragraph 7(3) of the First Schedule to the Atomic Energy Authority Act 1954, is treated as if service as a Member were service as an officer or a person employed by the Authority;
  - 3. prior to 1 April 2005 any Member of the National Radiological Protection Board who, under Paragraph 13(4) of Schedule 1 to the Radiological Protection Act 1970, is treated as if the service as a Member were service as an officer or a person employed by the Board;
  - 4. any person who has retired prematurely and to whom Appendix 8 has been applied who is engaged by an employer or by the former employer, whether under a contract of service or otherwise; and in the case of such a person, any reference in the Scheme to employment or re-employment shall be construed so as to include the arrangements under which such a person is engaged;
  - 5. any person who fulfils the conditions for eligibility specified in Rule 15.01.
- b) In the case of an employee who enters employment outside the United Kingdom, the Authority may at their discretion impose conditions upon eligibility to become a member of the Scheme, including a condition empowering the Authority to determine the amount of salary, from time to time, for the purpose of computing contributions and benefits under the Scheme, at a figure differing from the salary payable in respect of employment.
- c) Any person who has at any time been a member of the Scheme in accordance with Rule 1.01 shall be deemed to remain a member thereof for the purposes of payment of any benefit which may be due or become due to the member's dependants or the member's legal personal representatives and for the purposes of any other action which may be taken under the Rules or the Former Rules in relation to such benefit, but not otherwise.

**Exclusions from membership**

**1.05**

- 1) An employee is not eligible to become (or, as the case may be, to remain) a member of the Scheme if the member is:
  - i) an employee whose contract of service provides that the employment is not to be regarded as pensionable; or
  - ii) an employee who is a member of either:
    - a) the Federated Superannuation Scheme for Nurses and Hospital Officers; or
    - b) a scheme within the Federated Superannuation System for Universities; or
    - c) the Authority's Superannuation (Special Classes) Scheme; or
    - d) an employee who is a member of the Authority's Protected Persons Superannuation Scheme; or,
  - iii) an employee who participates in any other pension scheme of the member's employer; or in the case of a former non-industrial employee except as provided under Rule 3.41 or Rule 3.42 of this Scheme
  - iv) a part-time employee who:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 1: Title, Scope and Membership**

- a) prior to 1 January 1995 was employed for less than 15 hours per week unless the member's service qualifies under Rule 3.02; or
- b) was employed before 1 January 1985 for less than 18 hours per week, unless the member has exercised an option granted by the Authority to enter the Scheme on that date or has otherwise become a member of the Scheme in accordance with the Rules; or
- v) an employee who, having been in employment before 1 April 1974 (or 1 September 1973 in the case of a former non-industrial scheme member) and ineligible under the Former Rules for membership of the Scheme by reason of not having been in full-time employment, or by reason of having attained the age of 55 if a man or 50 if a woman before commencing employment, did not exercise an option granted to the member by the Authority to enter the Scheme; or
- vi) an employee whose employment under the current contract of service began before 1 January 1959, unless the member entered the Scheme under Former Rule 5 (with an effective date of entry into the Scheme as specified therein) or exercised an option to enter the Scheme granted to the member by the Authority in 1974; or (in the case of a former non-industrial employee who was in employment before 1 February 1976) under the age of 18 unless, having been under that age on 1 June 1972, the member has exercised an option granted to the member by the Authority to enter the Scheme, or be deemed to have entered it, at an earlier age; or
- vii) subscribing to any other pension arrangement which satisfies the requirements prescribed by Statute.
- viii) is more than 75 years' old.

**Right of entry/re-entry**

- 2) Subject to the discretion of the Authority, an employee who on or after 6 April 1988, has in accordance with Rule 1.08, exercised an option not to participate in or to withdraw from the Scheme shall not be eligible to join (or as the case may be to re-join) the Scheme, except that:
  - i) an employee who originally commenced employment on or after 6 April 1988 has a period of three years from the date of appointment or up to age 25, whichever is the later, within which to enter the Scheme. If they have joined the Scheme but subsequently opted to withdraw they shall have a final option to re-join before that time limit expires
  - ii) an employee who withdraws from the Scheme and subsequently resigns shall be eligible if re-employed to re-enter the Scheme provided the new appointment with a Scheme employer commences after a break of two years or more. In those circumstances subject to Rule 1.05(2)(i) the employee will have a period of up to twelve months from the commencement of the new period of employment within which to re-enter the Scheme or up to age 25 if later;
  - iii) an employee who withdraws from either the Principal Non-Industrial Superannuation Scheme, the Industrial Superannuation Scheme or the Protected Persons Superannuation Scheme of the Authority shall if then re-graded to either a non-industrial grade or industrial be eligible to participate in the Principal Non-Industrial Superannuation Scheme or the Industrial Superannuation Scheme as appropriate. Subject to Rule 1.05(2)(i) such an employee may enter the Scheme at any time until the occurrence of the latest of the following:
    - a) expiry of the period of three years from the commencement of employment by the employer;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 1: Title, Scope and Membership**

- b) expiry of the period of twelve months from the date of promotion;
  - c) his attaining the age of 25.
- 3) On or after 1 September, 1992 an employee who has withdrawn from the Scheme under Rule 1.08 shall be allowed one opportunity to re-join the Scheme, subject to satisfactory health, provided the member is below the age of 55 or, from 1 January 1997, below the age of 58 or, from 15 September 2008, a member shall be allowed to re-join the scheme at any age, provided the member is below the age of 65.

Except that from 1 April 2013 the reference in this rule to having one opportunity to re-join the scheme shall no longer have effect.

- i) Rule 1.05(3) shall also apply in the case of an employee who has withdrawn from the scheme, and:
  - a) has made contributions to a personal pension scheme; and
  - b) has suffered loss as a result of a contravention which is actionable under section 62 of the Financial Services Act 1986, notwithstanding that the employee does not meet the conditions set out in that rule or that the employee has withdrawn from the Scheme more than once.

**Membership in the Civil Service**

**1.06**

In the Civil Service only those industrial or non-industrial civil servants who remain eligible for membership by virtue of section 2(3) of the Atomic Energy Authority (Weapons Group) Act 1973 may participate in the Scheme.

**Membership in the Research Councils and Amersham International plc.**

**1.07**

- 1) In the Research Councils eligibility for Scheme membership is limited to those employees, not excluded from membership by Rule 1.05 who either:
  - i) transferred on 1 April 1965 from the employment of the National Institute for Research in Nuclear Science to the employment of the Science Research Council by Paragraph 1 of Schedule 3 to the Science and Technology Act 1965; or
  - ii) after 31 March 1965 first enter into the employment of the Science Research Council to work at the Rutherford High Energy Laboratory or the Atlas Laboratory at Chilton, in the County of Oxford; or
  - iii) immediately before 1 April 1969 were employees of the Authority engaged in research in astrophysics at the Authority's Laboratory at Culham in the County of Oxford and on that date became an employee of the Science Research Council.

With effect from 1 April 2018, taking account of the restrictions set out in 1.07 1) (i) to (iii) above, membership is extended to employees of United Kingdom Research and Innovation who were employed by the Research Councils and were members of this scheme on 31 March 2018.

- 2) In Amersham International plc. only those industrial employees, not excluded from membership by Rule 1.05, who were in employment immediately before 4 January 1982 may participate in the Scheme.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 1: Title, Scope and Membership**

**Right to withdraw from the Scheme**

**1.08**

- i) An employee may, on or after 6 April 1988, exercise an option not to be a member of the scheme. From the effective date the Scheme will no longer apply to the member withdrawing save in respect of any preserved benefits the member may retain in the Scheme (including prospective entitlement under Section 7), and the employee should not be regarded as a member for its purposes. An employee who has exercised the option allowed by this Rule is referred to as having withdrawn from the Scheme.
- ii) The option must be exercised in writing in such form as may be prescribed by the Authority, and the effective date of the option is the earliest practicable date following the date on which the option form is received by the employer or pension scheme administrators.

## **Section 2: Members' Periodical Contributions from Pensionable Earnings**

### **Normal Contributions**

#### **Compulsory basic contributions**

##### **2.01**

- 1) Subject to the rules of this section and to Rule 4.58(i), each member shall pay periodical contributions of 4.25% (or in the case of a former non-industrial scheme member 6%) of the member's pensionable earnings. From 1 July 1997, the member shall pay periodical contributions of 3.5% of pensionable earnings. Except where members have been granted Enhanced Protection under the Finance Act 2004. For the purposes of this Rule "pensionable earnings" includes statutory maternity pay where appropriate.

Except that contributions will not be due to the Scheme from Active Deferred members.

##### **2.01(A)**

- 1) With effect from 1 April 2012, members will be required to pay further contributions in addition to the contributions set out in Rule 2.01 as follows:
  - i) members with pensionable earnings less than £15,000 a year nil percentage increase;
  - ii) members with pensionable earnings of £15,000 a year or more but less than £21,000 a year 0.6% of pensionable earnings;
  - iii) members with pensionable earnings of £21,000 a year or more 1.28% of pensionable earnings.
- 2) Additional further contributions in addition to those set out in Rule 2.01(A)(1) above will be payable with effect from 1 April 2013 as follows:
  - i) members with pensionable earnings less than £15,000 a year nil percentage increase;
  - ii) members with pensionable earnings of £15,000 a year or more but less than £21,000 a year 0.6% of pensionable earnings;
  - iii) members with pensionable earnings of £21,000 a year or more 1.28% of pensionable earnings.
- 3) Additional further contributions in addition to those set out in Rule 2.01(A)(1) and (2) above will be payable with effect from 1 April 2014 as follows:
  - i) members with pensionable earnings less than £15,000 a year nil percentage increase;
  - ii) members with pensionable earnings of £15,000 a year or more but less than £21,000 a year 0.3% of pensionable earnings;
  - iii) members with pensionable earnings of £21,000 a year or more 0.64% of pensionable earnings.
- 4) Members who work part time hours will have the rate of the further contribution determine by their full time equivalent rate of pay. The further contributions will be deducted from actual pensionable earnings.
- 5a) Where a member is in any of the circumstances set out in Rule 2.01(5)(b) below and receiving reduced pensionable pay, the rate of the further contribution will be

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

determined by their full time equivalent rate of pay. The further contributions will be deducted from actual pensionable earnings.

5b)

- a) on secondment where the provision of the Scheme continues to apply during the secondment;
  - b) on sick leave at reduced rate, unless on the equivalent of an ill-health pension;
  - c) receiving statutory maternity pay;
  - d) on ordinary adoption leave;
  - e) on ordinary maternity leave;
  - f) on paternity leave;
  - g) on unpaid leave which counts as reckonable service under Rule 3.12;
  - h) on Reserve Forces Service
- 6) Further contributions will not be required to be paid in respect of any service which is non-reckonable.
- 2) In the case of a former industrial scheme member whose effective date of entry into the scheme was (by virtue of Former Rule 5) earlier than 1 January 1959, an amount shall be deducted from whichever of the following becomes payable (subject to paragraph 3 of this rule):
- i) the lump sum under Rule 4.03
  - ii) the ill-health lump sum under Rule 5.01
  - iii) the death benefit under Rule 5.06(iv)(a)
  - iv) the preserved lump sum under Rule 5.09
  - v) the preserved death benefit under Rule 5.12

The amount to be deducted under this paragraph shall be an amount equal to the sum of the contributions which would have been payable by the member under former Rule 9(a) but for the proviso to that former rule; that is to say, an amount equal to 4.25% of the member's pay for the period from the member's effective date of entry into the scheme until 31 December 1958. Any such deduction from a lump sum preserved under Rule 5.09 will be made when the preserved lump sum is awarded, not when it is paid.

- 3) A former industrial scheme member with a potential liability under paragraph (2) of this rule may elect to reduce that liability by paying additional periodical contributions, subject to Rule 2.09 and to such conditions as the Authority may prescribe
- 4) Contributions under this Scheme are limited as follows:-
- a) total contributions paid by members of this Scheme will not exceed 15% of the member's pensionable earnings or such additional amount as the Authority may determine.
  - b) members who joined this scheme after 1 June 1989 and whose pensionable earnings exceed the amount of the pensions earnings cap, shall have their contributions and benefits calculated using the pensions earnings cap.
  - c) to the Annual Allowance in accordance with the Finance Act 2004 as amended

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

**Compulsory family benefit contributions**

**2.02**

Subject to the Rules of this section and to Rule 4.58(i), each male member (not being a member excepted under Rule 6.14) in service on or after 1 June 1973 and each female member in service on or after 1 February 1988 shall pay further periodical contributions of 1.5% of pensionable earnings whether or not the member is potentially liable under Rule 6.10 or 6.44(A) in respect of a balance of contributions or potentially entitled to a refund under Rule 6.11 or 6.44(B). For the purposes of this Rule "pensionable earnings" includes statutory maternity pay.

**Compulsory 1.25% contributions**

**2.03**

A scheme member being a former non-industrial in service on 1 June 1972 who was entitled to pay retrospective periodical contributions of 1.25% under Former Rule 27(3)(g) may continue paying such contributions until 31 May 1973, for service up to 31 May 1972; but not for later service

**Cessation of contributions**

**2.04**

A member shall not be required to pay any periodical contribution under Rule 2.01, 2.02 or 6.52 in respect of the member's pensionable earnings for service after the member has completed their fortieth year of reckonable service, except for service, if any, after they have reached pension age; but in no case for service after the member has completed 45 years' reckonable service or for any service after they have reached pension age which does not reckon for pension. Provided that this Rule shall not apply to contributions under Rule 2.02 in respect of pensionable earnings for service on or after 6 April 1978 for male members, or 6 April 1988 for female members. Except that from 1 June 2015 the requirement not to pay periodical contributions in respect of pensionable service after completion of the fortieth year of reckonable service before reaching pension age is removed.

**Deduction of contributions**

**2.05**

An employer may deduct, from any payment of pensionable earnings made to a member, any periodical contributions due from the member under the Scheme; and, subject to the provisions of the Scheme, no member shall have the right to withhold the payment of such contributions so long as the member is in service.

**Voluntary 1.5% contributions**

**2.06**

- 1) Subject to Rules 2.09 and 4.58(i) a member paying contributions under Rule 2.02 who, within the time allowed under Rule 2.07, has exercised an option granted by the Authority to pay additional periodical contributions of 1.5% or multiples of 1.5% of pensionable earnings, shall pay such additional contributions accordingly. The additional contributions will be payable in respect of pensionable earnings from such a date as the Authority may specify following the date of the exercise of the option, and shall continue until (whichever first occurs):
  - a) the member's service ends; or
  - b) the member is no longer under a potential liability in respect of a balance of contributions under Rule 6.10; or

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

- c) the balance of contributions in respect of which the member is potentially liable under Rule 6.10 has been reduced to an extent which had been determined by the Authority and agreed to by the member.
- 2) A female member in service on 1 February 1988 who opts before 1 August 1988 to pay additional periodical contributions under Rule 2.06(1) in respect of all her service prior to that date, may also opt before 1 August 1988, to pay additional contributions in respect of all or part of any reckonable service credited in this Scheme as a result of the receipt of a transfer value. Contributions payable in respect of such reckonable service will be determined by the member's age at her next birthday following the exercise of the option and to the factors applicable to the determination of family benefit contributions in the Added Years Tables in Appendix 2. Such an option, once exercised may not be reversed.

**Time limits for exercise of certain options**

- 3) A female member not in service on 1 February 1988 who has a period, or periods, of reckonable service before 1 February 1988, in respect of which she has benefits preserved in the scheme under Rule 5.09, or is a person to whom the provisos to Rule 4.52(a) and (b) apply, or is a person who was retired on medical grounds under Rule 5.01 and subsequently makes an option under Rule 4.52(i) may, following re-employment after 1 February 1988, opt to pay additional periodical contributions of 1.5% or multiples of 1.5% of pensionable earnings, to purchase widower's pension benefits in respect of all or part of that earlier period, or periods, of reckonable service. Contributions will be subject to the limit that:
  - a) where the person was re-employed before 1 June 1989, total periodical contributions under this Rule, and Rules 3.16 to 3.39 and any other additional voluntary contributions would at no time exceed 15% of her current salary and pensionable emoluments or such additional amount as the Authority may determine.
  - b) Where a person was re-employed on or after 1 June 1989, total periodical contributions would at no time exceed the lower of 15% of her current salary and pensionable emoluments and 15% of the permitted maximum as defined in section 594 of the Income and Corporation Taxes Act 1988, as amended or such additional amount as the Authority may determine. This paragraph shall not apply to a member in such circumstances as may be prescribed in regulations made under paragraph 18(4) of Schedule 6 to the Finance Act 1989.

An option under this Rule must be exercised before a retirement award is made under Rules 4.01 and 4.02 and within 6 months of the first dated of re-employment except that where re-employment occurred before 1 July 1997 an option must be exercised before 30 April 1998. Once exercised, an option under this Rule will be irrevocable.

The provisions of this Rule do not apply where a member opts to purchase the widower's pension benefits in respect of all or part of any reckonable service either where it is credited in this Scheme as a result of the receipt of a transfer value or where it is attributable to the purchase of added years.

In the case of a female member in service on or after 1 February 1988, an option to pay additional periodical contributions may be exercised at any time after that date and before a retirement award is made under Rules 4.01 and 4.02, in respect of reckonable service given on or after 1 February 1988. Additional periodical contributions will be payable in multiples of 1.5% of pensionable earnings, subject to the limits in Rule 2.06(3)(a) or (b), as appropriate. An option under this Rule, once exercised is irrevocable.

A female member to whom Rule 6.40(2) applies, may opt to purchase widower's pension benefits in respect of all or part of her reckonable service prior to 1 February 1988 by paying additional periodical contributions in multiples of 1.5% of pensionable earnings

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

subject to the limits in Rule 2.06(3)(a) or (b), as appropriate. An option under this Rule, once exercised, is irrevocable.

- 4) A member in post on or after 1 July 1997 may opt to pay additional contributions under Rule 2.09 at any time after that date and before a retirement award is made under Rules 4.01 and 4.02 for the purpose of reducing or eliminating any potential lump sum deduction under Rule 6.10(1) or 6.44(A)(1) in respect of any enhancement or reckonable service under Rule 5.01 or 5.04 or under Rule 8.04. Any excess contribution resulting from the exercise of an option under this Rule shall be refunded in the manner provided for in Rule 6.10(2) or 6.44(A)(2) and the additional service to which the excess contribution related will be disregarded for the purpose of calculating a widow's or widower's pension. The maximum contributions will be limited to those specified in Rule 2.09.
- 5) A member who is in service on or after 5 December 2005, including a member who has been making voluntary contributions, may opt to purchase surviving civil partner or surviving same sex spouse pension benefits in respect of all or part of reckonable service prior to 6 April 1988 by paying additional periodical contributions in multiples of 1.5% of pensionable earnings.

**2.07**

- 1) Except as otherwise provided in the Rules, an option exercised by a male member under Rule 2.06 or 6.06 shall not be valid unless it was notified to the Authority in writing on or before 31 October 1974 or in the case of a former non-industrial scheme member 2 July 1973 or, if the Authority are satisfied that there are good and sufficient reasons for the delay, by such later date as the Authority may determine, except that:
  - a) a member who has opted to pay additional periodical contributions under Rule 2.06 may at any time make a further option under that Rule so as to increase the member's rate of contributions;
  - b) a member may not reduce their rate of contributions under Rule 2.06, save only that, if they increased the rate of such contributions when they were relieved of other contributions in accordance with Rule 2.04, the member may opt to revert to the earlier rate of contributions under Rule 2.06 if and when the other contributions are resumed;
  - c) on completing contributions due where sub-paragraph (c) of Rule 2.06 applies, the member may make a further option under the said Rule.

Provided that, in the case of a member in employment on or after 1 August 1984, an option may be exercised under Rule 2.06 at any time after that date.

- 2) An option exercised by a female member under Rule 2.06(1) or 2.06(2) and to whom Rule 6.40(2) does not apply shall not be valid unless it was notified to the Authority in writing on or before 31 July 1988 and once exercised may not be reversed. A female member who has opted to pay additional periodical contributions under Rule 2.06(1) may at any time make a further option under that Rule so as to increase her rate of contributions. However, she may neither reduce her rate of contributions under Rule 2.06(1), nor increase the period of additional service being purchased.

**Payment for earlier qualification for benefits**

**2.08**

A member who has made an election under Rule 3.04 shall pay or agree to pay such a sum as the Actuary may determine either (i) as a single payment payable forthwith after such election or (ii) (subject to Rule 2.09) by way of periodical contributions of such amounts and at such intervals as the Authority may require; provided that no further periodical contributions under this Rule shall be payable by a member after cessation of employment, and in such

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

circumstances part of any single payment paid to the member as aforesaid may be repaid to the member if the Actuary so determines.

**2.09**

[deleted 15 September 2008]

**Contributions for periods of absence**

**Contributions for absence without pay or at pension rate of pay**

**2.10**

A member shall not be required to pay periodical contributions in respect of any period (including a period of National Service in the case of a former non-industrial scheme member) when the member is absent from duty without pay or on sick leave on terms which provide that the member's pay shall equal the amount of the pension they would receive under the Scheme if they had retired on grounds of ill-health, provided that a member who is allowed under Rule 3.12 or the proviso to Rule 3.09 to count the absence as qualifying and reckonable service shall pay such contributions as the Authority may require, having regard to the Rules and including where appropriate any amounts to be credited to the Superannuation Account which would normally be paid on account of the member by the member's employer under Rule 11.03(b); and, for the purposes of the Rules, pensionable earnings during any such absence shall be deemed to be such an amount as the Authority may determine.

**For other absences**

**2.11**

In respect of any period when a member is absent on leave on full pay (or when deemed to be on full pay under Rule 3.10) or on sick leave on full or half pay or on leave in any other circumstances to which Rule 2.10 does not apply, the member shall pay periodical contributions in accordance with the Rules on the full pensionable earnings which would be payable were the member not absent; provided that:

- i) during any period of sick leave on half pay, a member shall be required to pay only half the contributions the member would pay if the member were in receipt of full pensionable earnings except that any reduction under Rule 2.15 shall be made in full;
- ii) in a case to which Rule 3.10 applies, the contributions due for deduction from pensionable earnings shall be deducted from any balance of pensionable earnings or in so far as that may be insufficient for the purpose collected either direct from the member or by deduction from prospective benefits under the Scheme, on such terms and under such arrangements as the Authority may determine, having regard to the advice of the Actuary.

**Contributions by certain members for past service**

**2.12**

- 1) This Rule applies to any member who:
  - a) was ineligible under the Former Rules for membership of the Scheme, by reason of not having been in full-time employment or by reason of having attained the age of 55 if a man or 50 if a woman before commencing employment, and who joined the Scheme under an option granted by the Authority in 1974 or in the case of a former non-industrial scheme member during September 1973; or
  - b) having completed 40 years' reckonable service and ceased to pay contributions by virtue of Rule 2.04, but being over the age of 60 and still in service with a pension

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

- age of 65, exercises an option granted under Rule 4.01 to change the member's retirement age to 60; or
- c) has entered or been deemed to have entered the Scheme before the age of 18 under the option referred to in Rule 1.05(vi); or
  - d) was ineligible under Rule 1.05(iv) for membership of the Scheme, by reason of having been employed for less than 18 hours per week before 1 January 1985, and who joined the Scheme on that date under an option granted to the member by the Authority.
- 2) As from the date of joining the Scheme (or the date of the exercise of the option under sub-paragraph (b) of paragraph (1) of this Rule, as the case may be) the member shall pay contributions in accordance with the Rules; and the Authority may, at their discretion and on such terms as they may determine, allow the member to pay additional contributions, if the member so opts, in respect of the previous service for which the member has not already paid contributions (except before 1 June 2015 service between completing 40 years' reckonable service and afterwards attaining pension age).

**Pensionable earnings**

**2.13**

- 1) Except as otherwise provided in the Rules, for the purpose of computing any contribution and of calculating pensionable final earnings, "pensionable earnings" means the gross sums payable in respect of the member by the member's employer by way of:
  - a) salary or wages (excluding overtime);
  - b) responsibility allowances;
  - c) any other emoluments of a kind which the Authority may from time to time in their discretion declare to be reckonable for the purposes of the Scheme as part of the pensionable earnings of a member.
- 2) Except that any pensionable earnings in excess of the permitted maximum as defined in section 590(c) of the Income and Corporation Taxes Act 1988, shall be disregarded for the purposes of calculating the pensionable pay of a person who became a member on or after 1 June 1989. The permitted maximum as defined in section 590(c) of the Income and Corporation Taxes Act, 1988, in respect of service prior to 1 April 1997, shall be deemed to be 93.5% of the pensionable earnings from which contributions shall be deducted.

For the purposes of this rule, the permitted maximum means (a) in relation to any tax year before the tax year 2006/7 the figure specified for that tax year in an order made under section 590(c) of the Income and Corporation Taxes Act 1988, and (b) in relation to the 2006/7 tax year the figure is £108,600. For any subsequent year, the figure found 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.

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.

The proviso at (2) above will not apply to a member where benefits cease to accrue to the member in the following circumstances:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

- a) by reason of secondment to another employer and
    - the period of the secondment or posting ends and they become a member; and
    - at the time of the secondment they had a definite expectation that they would again become a member; or
  - b) by reason of unpaid absence and, within one month of returning to work, they become a member; or
  - c) by reason of her pregnancy or confinement and, within one month of returning to work, she becomes a member; or
  - d) where the circumstances are other than those prescribed in (a), (b) or (c) above and, within one month of benefits ceasing so to accrue, they become a member; provided the person was a member of this Scheme before 1 June, 1989 and continued to be such a member until benefits so ceased to accrue.
- 3) Where a person who has become a member on or after 1 June, 1989 has been credited with reckonable service applicable to a transfer value under Rule 9.18(3), Rule 2.13(2) will not apply in calculating benefits referable to service rendered when the person was a member of the scheme from which the transfer was accepted and paragraph 20 of Schedule 6 to the Finance Act 1989, or equivalent Scheme provision, did not apply.

**Benefits and contributions where pensionable earnings are reduced**

**2.14**

When pensionable earnings are reduced (other than as described in Rule 4.07(i) or because the member is on sick leave) and this occurs without cessation of employment:

- a) if the reduction is a consequence of movement from a higher to a lower grade, or as a result of the member exercising an option granted by the Authority to join the Shift Pay Pension Plan or if they are a member of the UKAEA Constabulary and the employment in the UKAEA Constabulary began before 1 September 1997, they may, when the member's employment ceases and if this produces a larger total pension than would otherwise be the case, be deemed to have resigned at the time of the reduction and to have been immediately re-employed. Subject to total reckonable service not exceeding the limitations in Rule 3.07, reckonable service before the reduction may count as qualifying (but not reckonable) service for the purposes of a pension under Rule 4.53(ii) in respect of service after the reduction (notwithstanding the proviso to Rule 4.53). On or after 1 April 2000, when determining whether this Rule would give rise to a larger total pension, account will be taken of increases (under the Pensions (Increase) Act 1971 as amended) that would be due on the pension before the reduction, irrespective of whether the member meets the qualifying conditions for the payment of such increases.  
  
With effect from 1 April 2005 this provision will apply to employees of the Civil Nuclear Police Authority who were previously employed by UKAEA in the Atomic Energy Authority Constabulary.
- b) if the reduction is a consequence of downgrading during re-employed service to which Rule 4.50 applies, the occasion of the reduction may be regarded as a retirement for the purpose of that Rule;
- c) in the case of a former non-industrial scheme member if the reduction occurred before 1 June 1972 and the member exercised the option under Former Rule 7 of the Principal Non-Industrial Superannuation Scheme, that Rule shall continue to apply accordingly.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 2: Members' Periodical Contributions from Pensionable Earnings**

Except that on or after 1 December 2004 enhancement to service on ill-health retirement will not exceed the service enhancement due but for the application of this provision.

**Modification: reductions of contributions in respect of National Insurance**

**2.15**

The amount of any contributions payable by a member under Rule 2.01 shall be reduced at the rate of 5p (6p for women) a week, if salary is payable weekly, or 22p (25p for women) a month, if salary is payable monthly; provided that such a reduction shall not be made:

- a) in the case of a member who (not being a transferee to this Scheme on or after 1 October 1973 or in the case of a former non-industrial scheme member 3 May 1973 from a scheme not approved for transfer purposes by the Civil Service Department) on commencing employment, or within 12 months prior thereto:
  - i) in the case of a former non-industrial scheme member was an established Civil Servant (or would have become an established Civil Servant in the circumstances envisaged in Former Rule 28(6) to whom the National Insurance (Modification of the Superannuation Acts) Regulations 1948 did not apply; or
  - ii) was in superannuable employment or was a member of a superannuation scheme to which modification of pension in consequence of the National Insurance Act 1946 applied, but who, in relation thereto, was not paying reduced contributions and in respect of whom a transfer value has been received under Rule 9.10 or former Rule 10 (unless the member could have elected under Former Rule 21(a)(ii) not to have such a reduction made and did not so elect) or in the case of a former non-industrial scheme member Rule 9.10 or Former Rule 3(1) of the Principal Non-Industrial Superannuation Scheme.
- b) from any contributions paid under Rule 2.01 with respect to pensionable earnings for service on or after 1 April 1980

**If not contracted out of graduated pension scheme**

**2.16**

During any period when a member was not contracted-out of the State graduated pension scheme, the contributions due from the member under Rule 2.01 shall be reduced at the rate of:

- a) 4.25% of the member's earnings between £9 and £15 a week (£39 and £65 a month) from 3 April 1961 to 31 May 1963; and
- b) 4.25% of the member's earnings between £9 and £18 a week (£39 and £78 a month) from 1 June 1963 to 5 April 1975.

## **Section 3: Service**

### **Qualifying service**

#### **3.01**

"Qualifying service" means service counting towards the appropriate qualifying periods required by the Rules.

### **Aggregation of qualifying service**

#### **3.02**

The total qualifying service is the aggregate of:

- i) subject to Rule 3.09, the period of the member's continuous employment as a member ending with the last day of service for which contributions have been paid by the member or were not required from the member in accordance with the Rules of the Scheme (other than service for which the member's contributions under Rule 2.01 or in the case of a former non-industrial scheme member Former Rule 2(1) of the Principal Non-Industrial Superannuation Scheme have been returned to the member and not subsequently repaid by the member). Except that for an Active Deferred Member service under this scheme will cease to accrue on the member's last day of service in the scheme before becoming an Active Deferred Member;
- ii) any period of back service credit which has been allowed under Rule 4.30 (in the case of a former non-industrial scheme member), 9.18(3) or paragraph 16 of Appendix 4;
- iii) any additional qualifying years allowed by the Authority under Rule 3.03;
- iv) any added years allowed under Rules 3.16 to 3.29;
- v) any service as an employee under a scheme within the Federated Superannuation System for Universities if such service is followed immediately by service as a member of this Scheme which is reckonable, or in accordance with Paragraph 20 of Appendix 4.

Where the member's conditioned hours prior to 1 January 1995:

- a) are 15 or more per week; or
- b) in the case of conditions of employment requiring a repeated cycle of service, average 15 or more per week over the period of the cycle; or
- c) in the case of conditions of employment requiring service during only part or parts of the year average 15 or more a week over that part or parts, each week which forms part of the conditions of employment will qualify as one week's full-time service. Part-time service of less than 18 hours a week rendered before 1 January 1985 does not qualify, unless the member was in service on that date and exercised an option to join the Scheme pursuant to an offer on the part of the Authority that such service shall not count as qualifying service subject to payment of contributions in respect of it, in which case the member's continuous part-time service of not less than 15 hours a week may count as qualifying service.

### **Grant of additional qualifying years**

#### **3.03**

In exceptional circumstances, with the approval of the HM Revenue and Customs, where an employer is satisfied that the personal qualifications of an applicant for employment are such as to merit special treatment, the Authority may grant to the member such number of additional

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

years of qualifying and reckonable service as the Authority may determine; such additional years shall accrue evenly from the date of entry to the Scheme until retirement age.

**Purchase of earlier qualification for benefits**

**3.04**

- a) A member who on medical examination is found to be in good health, regard being had to the member's age, may elect to secure that, in the event of the member retiring on grounds of ill-health or dying before completing 5 years' qualifying and reckonable service (exclusive of added years purchased under Rule 3.16 or in the case of a former non-industrial member Former Rule 4 of the Principal Non-Industrial Superannuation Scheme), benefits shall be payable as if the member had completed 5 years' qualifying and reckonable service (exclusive of added years purchased under Rule 3.16 or in the case of a former non-industrial member Former Rule 4 of the Principal Non-Industrial Superannuation Scheme).
- b) A member for whom it will not be possible to reckon 5 or more years' service by their retirement age (after taking into account any reckonable service credited to the member under Rule 9.18(3)) may not make an election under paragraph (1) of this Rule.
- c) A member who has made an election under paragraph (1) of this Rule shall comply with Rule 2.08.
- d) Nothing in this Rule shall affect elections which were under Former Rule 9 bis (or, in the case of a former non-industrial scheme member Former Rule 4A), which will continue to apply to such elections subject to and in accordance with any variations thereto agreed between the member and the Authority having regard to the Actuary's advice.

**3.05**

Unallocated

**Reckonable service**

**3.06**

"Reckonable service" means service which reckons towards benefits under this Scheme. Subject to Rule 3.07 and to Rules 4.50 to 4.56, it is calculated:

- a) in the same way as qualifying service is calculated under Rule 3.02, except that:
  - a) part-time service before 1 June 1972 reckons at half its length;
  - b) part-time service on or after 1 June 1972 reckons at its full length multiplied by the proportion which the part-time hours bear to full-time hours (excluding meal breaks, except where such breaks are paid for part-time staff);
  - c) save for the purpose of Rule 4.05 (pensionable final earnings) service is excluded for which contributions are not required in accordance with Rule 2.04;
  - d) a back service credit may, in accordance with Rules 9.18(3) to 9.21, provide shorter reckonable service than qualifying service;
  - e) in the case of a former non-industrial scheme member, qualifying service specified in Rule 3.02(v) shall not reckon except as provided in paragraph 20 of Appendix 4;
- b) by adding any period of increase for service in unhealthy places as provided under Rule 3.08 and in the case of a former non-industrial scheme member any number of added years purchased under Former Rule 4 (which years do not count as qualifying service).

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

**Maximum reckonable service**

In all cases reckonable service is counted in years and fractions of a year, with each day after a whole number of years counting as 1/365th of a further year.

**3.07**

Except for the purposes of Rules 4.05, 4.06, 6.07(i)(a), 6.07(ii)(a), 6.43(A)(i)(c), and 6.43(A)(ii)(a) with effect from 1 June 2015 reckonable service may not exceed 45 years in total.

**Service in unhealthy places**

**3.08**

Where before 1 October 1973 (or, in the case of a former non-industrial scheme member 1 November 1972) a member has served or begun to serve any period of employment outside the United Kingdom in any place which, in the opinion of the Authority, was detrimental to physical or mental health, that period shall for the purpose of computing the member's reckonable service (but not the member's qualifying service) be increased by one-half.

**Periods of absence**

**3.09**

- i) Where a member has been absent on leave on full pay, or on sick leave on full pay or half pay, or on maternity leave on statutory maternity pay on or after 23 June 1994 or in the case of a former non-industrial scheme member on National Service, then (subject to the provisions of Rule 3.11) the absence shall count in full as qualifying and reckonable service; contributions shall be paid in accordance with Rule 2.11. Where a member has been absent from duty for any other reason, then (except as provided in Rules 3.11 and 3.12) the member's absence shall not count as either qualifying or reckonable service. Provided that unpaid special leave for training in one of the Reserve Forces or for voluntary public service undertaken on or after 1 December 1980 may qualify and reckon to the extent authorised by the Authority; in which case the member shall pay contributions in accordance with Rule 2.10.
- ii) Where on or after 6 April 1988, a member has been absent from duty on unpaid maternity leave, the absence shall count in full as qualifying but not reckonable service.

**Absence due to call-up**

**3.10**

- i) A member who is called up for service in any of the Forces of the Crown, otherwise than for normal annual training in Auxiliary or Reserve Forces, shall be deemed to be absent from duty on full pay if and so long as the employer determines to pay in respect of that member the difference (if any) between the pay received in respect of such service and the pensionable earnings which would have been received had the member remained on duty; and accordingly such absence shall count as qualifying and reckonable service, and the member shall pay contributions in accordance with Rule 2.11(ii). Provided that no period of service on the armed forces may reckon under this Rule if it also reckons for the purpose of naval, military or air force non-effective pay or if there is any break in subsequent service other than such a break as is permitted in accordance with Rule 4.42.
- ii) Where a member is called out for service in pursuance of the Order dated 17 December 1990, made under section 10 of the Reserve Forces Act 1980, that service will reckon under this Scheme, unless it reckons under one of the armed forces pension schemes, and the member shall pay contributions in accordance with Rule 2.11. In the case of a member who, at the date of calling out, is serving a period of notice, any service which

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

reckons under this Scheme by virtue of this rule will cease to reckon on the day that the period of notice expires.

**Absence due to National Service**

**3.11**

A former non-industrial scheme member who returned to employment immediately after the termination of the minimum period of National Service (or within such time as the Authority allowed) shall be entitled to include in their qualifying and reckonable service the period during which they were absent on National Service, provided this does not exceed 3 years.

**Discretion of Authority in certain cases of absence**

**3.12**

Notwithstanding Rule 3.09 a member may, at the discretion of the Authority, and on such terms as they may determine (including payment of contributions under Rule 2.10), be allowed to count as qualifying and reckonable service absence without pay.

**Service other than as a Scheme member**

**3.13**

Employment other than as a Scheme member shall be treated as qualifying or reckonable service for the particular purposes specified in Appendix 7 of the Rules only.

**3.14 and 3.15**

Unallocated

**Purchase of added years**

**3.16**

Subject to the discretion of the Authority and to the provisions of this section, a member who is in full-time employment or, on or after 1 December 1980, in part-time employment, may apply to increase their reckonable and qualifying service by buying added years for the purpose of increasing the member's own benefits under this Scheme and, where appropriate, the member's family benefits.

**3.17**

- 1) A member who applies to buy added years before 1 December 1980 must purchase an exact number of years of full-time service. If the application is made on or after that date, the member may purchase years or parts of a year of full-time service. In either event, the amount of added years purchased must not exceed the appropriate limit in Rule 3.07.
- 2) Deleted with effect from 6 April 2006.
- 3) Deleted with effect from 6 April 2006.
- 4) A member may at any time on or after 1 July 1997, by notice in writing, cancel one or more applications to buy added years whereupon the provisions of Rule 3.26 or 3.37 will apply. Such notice shall be effective on the earliest practicable date after that on which it is received either by the employer or pension scheme administrators, whichever is sooner, and periodical contributions will be payable up to that date. The member may not give such notice on more than two occasions.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 3: Service**

**Method of payment**

**3.18**

Added years may be bought by two methods, in accordance with the following Rules:

- i) by periodical contributions deducted from pensionable earnings; or
- ii) by lump sum payment.

**3.19**

An application to buy added years by periodical deductions from salary may be made at any time, provided that:

- i) in the case of applications made before 1 July 1997 at least two years will elapse between the date of the member's next birthday and the date on which the member will reach the pension age or the date of the member's sixtieth birthday (whichever is the earlier); and
- ii) the total periodical contributions for added years together with other periodical contributions paid by the member under the scheme would at no time exceed the lesser of:
  - a) 15 per cent of the member's current salary and pensionable emoluments; and
  - b) 15 per cent of the permitted maximum,or such additional amount as the Authority may determine.
- iii) at least two years have lapsed between making that application any prior cancellation under 3.17(4).
- iv) the member has not given notice on the two occasions permitted under Rule 3.17(4).

**Time limit if payment is made by lump sum**

**3.20**

An application to buy added years by lump sum payment may be made, subject to Rule 3.21, but only before a date 12 months after the beginning of employment as a member of the Scheme or in the case of a former non-industrial scheme member, the member applied before 31 March 1974 or, in the case of a part-time employee, before 1 December 1981 and before the member reaches retirement age. In determining "the beginning of employment" for the purpose of this Rule, no account shall be taken of employment under a contract for a fixed term.

**Applications from certain members not allowed**

**3.21**

An application to buy added years by either method shall be made in writing while the member is still in service; and may not be exercised if the member is on sick leave or under notice of retirement on medical grounds or under notice of premature retirement (in the public interest or on other grounds). If the member applies to buy added years by periodical deductions from salary on or after 1 January 1985, they will be required to sign a declaration that they have no reason to believe that their health may prevent them from continuing in employment until their pension age, or the date of their sixtieth birthday (whichever is the earlier). An Active Deferred member may not make an application to buy added years under this Scheme.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 3: Service**

**Calculation and duration of periodical deductions**

**3.22**

If a member's application to buy added years by periodical deductions from pensionable earnings is approved, contributions in respect of such number of added years for which approval has been given will be payable from the day of their next birthday until the date they reach their sixtieth birthday. The contributions will be calculated on the basis of the member's pensionable earnings and their pension age, and will be expressed as a percentage of their pensionable earnings as follows:

- i) for a full-time employee, the rate for one added year will be that specified in Appendix 2;
- ii) for a full-time employee, the rate for part of an added year will be that specified in Appendix 2 reduced in the proportion which the number of days being purchased bears to 365 days, except that irrespective of the number of days being purchased the minimum rate of contribution will be 0.01 %;
- iii) for a part-time employee, the rate will be that which would apply under paragraphs (i) and (ii) if the member were a full time employee, increased in the proportion that the conditioned hours of their grade (excluding meal breaks, except where such breaks are paid for part-time staff) bear to the number of hours of work as provided in their contract of employment.

**Calculation of lump sum payment**

**3.23**

If a member's application to buy added years by lump sum payment is approved, the lump sum payment will be based upon the number of added years for which approval has been given, upon what would have been their pensionable final earnings if they had retired at the date when the application is approved, and upon their normal pension age, and will be calculated in accordance with Appendix 2 save that the payment for part of an added year will be reduced in the proportion which the number of days being purchased bears to 365 days. The lump sum payment shall be paid within 3 months of the date of approval of the application; otherwise the approval shall be withdrawn.

**3.24**

If a member who has bought added years on the basis of a normal pension age above 60 subsequently exercises an option to change the normal pension age to 60, the number of added years due to the member will be adjusted on the advice of the actuary.

**Death or cessation of employment on or after retirement age**

**3.25**

If a member dies or leaves employment on or after reaching normal pension age, any added years they member has bought (subject to adjustment under Rule 3.24) will count in full as reckonable and qualifying service.

**Death or cessation of employment before retirement age or withdrawal from**

**3.26**

Subject to Rule 4.30 (Former Rule 27(3)(m) in the case of a former non-industrial scheme member), if a member who has bought added years dies or leaves employment or cancels an application, or withdraws from the Scheme before normal pension age, the member's reckonable and qualifying service in respect of each particular application will be calculated by taking into account under Rule 3.02(iv) the full amount of the added years (subject to adjustment under Rule 3.24) if the member has paid by lump sum payment; if the member has

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

paid by periodical deductions the reckonable and qualifying service will be calculated by taking into account the number of added years (subject to adjustment under Rule 3.24) for which approval to buy was given reduced in the proportion which the period (expressed to the nearest day) over which the member has paid periodical contributions for added years bears to the total period over which the member would have paid periodical contributions for added years if the member had stayed in employment until aged 60. Provided that the full amount of the added years subject to Rule 3.24 will be taken into account if the member dies or is retired on medical grounds and the declaration under Rule 3.21 was given on or after 1 January 1985 and, in a case where the death or retirement occurs within 12 months of the Authority's accepting the declaration, the Authority are satisfied that the declaration was made in good faith.

- 1) If a member takes up a fixed term appointment after a period of permanent service and is already paying periodical deductions from salary to buy added years under Rule 3.16, the member will be treated for the purposes of this section as if they had left employment and the arrangement to buy added years will be brought to an end in accordance with this rule.
- 2) If the Authority is satisfied that a member's circumstances have changed in an unforeseen manner since the member started making periodical contributions so that to continue paying them as agreed would involve the member in substantial financial hardship, then they may direct that the contributions should be reduced in amount so as to buy a reduced number of added years or that they be suspended, as provided for in Rules 3.33 and 3.34.

**Separate treatment of applications**

**3.27**

If a member has made more than one application to buy added years and payment has been made or begun, each application shall be treated separately for the purposes of the calculation under Rule 3.26 and Appendix 2.

- a) A member with five or more years qualifying service who is retiring early and who will receive benefits under Appendix 8 Rule 8.04 or 8.12 may opt on or after 1 July 1997, to increase reckonable and qualifying service by buying added years or parts of a year of pension credit, subject to the resulting reckonable service not exceeding the appropriate limit in Rule 3.07 and at the rate specified in Appendix 1(A) to this scheme.
- b) An option to buy Added Years under Rule 3.27(a) must be exercised in writing while the member is still in service and must be bought by lump sum payment.
  - i. The lump sum contribution will be based on the member's pensionable final earnings used in calculating the benefits for which the member is eligible under Appendix 8 Rule 8.04, or Rule 8.12, as appropriate. The contribution for one Added Year will be calculated in accordance with the table in paragraph 1 of Appendix 1(A). The contribution for part of an Added Year will be calculated by multiplying the contribution applicable for one Added Year by the decimal fraction expressing the number of days being purchased. The lump sum contribution shall be made and deducted in the following sequence from:
    - a. any lump sum compensation payment calculated in accordance with Appendix 8 Rule 8.06; and then from
    - b. any payment in lieu of notice which may be made by the employer; and then from
    - c. any lump sum calculated in accordance with Appendix 8 Rule 8.04; and then from

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

- d. any lump sum made pursuant to Appendix 8 Rule 8.12.
- ii.
  - a) No lump sum contribution may be made and deducted in accordance with paragraphs (i)(c) or (d) above in a year beginning 6 April, to the extent to which that contribution when added to all other contributions paid under this or any other pension scheme in that year (excluding those made and deducted in accordance with paragraphs (i)(a) and (b) above), would exceed the lower of 15% of the salary and pensionable emoluments of the member in the year in question and 15% of the permitted maximum as defined in section 504 of the Income and Corporation Taxes Act 1988 for the year in question or such additional amount as the Authority may determine.
  - b) Paragraph (a) above shall not apply in the case of a member who was a member of the scheme on 27 July 1989; nor shall paragraph (a) apply to a member in such circumstances as may be prescribed by regulations made under paragraph 18(4) of Schedule 6 to the Finance Act 1989.

**3.28**

Where a member who is buying added years by periodical deductions from pensionable earnings changes from full-time to part-time service or, on or after 1 December 1980, changes from part-time service to full-time service, or is in part-time service and changes the number of hours they work (as provided in their contract of employment), then:

- i) if the change is from full-time to part-time service and takes place before 1 December 1980, deductions will cease, and the member will be credited with the appropriate proportion of the number of added years for which approval to buy was given, calculated as if Rule 3.26 applied;
- ii) if the change takes place on or after 1 December 1980, the rate of contribution will be recalculated in accordance with Rule 3.22, provided that the new rate does not result in an aggregate of periodical contributions which would contravene Rule 2.09 and the member will be credited in due course with the whole of, or, under Rule 3.26, the appropriate proportion of the added years for which approval to buy was given. If, however, Rule 2.09 would be contravened, the new rate of contribution for added years will be restricted to comply with that Rule; and when the member leaves employment (or dies in service), the amount of the added years for which the member is given credit will be the sum of two parts:
  - a) the amount of added years for which approval to buy was given, reduced in the proportion which the period (expressed to the nearest day) over which the member has paid periodical contributions for added years without the restriction bears to the number of days over which contributions were due under Rule 3.22; and
  - b) the amount of added years for which approval to buy was given, reduced in the proportion which the number of days over which the rate was restricted bears to the number of days over which contributions were due under Rule 3.22; and further reduced in the proportion which the restricted rate of contribution bears to the rate which would have been applied but for the restriction.

**Reduction of pensionable earnings on re-employment**

**3.29**

Where a member is buying added years by periodical deductions and, before the member's pension age, the pensionable earnings are reduced so that Rule 2.14(a) applies or is re-

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

employed immediately, those deductions will continue. If on retirement the two periods of service are treated separately for pension purposes, the added years the member has bought will be allocated between them, the reckonable service in the first period of employment being increased by the number of added years which would have been credited under Rule 3.26 if the member had resigned at the end of that period.

**Refunds in certain cases**

**3.30**

If a member who has bought added years is unmarried and does not have a civil partner when the member dies or leaves employment, part or all of any element for widow's, widower's or civil partner's pension in the member's contributions for added years will be taken into account under Section 9 or refunded in accordance with paragraph 6 or paragraph 7 of Appendix 2, or paragraph 2 of Appendix 1(A) as the case may be.

**3.31**

If a member whose application to buy added years is approved contributes for an invalidity pension under Part 5 of Section 6, the contributions for added years will not include an element for invalidity pension. When the member dies or leaves employment or withdraws from the Scheme, contributions for the invalidity pension in respect of the added years bought will be due in accordance with Rule 6.55.

**3.32**

In the case of a former non-industrial scheme member, nothing in Rules 3.16 to 3.23 and 3.25 to 3.30 shall affect purchases of added years effected under Former Rule 4.

**Contributions reduced**

**3.33**

Where a member's contributions are reduced under Rule 3.26(2):

- i) the member will be treated as if they had applied originally to buy the reduced number of added years appropriate to their reduced contributions; and
- ii) the member will be credited with the rest of the added years originally purchased reduced in the proportion which the period (expressed to the nearest day) over which they have paid contributions bears to the full contributions which they would have paid if there had been no reduction;
- iii) the member will have an option (which shall be exercised once only) to resume contributions at their original level provided the Authority are satisfied as to the member's financial position. If the member exercises this option, they will be credited with a proportion of the reduced number of added years appropriate to their reduced contributions to date, calculated under Rule 3.26 as if they had voluntarily resigned on the date of exercise of the option; and the number of years they will be deemed to have applied to buy with their contributions thereafter will be the number of added years originally applied to buy reduced in the proportion which the period (expressed to the nearest day) over which the member will pay the resumed contributions if they stay in service until pension age bears to the total period over which they will have paid periodical contributions for added years if they stay in service until normal pension age.

**Contributions suspended**

**3.34**

Where a member's contributions are suspended under Rule 3.26(2) they will be credited with the added years appropriate to their contributions to date calculated in accordance with Rule

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

3.26 as if they had voluntarily resigned on the date of the suspension. The member will then have an option (which shall be exercised once only) to resume the contributions at their original level provided that the Authority are satisfied as to the member's financial position. If the option is exercised, the number of added years which will be deemed to have applied to buy with the contributions thereafter will be calculated as in Rule 3.33(iii).

**3.35**

Where contributions have been resumed under Rule 3.33(iii) or 3.34 and the member's circumstances thereafter change in an unforeseen manner, so that to continue paying the contributions would involve the member in substantial financial hardship, the Authority may direct that the contributions should cease. In that event, the member will be credited with the number of added years which the member has been deemed to have applied to buy (with the resumed contributions) reduced in the proportion which the period (expressed to the nearest day) over which the member has paid resumed contributions bears to the total period over which they would have paid resumed contributions if they had stayed in employment until age 60.

**Options for female members buying added years to purchase family benefits**

**3.36**

- i) Subject to Rule 3.21 a female member in service on 1 February 1988 who opted on or before 31 January 1988 to purchase added years excluding family benefits, may on or before 31 July 1988 opt to purchase family benefits in respect of the total number of added years, including any fraction of a year, of the original added years option. Where a woman has exercised more than one option to buy added years each option will be treated separately.
- ii) Where added years were bought by lump sum payment the purchase of family benefits will be by lump sum in accordance with Rule 3.23. Where added years are being bought by periodical deductions from salary the purchase of family benefits will be by periodical deductions in accordance with Rule 3.22 provided that at least two years will elapse between the date of her next birthday and the date on which she reaches her sixtieth birthday. The additional contributions will be those appropriate to the woman's age at her next birthday at the time of exercising the option to buy family benefits as specified in Appendix 2.

**3.37**

Where a woman who opts to purchase family benefits under Rule 3.36 dies or leaves employment or cancels her application or withdraws from the Scheme before retirement age the following will apply:

- i) if she has paid by lump sum payment all the added years covered by the option will reckon for family benefits;
- ii) if she has paid by periodical deductions from salary either (a) or (b) below as appropriate will apply:
  - a) if she dies or has retired on medical grounds all added years in respect of which an option has been exercised will reckon for family benefits provided that:
    - 1) the notice in writing under Rule 3.21 in respect of the original option for added years was given on or after 1 January 1985; and
    - 2) where death or retirement on medical grounds occurs within 12 months of the date of acceptance of the notice in writing required under Rule 3.21 in respect of the option to purchase family benefits and where it results from an incapacity or illness to which she has become subject within 12 months

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

of that date, the Authority are satisfied that the declaration under Rule 3.21 was made in good faith; or

- b) in all other cases the number of added years for which family benefits have been purchased will be calculated as defined in Rule 3.26 and to the extent that the total differs from the number of added years reckonable under that rule a contribution to cover the difference will be deducted from whichever of the benefits listed in Rule 6.44(A) becomes payable.

**3.38**

Where a woman has opted to purchase family benefits under Rule 3.36 and where those benefits are being purchased by periodical deductions, if her contributions for added years are reduced or suspended under Rule 3.26(2), the following will apply:

- i) the difference between the number of added years purchased at the date of reduction or suspension and the number for which family benefit cover has been bought will be calculated and a contribution to cover the difference will then be made by a deduction from benefits in accordance with the provisions of Rule 3.37(ii)(b); and, in that event,
- ii) the family benefit contributions in respect of reduced contributions made under Rule 3.26(2) or resumed contributions made under Rule 3.33(iii) or 3.34 will be determined by reference to the age point on the table at Appendix 2 used for the purpose of the original contract to purchase added years and the factor applying to that age point in the table.

**3.39**

For the purposes of Rules 3.36, 3.37 and 3.38 "family benefits" means a widower's pension under Part 4 of Section 6.

**Additional years reckonable for civil partner or same sex spouse survival benefits**

**3.40**

Added Years purchased on or after 6 April 1988 will be reckonable for civil partner or same sex spouse survivor benefits in the event of a member's death. Where a member ceased membership of the Scheme before 5 December 2005 and made an election under Rule 6.11(5)(i)(b) the member may choose to repay that part of the refund of contributions in accordance with Rule 6.66. Where a member has exercised more than one option to purchase added years each option will be treated separately.

**Additional Voluntary Contributions Scheme**

**3.41**

The AVC Scheme (the rules of which are replicated in Section 7) means an additional voluntary contributions scheme established by the Authority in conjunction with such other body ("the provider") as the Authority from time to time determines. The Authority and the provider will agree and promulgate the Rules of the AVC Scheme (including the contributions and benefits payable). Subject to the discretion of the Authority and to the statutory provisions governing participation in occupational pension schemes, a member may apply to join the AVC Scheme. The total contributions to the AVC scheme may not exceed that percentage of the members total emoluments that are subject to tax under Schedule E (excluding such emoluments as the Authority may determine from time to time) which, together with any contributions made by the member to any other pension schemes providing benefits in respect of service with the Employer, will bring the total of contributions to 15% of those emoluments or, in the case of a member whom 2.13(2) applies, to the smaller of 15% of those emoluments and 15% of the

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 3: Service**

permitted maximum as defined in section 592(8)(c) of the Income and Corporation Taxes Act 1988 or such additional amount as the Authority may determine.

Except that from 6 April 2006 the total contributions may not exceed 100% of the members total emoluments, this is subject to tax under Schedule E, excluding such emoluments as the authority may determine from time to time to be excluded.

**Shift Pay Pensions Savings Plan**

**3.42**

The Shift Pay Pensions Savings Plan (the rules of which are replicated in Section 8) means a Money Purchase scheme established by the Authority in conjunction with such other body ("the Provider") as the Authority from time to time determines. The Authority and provider will agree and promulgate the Rules of the Shift Pay Pensions Savings Plan (including the contributions and benefits payable). Except for members of this Scheme who exercised an option granted by the Authority in 1991 (when the Shift Pay Pensions Savings Plan was introduced), for appropriate emoluments in respect of shift working to be considered as pensionable under Rule 2.13, members of this Scheme who receive appropriate emoluments in respect of shift working will be required to join the Shift Pay Pensions Savings Plan.

Except that from 6 April 2006 the total contributions may not exceed 100% of the members pensionable shift pay, this is subject to tax under the Income Tax (Earnings and Pensions) Act 2003, excluding such emoluments as the authority may determine from time to time to be excluded.

## **Section 4: Age Retirement Requirements**

### **Part 1: Normal retirement**

#### **Retirement age and normal benefits**

##### **4.01**

On or after reaching retirement age, an active member (not being a member whose contract of service is for a fixed term) may be retired on grounds of age at the member's employer's volition and, if otherwise qualified, shall be paid benefits in accordance with Rule 4.03. For the purposes of the Scheme, "retirement age" means age 60, except that:

- a) with effect from 1 October 2006 retirement age will be 65. "Pension age" (formerly known as "retiring age") shall be the earliest a member may retire of their own volition and receive pension benefits from the scheme. Pension age will be 60 except for members who retained a pension age of 65.
- b) a male member whose employment under their current contract of employment began before 1 October 1973 (or 1 April 1973 in the case of a former non-industrial scheme member) retains a retirement age of 65;
- c) the retirement age of a member whose contract of employment provides, with the approval of the Authority, for a retirement age above 60 shall be as so provided;
- d) on or after 1 February 1984 where a member with a retirement age of 65 moves from one participating employer to another with no break in service, they shall be able to retain that retirement age if the member wishes;

unless in any excepted case above the member has exercised an option granted to the member by or with the approval of the Authority to change the member's retirement age to 60. A female member whose employment under her current contract of employment began before 1 October 1973 (or 1 April 1973 in the case of a former non-industrial scheme member) retains a retirement age of 60 unless she has exercised an option granted to her to change her retirement age to 65 or, in the case of a former non-industrial scheme member, had her retirement age changed to 65 by the Authority.

##### **4.02**

On or after reaching retirement age a member (not being a member whose contract of service is for a fixed term) may retire of their own volition and, if otherwise qualified, shall be paid benefits in accordance with Rule 4.03. For the purposes of the Scheme, "retiring age" will normally be the same as "retirement age" (as defined in Rule 4.01 with the exceptions (a), (b), (c) and (d) of that Rule), except that:

- a) in the case of a former non-industrial scheme member, the retiring age of a male member to whom (by virtue of Rule 4.30) Former Rule 27 applies, and who notwithstanding Rule 4.01 retains a retirement age of 65, is nevertheless 60;
- b) for each completed year of actual service to which Rule 3.08 applies, the retiring age of a member is reduced by 3 months, so however that the maximum reduction shall be 5 years;
- c) in the case of a former non-industrial scheme member, the retiring age of a female member to whom Former Rule 27 applies and who has had her retirement age changed to 65 is nevertheless 60.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

**4.03**

Subject to the other provisions of the Rules, the following benefits are payable to a member who on or after reaching pension age retires:

- i) an annual pension of one-eightieth of the member's pensionable final earnings multiplied by the length of the member's reckonable service; and
- ii) a lump sum of three-eightieths of the member's pensionable final earnings multiplied by the length of the member's reckonable service;

provided that,

- a) An active deferred member who remains an active member of the CNPP will be awarded a pension and lump sum calculated under this rule on leaving active membership of the CNPP, provided they have reached normal pension age.
- b) if the retirement takes place before 6 April 1978, this Rule shall not apply unless the member has 5 or more years' qualifying service. The Authority may deduct from the aforesaid lump sum any sum due from the member under Rules 6.10, 6.12 (in the case of a former non-industrial scheme member only), 6.44(A) and 6.57 or otherwise in accordance with the Rules; and where a refund of contributions for family benefits is due to a member in accordance with Rule 5.18, this will be paid in addition.

In the alternative to ii) above,

- iii) with effect from 1 June 2015 and up to 23 September 2018 members will be able to commute pension to receive an additional lump sum to bring the total lump payable up to a maximum permissible allowable lump sum under HMRC regulations which qualifies for tax relief; and
- iv) with effect from 24 September 2018 members will be able to commute pension to receive an additional lump sum to bring the total lump payable up to an amount less than or equal to a maximum permissible allowable lump sum under HMRC regulations which qualifies for tax relief.

Where a member chooses to so commute their pension they will receive £12 for every £1 of pension commuted. Where rule 4.43 applies however, the pension before the further commutation will apply for abatement purposes.

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

If a member has an entitlement to a guaranteed minimum pension under Rule 4.14, paragraphs (iii) and (iv) only apply to so much of the pension, after any allocation under Rule 4.15, as exceeds the guaranteed minimum multiplied by such factor as is indicated for a person of the member's description in tables provided by the Scheme Actuary.

The option under this rule may only be exercised by giving notice in writing to the scheme administrator in such form as the Manager requires before the time when the first payment in respect of the person is made.

- 1) A member, or an employee who has withdrawn from the scheme, who, on or after 1 July 1997,
  - i) retires at, or after, the pension age with benefits under Rule 4.03, or receives early payment of such benefits in the form of both pension and lump sum under Rule 5.11; or
  - ii) receives benefits at the pension age under Rule 5.09 or receives early payment of such benefits in the form of both pensions and lump sum under Rule 5.11; or

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

- iii) retires early with continuing annual payment or pension awarded under the provisions of Appendix 8.
- iv) receives early payment of actuarially reduced benefits under Rule 5.20.

may, before the member's benefits are due to come into payment, elect to surrender the whole, or part, of any pension lump sum forming part of those benefits so as to receive, instead, the equivalent commutation value of that pension lump sum in the form of an increase in either,

- a) his annual pension from the date that such a pension comes into payment; or
- b) his annual pension as in (a) above and in any widow's, widower's or surviving civil partner's pension, as appropriate, which may become payable under Section 6 on the death of the individual to the person who is the member's spouse or civil partner at the time the increase in the member's own pension comes into effect.

An election made under this Rule will be irrevocable from the date that the benefits in (i) - (iii) above are due to come into payment. For the purposes of determining any increases under this Rule, the appropriate tables drawn up by the Actuary shall be used. Where an election is made under this Rule, the increased element of the individual's pension, or any increase in the widow's, widower's or civil partner's pension resulting from the operation of this Rule shall be ignored, as appropriate for the purposes of abatement under Rule 4.43, or for the purposes of determining injury benefits under Rules 7.07 and 7.18(1), or a pension under parts 2 or 5 of Section 6.

**Retirement after less than 5 years' service**

**4.04**

A member who, before 6 April 1978, retires on or after pension age with less than 5 years' qualifying service is eligible for a return of basic contributions in accordance with Rule 5.15. Where a refund of basic contributions for family benefits is due to the member in accordance with Rule 5.18, this will be paid in addition. For the purpose of this Rule and Rule 4.03, termination of a fixed contract after age 60 shall be treated as retirement.

**Pensionable final earnings**

**4.05**

"Pensionable final earnings" means the appropriate percentage of pensionable earnings in whichever year of reckonable service in the last 3 years of reckonable service (as defined in Rule 4.06) gives the highest figure. For the purpose of this rule "the appropriate percentage" means:

- i)
  - a) in the case of a member who was a member of the Industrial Superannuation Scheme of the Authority under their current contract of employment on 30 June 1997, 100 %; or
  - b) in the case of any member whose employment under their current contract of began before 1 April 1973, 100 %; or
  - c) in the case of any member in respect of whom the Authority are of the opinion that there are exceptional circumstances arising out of the supersession of the Former Rules or otherwise, 100 %; or
  - d) in the case of a member who moves on or after 1 February 1984 from one participating employer to another and where either the member retains a retirement

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

age of 65 under Rule 4.01(c) or when the contract of employment immediately before the move began before 1 April 1973 and the member had exercised an option granted by or with the approval of the Authority to change their retirement age to 60, 100%; or

- e) in the case of a member who became a member of the Principal Non-Industrial Superannuation Scheme of the United Kingdom Atomic Energy Authority on or after 1 April 1973 (or 1 October 1978 if the member was employed by British Nuclear Fuels Limited (subsequently plc. and renamed British Nuclear Group Sellafield Limited with effect from 1 April 2005)), for service accruing up to and including 31 March 1997, 93.5% and for service accruing on or after 1 April 1997, 100%;
- f) in the case of a member, who became a member of the Principal Non-Industrial Superannuation Scheme of the United Kingdom Atomic Energy Authority and whose current contract of employment commenced with British Nuclear Fuels Limited (subsequently plc. and renamed British Nuclear Group Sellafield Limited with effect from 1 April 2005) on or after 1 April 1973 and before 1 October 1978 and who exercised an option to change their retirement age to 60, in respect of service accruing on or before 16 May 1990, 93.5% and in respect of service accruing on or after 17 May 1990, 100%.
- g) in the case of an active deferred member, 100% of the member's pensionable final earnings on their last day of service with the Combined Nuclear Pension Plan (CNPP) of the Nuclear Decommissioning Authority.

For the purposes of this Rule, the permitted maximum as defined in section 590(c) of the Income and Corporation Taxes Act 1988, shall not be reduced to 93.5% of the value referred to in the said Act.

**Interpretation of Rule 4.05**

**4.06**

For the purposes of Rule 4.05:

- i. "the last 3 years of reckonable service" means the period of the last 1,095 consecutive days of reckonable service (including reckonable leave) and, regularly recurring unpaid absences on or after 1 December 1980 which form part of the conditions of part-time employment. It does not include any other non-reckonable service;
- ii. a "year of reckonable service" means any period of 365 consecutive days within the last 3 years of reckonable service ending on the last day thereof, or on a day which is 91 days before the last day thereof, or on a day which is any multiple not exceeding eight multiples of 91 days before the last day thereof;
- iii. a "day of reckonable service" means any day which counts wholly or partly as reckonable service.

**Application of Rule 4.05 and 4.06 in certain cases**

**4.07**

For the purpose of Rules 4.05 and 4.06:

- i. where the last 3 years of reckonable service include leave at reduced pay or where a potential increase in pay which would otherwise have been granted by the employer is temporarily withheld in the national interest or where pay is voluntarily surrendered in whole or in part, the full rate of pensionable earnings or potential pensionable earnings (including any such potential increase) will be taken for the said purpose;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

- ii. where there is part-time service in the last 3 years of reckonable service the full-time rate of pensionable earnings will be taken for the said purpose; if no full-time rate is specified, the full-time equivalent will be calculated by multiplying actual pensionable final earnings by the proportion which full-time hours (excluding meal breaks except where such breaks are paid for part-time employees) bears to part-time hours over the period in question;
- iii. where any due emolument is not included in pensionable earnings in accordance with Rule 2.13, the Authority may, at their discretion and on terms which they may determine, declare that any such emolument shall be added to pensionable earnings for the said purpose;
- iv. where a member granted a back service credit under Rule 9.18(3) or paragraph 16 of Appendix 4 ceases employment or dies, within 3 years of commencing employment, the member's pensionable earnings for reckonable service related to the back service credit shall be as determined by the Authority, having regard to the pensionable earnings they received from their former employer;
- v. where reckonable service is less than one year, it shall be deemed for the said purpose to be a period of 365 consecutive days and pensionable earnings will be increased in the proportion which 365 days bears to the actual length of reckonable service.
- vi. where a member to whom Rule 3.10(2) applies has a period of special unpaid absence during their last 3 years of service, the rate of pensionable earnings which would have applied if they had not been called out for service will be taken for the said purpose;
- vii. where a female member's last three years of reckonable service include a period on or after 23 June 1994 during which she received statutory maternity pay, the pay or salary to be used for the purpose of calculating pensionable earnings will be the pay or salary (or wages) and pensionable emoluments that she would have received during that period if she had not been on maternity leave, rather than the statutory maternity pay received.

**Modification: compulsory abatement of benefit because of a State benefit**

**Abatement in case of flat-rate or basic State pension**

**4.08**

As from the date on which a member whose contributions have been reduced under Rule 2.15 attains the age of 65 (if a man) or 60 (if a woman), a pension payable to the member under this Scheme shall be reduced by the product of:

- a) the appropriate sum shown in Appendix 3 hereto, in relation to the age which was the member's age on entry to the Scheme, or on first becoming subject to modification of pension under the National Insurance (Modification of the Superannuation Acts) Regulations, 1948, whichever was the earlier, or in the case of a member who was in superannuable employment, or was a member of a superannuation scheme to which modification of pension in consequence of the National Insurance Act 1946, applied, and who, in relation thereto, was paying reduced contributions, and in respect of whom a transfer value has been received under Former Rule 3(1)(a) or a payment received under Former Rule 3(1)(b) or a transfer value received under paragraph 16 of Appendix 4, the member's age on first becoming subject to reduction of contributions; and
- b) the length of reckonable service rendered after attaining the appropriate age aforesaid (except that, in the case of a member in respect of whom a transfer value

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

has been received under paragraph 16 of Appendix 4 from a scheme other than one approved for transfer purposes by the Civil Service Department, the length of reckonable service for the purposes of this Rule will include the reckonable service credited from that transfer value), including any enhancement of reckonable service under these Rules, but excluding any added years of reckonable service bought under Rules 3.16 to 3.29 (or Former Rule 4 in the case of a former non-industrial scheme member) and any reckonable service occurring on or after 1 April 1980 and, in the case where there is reckonable service occurring on or after 1 April 1980, any enhancement of service under these Rules.

Except that from 16 June 2022 no further deductions described in this rule shall be taken from the member's pension.

**4.09**

If, on the termination of an employee's membership of this Scheme, the Authority make a payment or payments in respect of one or more of the following, that is to say a payment in lieu of contributions to the National Insurance Fund or a payment to assure equivalent pension benefits or a Contributions Equivalent Premium, the Authority shall retain an appropriate proportion (not exceeding one-half) of the amount of such payment or payments out of any return of basic contributions to be made to the member under the Rules of this Scheme. For the purposes of Rule 11.05 every such payment that is made by the Authority on the termination of an employee's membership of this Scheme shall be deemed to a payment out of the Scheme.

**4.10**

There shall be excluded from the operation of any provision in the Rules of the Scheme for the reduction of a pension such part of a pension payable under the Rules to a member after age 65 in the case of a man or 60 in the case of a woman as would be equal to equivalent pension benefits as defined in the National Insurance Act 1965 or any statutory amendment or re-enactment thereof for the time being in force.

**Abatement for service while participating in graduated pension scheme**

**4.11**

Where a member's reckonable service includes a period of participating employment under the National Insurance Act 1965 or any period in respect of which equivalent pension benefits (as defined in that Act) have been assured, a pension payable to the member under this Scheme shall be reduced:

- a) if the period involved forms the whole of a period of (or is included in a period of) back service credit granted as a result of a payment under any former scheme under paragraph 16 of Appendix 4 or Former Rule 10 (or Former Rule 3(1) in the case of a former non-industrial scheme member) by an amount equivalent to the amount by which their pension in respect of that period would have been abated had they remained a member of the former scheme, or
- b) if the period involved was a period in respect of which equivalent pension benefits have been assured, by an amount equal to such benefits: or
- c) if the period involved was a period during which the member paid contributions reduced in accordance with Rule 2.16, by the amount of pension earned by graduated contributions payable under the National Insurance Act 1965, that is by contributions of:
  - i. 4.25% of earnings between £9 and £15 a week, from 3 April 1961 to 31 May 1963;
  - ii. 4.25% of earnings between £9 and £18 a week from 1 June 1963 to 5 April 1975;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

except that there will be no reduction if the graduated pension earned by these contributions is £5.20 a year or less. There shall be no reduction of the pension payable under this Scheme for graduated pension earned by contributions paid under the National Insurance Act 1965 during a period of non-participating employment (that is, while the member was "contracted out"); nor in respect of graduated contributions paid in addition to those payable under the said Act.

**4.12 and 4.13**

Unallocated

**Guaranteed minimum pension**

**4.14**

Notwithstanding anything to the contrary in this Scheme, if any employment of persons to whom this Scheme applies becomes contracted-out employment by reference to this Scheme and if a member has a guaranteed minimum:

- i) the member will, subject to this Rule, be paid for life a pension upon the member attaining the state pension age unless:
  - a) the member's accrued rights thereto are transferred from this scheme in accordance with regulations made under section 20(1) of the Pensions Schemes Act 1993, or have been extinguished by payment of the appropriate state scheme premium under that Act, or
  - b) the member's pension is forfeited under Rule 10.04(3)(a), or under Rule 10.04(3) as a result of a conviction for treason, or
  - c) the member's pension is suspended or reduced under Rule 4.03;
  - d) the member continues in employment after the pension age without having been awarded a pension under Rule 4.03;
- ii) the weekly rate of such a pension will be not less than the guaranteed minimum.

A pension paid to a member under this Rule will be limited to the amount by which the guaranteed minimum exceeds the aggregate pension paid as a member of this Scheme under the other provisions of this Scheme. If a member to whom this Rule applies is in employment after the age of 65 in the case of a man or 60 in the case of a woman the member's consent will be required for any postponement of the member's guaranteed minimum pension by virtue of employment to which the Scheme does not relate and for any postponement of the guaranteed minimum pension after the expiration of 5 years from the date on which the member attains the age of 65 in the case of a man or 60 in the case of a woman. When the commencement of the guaranteed minimum pension is postponed for any period, the member's guaranteed minimum will be increased to the extent (if any) specified in section 35(6) of that Act.

**Allocation: voluntary abatement of benefit to increase or provide a benefit for a spouse or dependant**

**4.15(1)**

Subject to the provisions of Rules 4.16 to 4.28 a member in whose favour a pension becomes payable (other than an ill-health pension) under Section 4 or 5 or Appendix 8 may then or at any time thereafter allocate part of that pension to any person who is the member's spouse, civil partner or dependant (as defined in Rule 4.16) at the time of the making of the allocation. This Rule shall apply to the allocation of part of a pension under Rule 8.06(b) of Appendix 8, or 8.16 of Appendix 8 in the same way as to part of a pension. Where part of a pension under

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

Appendix 8 is allocated, the allocation will also apply to the preserved pension when it comes into payment.

**4.15(2)**

4.15(1) is subject to the following:

Any allocation made in respect of a member whose pension comes into payment after 5 April 2006 shall have no effect unless the person named in the allocation declaration

- a) Is the member's spouse or civil partner on the date the member becomes entitled to the pension;
- b) Is a dependant of the member for the purposes of paragraph 15(2) or (3) of Schedule 28 to the Finance Act 2004; or
- c) Is the member's spouse or civil partner at the date of the member's death.

**Interpretation of Rules 4.15 to 4.28**

**4.16**

In Rules 4.15 to 4.28 "member" means a member making an allocation under Rule 4.15, and the "beneficiary" means a person in whose favour the allocation is made. "Dependant" means a person (other than the member's spouse or civil partner) who is solely or mainly dependant on the member making an allocation.

**Duration of allocated pension**

**4.17**

When an allocation under Rule 4.15 is made, a pension will be paid to the beneficiary as follows:

- a) If the allocation is made under 'option A', and the beneficiary survives the member, the pension will be paid from the day after the date of the member's death until the date of the beneficiary's death.
- b) If the allocation is made under 'option B', the pension will be paid from the date on which the allocation declaration has effect until the date of the beneficiary's death.

An allocation in favour of a spouse or civil partner may be made under either option A or option B, but an allocation in favour of a dependant must be made under option A. No member may make an allocation under option B after 5 April 2006 and any allocation declaration under option B must have effect before 6 April 2006. This rule is subject to Rule 4.15(2).

**4.18**

The annual amount of a pension under Rule 4.17 will be calculated according to the appropriate table drawn up by the Actuary and in force at the time the allocation is made; and will be determined by the age and gender of the member, by the age and gender of the beneficiary, and by the amount of the pension allocated.

**Doubling of allocated pension in certain cases**

**4.19**

Where Rule 4.17(b) applies and the spouse or civil partner survives the member, the annual amount of pension payable to the spouse or civil partner will be doubled with effect from the day after the date of the member's death and the amount of the additional pension will be treated as a separate pension.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 4: Age Retirement Requirements**

**Limit on the amount of allocated pension**

**4.20**

Subject to Rule 4.27, the annual amount of pension allocated under Rule 4.15 shall be an exact number of pounds and may not exceed:

- i) one-third of the member's pension;
- ii) the amount which would make the member's pension, after deduction of the amount allocated, equal to the annual pension that would be payable under Rule 4.15 of Former Rule 20, (in the case of a former non-industrial scheme member) to the beneficiary on the member's death;

**Interpretation of Rule 4.20**

- iii) where the member is entitled or prospectively entitled to a guaranteed minimum pension under Rule 4.14, the amount which would make the member's pension, after deduction of the amount allocated, equal to such guaranteed minimum pension.

**Declarations in excess of limit in Rule 4.20**

In applying the first of these limits, the amount of pension allocated will be taken to include any such amount already allocated under Rule 4.15 or under Former Rule 20 in the case of a former non-industrial scheme member.

**Application of Rule 4.15 in certain cases of abatement**

**4.21**

In Rule 4.20 "the member's pension" means the annual amount of the pension under this Scheme before any deduction under Rule 4.08 or 4.11 (modification on account of national insurance pensions) or under Rule 4.43 (abatement of pension on re-employment).

**4.22**

If a member declares a desire to allocate more of their pension than is allowed by Rule 4.20, the member may be treated as if they had declared a desire to allocate the maximum amount allowed by that Rule.

**4.23**

If the whole of a pension under this Scheme is abated by virtue of Rule 4.43, the reference in Rule 4.15 to the time the pension comes into payment will be taken to be a reference to the time the pension would have come into payment but for the abatement.

**4.24**

Unallocated

**4.25**

Where an allocation has been made under Rule 4.15 or under Former Rule 20, then in calculating a supplementary death benefit under Rule 5.07 the amount of pension paid will be deemed to be the amount which would have been paid but for the allocation.

**Procedures for making an allocation**

**4.26**

A member may not make an application to allocate their pension under Rule 4.15 earlier than 6 months before the date on which the pension commences to be payable or of the date on which the member intends to marry, as the case may be; and the member shall notify the Authority in writing of the member's wish to allocate. After the application has been accepted and the member has been so notified, the member may not withdraw or amend it, except with

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

the agreement of the Authority; and an application so accepted and notified will not be invalidated if it is seen subsequently not to comply with Rule 4.20. In giving effect to the application, the Authority may make appropriate retrospective adjustments to the pension payable to either the member or the beneficiary.

**Early death of member or beneficiary**

**4.27**

An application to allocate will be of no effect (a) if the member or the beneficiary dies on the same date as the application is made, or (b) if the member or the beneficiary dies before the day on which the member's pension commences to be payable.

**Conditions for making an allocation**

**4.28**

It shall be a condition precedent to the allocation of part of a pension under the preceding Rules that the Authority are satisfied that the member is in good health, regard being had to the member's age, and that the Authority are furnished expeditiously and at the expense of the member with such particulars as they may require of the beneficiary.

**Commutation of Trivial Pensions**

**4.29**

A member aged between 60 and 75 whose pension benefits from all registered pension schemes amount to no more than 1% of the member's lifetime allowance within the meaning of the Finance Act 2004, as amended, may commute a UKAEA scheme pension to a lump sum provided that commutation under this and all registered pension schemes takes place within a 12 month period.

**Former Rules 27, 28, 29 and 30**

**4.30**

The Former Rules were modified in relation to certain classes of members by the provisions of Former Rules 27, 28, 29 and 30, which are reproduced in Appendix 5. The Rules shall be modified similarly by applying those provisions in the case of any member to whom the said Former Rules applied before 1 April 1973 provided that the member's current contract of employment began before that date or Rule 4.05(i) is applicable to it. For the purpose of this Rule, the said former Rules shall be applied with the adaptations and amendments listed below:

Former Rule 27(1): substitute "Section 89 of the Superannuation Act 1965" for "Section 5 of the Superannuation Act 1946";

Former Rule 27(3)(a): substitute "Section 25 of the Superannuation Act 1965" for "Section 42 of the Superannuation Act 1949";

Former Rule 27(3)(c): Delete and substitute "Rule 1.05(vi) shall not apply";

Former Rule 27(3)(d): substitute "Superannuation Acts 1834-1965" for "Superannuation Acts 1834-1950";

Former Rule 27(3)(e): substitute "Part 111 of the Superannuation Act 1965" for "Part 1 of the Superannuation Act 1949" and add "and has not taken up the further option to secure family benefits which the Authority granted in February 1973";

Former Rule 27(3)(f): substitute "Sections 4 and 5" for "formula (ii) of Rule 12(2)(b)";

Former Rule 27(3)(g): substitute "sub-section (3) of section 55 of the Superannuation Act 1965" for "sub-section (3) of section 7 of the Superannuation Act 1949"; substitute "Section 56 of the

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

Superannuation Act 1965" for "Section 8 of the Superannuation Act 1949"; and add the following proviso:

"And provided also that, in accordance with Rule 2.03, contributions under this sub-paragraph shall be discontinued with effect for service after 31 May 1972; and any return or refund of such contributions shall be made in accordance with Rule 5.17 or 6.11";

Former Rule 27(3)(h): delete this sub-paragraph and substitute:

"(h) a female member, who if she had remained a Civil Servant would have been eligible for a marriage gratuity under the terms of and under the conditions prescribed by the Rules 3.42 to 3.44 of the Principal Civil Service Pension Scheme, may elect to receive a sum equal to the marriage gratuity which would have been payable, on the said terms and conditions";

Former Rule 27(3)(m): add "where in such a case any Added Years have been purchased under Rule 3.16, the number of such added years will be adjusted on the advice of the Actuary";

Former Rule 27(3)(o): the insertion of "five years after" shall be made after the word "reaching" in the first sentence of Rule 5.01;

Former Rule 28(3): delete this paragraph;

Former Rule 28(6): delete "would have become a Civil Servant (as defined in Rule 27(1)) on completion of 20 years' service and attainment of age 60, may, on completion of an aggregate of 20 years' service in the Civil Service and with the Authority and attainment of age 60 be granted Back Service Credit" and substitute "would have been permitted to reckon the member's earlier unestablished service in the Civil Service as pensionable service under the terms of the Principal Civil Service Pension Scheme, may be granted a Back Service Credit"; and amend "the Scheme" to "this Scheme".

**4.31 to 4.39**

Unallocated

**Part 2: Revision of benefits and re-employment**

**Pensions increase**

**4.40**

The Authority shall from time to time increase the appropriate benefits under this Scheme in step with increases in the cost of living to the extent corresponding to and upon like terms and conditions as apply from time to time in relation to official pensions by virtue of the Pensions (Increase) Act 1971, section 25 of the Superannuation Act 1972, the Statutory Instruments made thereunder, or any statutory modification or re-enactment thereof for the time being in force or any other legislation which the Authority determine to be relevant. Rule 4.40 does not apply to benefits arising from the application of the funds emerging from within the AVC scheme described in Section 7 or the Shift Pay Pensions Savings Plan described in Section 8. Nor does it apply to the benefits of an Active Deferred member.

**Application of Rule 4.40 to the Rules**

**4.41**

Throughout the Rules, except where the context otherwise requires, references to pensions, lump sums and other benefits shall be construed as references to such benefits before adding of the increases for which Rule 4.40 provides.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 4: Age Retirement Requirements**

**Re-employment**

**4.42**

- 1) Rules numbered from 4.43 to 4.58 apply to members who are re-employed after an earlier period of service which ended on or after 1 October 1973 (or 1 June 1972, in the case of a former non-industrial scheme member). In the case of any member whose earlier period of service ended before 1 October 1973 (or 1 June 1972, in the case of a former non-industrial scheme member) and who is re-employed, Rules numbered from 4.43 to 4.58 shall apply subject to such modifications or adaptations as the Authority may consider appropriate
- 2) Where a person who has:
  - i. withdrawn from the Scheme, thereby obtaining a preserved award of benefit under Rule 5.09, and,
  - ii. becomes eligible for Scheme membership on re-employment, the member does not have the option otherwise available under Rule 4.50, 4.51, 4.52, 4.53, 4.54, 4.55 or 4.56, to aggregate the new period of service with earlier reckonable service. The member may instead qualify for a separate award based on service during any period of re-employment and the pensionable pay at the end of it.

**Abatement of pension during re-employment**

**4.43**

If a member receiving a pension under Rule 4.03 or a preserved pension under Rule 5.09, 8.03 of Appendix 8 (in the case of a former non-industrial scheme member), or 8.12 of Appendix 8 is re-employed full-time in a grade the same as, or higher than their grade on retirement or resignation or at a pay rate or salary equal to, or higher than their pay or salary on the last day of their earlier service, the whole of the pension will be suspended. If the member is re-employed in a lower grade, or at a pay or salary lower than the pay or salary on the last day of their earlier service, or in a part-time capacity, the pension in payment (including pensions increase under Rule 4.40) will be reduced to the amount by which the pay or salary (as defined in Rule 4.45) on the last day of their earlier service exceeds the pay or salary on the first day of re-employment. While the member is re-employed, the pension in payment will attract pensions increase and will not be adjusted on account of ordinary pay or salary increases in the grade. But if the member changes from one grade to another, or changes from full-time to part-time work, or works part-time and changes the number of hours they work, the amount of the abatement of their pension will be increased (or decreased) by the amount of the increase (or decrease) in their annual rate of pay or salary resulting from the change; except that:

- i. if the change results in an increase in pay or salary, and before the change the whole of the member's pension was in payment; or
  - ii. if the change results in a decrease in pay or salary, and before the change the whole of the member's pension was suspended; or
  - iii. if the change results in a return to the grade held immediately before retirement;
- the member will be treated for the purposes of this Rule as having been newly re-employed on the date of the change.

In applying this Rule, no account shall be taken of any increases in pension resulting from an election made under Rule 4.03(1)

Where a member has elected to commute the pension under Rule 4.03(i) in order to receive an additional maximum lump sum (under Rule 4.03(ii)), the pension before the further

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

commutation calculated using one eightieth of pensionable final earnings will be used to assess whether abatement under this and following rules will apply. A member's decision to commute pension to receive an additional lump sum will not impact on a survivor spouse benefit following the member's death.

Where earlier service ended before the pension age or where there has been a break between the earlier service and the date of re-employment, then for the purpose of calculations under rule 4.43 the old salary will be increased by the proportion by which a pension of that amount beginning on the following day would have been increased, by the date of re-employment, under Rule 4.40. Where there was more than one period of earlier service which ended before the pension age giving rise to more than one preserved pension, abatement of pension under rule 4.43 will be related to whichever is the greatest old salary (plus pensions increase as calculated above). Where the first retirement took place on or after the pension age, rule 4.43 will be applied by reference to the old salary relating to the first retirement. The old salary used for the first application of rule 4.43 (updated by pensions increase) will continue to be used for the calculation of abatement on any subsequent re-employment.

**Abatement if pension has been allocated**

**4.44**

References in Rule 4.43 to "a member receiving" a pension and to "the pension in payment" to the member shall be construed so as to include such part of the pension (if any) which the member has allocated under Rule 4.15 or Former Rule 20, in the case of a former non-industrial scheme member; but from the maximum amount of pension which might be paid from time to time to the member under Rule 4.43, an amount shall be withheld equal to the pension allocated as increased from time to time under Rule 4.40. If the former amount is less than the latter amount, the difference will be deducted from the member's pensionable earnings; the member's employer shall pay the sums deducted into the Superannuation Account; and the deductions will be ignored in the calculation of any revised pension award.

**"Salary" for the purpose of Rule 4.43**

**4.45**

For the purposes of this Rule and of Rule 4.43 "pay" means the gross annual rate of grade pay plus charge pay payable in respect of the member by the member's employer, excluding pensionable emoluments and "salary" means the gross annual rate of salary or wages payable in respect of the member by the member's employer, excluding other pensionable emoluments. Where there has been an interval between the earlier service and the date of re-employment, then for the purpose of calculations under Rule 4.43 the salary on the last day of the earlier service will be increased by the proportion by which a pension of that amount beginning on the following day would have been increased, by the date of re-employment, under Rule 4.40. When there has been more than one period of early service which ended before the pension age giving rise to more than one preserved pension, abatement of pension under Rule 4.43 will be related to whichever is the greatest total of salary plus pensions increase (as calculated above) in payment on the last day of each of the earlier periods of service. Where the first retirement took place on or after pension age, Rule 4.43 will be applied by reference to the salary on the day preceding that first retirement. The salary on the last day of the earlier service used for the first application of Rule 4.43 (updated by pensions increase) will continue to be used for the calculation of abatement on any subsequent re-employment.

**Abatement of preserved pension or ill-health pension**

**4.46**

Subject to Rule 4.53, if a member who has been awarded a preserved pension under Rule 5.09 is re-employed before the pension comes into payment, Rule 4.43 will apply from the date it comes into payment as if the member had newly been re-employed on that date. Subject to

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

Rule 4.52, if a member receiving an ill-health pension under Rule 5.01 is re-employed, that pension will be reduced to exclude the element of enhancement under Rule 5.01, and Rule 4.43 will apply to the reduced pension.

**Abatement of continuing annual payment**

**4.47**

Where a person receiving a continuing annual payment or pension under Rule 8.06(b) of Appendix 8 (in the case of a former non-industrial scheme member) or 8.16 of Appendix 8 (or payments equivalent thereto) is re-employed the continuing annual payment will be abated under Rule 4.43 in the same way as a pension would be abated. If all or part of the continuing annual payment was commuted into a lump sum under an option taken before 6 April 2006 under Rule 8.16(2) of Appendix 8 (or Rule 8.07 of Appendix 8, in the case of a former non-industrial scheme member) the maximum continuing annual payment which might be paid from time to time in accordance with Rule 4.43 will be reduced by the amount of continuing annual payment commuted. If the former is less than the latter amount, the difference will be deducted from the member's pensionable earnings; the member's employer shall pay the sums deducted to the member's previous employer as appropriate; and the deduction will be ignored in the calculation of any revised pension award.

**Scope of abatement rules**

**4.48**

Rules 4.43 to 4.47 and 4.49 apply whenever a person is re-employed or during any other engagement of the member's services by an employer or by the member's former employer, and whether or not this Scheme applies during the re-employment or engagement of services, unless the member is re-employed or engaged after an interval on a casual basis for a short period or periods totalling less than 15 days in any 91 day period. If the member is re-employed or engaged on a fee-paid basis, "pay" or "salary" in Rule 4.45 will be taken to include fees expressed at an annual rate. Rule 4.43 to 4.47 and 4.49 shall not apply where a person is re-employed through an open recruitment exercise on or after 1 April 1990 and is excluded from Scheme membership by Rules 1.06 and 1.07.

**Recovery of part of lump sum compensation payment**

**4.49**

Where a person who has received a lump sum compensation payment under Rule 8.06(c) and 8.09 of Appendix 8 (in the case of a former non-industrial scheme member), or 8.14 of Appendix 8 (or the equivalent thereof) is re-employed, part of that payment will be repayable upon the date of the commencement of such re-employment if the period between the date of premature retirement and the date of re-employment is less than the notional period represented by the compensation payment in terms of months or weeks of pensionable final earnings. The amount to be repaid will be such part of that payment as represents a period equal to the difference between these two periods. Provided that, where the re-employment commences on or after 1 December 1980:

- a) the repayment will not become due until the person has been re-employed for a period or periods totalling 15 days in any 91 day period; and
- b) the amount re-payable will not exceed the aggregate of the amount earned by the person, together with any continuing annual payment or pension (including any increase under Rule 4.40) payable, in respect of the period between the commencement of the re-employment and the end of the said notional period, assuming that the notional period begins on the day following the day of premature retirement.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 4: Age Retirement Requirements**

**Revision of benefits after re-employment**

**Revision of benefits after re-employment which began on or after the sixtieth birthday of a member who had become eligible to be paid a pension**

**4.50**

Subject to Rules 3.07 and 4.51, a member who began re-employment on or after their sixtieth birthday having become eligible to be paid a pension under Rule 4.03, 5.01, 5.09, 8.03 of Appendix 8 (in the case of a former non-industrial scheme member) or 8.12 of Appendix 8, will have their pension benefits calculated according to whether their final retirement is before 5 April 2006 under 4.50(1) or (2) as appropriate. The revised pension benefits will include the earlier period of employment (excluding any enhancement under Section 5 or Appendix 8 of this Scheme) together with the additional reckonable service the member has attained during the period of re-employment up to a maximum of five years.

- 1) Method of recalculating members' benefits where the period of re-employment has ended before 5 April 2006.

The revised pension will be calculated by whichever of the following method gives the greater result:

- i. on the basis of pensionable final earnings at the earlier retirement or cessation of employment (calculated, in the case of a former non-industrial scheme member, for the purpose in accordance with Rule 4.51(b)) in which case Rule 4.40 shall apply;
- ii. on the basis of pensionable final earnings at the member's final retirement. In calculating this, only service during re-employment will be taken into account if there was an interval of at least one working day between the earlier service and the date of re-employment and the member is re-employed for at least a year. If the member is re-employed after an interval for less than a year, pensionable final earnings at final retirement will be taken to be the member's pensionable earnings in the last 365 days of reckonable service.

In addition, the member will be paid the amount by which the lump sum associated with the revised pension exceeds the lump sum already paid to the member. For the purpose of calculating this excess, any deductions made under Section 6, or otherwise in accordance with the Rules, from the lump sum already paid to the member will not be so deducted.

- 2) Method of recalculating members' benefits where the period of re-employment has ended on or after 5 April 2006.

Where the member's final retirement occurs on or after 6 April 2006, on final retirement the member will receive an additional pension calculated so that when it is added to the member's existing pension the aggregated total of the two pensions is equivalent to a pension calculated on the basis of reckonable service in the earlier period of employment together with reckonable service (up to a maximum of five years) after re-employment and on the basis of the member's pensionable final earnings at final retirement. Any enhancement under Section 5 or Appendix 8 from the earlier period of employment will be excluded.

**Application of Rule 4.50 in certain cases**

**4.51**

Rule 4.50 shall be subject to the following provisions:

- 1) Method of recalculating members' benefits where the period of re-employment has ended before 5 April 2006

**UK Atomic Energy Authority Combined Pension Scheme  
Section 4: Age Retirement Requirements**

- a) for the purpose of applying Rule 3.07 in the circumstances specified in Rule 4.50, the member's pension age shall be deemed to be as it was at the end of the member's earlier service;
- b) in the case of a former non-industrial scheme member if Rule 4.05(ii) has been applied in the contract of re-employment, that Rule shall be applied in calculating pensionable final earnings at the earlier retirement or cessation of employment for the purpose of Rule 4.50(1)(i);
- c) if:
  - i) there was an interval of at least one working day between the earlier service and the date of re-employment, and the member was re-employed continuously for less than 182 days (6 months); or
  - ii) a revision of pension under Rule 4.50 would mean that on final retirement the member received a smaller pension than if the member had never been re-employed (after taking into account any increases applicable to the earlier pension under Rule 4.40);

no such revision will be made. Instead, the member's earlier pension will be restored in full on final retirement, with no account taken of service during re-employment (except for the purpose of abatement of pension under Rule 4.43);

- d) if the member begins re-employment more than once in the circumstances specified in Rule 4.50, each subsequent retirement or cessation of employment may be treated as a final retirement for the purpose of that Rule but the limit of 5 years on the amount of further service which reckons shall apply to the member's total service during such re-employment; and the reference to the member's earlier retirement or cessation of employment shall be taken as a reference to the first retirement or cessation of employment.
  - e) Except that for any period of re-employment ending on or after 6 April 2006 the re-employed member will have each period of service treated as a separate pension award in accordance with Rule 4.50(2)
- 2) Method of recalculating members' benefits where the period of re-employment has ended on or after 5 April 2006
- a) for the purpose of applying Rule 3.07 in the circumstances specified in Rule 4.50, the member's pension age shall be deemed to be as it was at the end of the earlier service;
  - b) in the case of a former non-industrial scheme member if Rule 4.05(ii) has been applied in the contract of re-employment, that Rule shall be applied in calculating pensionable final earnings at the earlier retirement or cessation of employment for the purpose of Rule 4.50(i);
  - c) if:
    - i) there was an interval of at least one working day between the earlier service and the date of re-employment, and the member was re-employed continuously for less than 182 days (6 months); or
    - ii) the calculation under Rule 4.50(2) would not result in the payment of any additional pension;

the member's earlier pension will be restored in full on final retirement, with no account taken of service during re-employment (except for the purpose of abatement of pension under Rule 4.43);

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

- d) if the member begins re-employment more than once in the circumstances specified in Rule 4.50(2), each subsequent retirement or cessation of employment may be treated as a final retirement for the purpose of that Rule but the limit of 5 years on the amount of further service which reckons shall apply to the member's total service during such re-employment; and the reference to the member's earlier retirement or cessation of employment shall be taken as a reference to the first retirement or cessation of employment.

**Revision of benefits after re-employment of a member receiving an ill-health pension under Rule 5.01 where Rule 4.50 does not apply**

**4.52**

If a person receiving an ill-health pension under Rule 5.01 is re-employed and Rule 4.50 does not apply, they may opt at the time re-employment begins to be treated in one of the following ways:

- i) the ill-health pension will be cancelled from the date of re-employment, and the previous reckonable service (excluding the enhancement under Rule 5.01) will be counted with the service during re-employment for a single award in accordance with the Rules based on pensionable final earnings at final retirement or cessation of employment; the lump sum paid at the member's earlier retirement being deducted from the lump sum payable in consequence of final retirement or cessation of employment, for which purpose any deductions made under Section 6, or otherwise in accordance with the Rules, from the earlier lump sum will not be so deducted;
- ii) the ill-health pension will be abated under Rules 4.43 and 4.46, and the service during re-employment will reckon in accordance with the Rules towards a second superannuation award (except that the member will be treated as if the re-employment had begun on or after their sixtieth birthday, and be given a revised award under Rule 4.50 with the service during re-employment before age 60 ignored, if this gives a more favourable result, and be entitled to a return of basic contributions for that service). Rule 3.07 will apply to the total reckonable service in both periods of employment, for which purpose the member's pension age shall be deemed to be as it was when the ill-health pension was awarded; and service after the pension age in excess of 5 years will not reckon for pension. On final retirement or cessation of employment the original pension will be reinstated (but without the enhancement under Rule 5.01) and the element of enhancement in the lump sum paid at the member's earlier retirement will be deducted from the lump sum payable for the service during re-employment. (If the member is re-employed again, each appropriate retirement or cessation of employment may be treated as a final retirement for the purpose of this Rule; and if the member is re-employed again in circumstances to which Rule 4.50 applies, the reference in that Rule to "5 years" will be taken to be a reference to the difference between 5 years and the member's length of reckonable service on or after the sixtieth birthday in the first period of re-employment.)

In either case however, the earlier pension will be restored in full, with no account taken of service during re-employment (except for the purpose of abatement of pension under Rule 4.43) if this gives a better result.

Provided that:

- a) where the member's employment ceases on or after 6 April 1975 and the member is re-employed after a break not exceeding thirty-one days;
- b) where the member's employment ceases on or after 6 April 1978 and the member is re-employed after a break not exceeding six months;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

- c) where a female member has a right to return to work under the Employment Protection Act 1975 following pregnancy or confinement, and does in fact return to work after 15 August 1977 pursuant to that right within the period prescribed under section 48(1) of that Act;

paragraph (i) only will apply, and the option in paragraph (ii) will not be available; and in any case where paragraph (ii) is applied, the qualifying service related to the member's ill-health pension shall count as qualifying (but not reckonable) service for the purpose of any second superannuation award under paragraph (ii).

**Revision of benefits after re-employment of a member who has become eligible for the award of a preserved pension under Rule 5.09 where Rule 4.50 does not apply**

**4.53**

If a member who has become eligible for the award of a preserved pension under Rule 5.09 is re-employed before 6 April 2006 and Rule 4.50 does not apply, the member may opt when re-employment begins if the pension is already in payment, or, if the pension is not in payment, at the time when the pension is due to come into payment or at the end of the re-employment (whichever is earlier), to have the pension benefits calculated as indicated in either (i) or (ii) of this Rule unless the member has made an option before the 6 April 2006 that (i) of this Rule should apply. If a member made such an option before 6 April 2006 to aggregate the periods of service the option is irrevocable.

For member's re-employed on or after 6 April 2006, an election must be made within 12 months of re-joining this Scheme whether the method at (i) or (ii) of this Rule should be applied to calculate the member's pension benefits when the pension is due to come into payment or at the end of employment (whichever is earlier). If the member does not complete the option form within 12 months of re-joining this Scheme the member's preserved pension benefits will be retained and service during re-employment will reckon towards a separate pension award.

- i) the preserved pension and lump sum will be cancelled from the date of re-employment, and the previous reckonable service will be counted with the service during re-employment for a single pension award in accordance with the Rules based on pensionable final earnings at final retirement or cessation of employment; and if the preserved pension and lump sum have already been brought into payment (under Rule 5.10 or 5.12) the lump sum will be deducted from the lump sum payable in consequence of final retirement or cessation of employment, for which purpose any deductions made under Section 6, or otherwise in accordance with the Rules, from the earlier lump sum will not be so deducted;
- ii) the preserved pension and lump sum will be retained, and the service during re-employment will reckon in accordance with the Rules towards a second superannuation award, with Rule 4.46 applying to the preserved pension when it comes into payment (except that, if this gives a more favourable result, the member will be treated as if re-employment had begun on or after their sixtieth birthday and be given a revised award under Rule 4.50, with service during re-employment before they became eligible to be paid a pension excluded from their reckonable service and with entitlement to a return of basic contributions for that service). Rule 3.07 will apply to the total reckonable service in both periods of employment, for which purpose the pension age shall be deemed to be as it was when the member preserved pension was awarded; and service after the pension age in excess of 5 years will not reckon for pension. (If the member is re-employed again, each appropriate retirement or cessation of employment may be treated as a final retirement for the purpose of this Rule; and if the member is re-employed again in circumstances to which Rule 4.50 applies, the reference in that Rule to "5 years" will be taken to be a reference to the difference between 5 years and the length of such reckonable service in the first

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

period of re-employment as occurs after the member becomes eligible to be paid a pension.) If a preserved pension retained under this paragraph is due to be paid from age 65 and is to be calculated by applying Rule 4.05(i), and a second pension reckoned as aforesaid is payable from age 60, the preserved pension may, if the member so opts, be paid from age 60 but, in the case of a former non-industrial scheme member, in that event will be calculated by applying Rule 4.05(ii).

If the member dies before exercising the option under this Rule, it will be deemed to have been exercised in whichever way produces (or would produce) a larger widow's, widower's or civil partner's pension under Section 6. If the member is re-employed a second time, they may not reverse the original option, but they will have a further option as to whether or not to link their current service with the preceding period of reckonable service. Provided that:

- a) where the member's employment ceases on or after 6 April 1975 and they are re-employed after a break not exceeding thirty-one days;
- b) where the member's employment ceases on or after 6 April 1978 and they are re-employed after a break not exceeding six months;
- c) where a female member has a right to return to work under the Employment Protection Act 1975 following pregnancy or confinement, and does in fact return to work after 15 August 1977 pursuant to that right within the period prescribed under section 48(1) of that Act;

paragraph (i) only will apply, and the option in paragraph (ii) will not be available; and in any case where paragraph (ii) is applied, the qualifying service related to the member's preserved pension shall count as qualifying (but not reckonable) service for the purpose of any second superannuation award under paragraph (ii).

**Revision of benefits after re-employment of a member who has been prematurely retired where Rule 4.50 does not apply**

**4.54**

If a member who has been prematurely retired with benefits calculated under Appendix 8 is re-employed and Rule 4.50 does not apply the member's pension benefits will be calculated according to whether their final retirement is before or after 5 April 2006. The revised pension benefits will include the additional reckonable service the member has attained during the member's period of re-employment but will exclude any enhancement under Appendix 8.

- 1) Method of recalculating members' benefits where the period of re-employment has ended before 5 April 2006:
  - i) the earlier superannuation award will be retained subject to abatement under Rules 4.43, 4.47 and 4.49 as appropriate, except that the preserved pension (if any) as previously calculated will be cancelled; the member's previous reckonable service (but excluding any enhancement under Rule 8.04 of Appendix 8) will be counted with the service during re-employment for a single award in accordance with the Rules based on pensionable final earnings at final retirement or cessation of employment, with this service, in the case of a former non-industrial scheme member, enhanced by the smaller of:
    - a) the original enhancement (if any) under Rule 8.04 of Appendix 8;
    - b) the actual period between the earlier retirement and the date of re-employment.

Any lump sum under Rule 8.04 of Appendix 8, in the case of a former non-industrial scheme member, or 8.16 of Appendix 8 or any return of basic contributions, paid at the member's earlier retirement, will be deducted from the lump sum payable in consequence of final retirement or cessation of employment; for which purpose any

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

deductions made under Section 6, or otherwise in accordance with the Rules, from the earlier payment will not be so deducted;

- ii) the earlier award will be retained subject to abatement under Rules 4.43, 4.47, and 4.49 as appropriate, and the service during re-employment will reckon in accordance with the Rules towards a second pension or return of contributions. If, however, the enhancement of reckonable service under Rule 8.04 of Appendix 8 exceeds the period between the date of premature retirement and the date of re-employment, the reckonable (but not qualifying) service in the second period of employment will be reduced by the amount of the excess.

If the member is re-employed again, each appropriate retirement or cessation of employment may be treated as a final retirement for the purpose of this Rule. If the member dies during the period of re-employment the member will be treated in whichever of these two ways produces (or would produce) the larger pension under Section 6. Provided that the member's employment ceases:

- a) on or after 6 April 1975 and the member is re-employed after a break not exceeding thirty-one days;
- b) on or after 6 April 1978 and the member is re-employed after a break not exceeding six months;

paragraph (i) only will apply, and the option in paragraph (ii) will not be available; and in any case where paragraph (ii) is applied, the qualifying service related to any preserved pension which has been awarded under Rule 8.03 or 8.12 shall count as qualifying (but not reckonable) service for the purpose of the second award under paragraph (ii).

- iii) If the member dies during the period of re-employment they will be treated in whichever of these two ways produces (or would produce) the larger widow's, widower's or civil partner's pension under Section 6. Provided that the member's employment ceases:

- 2) Method of recalculating members' benefits where the period of employment ends on or after 5 April 2006:

With effect from 6 April 2006, the method of recalculating the pension benefit award indicated at Rule 4.54(1)(i) will no longer be permitted. In order to comply with the provisions of the Finance Act 2004 two separate pension awards must be paid to the member in these circumstances.

Where the member's final retirement occurs on or after 5 April 2006, on final retirement the member will receive a separate additional pension calculated so that when it is added to the existing pension the aggregated total of the two pensions is equivalent to a pension calculated on the basis of reckonable service in the earlier period of employment (excluding any enhancement under Appendix 8) together with reckonable service after re-employment and on the basis of pensionable final earnings at final retirement. This provision will not apply to a member who is re-employed by a different participating employer.

If this calculation would not result in payment of any additional pension the earlier pension, including any enhancement under Appendix 8, will be restored in full, with no account taken of service during re-employment (except for the purpose of abatement of pension under Rule 4.43) if this gives a better result.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 4: Age Retirement Requirements**

**Revision of benefits when a member dies during re-employment**

**4.55**

- a) If before 1 February 1988 a re-employed member dies during the period of re-employment, the death benefit payable under Rule 5.06 will be calculated in the manner specified in that Rule, except that:
- i) if Rule 4.50 applies to the re-employment, or if the member opted to aggregate the two periods of service under Rule 4.52(i), 4.53(i), or 4.54(i), the death benefit will be reduced by the amount of any lump sum already paid to the member (disregarding any deductions made under Section 6, or otherwise in accordance with the Rules, from the earlier lump sum);
  - ii) if the member had earlier been awarded an ill-health pension or had been prematurely retired and opted under Rule 4.52(ii) or 4.54(ii) for the two periods of service to be treated separately, "pensionable final earnings" in Rule 5.06(iv)(a) will be reduced by the amount (excluding the element of enhancement under Rule 5.01 or 8.04 of Appendix 8 (in the case of a former non-industrial scheme member), of the lump sum already paid, and the resulting death benefit will be reduced by the element of enhancement in that lump sum; for which purpose any deductions under Section 6, or otherwise in accordance with the Rules, from the lump sum already paid will not be so deducted;
  - iii) if the member had earlier been awarded a preserved pension, and opted under Rule 4.53(ii) for the two periods of service to be treated separately, "pensionable final earnings" in Rule 5.06(iv)(a) will be reduced by the amount of the preserved lump sum or (if that has not yet been paid) by the amount of the preserved death benefit payable for the earlier service under Rule 5.12; for which purpose any deductions made from the lump sum already paid or due to be made from the death benefit for earlier service shall not be so deducted.
- b) Where death occurs on or after 1 February 1988, then:
- i) where a re-employed member dies during the period of re-employment, the death benefit payable under Rule 5.06, will be reduced by the amount of any lump sum already paid. Additionally, where the member has opted, or had been deemed to opt, for Rule 4.53(ii) or 4.54(ii) to apply, the death benefit due under this Rule will be reduced by the amount of any death benefit payable under Rule 5.12.
  - ii) if the member would have qualified for a revised award under Rule 4.50 had the member instead retired on the date of death, the death benefit payable will be the greater of the following amounts:
    - a) a sum equal to the additional lump sum which would have been payable under Rule 4.50 (including any increase under Rule 4.40) had the member been treated as having retired on the date of death; or
    - b) two years' pensionable final earnings reduced by the amount of any lump sum already paid.

**Re-employment of a member who has been paid a return of basic contributions or an ill-health payment or a marriage gratuity**

**4.56**

- 1) Nothing in this Rule shall invalidate a grant of qualifying and reckonable service which was made under Former Rule 11.
- 2) A person who has been awarded a return of basic contributions under Rule 4.04, 5.13, 5.14 or 5.17, or an ill-health payment under Rule 5.03 or, in the case of a former non-

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

industrial scheme member, a marriage gratuity under Former Rule 27(3)(h) as amended by Rule 4.30, and who leaves employment before 6 April 1975 may not refund the payment if the member is re-employed. On re-employment they will be treated (subject to Rule 5.13) as a new entrant to this Scheme, except that if the member is re-employed before any payment for the earlier service has been made, they may opt to forego those payments and have the previous service restored as if there had been no break in employment (that is, for the purposes of the re-employment, the member's previous qualifying service will count as qualifying service and the previous reckonable service as reckonable service) or, in the case of a former non-industrial scheme member, alternatively, to forego a return of basic contributions while retaining a marriage gratuity with restoration of service from 1 June 1972 as if there had been no break in employment.

- 3) A person who has been awarded any payment specified in paragraph (2) and who leaves employment on or after 6 April 1975 and before 6 April 1978 will be treated in accordance with that paragraph, except that if the member is re-employed before reaching pension age and after a break not exceeding thirty-one days, then:
  - a) if the payment has already been made, it may not be refunded but the previous qualifying service shall count as qualifying service (only) for the purposes of the re-employment, save that, in the case of a former non-industrial scheme member, if a marriage gratuity is retained, service before 1 June 1972 shall neither count as qualifying service nor reckon as reckonable service;
  - b) if the payment has not already been made, its award will be cancelled and the previous service restored, save that an award of a marriage gratuity may, in the case of a former non-industrial scheme member, be retained without restoration of service before 1 June 1972 and that an award of a basic return of contributions under Rule 5.17 may be retained if the member is treated as a new entrant to this Scheme.
- 4) A person who has been awarded any payment specified in paragraph (2) and who leaves employment on or after 6 April 1978 will be treated in accordance with that paragraph, except that if the person is re-employed before pension age and after a break not exceeding six months or if, being a woman who has the right to return to work under the Employment Protection Act 1975 following pregnancy or confinement, she does in fact return to work within the period prescribed under section 48(1) of that Act, then:
  - a) if the payment has already been made it must be refunded and the previous service will be restored, save that a marriage gratuity, in the case of a former non-industrial scheme member, may be retained without restoration of service before 1 June 1972;
  - b) if the payment has not already been made, its award will be cancelled and the previous service restored, save that an award of a marriage gratuity may be retained without restoration of service before 1 June 1972.

Unless the member opts to make any refund due under sub-paragraph (a) of this paragraph in one lump sum to be paid within three months of re-employment, it will be recovered from the member's pay in equal instalments over a period commencing on re-employment and not exceeding five months.

**Revised benefits to be instead of other benefits**

**4.57**

Any pension award made in accordance with Rule 4.50, 4.52, 4.53, or 4.54 shall be instead of any corresponding award which might otherwise have become due under the Rules in relation to the re-employment.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

**Contributions during re-employment**

**4.58**

Sections 2 and 6 apply to a re-employed member in the same way as to other members, with the following modifications:

- i) If Rule 4.50 applies to the member, periodical contributions will not be required for more than the first 5 years of reckonable service during the re-employment to which the Rule applies (except periodical contributions under Rule 2.02 in respect of service on or after 6 April 1978); and periodical contributions under Rules 2.02, 2.06, 6.52 and 6.53 will be calculated on the pensionable final earnings at the earlier retirement or cessation of employment, if that is greater than the current full-time pensionable earnings. This basis of calculation will also be applied to periodical contributions under Rule 2.01 if Rule 4.05(i) applies. Where there is part-time service during re-employment, the contributions to which this paragraph applies will be based on the greater of the said pensionable final earnings or current full-time pensionable earnings and calculated on a pro-rata basis according to the number of hours worked. The limit of 15% (or such additional amount as the Authority may determine) in Rule 2.09 will, however, always be based upon the current pensionable earnings. (If the member begins re-employment more than once in the circumstances specified in Rule 4.50, the reference in this paragraph to the earlier retirement or cessation of employment will be taken as a reference to the first retirement or cessation of employment.)
- ii) If Rule 4.50, 4.51, 4.52(i), or 4.54(i) is applied to the member, then for the purposes of Section 6 (family benefits):
  - a) the pensionable final earnings will be calculated on the same basis as for the member's own pension award;
  - b) any calculation of reckonable service prior to the 6 April 1978 for the purposes of Rules 6.04 and 6.07 will be on the same basis as that for the member's own pension award, or, if the member dies in service, on the same basis on which the member's own pension would have been calculated if the member had retired on medical grounds at the date of death;
  - c) the calculation of balances of contributions or refunds of contributions will be adjusted to take account of any such contributions or refunds paid at the earlier retirement or cessation of employment.
- iii) If the member opted for two separate awards under Rule 4.52(ii), 4.53(ii) or 4.54(ii), the two periods of service will similarly be treated separately for the purposes of Section 6; except that sub-paragraph (ii) of this Rule will apply if on final retirement or cessation of employment the earlier pension is restored in full under Rule 4.52, with no account taken of service during re-employment.
- iv) If Rule 4.51(c) is applied to the member or if the earlier pension is restored in full under Rule 4.52, with no account taken of service during re-employment the member shall be entitled to a return of basic contributions in respect of contributions paid during the re-employment.

**Partial Retirement**

**4.59**

Subject to the approval of the member's employer, a member over the normal minimum pension age under s279 of the Finance Act 2004 is permitted to make a single election to reduce the pensionable pay by at least 20% and receive up to the full value of the pension and

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 4: Age Retirement Requirements**

lump sum, whilst continuing to work in pensionable employment. The arrangement (involving a reduction in pensionable pay) leading to the employer agreement to permit partial retirement must remain in force until the member leaves scheme employment.

**4.60**

A member who has with the agreement of the member's employer reduced the pensionable pay by at least 20% under a Partial Retirement arrangement must apply for payment of pension benefits within three months of the reduction in the pensionable pay under the partial retirement arrangement.

**4.61**

Where a the date of partial retirement is before the normal pension age, the amount of any pension and commencement pension lump sum payable under this Section shall be reduced by such factors as the Authority shall decide, having considered the Actuary's advice on whether such factors are reasonable to take account of the earlier date before normal pension date on which the benefit becomes payable. Rule 4.40 shall apply to the benefit payable under this rule. In calculating benefits payable under Rules 6.01 or 6.21 (Spouses benefits and children's pensions) the application of this Rule and Rule 5.20 shall be disregarded.

The member's reckonable service accrued to the date of the partial retirement arrangement shall be reduced by the proportion the pension benefits received under the partial retirement bears as a percentage to the total pension benefits accrued at the date the partial retirement comes into effect. Any subsequent reckonable service accrued after the date the partial retirement comes into effect will, subject to the limits described in Rule 3.07, be added to the portion of reduced reckonable service in respect of which benefits have not been taken and pension benefits at final retirement will be calculated using the reckonable service since the date the partial retirement took effect in accordance with rule 4.03 and pensionable final earnings at the date of leaving.

**4.62**

Rules 4.43 – 4.49 (abatment of pension benefits) will apply.

**4.63**

The value of the pension benefits received under a partial retirement arrangements must be at least as much in value as the guaranteed minimum pension payable in respect of the member's scheme benefit and sufficient to cover any outstanding family benefit contributions in respect of the member's reckonable service to the date of the partial retirement arrangement.

**4.64**

In the event that the member dies or is ill health retired during the period following partial retirement the service in respect of the period following partial retirement shall not be enhanced.

**4.65**

If the member has not received in total 5 years' worth of pension calculated at the date of the partial retirement, a supplementary payment will be calculated using the value of the pension calculated at the point of partial retirement reduced by any lump sum payment already received.

**4.66**

A spouse pension paid in respect of a member who has received partial retirement benefits shall not otherwise be affected by the member's partial retirement.

**4.67**

Rule 4.40 shall apply to a pension received under Rule 4.59.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 4: Age Retirement Requirements**

## **Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

### **Ill-health retirement benefits**

#### **Enhancement after 5 or more years' service**

##### **5.01**

Except for fixed term appointments where Rule 5.04(A) applies, subject to Rule 5.05, a member with 5 or more years' qualifying service who is retired on medical grounds before 6 April 1988 or with 2 or more years qualifying service on or after that date, will be paid an ill-health pension and lump sum; provided that, if the retirement takes place after 5 April 1978 and at or after pension age, this Rule shall be construed as if the reference to 5 or more years or, on or after 5 April 1988, 2 or more years' qualifying service were omitted. The pension and lump sum prior to 6 April 2006 will be calculated in the same way (and be liable to similar deductions) as a pension and lump sum payable under Rule 4.03; except that, for the purpose of the calculation under this Rule and within the limits set out in Rule 5.02, a member with 5 or more years' qualifying service will have their reckonable service enhanced as follows:

- i) if it is less than 10 years, to double its length or
- ii) if it is 10 years or more, in whichever of the following ways gives better result:
  - a) to 20 years: or
  - b) by 6 2/3 years.

Except that where a member has withdrawn from the Scheme no enhancement will be made to the reckonable service.

Where a refund of contributions for family benefits is due in accordance with Rule 5.18, this will be paid in addition to the lump sum.

#### **Commutation on serious ill health**

- a) Where a member who is retired on medical grounds with benefits under Rule 5.01, 5.04(A) or 5.04(B), or an individual whose preserved benefits are brought into immediate payment under the provisions of Rule 5.10, has a medically assessed life expectancy of less than 12 months, the member may elect, before the aforementioned benefits are due to come into payment, to commute the ill health pension into a lump sum payment. The lump sum payment shall be an amount equal to five times the annual rate of the ill health pension, less an amount equal to the ill health lump sum and, where appropriate, less the annual amount of any guaranteed minimum pension payable under section 14(1) of the Pension Schemes Act 1993. The ill health lump sum, the lump sum resulting from the commutation and, where appropriate, a pension equal to any guaranteed minimum pension will be put into payment immediately. An election made under this Rule shall not affect the value of any benefits payable under Parts 1 or 4 of Section 6. For the purposes of determining benefits under Rules 6.03, 6.25, 6.26, 6.35(3), 6.41(C), 6.45 and Appendix 7 Rule 7.18(1), the pre-commutation value of the ill health pension shall be used.

#### **Maximum enhancement under Rule 5.01**

##### **5.02**

Reckonable service enhanced under Rule 5.01 by method (i) or (ii) (a) may not exceed what the member's reckonable service would have been had the member stayed in service in a full-time capacity until age 65. Reckonable service enhanced by method (ii)(b) may not exceed what the member's reckonable service would have been had they stayed in service in a full-time capacity until age 60; or until age 65 if the member retired on medical grounds on or after

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

1 February 1985 and the member had retained a pension age of 65; (or until 65 in the case of a female member who retired on medical grounds on or after 15 December 1986 and had exercised an option to change her pension age to 65); or until age 65 in the case of a mobile member who was aged 50 or over on 1 April 1973, and whose employment under the member's current contract of employment began before that date and who retains a retirement age of 65. For the purpose of calculating the limits on enhancements of reckonable service under this Rule, added years shall be brought into account as reckonable service in accordance with Rule 3.26. For the purpose of applying these limits only, where retirement on medical grounds takes place before 1 August 1984, any period of non-reckonable service on sick leave which includes the last day of service will be treated as if it were reckonable. Where retirement on medical grounds takes place on or after 1 August 1984, and is immediately preceded by any non-reckonable service on sick leave, this service will be treated as if it had ended on the last day of reckonable service.

**After less than 2 years' service**

**5.03**

Subject to Rule 5.05, a member with less than 2 years' qualifying service who is retired on medical grounds on or after 6 April 1988 without being entitled to a pension under Rule 5.01 will be paid a return of basic contributions in accordance with Rule 5.15. A member with less than 5 years' qualifying service who is retired on medical grounds before 6 April 1988 without being entitled to a pension under Rule 5.01 will be paid an ill-health payment calculated as follows:

- i) a return of basic contributions in accordance with Rule 5.15; together with
- ii) (if the member has at least 2 years' qualifying service) a sum equal to the aggregate of one month's pensionable final earnings multiplied by the length of the member's reckonable service, and one month's pensionable final earnings multiplied by the length of the member's reckonable service given after the member's 35th birthday.

Where a refund of contributions for family benefits is due in accordance with Rule 5.18, this will be paid in addition to the return of basic contributions.

**Ill health pension for fixed term appointees**

**5.04(A)**

A member who is retired on medical grounds on or after 1 July 1997 will be awarded ill-health pension and lump sum calculated under Rule 4.03 with the reckonable service under the fixed term enhanced as if the member had continued in service to the end of the appointment or by 5 years whichever is the lesser period.

**Ill health pension for Active Deferred members**

**5.04(B)**

An active deferred member who is retired on medical grounds will be awarded ill-health pension and lump sum calculated under Rule 4.03.'

**Ill-health pension withheld in certain cases**

**5.05**

In all cases of retirement on medical grounds, the Authority may at their discretion treat the retirement as a resignation, if the member made a false declaration, or deliberately suppressed a material fact, about the member's health when applying for employment.

**Death benefits**

(see also Section 6, Rule 5.12 and Rules 7.12 to 7.18 of Appendix 7)

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

**Lump sum payable on death in service**

**5.06**

- i) Where a member dies in service, the Authority (in addition to paying any family benefits due under Section 6 and without prejudice to the payment of any benefit payable under Appendix 7) may pay to the person or persons nominated by the member to receive it, or (in the absence of a valid nomination) to the member's legal personal representatives, a death benefit lump sum. Nomination of more than one person is permitted only in respect of specified shares in the death benefit.
- ii) A nomination in respect of a death benefit shall not be valid at the time of the nominator's death;
  - a) if the person nominated was the nominator's spouse or civil partner but the marriage or civil partnership has been dissolved or annulled; or
  - b) if the Authority is of the opinion that payment of the death benefit to the person nominated is not reasonably practicable in all the circumstances, or is prevented by the operation of the common law rule of forfeiture; or
  - c) if the person nominated has died;
  - d) if the nomination is one of joint nominees;
  - e) if the nomination was not by notice in writing in such form as the Authority may from time to time require.

When a member has made nominations in favour of more than one person the invalidity of one or more nominations by reason of the circumstances in (a) (b) or (c) above shall not affect the validity of nominations to which those circumstances do not apply and for the avoidance of doubt the share of the person or persons nominated by valid nominations shall remain unchanged. When a nomination in respect of a specified share in the death benefit is invalid under this Rule, that share will be payable to the member's personal representatives.

- iii) A lump sum payable under this Rule, or under Rule 5.07 or 5.12, will be paid at the discretion of the Authority, and nothing in the Scheme will extend or be construed to extend to give any person an absolute right to it. A nomination may be revoked by subsequent notice in writing to the Authority.
- iv) Subject to (vi) where a member dies before 1 February 1988 the death benefit will be the greatest of:
  - a) the member's pensionable final earnings (as defined in Rule 4.05), less any sum or sums due from the member under Rules 6.10, 6.12 (in the case of a former non-industrial scheme member) and 6.57 or otherwise in accordance with the Rules; or
  - b) the lump sum that would have been paid if the member had been retired on medical grounds at the date of the member's death; or
  - c) a sum equal to a return of basic contributions made in accordance with Rules 5.15 and 5.16.
- v) Subject to (vi) where a member dies on or after 1 February 1988 the death benefit will be the greater of either:
  - a) two years' pensionable final earnings (as defined in Rule 4.05); or
  - b) the lump sum that would have been paid under Rule 5.01 if the member had been retired on medical grounds on the date of the member's death;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

less any sum or sums due from the member under Rules 6.10, 6.12, (in the case of a former non-industrial scheme member) 6.44(A), 6.57 or otherwise in accordance with the Rules.

Where a refund of contributions for family benefits is due in accordance with Rule 5.18, this will be paid in addition to the lump sum.

- vi) Where there is part-time service in the last 3 years of reckonable service, pensionable final earnings will be calculated (notwithstanding Rule 4.07(ii)) by reference to the actual pensionable earnings in whichever of the last three years of reckonable service gives the highest figure, rather than by reference to the full-time pensionable earnings. For the purposes of this Rule, the last three years of reckonable service includes any part-time service which does not qualify (or reckon) under Rule 3.02.

In any case whereby an order made under:

- i) section 23 of the Matrimonial Causes Act 1973 by virtue of section 25C of that Act; or
- ii) section 8(2) of the Family Law (Scotland) Act 1985 by virtue of section 12A(3) of that Act; or
- iii) article 25 of the Matrimonial Causes (Northern Ireland) Order 1978 by virtue of article 27C of that order,

a court has required the Authority to pay part of any lump sum payable in respect of a member's death to the member's former spouse or civil partner, any balance of death benefit payable under Rule 5.06 or Rule 5.07 may be paid to the person nominated by the member for a death benefit under Rule 5.06 in the same shares as specified in the nomination where there is more than one nominee, or (in the absence of a valid nomination) to the member's legal personal representatives.

- vii) An active deferred member who dies in service whilst a member of the Combined Nuclear Pension Plan will receive a death lump sum calculated in the same way as a lump sum under Rule 4.03.

**Supplementary lump sum**

**5.07**

- 1) Where a member retires with a pension under Rule 4.03 or 5.01 in respect of service ending before 1 February 1988 and subsequently dies after the pension has come into payment, the Authority (without prejudice to the payment of any benefit payable under Section 6 or Appendix 7) may pay to the person or persons nominated by the member under Rule 5.06 or (in the absence of a valid nomination) to the member's legal personal representatives a lump sum equal to the amount (if any) by which the aggregate of the lump sum payment under Rule 4.03 or 5.01 and any sums paid by way of pension (including any benefits under Rule 4.40) already paid or due to the member fall short of the lump sum that would have been payable under Rule 5.06 if the member had died on the member's last day of service. For the purpose of this Rule, any deductions which have been made under Section 6, or otherwise in accordance with the Rules, from the lump sum already paid or due will not be so deducted.
- 2) Where a member retires on or after 1 February 1988 and dies after a pension under Rule 4.03, 5.01, 8.06 or 8.16 or a continuing annual payment under Rule 8.06 or 8.16 under Appendix 8 has come into payment, the following sums will be calculated:
  - i) Five times the annual rate of pension or continuing annual payment in payment to the member at the date of death (including any increase under Rule 4.40) but excluding any additional pension resulting from an election under Rule 4.03(1)(a)

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

- ii) The total of lump sums and pension or continuing annual payment already paid to the member.

If the sum in (ii) is less than the sum in (i), a supplementary death benefit equal to the difference between these two amounts may be paid to the person or persons nominated for a death benefit under Rule 5.06, in the same shares as specified in the nomination where there is more than one nominee, or (in the absence of a valid nomination) the legal personal representatives.

- 3) Where a member who had been awarded a preserved pension and preserved lump sum under Rule 5.09 in respect of service ending after 5 April 1975 and before 1 January 2000 dies after they have come into payment, a supplementary lump sum may be paid under paragraph (1); except that for the purpose of this paragraph the death benefit that would have been payable under Rule 5.06 if the member had died on the last day of service (shall be reduced in the proportion which the actual reckonable service bears to what would have been the reckonable service if the member had stayed in service in a full-time capacity until retiring age).
- 4) Where a member who had been awarded a preserved pension and preserved lump sum under Rule 5.09 in respect of service ending on or after 1 January 2000 dies after they have come into payment the following sums will be calculated:
  - i) Five times the annual rate of pension or continuing annual payment in payment to the member at the date of death (including any increase under Rule 4.40) but excluding any additional pension resulting from an election under Rule 4.03(1)(a).
  - ii) The total of lump sums and pension or continuing annual payment already paid to the member.

If the sum in (ii) is less than the sum in (i), a supplementary death benefit equal to the difference between these two amounts may be paid to the person or persons nominated by the member for a death benefit under Rule 5.06, in the same shares as specified in the nomination where there is more than one nominee, or (in the absence of a valid nomination) the member's legal personal representatives.

- 5) In any case whereby an order made under:
  - i) section 23 of the Matrimonial Causes Act 1973 by virtue of section 25C of that Act; or
  - ii) section 8(2) of the Family Law (Scotland) Act 1985 by virtue of section 12A(3) of that Act; or
  - iii) article 25 of the Matrimonial Causes (Northern Ireland) Order 1978 by virtue of article 27C of that order,

a court has required the Authority to pay part of any lump sum payable in respect of a member's death to the member's former spouse or civil partner, any balance of death benefit payable under Rule 5.06 or Rule 5.07 may be paid to the person nominated by the member for a death benefit under Rule 5.06 in the same shares as specified in the nomination where there is more than one nominee, or (in the absence of a valid nomination) to the legal personal representatives.

**Termination of pensionable service on resignation or withdrawal from the Scheme**

**5.08**

- 1) Subject to (3) below, a member who resigns from employment or who withdraws from the Scheme may benefit in accordance with Rules 5.09 to 5.13: the member may be awarded a preserved pension and preserved lump sum or a refund of contributions. For the purpose

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

of this Rule, termination of a fixed term contract before age 60 shall be treated as resignation.

- 2) Alternatively, a member
  - i) who resigns on or before 31 December 1985 may be eligible for the payment of a transfer value to the member's new employer, subject to the provisions set out in Appendix 4;
  - ii) who resigns from employment on or after 1 January 1986 or who withdraws from the Scheme may be eligible for the payment of a transfer value in respect of the member's accrued pension benefits under and in accordance with the provisions of Section 9; except that where a member withdraws from the Scheme without resigning from employment only those benefits accrued on or after 6 April 1988 may be transferred in this way.
- 3) A member who withdraws from the Scheme before 5 July 1991 under Rule 1.08 without resigning from employment may benefit in accordance with Rules 5.09 to 5.12 but will not be entitled to a refund of contributions.

**Resignation after 2 or more years' service**

**5.09**

A member who resigns or withdraws from the Scheme and who:

- i) has two or more years' qualifying service; or
- ii) is a female member who resigns on or after 6 April 1978 and who leaves the Scheme after the end of the tax year preceding that in which she attains the age of 60 (notwithstanding that she has not completed 2 years qualifying service); or
- iii) was formerly entitled to rights under a personal pension scheme in respect of which a transfer payment has been made to this scheme and who does not opt to transfer the whole or, under Rule 9.02(2), part of the member's accrued benefits out of this Scheme, will be awarded a preserved pension and lump sum in respect of such part of the member's accrued pension benefits as is not transferred.

A preserved pension and preserved lump sum awarded under this Rule will be brought into payment (with benefit of Rule 4.40) when the member reaches pension age, and will be calculated in the same way (and be liable to similar deductions) as a pension and lump sum payable under Rule 4.03. Where a refund of contributions for family benefits is due to the member in accordance with Rule 5.18, this will be paid in addition to other benefits under this Rule.

An active deferred member who resigns or withdraws from the Combined Nuclear Pension Plan will be awarded a pension and lump sum calculated in the same way as a pension and lump sum under Rule 4.03. These will be brought into payment (with the benefit of Rule 4.40) when the member reaches normal pension age.

If a member who suspends their entitlement to defer their right to accrue benefits in the CNPP by reason of a change in employment or otherwise, for a fixed period of time, is subsequently reinstated to membership of the CNPP, they shall be entitled from the date of their reinstatement to the CNPP to resume their status as an active deferred member of the CPS.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

**Early payment of preserved benefits in case of ill-health**

**5.10**

If a member who has been awarded a preserved pension and a preserved lump sum falls ill before reaching pension age, then in either of the following cases the pension and lump sum may be brought into payment immediately (with the benefit of Rule 4.40):

- a) if, having withdrawn from the scheme, an employee is retired on medical grounds because of that illness; or
- b) if, following the member's resignation, the Authority are satisfied that the member's illness would have led to their retirement on medical grounds had they still been in the service of an employer.

Before the pension and lump sum becomes payable, a member with a medically assessed life expectancy of less than 12 months, may make an election under Rule 5.01(a).

**Early payment of preserved benefits in certain personal circumstances**

**5.11**

The Authority may, at their discretion, bring a preserved pension and preserved lump sum into payment (separately or together) if:

- a) the member is aged 55 or over and
- b) there are personal circumstances which compel a member or an employee who has withdrawn from the Scheme to give up employment or, in the case of a person who has resigned, prevent the member from seeking employment.

Where the preserved pension and lump sum are brought into payment together, the individual may, before those benefits come into payment, make an election under Rule 4.03(1).

**Lump sum payable on death before preserved benefits come into payment**

**5.12**

If a member who has been awarded a preserved pension and preserved lump sum dies before they come into payment, a death benefit equal to the preserved lump sum which would have been payable under Rule 5.09 (with benefit of Rule 4.40) may be paid to the person nominated by the member or persons under Rule 5.06 in the same shares as specified in the nomination where there is more than one nominee or (in the absence of a valid nomination) to the member's legal personal representatives. If the member dies after the preserved benefits have come into payment, a supplementary lump sum may be payable under Rule 5.07(3) or Rule 5.07(4). This Rule also applies to members who have been awarded a preserved lump sum under Rule 8.04(c) of Appendix 8.

**Resignation after less than 2 years' service**

**5.13**

A member with less than 2 years' qualifying service who resigns or on or after 5 July 1991 withdraws from the Scheme, and who does not opt for the payment of a transfer value, will be paid a return of basic contributions in accordance with Rule 5.15 and, where appropriate, a refund of contributions for family benefits in accordance with Rule 5.18. A return of basic contributions under this Rule or under Rule 5.14 will not normally be paid if the member previously resigned before 6 April 1978 with a payment under this Rule, and if less than 6 months elapsed between the date of that resignation and the date on which the current period

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

of reckonable service began; provided that the Authority may at their discretion waive this limitation if there are compassionate grounds for doing so and if the second resignation was brought about by circumstances outside the member's control. Except that; an active deferred member with less than 2 years' service will not be eligible for a refund of contributions unless they have less than 2 years qualifying service when CPS and Combined Nuclear Pension Plan service is added together.

**Return of basic contributions**

**5.14**

Subject to the limitations specified in Rule 5.13, a member with less than 2 years' qualifying service who ceases to be in employment without being entitled to receive any of the other benefits provided by the Scheme shall be entitled to a return of basic contributions (in addition to any appropriate refund of contributions for family benefits in accordance with Rule 5.18).

**Payment**

**5.15**

1. Payment of a return of basic contributions shall be subject to paragraph (2) of this Rule and to Rule 5.16. The expression "return of basic contributions" does not include a refund of contributions paid for family benefits or under Rule 2.08 (early qualification for benefits); and

a) means a sum equal to:

- i) the contributions which the member concerned has paid under Rule 2.01 together with (in respect of service before 1 October 1973 or in the case of a former non-industrial scheme member in respect of service before 1 June 1972) such sum (if any) calculated in accordance with the Rule 19(a)(i) of the Former Rules or, in the case of a former non-industrial scheme member, in accordance with Rule 12(3)(a)(i) of the Former Rules of the Principal Non-Industrial Superannuation Scheme as would have been returnable to the member by way of a return of contributions under those Former Rules; and
- ii) such share of any sum paid in respect of back service credit as may, in the opinion of the Actuary, represent the personal contributions of the member, but not including the share thereof representing the contribution of the member's former employer or the share thereof applied in payment for family benefits under Rule 9.19; and
- iii) any payments made by the member under the Scheme for added years other than any element in such payments for family benefits;

with compound interest accruing on each of the said items at a rate of 3 % per annum up to 5 April 1978, and 4 % to 4 July 1991, and the yearly average of the Building Society rate as amended annually by the Cabinet Office (OPS) with yearly rests, from 5 July 1991, up to and including 31 March 1994 and thereafter at the yearly average rate for share accounts as announced annually by the Minister, with yearly rests, from 1 April 1995;

- b) includes, in a case where the Authority hold or have held in respect of a member a policy of assurance or a deferred annuity policy under the provisions or Former Rule 10 or, in the case of a former non-industrial scheme member, Former Rule 3(1)(c) of the of the Principal Non-Industrial Superannuation Scheme or otherwise, the assignment to the member of the whole or such part of the policy or the payment of

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

a sum equivalent thereto as the Authority may in their discretion determine and on such conditions as they may impose having regard to the advice of the Actuary.

2. No return of basic contributions shall be paid (nor shall any associated payment under Rule 5.03(ii) or 8.09 of Appendix 8 be paid) to any member whose service includes service after 5 April 1978, which is contracted-out service under the Social Security Pensions Act 1975, as amended, unless a Contributions Equivalent Premium is paid on the member's behalf. A member who would have been entitled to be paid a return of basic contributions, if the conditions set out in section 42 of that Act for payment of such a premium had been satisfied, shall be entitled to benefit under Rule 5.01, 5.09 or Appendix 8 (as the case may be) as if any condition therein requiring the member to have completed 2 or more years' qualifying service was satisfied.

**Deduction from return of basic contributions**

**5.16**

In making a return of basic contributions, the Authority may deduct:

- a) 10 % (or, where the return is paid after 31 October 1988 such other percentage as is prescribed by or made under paragraph 2(3) of Part II of Schedule 5 to the Finance Act 1970) in respect of tax from any element in such return representing periodical contributions from pensionable earnings;
- b) any sum due from the member in accordance with Rules 4.09, 6.10, 6.12 and 6.57, or otherwise in accordance with the Rules.

**Alternative option as to return of contributions before 26 March 1978 (or in the case of a former non-industrial scheme member 1 June 1977)**

**5.17**

1. Subject to the provisions of this rule, a member who ceases to be in employment before 26 March 1978 (or, in the case of a former non-industrial scheme member 1 June 1977), in circumstances where the member would have been entitled to a return of contributions under the Former Rules if the Former Rules had not been superseded in accordance with Rule 1.03, may opt to be paid in lieu of any other return or refund of contributions or other benefit under the Scheme (save a benefit under Appendix 7 or a compensation payment under Appendix 8) a sum equal to a return of basic contributions under Rule 5.14 together with a refund of any contributions or sums paid for family benefits by or on behalf of the member, except any share of any sum paid in respect of back service credit representing the contribution of the member's former employer.
2. In paying a sum under paragraph (1) of this Rule, the Authority may deduct 10 % in respect of tax from any element in such sum representing periodical deductions from pensionable earnings (and in the case of a former non-industrial scheme member where the refund is paid after 5 April 1973 save periodical deductions for family benefits originally paid before that date); and may make other deductions in accordance with the Rules, except under Rules 6.10, 6.12 (in the case of a former non-industrial scheme member) and 6.57.
3. In the case of a former non-industrial scheme member, a member with more than 5 years' qualifying service, whose pensionable earnings have at any time exceeded £5,000 per year while the member was a member of this Scheme, shall not be entitled to exercise an option under paragraph (1) of this Rule.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 5: Benefits in the event of Ill-Health Retirement, Death, Resignation**

**Refund of contributions for family benefits**

**5.18**

Except where Rule 5.17 applies, a member who ceases employment may be entitled to a refund of contributions paid for family benefits, in accordance with Rules 3.30, 6.11, 6.44(B)(1), 6.58 and 9.14.

**Early retirement**

**5.19**

Where a member age 50 or over (age 55 from 6 April 2010) is willing to retire before normal retirement age the member may, subject to the approval of the employer (and where the employer is not the Authority, subject to the Authority's approval), retire and receive immediate payment of the benefits accrued to the date of leaving employment. The benefits would consist of a pension and lump sum calculated using pensionable final earnings and reckonable service at the agreed last day of service.

**5.20**

With effect from 1 September 2006 the Authority may bring a preserved pension and preserved commencement pension lump sum into payment before normal retirement age where:

- a) the member is over age 50 (age 55 from 6 April 2010); and
- b) the member has left scheme employment, or an active deferred member has left Combined Nuclear Pension Plan employment; and
- c) the member has applied in writing for the early payment of a preserved pension and preserved commencement pension lump sum in such a form as the Authority from time to time may direct.

The amount of any such pension and commencement pension lump sum payable under this rule shall be reduced by such factors as the Authority shall decide, having considered the Actuary's advice on whether such factors are reasonable to take account of the earlier date before normal retirement date on which the benefit becomes payable. Rule 4.40 shall apply to the benefit payable under this rule. In calculating benefits payable under Rules 6.01 or 6.21 [Spouses benefits and children's pensions] the application of Rule 5.20 shall be disregarded.

## **Section 6: Family Benefits**

### **Part 1: Pensions for widows of members with two or more years' service or dying after pension age**

#### **Eligibility for and amount of widow's pension**

##### **Eligibility for widow's pension**

###### **6.01**

Subject to Rule 6.14, if a member:

- i) dies in service
  - a) after 5 April 1978, on or after reaching pension age or in such other circumstances that a Contributions Equivalent Premium cannot be paid; or
  - b) on or before 5 April 1988 with 5 or more years' qualifying service or
  - c) after 5 April 1988 with 2 or more years' qualifying service
  - d) and was formerly entitled to rights under a personal pension scheme in respect of which a transfer payment has been made to this Scheme, or
- ii) Subject to Rule 6.04(3), dies after leaving employment with a pension under Rule 4.03, an ill-health pension under Rule 5.01 or 5.04, or a preserved pension under Rule 5.09;

and leaves an eligible widow, a widow's pension will be paid in accordance with the provisions of this Part of this Section.

References in this Part to an eligible widow include a surviving civil partner or the widower of a male pensionable member and references to marriage include marriages between persons of the same sex and civil partnerships.

##### **Meaning of "eligible widow"**

###### **6.02**

In the case of a member who was not in employment on or after 6 April 1978, and who would have reached pension age before that date, "eligible widow" means a woman to whom the member was married at the time of the member's death; provided that, if the member dies while no longer in employment, the eligible widow must also have been married to the member at some time while the member was so employed. In the case of a member who was in employment on or after 6 April 1978, or who would have reached the member's pension age on or after that date, "eligible widow" means a woman to whom the member was married at the time of death, whether or not the marriage took place while the member was in employment; provided that, if the marriage took place after the member was last in employment, her eligibility for a pension under Rule 6.04 shall be only in respect of reckonable service on or after 6 April 1978, including any enhancement of service (except, in the case of a former non-industrial scheme member, the enhancement referred to in proviso (c) to Rule 6.04) but excluding any added year the purchase of which was approved before that date or, in the case of a former non-industrial scheme member, which was purchased at any time by an ex-civil servant within the category specified in Rule 6.14.

However where a male member was in employment on or after 6 April 1978, or would have reached pension age on or after that date, is in a civil partnership or is married to a man, then the member's surviving civil partner or widower will only be eligible for a pension under Rule 6.04 in respect of the member's service on or after 6 April 1988.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

**Amount of pension for first 91 days of widowhood**

**6.03**

For the first 91 days after her husband's death a widow's pension payable in accordance with Rule 6.04 will be increased:

- i) if the member dies in service, to the member's rate of pensionable final earnings (calculated where appropriate in accordance with Rule 6.37); or
- ii) if the member dies after leaving employment, to the rate of pension (including any increase under Rule 4.40) to which the member was entitled under this Scheme immediately before the member's death, including in respect of a death occurring on or after 2 September 1986, any payments made under Appendix 7 provided that this does not result in a reduction in the total widow's and children's pension payable under this Part and Part 2.

Provided that:-

- a) if the member dies in service on or after 1 April 1980 and leaves one eligible child or more in the member's widow's care, the period of 91 days aforesaid will be extended to 182 days;
- b) if the member dies in service before 1 April 1980 with less than 5 years qualifying service, in circumstances such that Rule 6.01(i)(a) applies, and leaves one eligible child in the member's widow's care, the period of 91 days aforesaid will be extended to 137 days; and, if she has care of more than one eligible child, the extension will be to 182 days;
- c) if the member dies on or after 1 April 1980 after leaving employment so that Rule 6.01(ii) applies, and there is one eligible child or more in the widow's care, the period of 91 days aforesaid will be extended to 182 days;
- d) if the member dies in service or after leaving employment on or after 1 January 1986, in circumstances which satisfy the qualifying conditions of Rule 7.12 of Appendix 7, the widow's pension will be paid for 182 days.
- e) notwithstanding paragraphs (a), (b), (c) and (d); of this Rule, where death occurred before 1 January 1986, no payment will be made under this Rule after 91 days after the member's death if an annual allowance under Rule 7.12 of Appendix 7 or equivalent thereto is in payment.
- f) The member is not an active deferred member. In which case, no increased widow's pension will be payable under this rule.

If the member had made an allocation under Rule 4.15, or had commuted the ill health pension under Rule 5.01(a), then for the purposes of this Rule, the amount of pension the member was receiving will be deemed to be the amount the member would have received but for the allocation or the commutation. References in this Rule to a member's pension will be taken to include a continuing annual payment or pension under Rule 8.06(b) of Appendix 8 in the case of a former non-industrial scheme member or Rule 8.16 of Appendix 8.

**Amount of pension thereafter**

**6.04**

- 1) Subject to Rules 6.01, 6.02, and 6.03 and to Rules 4.52 to 4.56, the annual amount of a widow's pension payable under Rule 6.01 shall be one-eightieth of her husband's pensionable final earnings (as defined in Rule 4.05) multiplied by one-half of the total number of years (and any fraction of a year) of the member's reckonable service (as defined in Rule 3.06) and of any enhancement of that service under Rule 5.01 or 5.04 or 8.04 of Appendix 8, in the case of a former non-industrial scheme member, being years

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

for which contributions for widow's pension have been or are paid as specified in Rule 6.07. Except that the annual amount of the widow's pension payable in respect of the member's reckonable service after 1 April 1997 for CPS beneficiaries shall be 1/140th of her husband's pensionable final earnings (as defined in Rule 4.05). For the purpose of this Rule, if her husband dies in service, the member's reckonable service will be enhanced under Rule 5.01 or 5.04 or 8.04 of Appendix 8, in the case of a former non-industrial scheme member, as if the member had retired on medical grounds on the day of the member's death. Subject to (2) and (3) below, where Rule 6.01(ii) applies, the widow's pension may be increased under Rule 4.40 as if it had been awarded at the time her husband left employment or withdrew from the Scheme. Provided that in the case of a former industrial scheme member, if her husband had any reckonable service before 1 October 1973 to which Rule 6.06 refers and had not opted to uprate the entitlement to widow's pension from the one third rate to the one half rate, the part of the widow's pension corresponding to that reckonable service and to any enhancement of reckonable service (except any enhancement included by virtue of the last proviso to Rule 6.02) shall be calculated as if "one third" was substituted for "one half" in the first sentence of the this rule; save that, if proviso (a) to Rule 6.08 is applied to increase the widow's pension, the pension shall be calculated as if her husband had begun service on 1 October 1973. In the case of a member who has withdrawn from the Scheme under Rule 1.08 no enhancement of reckonable service shall be given for the purposes of this Rule. Provided that, in the case of a former non-industrial scheme member:

- a) if Rule 6.01(ii) applies and her husband had left employment on premature retirement under Appendix 8 and the member's reckonable service had been enhanced under Rule 8.04 of Appendix 8 on the basis of the first proviso to that Rule, pensionable final earnings will be calculated for the purpose of this Rule on the basis specified in the last sentence of Rule 6.07;
  - b) if her husband had any reckonable service before 1 October 1973 (in the case of a former non-industrial scheme member 1 June 1972) to which Rule 6.06 refers and had not opted to uprate the entitlement to widow's pension from the one third rate to one half rate (or in the case of a former non-industrial scheme member from four-ninths rate to the one-half rate), the part of the widow's pension corresponding to that reckonable service and to any enhancement of reckonable service (except any enhancement included by virtue of the last proviso to Rule 6.02) shall be calculated as if "one third" (in the case of a former non-industrial scheme member, "four-ninths") was substituted for "one half" in the first sentence of this Rule: save that if proviso (a) to Rule 6.08 is applied to increase the widow's pension, the pension shall be calculated as if her husband had begun service on the 1 October 1973 (or, in the case of a former non-industrial scheme member 1 June 1972):
  - c) if the member was an ex-civil servant to whom this Part of this Section did not apply before 6 April 1978 (by virtue of Rule 6.14) no enhancement of reckonable service shall be given for the purposes of this Part of this Section.
  - d) in the case of a member who has withdrawn from the Scheme under Rule 1.08 no enhancement of reckonable service shall be given for the purposes of this Rule.
- 2) Where a member has paid a premium in accordance with the refund arrangements in Rule 6.11(5)(i)(b), or where a repayment of a refund of contributions as required under Rule 6.11(2) is not made, the pension payable will be the widow's guaranteed minimum pension as defined in Rule 6.19.
  - 3) Where a member has no Guaranteed Minimum Pension under section 35 of the Social Security Act 1975, as amended, and elects under Rule 6.11(6) to receive a refund of contributions the pension will be paid under this Scheme.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- 4) The amount of any widow's pension calculated under (1) above will include any increase resulting from an election made under Rule 4.03(1).

**Duration of widow's pension**

**6.05**

- 1) A widow's pension under Rule 6.01 will be paid from the day after her husband's death until the date of her death, unless she remarries or was (at the time of the member's death) living or begins to live with a man as if she were the member's wife or, if the person died on or after 5 December 2005, the member's widow forms a civil partnership or marries a woman or was living or begins to live with a woman as if they were a married couple. For the purposes of this rule, two people of the same sex are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex. After any such event, the pension will not be payable; provided that, where her husband dies in service or withdraws from the Scheme or leaves employment on or after 6 April 1978:

- a) if, before attaining the age of 60, she remarries or was (at the time of the member's death) living or begins to live with a man as if she were the member's spouse or, if the person died on or after 5 December 2005, the member's widow lives with another as if they were a married couple.

The pension will thereafter only be payable in respect of any period prescribed from time to time in regulations made pursuant to section 36(6) of the Social Security Pensions Act 1975, as amended.

- b) if, on or after attaining the age of 60, she remarries or was (at the time of the member's death) living or begins to live with a man as if she were the member's spouse. The pension will thereafter be restricted to the widow's guaranteed minimum pension (Rule 6.19).
- 2) In any case where the widow's pension ceases or is restricted under this Rule, the Authority may restore it in full if they are satisfied that there are compassionate grounds for doing so, or if the second or any subsequent marriage or civil partnership comes to an end or she ceases to live with a man as if they were a married couple.
- 3) In the case of a member who was a member of any of the Authority's superannuation schemes before 31 May 1978, paragraph (1) of this Rule, and Rules 6.23(1)(i)(d), 6.23(1)(ii)(c) and 6.50, shall be construed as if references therein to living as a married couple were omitted.

**Optional uprating of widow's pension allowed in 1974 (or 1973 in the case of a former non-industrial scheme member)**

**6.06**

A member in service on 1 October 1973 (in the case of a former non-industrial scheme member 1 June 1972) who, within the time allowed under Rule 2.07, has exercised an option granted to the member by the Authority to uprate the entitlement to widow's pension in respect of the member's reckonable service prior to that date from the one third rate (or in the case of a former non-industrial scheme member four-ninths rate) to the one-half rate shall have the member's entitlement uprated accordingly and shall in accordance with the following Rules pay increased contributions in respect of the said reckonable service.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

**Balance of contributions for widow's pension**

**Account of contributions for widow's pension**

**6.07**

When a member dies in service or withdraws from the Scheme or leaves employment, an account of contributions for widow's pension shall be taken in accordance with the next two Rules for the purpose of ensuring that contributions have been or are paid:

- i) in the case of a member who is married when the member withdraws from the Scheme or the member's employment ceases:
  - a) for the member's reckonable service on or after 6 April 1978; for this purpose reckonable service includes service which is disregarded under Rule 4.51, 4.52 or 4.53, and if the member's reckonable service during the period beginning on 6 April 1978 and before 1 June 2015 exceeds 40 years by the pension age or 45 years in total the limits in Rule 3.07 will not apply for the purposes of this Rule: and
  - b) in the case of a former non-industrial scheme member subject to proviso (c) and (d) to Rule 6.04 for any enhancement of the member's reckonable service under the second sentence of Rule 6.04 if the member dies in service under Rules 5.01 or 5.04 if the member is retired on medical grounds or under Rule 8.04 of Appendix 8 if the member is retired prematurely (in the public interest or on other grounds);
  - c) subject to Rule 6.14, for the member's reckonable service prior to 6 April 1978.
- ii) in the case of a member who when the member withdraws from the Scheme or the member's employment ceases, was never married, or who was married but is no longer married, for the aggregate of:
  - a) his reckonable service on or after 6 April 1978 (including any added year approved for purchase on or after that date save, in the case of a former non-industrial scheme member, an added year purchased by an ex-civil servant within the category specified in Rule 6.14); except that, if the member dies in service or withdraws from the Scheme or leaves employment without qualifying for payment of a pension to the member's widow under Rule 6.01 and without applying for a transfer value under Part 1 of Section 9, account shall be taken only of the member's reckonable service (if any) before the member's last marriage (if any) ended; for the purposes of this paragraph reckonable service includes service which is disregarded under Rules 4.51, 4.52 or 4.53, and if the member's reckonable service during the period beginning on 6 April 1978 and before 1 June 2015 exceeds 40 years by pension age or 45 years in total the limits in Rule 3.07 will not apply for the purposes of this Rule;
  - b) his reckonable service prior to 6 April 1978 (including any added year not taken into account under sub-paragraph (a), save in the case of a former non-industrial scheme member an added year purchased by an ex-civil servant within the category specified in Rule 6.14); except that:
    - 1) if the member never had a wife while the member was a member of any of the Authority's superannuation schemes, none of the member's reckonable service before 6 April 1978 shall be taken into account;
    - 2) in the case of a former non-industrial scheme member, if the member's reckonable service prior to 6 April 1978 is excluded under Rule 6.14, that reckonable service shall not be taken into account;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- 3) if the member died in service or left employment before 6 April 1978, being unmarried at the time, or if the member was in service on 5 April 1978, being unmarried on that date, account under sub-paragraph (b) shall be taken only of the member's reckonable service before the member's last marriage (if any) ended, unless that date was before 14 July 1949 in which case none of the member's reckonable service before 6 April 1978 shall be taken into account.
- c) any enhancement of the member's reckonable service under Rules 5.01 or 5.04 if the member is retired on medical grounds or under Rule 8.04 of Appendix 8 if the member is retired prematurely (in the public interest or on other grounds);

Where, in the case of a former non-industrial scheme member, before 7 October 1992 a member's reckonable service is limited under Rule 3.07 to 40 years by pension age or 45 years in total, then for the purposes of this Rule the limit shall be applied only to reckonable service for which an account is required under this Rule, and shall be so applied by limiting reckonable service which relates to service before 6 April 1978. Where in the case of a former non-industrial scheme member the member's reckonable service has been enhanced under Rule 8.04 of Appendix 8 on the basis of the first proviso to that Rule, pensionable final earnings shall be calculated for the purposes of this Rule, the next two Rules and Rule 6.04 as it would be at age 60 (or 65 as the case may be) on the assumptions specified in the said proviso.

**Debits to the account**

**6.08**

Sums shall be debited for each year of the reckonable service (and proportionately for any fraction of a year) for which an account is required under Rule 6.07, as follows:

- i) for a year of reckonable service before 1 June 1972 to which Rule 6.06 refers in a case where the member has not up rated the entitlement to widow's pension (being a year for which subject to proviso (a) below, an account is required under Rule 6.07), one-eightieth of pensionable final earnings;
- ii) for a year of enhancement of reckonable service for which an account is required under Rule 6.07(i), in a case where paragraph (i) of this Rule is applied, one-eightieth of pensionable final earnings (subject to proviso (a) below);
- iii) for a year of reckonable service before 1 October 1973 (or, in the case of a former non-industrial scheme member, 1 June 1972) in respect of which the member has uprated the entitlement to widow's pension under Rule 6.06, one and one half eightieths of pensionable final earnings (or in the case of a former non-industrial scheme member one and one-sixth eightieths of pensionable final earnings) (subject to proviso (b) below);
- iv) for a year of enhancement of reckonable service for which an account is required under Rule 6.07(i), in a case where paragraph (iii) of this Rule is applied, one and one half eightieths of pensionable final earnings (or in the case of a former non-industrial scheme member one and one-sixth eightieths of pensionable final earnings);
- v) for any other year of reckonable service or enhancement of reckonable service (except an added year) for which an account is required under Rule 6.07, one and one-half eightieths of pensionable final earnings;
- vi) for any added year reckoned under Rules 3.16 to 3.29 for which contributions for widow's pension have not been paid under paragraph 5 of Appendix 2 and for which an account is required under Rule 6.07(i), three-eightieths of pensionable final earnings;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- vii) for any added year reckoned under Rule 3.16 to 3.29 for which contributions for widow's pension have not been paid under paragraph 5 of Appendix 2 and which falls within the proportion of such added years for which, in accordance with proviso (c) below, an account is required under Rule 6.07(ii), three-eightieths of pensionable final earnings;
- viii) in the case of a former non-industrial scheme member, for any added year reckoned under Former Rule 4 of the Principal Non-Industrial Superannuation Scheme in the case of a member who was married at any time while still in service after the grant of that added year, three-eightieths of pensionable final earnings.

Provided that:

- a) where paragraphs (i) and (ii) of this Rule would apply, the member will be treated for the purposes of this Rule as if the member had begun service on 1 October 1973 (in the case of a former non-industrial scheme member, 1 June 1972) with any enhancement of reckonable service falling within paragraph (v), if this produces or would produce a larger widow's pension;
- b) if there is any reckonable service to which Rule 6.06 refers in respect of a marriage which ended before 1 October 1973 (in the case of a former non-industrial scheme member, 1 June 1972) and if the member never remarried while still in service, paragraph (i) of this Rule will apply to that service and paragraph (iii) will not apply, whether or not the member exercised the option allowed in Rule 6.06;
- c) the proportion of added years specified in paragraph (vii) of this Rule for which an account is required under Rule 6.07(ii) shall be the proportion which the period (expressed to the nearest day) between the date when the application to buy added years was approved and the end of the member's last marriage bears to the period (expressed to the nearest day) between the date when the application to buy added years was approved and the date of the cessation of employment.

**Credits to the account**

**6.09**

Sums shall be credited to the account under Rule 6.07 as follows:

- i) for each of the member's annual periodical contributions of 1.5% under Rule 2.02 or 2.06, one and one half eightieths of pensionable final earnings;
- ii) in the case of a former non-industrial scheme member, for each of the member's annual periodical contributions of 1.25% under Rule 2.03 or Former Rule 27(3)(g) of the Principal Non-Industrial Superannuation Scheme, one-eighth of pensionable final earnings;
- iii) for each year of back service credit reckoned under Rule 9.18(3) (on payment of a transfer value) on the basis of providing for a half-rate widow's pension, one and one-half eightieths of pensionable final earnings.

"Annual periodical contribution" means payment by the member of periodical contributions under the appropriate Rule in respect of any period of one year, such payment not having been refunded to the member. Proportionate credits will be made to the account for any fraction of a year during which periodical contributions are paid or for any fraction of a year reckoned under Rule 9.18(3) aforesaid.

**Recovery of any debit balance**

**6.10**

- 1) Subject to paragraph (2) of this Rule and to the proviso to Rule 6.11(1), if the debits under Rule 6.08 exceed the credits under Rule 6.09, the balance shall be deducted from

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

whichever of the following becomes payable (notwithstanding any immediate re-employment of the member):

- i) the lump sum under Rule 4.03;
- ii) the ill-health lump sum under Rule 5.01 or 5.04;
- iii) the ill-health payment under Rule 5.03;
- iv) the death benefit under Rule 5.06;
- v) the preserved lump sum under Rule 5.09;
- vi) the preserved death benefit under Rule 5.12;
- vii) a return of basic contributions under Rule 4.04, 5.13 or 5.14.

Any deductions from a lump sum preserved under Rule 5.09 will be calculated and deducted under this Rule when the preserved lump sum is awarded, not when it is paid.

Except that, for an active deferred member, the deduction will be recalculated when the benefit is paid.

- 2) If any contributions required under Rule 6.07 have not been paid as periodical contributions because, by reason of the employer's default, the appropriate sums have not been deducted from the member's pensionable earnings under Rules 2.02 and 2.05, those contributions will be treated for the purposes of this Scheme as if they had been paid, but they will be treated by the employer as an overpayment of earnings.

**Refund in respect of any credit balance**

**6.11**

- 1) If the credits under Rule 6.09 exceed the debits under Rule 6.08, a refund of the payments actually made giving rise to the credits shall be made sufficient at the respective rates specified in Rule 6.09 to bring the account into balance (unless the member has applied for a transfer value before the cessation of the member's employment).
  - i) in the case of a member whose employment ceases before 5 April 2006, when the employment ceases; and
  - ii) in the case of a member whose employment ceases on or after 5 April 2006, when the member's pension commences to be paid.

The most recently paid payments shall be selected for the purpose of this refund, and the refund will be increased by adding compound interest at the rate specified in paragraph (9). For such of the periodical contributions which, in the case of a former non-industrial scheme member, were originally paid after 5 April 1973, a deduction in respect of tax of 10 % will be made from the refund, (or, where the refund is paid after 31 October 1988 such other percentage as is prescribed by or made under paragraph 2(3) of Part II of Schedule 5 to the Finance Act 1970) except that no such deduction shall be made when the refund is payable with a death benefit. Provided that, in the case of an unmarried member to whom Rule 6.07(ii) applies, the account under that Rule shall be in two parts: one with debits under Rule 6.07(ii)(a) and Rule 6.08 and credits (under Rule 6.09) for all contributions directly related to reckonable service on or after 6 April 1978; the other with debits under Rule 6.07(ii)(b) and credits for all other contributions. Rule 6.10 or this paragraph (as the case may be) will be applied respectively to each part of the account, and the phrase in this paragraph "The most recently paid payments" shall be interpreted as referring to the most recently paid payments taken into the respective part of the account.

- 2) A member who is unmarried when the member leaves employment on or after 6 April 1978 and on or before 5 July 1991 with pension under Rule 4.03, an ill-health pension

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

under Rule 5.01 or 5.04 or a continuing annual payment under Rule 8.06(b) of Appendix 8, in the case of a former non-industrial scheme member, 8.16 of Appendix 8 or 8.20(b) of Appendix 8, in the case of a former non-industrial scheme member, may, if the member so opts at that time, have any requirement to account for contributions under Rule 6.07(ii)(a) reassessed as if the member had died in service on the date the member left employment, and have any corresponding refund (which may, as appropriate, include a sum deductible or deducted under Rule 6.10) made to the member under paragraph (1), provided that the member undertakes to repay that refund (including interest but less any deduction for tax) together with compound interest on it at the rate specified in paragraph (9) if the member subsequently marries or remarries.

- 3) The legal personal representatives of a person who was unmarried when the member withdrew from the Scheme or left employment on or after 6 April 1978 and who had paid contributions in accordance with Rule 6.07(ii)(a) may, at death, have the liability for those contributions reassessed as if the member had died in service on the date the member left employment, or withdrew from the Scheme provided that the member was never married since leaving employment or withdrawing from the Scheme. Any appropriate refund (which may, as appropriate, include a sum previously deducted under Rule 6.10) will be made under paragraph (1) and will be paid, on application, to the personal representatives.
- 4) Where a member leaves employment on or after 6 April 1978 and is re-employed in circumstances in which the member's earlier service is reckoned with the member's re-employed service under Rule 4.52, 4.53, 4.54 or 4.56, then:
  - a) if a refund under this Rule has already been made, that refund must be repaid and, unless the member opts to make the repayment in one lump sum to be paid within 3 months of re-employment, it will be recovered from the member's pay in equal instalments over a period commencing on re-employment and not exceeding 5 months;
  - b) if the refund has not already been made, its award will be cancelled.
- 5) Where an unmarried member leaves employment on or after 5 July 1991, contributions due under Rule 6.07(ii)(a) may be reassessed as if the member had died in service on the date that the member ceased employment, provided the member ceases employment
  - at or over age 60; or
  - before age 60 with a preserved pension under Rule 5.09 or an ill-health pension under Rule 5.01 or 5.04, or a continuing annual payment or pension under Appendix 8, and remains unmarried throughout the intervening period until the member reaches age 60.

If the contributions (taking into account deductions under Rule 6.10) paid in respect of service on or after 6 April 1978 exceed the contributions re-assessed as due, the member will receive a refund

- if the member's employment ceases before 5 April 2006, at age 60 (or at the date the member ceases employment if this is later); or
- if the member's employment ceases on or after 5 April 2006, at the time the pension commences under the Rules of the Scheme.

The refund will be made up of the balance - beginning with the last contribution paid - with compound interest, less a premium calculated in accordance with (i), (ii), (iii) or (iv) below and less tax deducted under Clause (1) above.

- i) In the case of a member whose employment ceases before 5 April 2006 the premium will be either:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- a) 30 % of the widow's pension calculated in accordance with Rule 6.04 at the member's sixtieth birthday (or at the date the member ceases employment if this is later); or
- b) if the member chooses, or if the widow's pension calculated under Rule 6.04 is less than the annual value of the widow's guaranteed minimum pension under Rule 6.19, 20 % of the annual value of the widow's guaranteed minimum pension at the member's sixtieth birthday (or at the date the member ceases employment if this is later).

If the member does not notify the choice on the appropriate form within 3 months of the date of issue of the form a premium under (a) above shall be deducted. A choice, once made, will be irrevocable.

For members who have received a part refund of family benefit contributions before 6 April 2006 in respect of service prior to 6 April 1978 the balance of the refund will be paid as an additional pension and lump sum for the member using inverse commutation factors determined by the Authority after consultation with the Actuary.

- ii) For a member whose employment ceases on or after 5 April 2006 the premium will be equivalent to 30% of the widow's pension calculated in accordance with Rule 6.04.
  - iii) In the case of a member who brings in a transfer value in respect of service on or after 6 April 1978, the premium calculated under (i) above will be reduced to the proportion that the period during which the member has paid periodical contributions under the Scheme on or after 6 April 1978 bears to the period of reckonable service over which the widow's pension or the widow's guaranteed minimum pension is calculated.
  - iv) In the case of a member whose marriage ends on or after 6 April 1978, the premium calculated under (i) above will be reduced to the proportion that the period during which the member has paid periodical contributions under the Scheme on or after 6 April 1978, since the member's marriage ended, bears to the period of reckonable service over which the widow's pension or widow's guaranteed minimum pension is calculated.
- 6) A member who has no guaranteed minimum pension under section 35 of the Social Security Pensions Act 1975, as amended, may opt either to receive a refund of all contributions due in respect of service on or after 6 April 1978, or to pay the premium at (5)(i)(a) above.
- 7) Where an unmarried member in post on 5 July 1991 ceases employment on or after 5 July 1991 and on or before 5 July 1993 the member may opt to be treated under Rule 6.11(2) rather than under Rule 6.11(5), if the member ceases to be a member
- a) at or over age 60 if the refund calculated under Rule 6.11(5) is less than the refund calculated under Rule 6.11(2); or
  - b) before age 60 with a pension under Rule 4.03 or with an ill health pension under Rule 5.01 or 5.04 or a continuing annual payment under Appendix 8.
- 8) Notwithstanding anything to the contrary in this Scheme, an unmarried member who ceased employment on or after 6 April 1978 and on or before 4 July 1991 with
- a) a preserved pension under Rule 5.09; or
  - b) a pension or continuing annual payment specified in Rule 6.11(2) and did not receive a refund under that Rule will, if the member is under age 60 on 5 July 1991, become eligible on reaching age 60 or when the preserved pension comes into payment but not before age 60, for a refund in accordance with Rule 6.11(5) or, if the member has no guaranteed minimum pension, in accordance with Rule 6.11(6) provided the

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

member has remained unmarried throughout the intervening period. If the member is over age 60 on 5 July 1991, the member will be eligible from that date, for a refund in accordance with Rule 6.11(5) or, if the member has no guaranteed minimum pension, in accordance with Rule 6.11(6) provided the member has remained unmarried throughout the intervening period, except that in such a case the premium will be calculated on the annual value of the widow's pension or the widow's guaranteed minimum pension, at the date the application for a refund is received.

- 9) For the purpose of this Rule, a reference to compound interest means:
- a) in the case of a person who ceases to be a member before 5 July 1991 compound interest added to the relevant sum at the rate of 3 % a year up to and including 5 April 1978 and 4 % thereafter with yearly rests;
  - b) subject to sub-paragraph (c), in the case of a person who ceases to be a member on or after 4 July 1991 compound interest added to the relevant sum at the rates specified in (a) up to 5 July 1991 and as announced annually by the Treasury with yearly rests from 5 July 1991 up to and including 31 March 1994; and at the yearly average of the Building Society average rate for share accounts as announced annually by the Minister, with yearly rests, from 1 April 1995.
  - c) in the case of a member who opts, under the provisions of Rule 6.11(7), to be treated under Rule 6.11(2), compound interest added to the relevant sum at the rates specified in (a) above;
  - d) in the case of a former member who receives a refund under the provisions of Rule 6.11(8), compound interest added to the relevant sum at
    1. the rates specified in (a) up to 5 July 1991 and
    2. the yearly average of the Building Society basic rate as announced annually by the Treasury with yearly rests, from 5 July 1991 up to and including 31 March 1994.
    3. at the yearly average of the Building Society average rate for share accounts as announced annually by the Minister, with yearly rests, from 1 April 1995.

**Further contributions in certain cases**

**6.12**

In the case of a former non-industrial scheme member, being a member with reckonable service acquired during employment in the period 1 September 1971 to 31 May 1972, or any part thereof, which would reckon or at any time would have reckoned on death towards a widow's pension under Rule 6.01 shall pay (in addition to any sum due under Rule 6.10) a contribution equal to one-quarter of one per cent of the member's salary on the member's last day of service (proportionately reduced if only part of the said period is reckonable); and the said contribution may be deducted from any of the benefits listed in Rule 6.10. Provided that a member shall not be required to pay a contribution under this Rule if the member had informed the Authority before 1 July 1973 (or such later date as the Authority may have allowed) that the member preferred to pay a contribution equal to one-quarter of one per cent of the member's salary as at 1 January 1972 and had paid such a contribution to the Authority before 1 April 1974.

**Effect of debit balance in certain cases**

**6.13**

Where, on the death or cessation of employment of a member or on the member's withdrawal from the Scheme, the balance of contributions due under Rules 6.10, 6.12, 6.44(A)(1) and 6.57 amounts to more than the death benefit or lump sum payable, the whole of the death benefit

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

or lump sum will be surrendered and the benefits awarded under this Section (save under Part 2) will be scaled down accordingly, that is, they will be calculated on the basis of the contributions actually paid rather than on the basis of the contributions due, unless the member has opted on the termination of the member's pensionable service to pay any balance of contributions out of the member's own resources and has so paid such balance. If contributions are due under both this Part and Part 5 of this Section, the death benefit or lump sum will be applied to a widow's pension in preference to an invalidity pension.

**Scope**

**6.14**

This Rule applies only to former non-industrial scheme members. This Part of this Section shall not be applied, so as to take into account as reckonable service any service before 6 April 1978, nor any added year whenever it was purchased, in the case of any ex-civil servant who;

- i) when a civil servant, elected not to make contributions under Part I of the Superannuation Act 1949; and
- ii) did not, within 3 months of the date of the member's contract of employment with the Authority, arrange with the Authority for family benefits to be paid on death; and
- iii) did not, before 1 July 1973, take up the further option to secure family benefits which the Authority granted in February 1973.

**6.15 to 6.18**

Unallocated

**Widow(er)'s guaranteed minimum pension**

**6.19**

This Rule shall apply equally to both male and female members. Notwithstanding anything to the contrary in this Scheme, if any employment of persons to whom this Scheme applies becomes contracted-out employment by reference to this Scheme and if a member who has a guaranteed minimum under section 35 of the Social Security Pensions Act 1975, as amended, dies (whether before or after attaining the age of 65 in the case of a male member or 60 in the case of a female member) and leaves a widow(er):

- i) she will, subject to this Rule, be paid a pension for life unless-
  - a) the member's accrued rights have been transferred from this scheme in accordance with Regulations made under section 38(1) of that Act, as amended, or have been extinguished by payment of the appropriate state scheme premium under that Act, or
  - b) her pension is forfeited under Rule 10.04(3), as a result of a conviction for treason, or
  - c) her pension ceases under Rule 6.05 or 6.42(B);
- ii) the weekly rate of such a pension will be not less than half that guaranteed minimum, increased to the extent (if any) specified in sections 35(6), 35(6A) and 35(6B) of that Act. (For the purposes of this Rule "weekly rate" will have the meaning ascribed to it in Regulation 28(2) of the Occupational Pension Schemes (Contracting-Out) Regulations 1984 (SI 1984 No. 380.)

A pension paid to a widow(er) under this Rule will be limited to the amount by which the widow(er)'s guaranteed minimum exceeds the aggregate pension paid to her as a widow(er) under the other provisions of this Scheme.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 6: Family Benefits**

**Part 2: Long term pensions for dependent children**

**Eligibility for and amount of children's pension**

**6.20**

This Part of this Section applies to all members in service on or after 1 June 1972. In relation to female members, references in this Part to "wife" and "widow" should be taken as references to "husband" and "widower" respectively.

**6.21**

If a member dies:

- i) in service before 1 April 1980 with 5 or more years' qualifying service; or
- ii) in service on or after 1 April 1980; or
- iii) after leaving employment with a pension under Rule 4.03, an ill-health pension under Rule 5.01 or 5.04 or a preserved pension under Rule 5.09, and either;
  - a) had completed 5 or more years' qualifying service; or
  - b) died on or after 1 April 1980;

a children's pension will be paid if the member leaves one or more eligible children. If the member leaves a widow who is eligible for an increase in widow's pension under Rule 6.03 or 6.41(C), or if a short term pension is payable under Rule 6.35 the children's pension will be paid from the day following the date on which the increased, or short term, pension ceases. Where an increased or short-term pension is not payable, or where death occurs on or after 1 July 1997 and an eligible child is in the care of some person other than the widow, a children's pension will be paid, in respect of that eligible child, from the day after the date of the member's death. The children's pension will continue until such time as there are no longer any eligible children, but the amount of the pension will depend from time to time on the number of such children. The children's pension may be paid to such persons, or otherwise applied for the benefit of the child, as the Authority may, in their discretion, from time to time think fit, after consultation with the widow or legal personal representatives of the deceased member.

**Eligible children**

**6.22**

1. Subject to Rules 6.22(2), 6.23 and 6.24 "an eligible child" means:

- i) a child of the deceased or of the deceased's spouse (including a child of the deceased conceived before the member's death and born after it); or
- ii) a child of a dead brother, sister or child of the member; or
- iii) a brother or sister of the member;

and who being in receipt of a child's pension on 5 April 2006 or where the member was in receipt of a pension at 5 April 2006 and dies after that date is:

- a) under 17 years of age; or
- b) receiving full-time education; or
- c) undergoing full-time training of at least 2 years' duration for any trade, profession or vocation, during which the child received there from not more than the maximum allowable remuneration.

or in any other case is;

- d) under 17 years of age; or

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- e) receiving full-time education and is under age 23; or
- f) undergoing full-time training of at least 2 years' duration for any trade, profession or vocation, during which the child received there from not more than the maximum allowable remuneration and is under age 23.

2. Unallocated

**Exclusions**

**6.23**

1. The term "eligible child" does not include:
  - i) where death occurred before 1 February 1988
    - a) any child (except a child of the member conceived before the member's death and born after) who is not wholly or mainly dependent on the member at the time of the member's death;
    - b) where the member dies after retirement, any child who would not have been eligible at the date of the member's retirement if the member had died on that date;
    - c) any child who continues in full-time education or training after attaining the age of 17, where the child has been nominated for an invalidity pension under Rule 6.45; provided that this paragraph shall not be construed as a bar to nomination under Rule 6.45;
    - d) a female child who is married, or, if the person died on or after 5 December 2005, forms a civil partnership or is a person living with another as if they were a married couple, unless the Authority are satisfied that there are compassionate grounds for treating her as an eligible child.
  - ii) where death occurs on or after 1 February 1988.
    - a) any child (except a child of the member conceived before the member's death and born after) who is not dependent on the member at the time of the member's death;
    - b) where the person dies after retirement or after having withdrawn from the Scheme, any child who would not have been eligible at the date when pensionable service ended, had the member's death occurred on that date;
    - c) a female child who is married, or, if the person died on or after 5 December 2005, forms a civil partnership or is a person living with another as if they were a married couple, unless the Authority are satisfied that there are compassionate grounds for treating her as an eligible child.
2. This Rule applies where every member referred to below dies on or before 31 January 1988. In such cases a child may not be eligible for children's pensions under Rule 6.21 in respect of more than one deceased member. Where there would otherwise be an eligibility for children's pension in respect of two or more such members, the child will count as eligible in respect of one of them in the way which, in the opinion of the Authority, gives the most favourable overall result for all the children in question.
3. This Rule applies provided that at least one member referred to below dies on or after 1 February 1988. An eligible child may receive a children's pension under Rule 6.21 in respect of not more than two members to each of whom any Scheme administered by the Authority applies. If an eligible child is eligible for children's pensions in respect of three or more members, the child will count as eligible in respect of only two members, in the

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

way which, in the opinion of the Authority, gives the most favourable overall result for the child.

**Authority's discretion**

**6.24**

At the Authority's discretion, any other child may be treated as an eligible child if:

- i) paragraph (a), (b), (c), (d), (e) or (f) of Rule 6.22 applies and such child is not excluded under Rule 6.23; and
- ii) the Authority are satisfied that, at the time of the member's retirement or (if the member dies in service) death or on the member's withdrawal from the Scheme, either:
  - a) the child has been dependent (or, in the case of a death occurring before 1 February 1988, wholly or mainly dependent) on the member for at least 2 years or for at least half the child's life; or
  - b) the member had formed the intention of legally adopting the child.

**Amount of children's pension**

**6.25**

Subject to Rule 6.26, the annual amount of a children's pension under Rule 6.21 shall be the following fraction of the pension (or continuing annual payment) to which the member was entitled under this Scheme at the time the member left employment or after having withdrawn from the Scheme (with the benefit of Rule 4.40 from that date) or, if the member dies in service, of the pension the member would have been entitled to receive if the member had retired on medical grounds on the day of death:

- i) one-quarter for each eligible child in the care of the member's widow whether or not she is receiving a pension under Part I (or Part 4) of this Section and whether or not she remarries;
- ii) except for Fixed Term Appointments where Rule 5.04 applies. One-third for each eligible child in the care of some other person. If the member dies on or after 1 April 1980 after leaving employment or having withdrawn from the Scheme with a pension based on less than 10 years' reckonable service, it will be deemed for the purposes of this Rule that at the time of retirement the member was in receipt of a pension based on whichever is the less of 10 years' reckonable service or what would have been the member's reckonable service had the member stayed in service in a full-time capacity until 5 years after pension age. If the member dies in service on or after 1 April 1980, the ill-health pension that the member would have been entitled to receive (if the member had been retired on medical grounds on the day of death) will be deemed for the purposes of this Rule to have been awarded notwithstanding that the member would not have qualified for a pension under Rule 4.03 or a preserved pension under Rule 5.09; and, for the purpose of calculating that ill-health pension, Rule 5.01(i) will be read as: "if it is less than 10 years, it will be enhanced to double its length or to 10 years, whichever is the greater". For the purposes of this Rule, any reduction of the member's pension under Rule 4.08 or 4.11, or as a result of an allocation under Rule 4.15, or commutation under Rule 5.01(a), shall be ignored. Any increase in pension resulting from an election made under Rule 4.03(1) shall also be ignored.

**Maximum children's pension**

**6.26**

The total amount of a children's pension under Rule 6.21 may at no time exceed either:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- i) one-half of the member's pension (as specified in Rule 6.25) if all the eligible children are in the care of the widow, or if a widow's pension under Part I or Part 4 of this Section is in payment; or
- ii) seven-twelfths of the member's pension, if there is one eligible child in the care of some other person and if no widow's pension is in payment.
- iii) two-thirds of the member's pension, if there are two or more eligible children in the care of some other person and if no widow's pension is in payment

If and so long as the number of eligible children is such that a pension calculated under Rule 6.25 would exceed these limits, the amount payable for each child will be scaled down accordingly. In applying this Rule, any increase in pension resulting from an election made under Rule 4.03(1), or any reduction resulting from commutation under Rule 5.01(a), shall be ignored.

**6.27 to 6.34**

Unallocated

**Part 3: Short term pensions for widow(er)'s and dependent children**

**6.35**

This Rule shall apply equally to both male and female members and all references to wife and widow should read as references to a husband and widower respectively.

1. If a member dies in service leaving an eligible widow but no widow's pension is payable under Rule 6.01 or 6.41(A) a pension at the rate of the member's pensionable final earnings (calculated in accordance with Rule 6.37) will be paid to the member's widow for the following period after death:
  - i) for 91 days; or
  - ii) if there is one eligible child (Rule 6.22) in the spouse's care, for 137 days or, where the death occurred on or after 1 April 1980, for 182 days; or
  - iii) if there are two or more eligible children in the spouse's care, for 182 days or, where the death occurred on or after 1 April 1980, for 273 days;
  - iv) where death occurred on or after 1 January 1986 in circumstances which satisfy the qualifying conditions of Rule 7.12 of Appendix 7 for 182 days, notwithstanding that there are two or more eligible children in the spouse's care.

If the widow dies or remarries before payments under this paragraph have been completed, the payments will cease if there were no eligible children in widow's care. If there were eligible children in the widow's care, payments will continue to the children's guardian either:

- a) for 46 days if there was one such child;
  - b) for 91 days if there were two or more such children; or
  - c) for the period (if this is shorter) for which the payments would have been continued if the widow had remained alive or had not remarried, or alternatively, for the period (if this is longer) for which the payments would have been continued under Paragraph 3 of this Rule if the member had not left an eligible widow.
2. If a member dies in service leaving an eligible widow and no widow's pension is payable under Rule 6.01 or 6.41(A), but eligible children are in the care of someone else, a pension

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

at the rate of the member's pensionable final earnings will be paid to that person for the following period after the member's death:

- i) if there is one such eligible child or more and there is also an eligible child in the care of the widow for 46 days or, where the death occurred on or after 1 April 1980 for 91 days; or
  - ii) if there is one such eligible child and there are no eligible children in the care of the widow, for 46 days or, where the death occurred on or after 1 April 1980, for 91 days; or
  - iii) if there are two or more such eligible children and there are no eligible children in the care of the widow, for 91 days or, where the death occurred on or after 1 April 1980 for 182 days;
  - iv) where death occurred on or after 1 January 1986 in circumstances which satisfy the qualifying conditions of Rule 7.12 of Appendix 7 and if there is one eligible child or more, for 182 days.
3. If a member dies in service and there is no eligible widow, but eligible children in the care of someone else, a pension at the rate of the member's pensionable final earnings will be paid to that person for the following period after death:
- i) if there is one such child, for 61 days or where the death occurred on or after 1 April 1980, for 122 days;
  - ii) if there are two or more such children, for 122 days or, where the death occurred on or after 1 April 1980, for 245 days;
  - iii) where death occurred on or after 1 January 1986, in circumstances which satisfy the qualifying conditions of Rule 7.12 of Appendix 7 for 182 days, notwithstanding that there are two or more such children.
4. If a member dies on or after 1 April 1980 after retiring with a pension under Rule 4.03 and there is no eligible widow but eligible children are in the care of someone else, a pension at the rate of the pension (including any increase under Rule 4.40) received by the member under this Scheme immediately before the member's death will be paid to that person for the following period after death:
- i) if there is one such child, for 122 days;
  - ii) if there are two or more such children, for 245 days;
  - iii) where death occurred on or after 1 January 1986, in circumstances which satisfy the qualifying conditions of Rule 7.12 of Appendix 7, for 182 days notwithstanding that there are two or more children.

If the member had made an allocation under Rule 4.15, or had commuted the ill health pension under Rule 5.01(a), then for the purposes of this Paragraph, the amount of pension the member was receiving will be deemed to be the amount the member would have received but for the allocation or the commutation. References in this paragraph to a member's pension will be taken to include a continuing annual payment under Appendix 8.

5. Where death occurred before 1 January 1986 no payment will be made under Parts (1), (2) and (3) of this Rule after 91 days after the member's death if an annual allowance under Rule 7.12 of Appendix 7 is in payment. No payment will be made under Part (4) or this Rule if an annual allowance under Rule 7.12 of Appendix 7 is in payment. Any payments under this Rule shall be in addition to any payments due under other Parts of this Section.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 6: Family Benefits**

**6.36**

Unallocated

**Application of Rules 6.03(i) and 6.35 in certain cases**

**6.37**

For the purposes of Rules 6.03(i) and 6.35:

- i) where there is part-time service in the last 3 years of reckonable service, pensionable final earnings will be calculated notwithstanding Rule 4.07 by reference to the actual pensionable earnings in whichever of the last three years of reckonable service gives the highest figure, rather than by reference to the full-time rate of pay.
- ii) where the member dies during a period of re-employment to which Rule 4.50 applies, pensionable final earnings will be taken to be the greater of the two amounts specified in Rule 4.50(i) and (ii).

**6.38 and 6.39**

Unallocated

**Part 4: Widower's Pensions**

**Eligibility for and amount of widower's pension**

**6.40**

1. This Part of Section 6 applies to all female pensionable members (referred to as "members" in Rules 6.41(A) to 6.44(C)) in service on or after 1 February 1988 including members who had been paying contributions under the voluntary arrangements in force until that date.

It also applies to:

- i) members who died on or before 31 January 1988 and who had opted under the voluntary arrangements in force until that date; and
  - ii) members who have no service after 31 January 1988, but who had opted to pay periodical contributions under the voluntary arrangements in force until that date.
2. A member in service on 1 February 1988 who had until then been paying additional periodical contributions to secure a widower's pension for a dependent husband under the voluntary arrangements in force until that date will have the service covered by those voluntary contributions taken into account in accordance with the Rules contained in this Part together with the service covered by the compulsory contributions paid in respect of her pensionable service from 1 February 1988 for the purposes of calculating a widower's pension.

**6.41(A)**

If a member:

- i) dies in service:
  - a) after 5 April 1978 on or after reaching pension age, or in such other circumstances that a Contributions Equivalent Premium cannot be paid: or
  - b) on or before 5 April 1988 with 5 or more years' qualifying service; or
  - c) after 5 April 1988 with 2 or more years' qualifying service: or
  - d) and was formerly entitled to rights under a personal pension scheme in respect of which a transfer payment has been made to this Scheme; or

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- f) The member is not an active deferred member. In which case, no increased widower's pension will be payable under this rule.
- ii) subject to Rule 6.42(A)(3) dies after leaving employment with a pension under Rule 4.03, an ill-health pension under Rule 5.01 or 5.04, or a preserved pension under Rule 5.09;

References in this Part to an eligible widower shall be taken to refer also to a surviving civil partner of a female pensionable member and references to marriage shall be taken also to refer to civil partnerships.

**Meaning of "eligible" widower**

**6.41(B)**

- i) In the case of a member who was not in employment on or after 6 April 1988, and who would have reached her pension age before that date, "eligible widower" means a man to whom the member was married at the time of death; provided that, if the member dies while no longer in employment, the widower must also have been married to the member at some time while the member was so employed.
- ii) In the case of a member who was in employment on or after 6 April 1988, or who would have reached pension age on or after that date, eligible widower means a person to whom the member was married at the time of death, whether or not the marriage took place while the member was in employment; provided that, if the marriage took place after the member was last in employment, the widower's eligibility for pension under Rule 6.42(A) shall be only in respect of the member's reckonable service on or after 6 April 1988 including any enhancement of service but excluding any added year the purchase of which was approved before that date.

**Amount of pension for first 91 days of widowhood**

**6.41(C)**

For the first 91 days after the widower's wife's death a widower's pension payable in accordance with Rule 6.42(A) will be increased:

- i) if the member dies in service, to the member's rate of pensionable final earnings (calculated where appropriate in accordance with Rule 6.37); or
- ii) if the member dies after leaving employment, to the rate of pension (including any increase under Rule 4.40) to which the member was entitled under this Scheme immediately before the member's death including, in respect of a death occurring on or after 2 September 1986, any payments made under Appendix 7, provided that this does not result in a reduction in the total widower's and children's pension payable under this Part and Part 2.

Provided that:

- a) if the member dies in service on or after 1 April 1980 and leaves one eligible child or more in her widower's care, the period of 91 days aforesaid will be extended to 182 days;
- b) if the member dies in service before 1 April 1980 with less than 5 years' qualifying service, (in circumstances such that Rule 6.41(A)(i)(a) applies), and leaves one eligible child in her widower's care, the period of 91 days aforesaid will be extended to 137 days; and if the member has care of more than one eligible child, the extension will be to 182 days;
- c) if the member dies on or after 1 April 1980 after leaving employment so that Rule 6.41(A)(ii) applies, and there is one eligible child or more in the widow's care, the period of 91 days aforesaid will be extended to 182 days;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- d) if the member dies in service or after leaving employment on or after 1 April 1986 in circumstances which satisfy the qualifying conditions of Rule 7.12 of Appendix 7 of Appendix 7, the widower's pension will be paid for 182 days,
- e) notwithstanding paragraphs (a), (b), (c) and (d) of this Rule, where death occurred before 1 January 1986 no payment will be made under this Rule after 91 days after the member's death if an annual allowance under Rule 7.12 of Appendix 7 or equivalent thereto is in payment.

If the member had an allocation under Rule 4.15, or had commuted the ill health pension under Rule 5.01(a), then for the purposes of this Paragraph, the amount of pension the member was receiving will be deemed to be the amount the member would have received but for the allocation or the commutation. References in this Rule to a member's pension will be taken to include a continuing annual payment under Appendix 8.

**Amount of pension thereafter**

**6.42(A)**

- 1) Subject to Rules 6.41(A) and 6.41(C) and to Rules 4.52 to 4.56, the annual amount of a widower's pension payable under Rule 6.41(A) shall be one-eightieth of the widower's wife's pensionable final earnings (as defined in Rule 4.05) multiplied by one-half of the total number of years (and any fraction of a year) of the member's reckonable service (as defined in Rule 3.06) and of any enhancement of that service under Rule 5.01 or 5.04 or Rule 8.04 of Appendix 8, being years for which contributions for widower's pension have been, or are paid as specified in Rule 6.43(B). Except that the annual amount of the widow's pension payable in respect of the member's reckonable service after 1 April 1997 shall be 1/140th of the pensionable final earnings (as defined in Rule 4.05). For the purpose of this Rule, if the member dies in service, the reckonable service will be enhanced under Rule 5.01 or 5.04 as if the member had retired on medical grounds on the day of death. Subject to (2) and (3) below, where Rule 6.41(A)(ii) applies, the widower's pension may be increased under Rule 4.40 as if it had been awarded at the time the widower's wife left employment or withdrew from the Scheme. Provided that if Rule 6.41(A)(ii) applies and the widower's wife had left employment on premature retirement under Appendix 8 and the reckonable service had been enhanced under Rule 8.04 of Appendix 8 on the basis of the first proviso to that Rule, pensionable final earnings will be calculated for the purpose of this Rule, on the basis specified in the last sentence of Rule 6.43(A). In the case of a member who has withdrawn from the Scheme under Rule 1.08 no enhancement of reckonable service shall be given for the purpose of this Rule.
- 2) Where a member has paid a premium in accordance with the refund arrangements in Rule 6.44(B)(5)(i)(b), or where a repayment of a refund of contributions, as required under Rule 6.44(B)(2) is not made, the pension payable will be the widower's guaranteed minimum pension, as defined in Rule 6.19.
- 3) Where a member has no guaranteed minimum pension under section 35 of the Social Security Pensions Act 1975 as amended, and elects under Rule 6.44(B)(6) to receive a refund of contributions, no widower's pension will be paid under this Scheme.
- 4) The amount of any widower's pension calculated under (1) above will include any increase resulting from an election made under Rule 4.03(1).

**Duration of widower's pension**

**6.42(B)**

- i) If, before attaining the age of 65, the widower remarries or was (at the time of her death) living or begins to live with another person as if the widower were that person's spouse or, if the person died on or after 5 December 2005, the widower forms a civil partnership.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

The pension will thereafter only be payable in respect of any period prescribed from time to time in Regulations made pursuant to section 36 of the Social Security Pensions Act 1975, as amended:

- a) If, before attaining the age of 65, the widower remarries or was (at the time of the member's death) living or begins to live with a person as if the widower were her spouse or, if the person died on or after 5 December 2005, her widower forms a civil partnership, the pension will thereafter only be payable in respect of any period prescribed from time to time in Regulations made pursuant to section 36 of the Social Security Pensions Act 1975, as amended:
  - b) If, being the widower of a member who had attained the age of 60 before the member died, the widower remarries, or was living, or begins to live with a person as if the member were the widower's spouse or, if the person died on or after 5 December 2005, her widower forms a civil partnership, the pension will thereafter be restricted to the widower's guaranteed minimum pension (Rule 6.19).
- ii) In any case where the widower's pension ceases or is restricted under this Rule, the Authority may restore it in full if they are satisfied that there are compassionate grounds for doing so, or if the second or any subsequent marriage or civil partnership comes to an end, or the member ceases to live with another as if they were a married couple.

**6.42(C)**

- i) Where a member has exercised an option under Rule 2.06(1) and 2.06(2) there will be a 26-week qualifying period, commencing on the date when the option is exercised, during which no additional service purchased will be taken into account in the calculation of a widower's pension except in the circumstances referred to in (ii).
- ii) Any additional service actually purchased at the date of death will be taken into account if a woman dies during the qualifying period in circumstances where the Authority is satisfied that death resulted from an accident or from other causes which could not reasonably have been foreseen at the time when the option was exercised.

**Balance of contributions for widower's pension**

**Account of contributions for widower's pension**

**6.43(A)**

When a member dies in service or withdraws from the Scheme or leaves employment, account of contributions for a widower's pension shall be taken in accordance with the next two Rules for the purpose of ensuring that contributions have been or are paid:

- i) in the case of a member who is married when the member withdraws from the Scheme or employment ceases:
  - a) for the member's reckonable service between 1 February 1988 and 5 April 1988 (which for the purposes of the sub-rule shall include both earlier reckonable service in respect of which the member has opted to purchase pension credit under Rules 2.06(1), 2.06(2) and 3.36 and earlier reckonable service to which Rule 6.40(2) applies); and
  - b) for any enhancement of the member's reckonable service under the second sentence of Rule 6.42(A) if the member dies in service or under Rule 5.01 or 5.04 if the member is retired on medical grounds or, in the case of a former non-industrial scheme member, under Rule 8.04 of Appendix 8, if the member is retired prematurely (in the public interest or on other grounds);
  - c) for the member's reckonable service on or after 6 April 1988; for this purpose reckonable service includes service which is disregarded under Rules 4.51, 4.52

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

or 4.53, and if the member's reckonable service during the period beginning on 6 April 1988 exceeds 40 years by the pension age or 45 years in total, the limits in Rule 3.07 will not apply for the purposes of this Rule.

- ii) in the case of a member who, when the member withdraws from the Scheme or employment ceases, was never married, or who was married but is no longer married, including one to whom Rule 6.40(2) applies, for the aggregate of:
- a) reckonable service on or after 6 April 1988 (including any added year approved for purchase on or after that date); except that, if the member dies in service or withdraws from the Scheme or leaves employment without qualifying for payment of a pension to the member's widower under Rule 6.40 and without applying for a transfer value under Part 1 of Section 9, account shall be taken only of the reckonable service (if any) before the member's last marriage (if any) ended; For the purposes of this Paragraph reckonable service includes service which is disregarded under Rules 4.51, 4.52 or 4.53, and if the reckonable service during the period beginning on 6 April 1988 exceeds 40 years by the pension age or 45 years in total the limits in Rule 3.07 will not apply for the purposes of this Rule;
  - b) any enhancement of reckonable service under Rule 5.01 or 5.04 if the member is retired on medical grounds or, in the case of a former non-industrial scheme member, under Rule 8.04 of Appendix 8, if the member is retired prematurely (in the public interest or on other grounds)
  - c) reckonable service between 1 February 1988 and 5 April 1988 (including earlier reckonable service in respect of which the member has opted to purchase pension credit under Rule 2.06(1), 2.06(2) and 3.36 and earlier reckonable service to which Rule 6.40(2) applies); except that:
    - 1) if she never had a husband while the member was a member of any of the Authority's superannuation schemes, none of the reckonable service shall be taken into account;
    - 2) if a female member who has been making additional contributions under the voluntary arrangements in force until 1 February 1988 died in service or left employment before 6 April 1988, being unmarried at the time or if she was in service on 5 April 1988, being unmarried on that date, account under sub-paragraph (c) shall be taken only of reckonable service (prior to 6 April 1988) before the date when her last marriage (if any) ended.

Where before 7 October 1992 a member's reckonable service is limited under Rule 3.07 to 40 years by pension age or 45 years in total, then for the purposes of this Rule the limit shall be applied only to reckonable service for which an account is required under this Rule, and shall be so applied by limiting reckonable service which relates to service before 6 April 1988. Where, in the case of a former non-industrial scheme member, the member's reckonable service has been enhanced under Rule 8.04 of Appendix 8 on the basis of the first proviso to that Rule, pensionable final earnings shall be calculated for the purpose of the Rule, the next two Rules and Rule 6.42(A) as it would be at age 60 on the assumptions specified in the said proviso.

**6.43(B)**

Sums shall be debited for each year of reckonable service (and proportionally for any fraction of a year) for which an account is required under Rule 6.43(A), as follows:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- i) for a year of reckonable service under Rule 6.43(A)(i)(a) or enhancement of reckonable service (except an added year) for which an account is required under Rule 6.43(A), one and one-half eightieths of pensionable final earnings;
- ii) for any added year approved for purchase before 1 February 1988 in respect of which the member has opted to purchase family benefits under Rule 3.36 but for which contributions for a widower's pension have not been paid, three eightieths of pensionable final earnings; the proportion of added years for which an account is required will be reckoned in accordance with Rule 3.26.

**6.43(C)**

Sums shall be credited to the account under Rule 6.43(A) as follows:

- i) for each of the member's annual periodical contributions of 1.5% under Rule 2.02 or 2.06, one and one-half eightieths of pensionable final earnings;
- ii) for each year of back service credit reckoned under Section 9 (on payment of a transfer value) on the basis of providing for a half-rate widower's pension, one and one-half eightieths of pensionable final earnings.

"Annual periodical contributions" means payment by the member of periodical contributions under the appropriate Rule in respect of any period of one year, such payments not having been refunded to her. Proportionate credits will be made to the account for any fraction of a year during which periodical contributions are paid or for any fraction of a year reckoned under Section 9 as aforesaid.

**Recovery of any debit balance**

**6.44(A)**

1. Subject to paragraph (2) of this Rule and to the proviso to Rule 6.44(B)(1), if the debits under Rule 6.43(B) exceed the credits under Rule 6.43(C), the balance shall be deducted from whichever of the following becomes payable (notwithstanding any immediate re-employment of the member):
  - i) the lump sum under Rule 4.03;
  - ii) the ill-health lump sum under Rule 5.01 or 5.04;
  - iii) the ill-health payment under Rule 5.03;
  - iv) the death benefit under Rule 5.06;
  - v) the preserved lump sum under Rule 5.09;
  - vi) the preserved death benefit under Rule 5.12;
  - vii) a return of basic contributions under Rule 4.04, 5.13 or 5.14.

Any deductions from a lump sum preserved under Rule 5.09 will be calculated and deducted under this Rule when the preserved lump sum is awarded, not when it is paid. Except that, for an active deferred member, the deduction will be recalculated when the benefit is paid.

2. If any contributions required under Rule 6.43(A) have not been paid as periodical contributions because, by reason of the employer's default, the appropriate sums have not been deducted from the member's pensionable earnings under Rules 2.02 and 2.05, those contributions will be treated for the purpose of this Scheme as if they had been paid, but they will be treated by the employer as an overpayment of earnings.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 6: Family Benefits**

**Refund in respect of any credit balance**

**6.44(B)**

- 1) If the credits under Rule 6.43(C) exceed the debits under Rule 6.43(B), a refund of the payments actually made giving rise to the credits shall be made sufficient at the respective rates specified in Rule 6.43(C) to bring the account into balance (unless the member has applied for a transfer value before the cessation of employment).
  - i) in the case of a member whose employment ceases before 5 April 2006, when the employment ceases; and
  - ii) in the case of a member whose employment ceases on or after 5 April 2006, when the member's pension commences to be paid.

The addition of interest to or deduction of tax from the refund will be calculated in accordance with the provisions of Rule 6.11. Provided that, in the case of an unmarried member to whom Rule 6.43(A)(ii) applies, the account under that Rule shall be in two parts: one with debits under Rule 6.43(A)(ii)(a) and (b) and Rule 6.43(B) and credits (under Rule 6.43(C)) for all contributions directly related to reckonable service on or after 6 April 1988; the other with debits under Rule 6.43(A)(ii)(b) and (c) and credits under 6.43(C) for all other contributions. Rule 6.44(A) or this Paragraph (as the case may be) will be applied respectively to each part of the account.

- 2) A member who is unmarried when the member leaves employment on or after 6 April 1988 and on or before 5 July 1991 with a pension under Rule 4.03, an ill-health pension under Rule 5.01 or 5.04 or a continuing annual payment under Rule 8.06(b) of Appendix 8, in the case of a former non-industrial scheme member, 8.16 of Appendix 8 or, in the case of a former non-industrial scheme member 8.20(b) of Appendix 8, may, if she so opts at that time, have any requirement to account for contributions under Rule 6.43(A)(ii)(a) reassessed as if the member had died in service on the date the member left employment and have any corresponding refund (which may, as appropriate, include a sum deductible or deducted under Rule 6.44(A)) made to her under paragraph (1), provided that the member undertakes to repay that refund (including interest but less any deduction for tax) together with compound interest on it at the rate specified in paragraph (1) if the member subsequently marries or remarries.
- 3) The legal personal representative of a person who was unmarried when she withdrew from the Scheme or left employment on or after 6 April 1988 and who had paid contributions in accordance with Rule 6.43(A)(ii)(a) may at her death, have her liability for contributions reassessed as if she had died in service on the date she withdrew from the Scheme, or left employment, provided that she was never married since leaving employment. Any appropriate refund (which may as appropriate, include a sum previously deducted under Rule 6.44(A)) will be made under paragraph (1) and will be paid on application, to the personal representatives.
- 4) Where a member leaves employment on or after 6 April 1978 and is re-employed in circumstances in which her earlier service is reckoned with her re-employed service under Rule 4.52, 4.53, 4.54 or 4.56, then the refund calculated under this Rule will be dealt with in accordance with Rule 6.11(4).
- 5) Where an unmarried member leaves employment on or after 5 July 1991, contributions due under Rule 6.43(A)(ii)(a) may be reassessed as if she had died in service on the date that she ceased employment, provided she ceases employment
  - at or over age 60; or
  - before age 60 with a preserved pension under Rule 5.09 or an ill-health pension under Rule 5.01 or 5.04 or a continuing annual payment or pension under Appendix

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

8, and remains unmarried throughout the intervening period until she reaches her sixtieth birthday.

If the contributions (taking into account deductions under Rule 6.44(A)) paid in respect of service on or after 6 April 1988 exceed the contributions re-assessed as due, she will receive a refund.

- if the member's employment ceases before 5 April 2006, at age 60 (or at the date she ceases employment if this is later); or
- if the member's employment ceases on or after 5 April 2006, at the time her pension commences under the Rules of the Scheme.

The refund will be made up of the balance - beginning with the last contribution paid - with compound interest, less a premium calculated in accordance with (i), (ii), (iii) or (iv) below and less tax deducted under Rule 6.11(1).

- i) In the case of a member whose employment ceases before 5 April 2006 the premium will be either:
  - a) 30 % of the widower's pension calculated in accordance with Rule 6.42 (at the member's sixtieth birthday (or at the date she ceases employment if this is later)); or
  - b) if the member chooses, or if the widower's pension calculated under Rule 6.42(A) is less than the annual value of the widower's guaranteed minimum pension under Rule 6.19, 20 % of the annual value of the widower's guaranteed minimum pension at the member's sixtieth birthday (or at the date the member ceases employment if this is later).

If the member does not notify her choice on the appropriate form within 3 months of the date of the issue of the form, a premium under (a) above shall be deducted. A choice, once made, will be irrevocable.

For members who have received a part refund of family benefit contributions before 6 April 2006 in respect of service prior to 6 April 1988 the balance of the refund will be paid as an additional pension and lump sum for the member using inverse commutation factors determined by the Authority after consultation with the Actuary.

- ii) For a member whose employment ceases on or after 5 April 2006 the premium will be equivalent to 30% of the widower's pension calculated in accordance with Rule 6.42(A).
  - iii) In the case of a member who brings in a transfer value in respect of service on or after 6 April 1988, the premium calculated under (i) above will be reduced to the proportion that the period during which the member has paid periodical contributions under the Scheme on or after 6 April 1988 bears to the period of reckonable service over which the widower's pension or the widower's guaranteed minimum pension is calculated.
  - iv) In the case of a member whose marriage ends on or after 6 April 1988, the premium calculated under (i) above will be reduced to the proportion that the period during which the member has paid periodical contributions under Scheme on or after 6 April 1988, since her marriage ended, bears to the period of reckonable service over which the widower's pension or the widower's guaranteed minimum pension is calculated.
- 6) A member who has no guaranteed minimum pension under section 35 of the Social Security Pensions Act 1975, as amended, may opt either to receive a refund of all

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

contributions due in respect of her service on or after 6 April 1988, or to pay the premium at (5)(i)(a) above.

- 7) Where an unmarried member in post on 5 July 1991 ceases employment on or after 5 July 1991 and on or before 5 July 1993 she may opt to be treated under Rule 6.44(B)(2) rather than under Rule 6.44(B)(5), if she ceases to be a member.
  - a) at or over age 60 if the refund calculated under Rule 6.44(B)(5) is less than the refund calculated under Rule 6.44(B)(2);
  - b) before age 60 with an ill-health pension under Rule 5.01 or 5.04 or a continuing annual payment under Appendix 8.
- 8) Notwithstanding anything to the contrary in this Scheme, an unmarried member who ceased employment on or after 6 April 1988 and on or before 5 July 1991 with:
  - a) a preserved pension under Rule 5.09; or
  - b) a pension or continuing annual payment specified in Rule 6.44(B)(2) and did not receive a refund under that Rule will, if she is under age 60 on 5 July 1991, become eligible on reaching age 60 or when the preserved pension comes into payment but not before age 60 or, if she has no guaranteed minimum pension, in accordance with Rule 6.44(B)(6), provided she has remained unmarried throughout the intervening period. If she is over age 60 on 5 July 1991, she will be eligible from that date, for a refund in accordance with the provisions of Rule 6.44(B)(5) or, if she has no guaranteed minimum pension, in accordance with Rule 6.44(B)(6), provided she has remained unmarried throughout the intervening period, except that in such a case the premium will be calculated on the annual value of the widower's pension or widower's Guaranteed Minimum Pension at the date the application for a refund is received.

**Treatment of voluntary contributions for dependent widower's pension**

**6.44(C)**

A member in service on 1 February 1988 and to whom Rule 6.40(2) applies, but whose marriage to a dependent husband ended before the date, may opt to be treated in one of three ways:

- i) to receive on retirement, a refund in accordance with Rule 6.44(A)(1) in respect of periodical contributions paid in respect of reckonable service between the date the marriage ended and 31 January 1988. In these circumstances only the contributions paid in respect of her pensionable service from 1 February 1988 including any enhancement of reckonable service under Rule 5.01 or 5.04, or 8.04 of Appendix 8 will be taken into account for the purposes of calculation a widower's pension.
- ii) to forgo a refund in respect of periodical contributions paid in respect of her reckonable service between the date the marriage ended and 31 January 1988 and to have her total pensionable service since the date the marriage ended, including any enhancement of reckonable service under Rule 5.01 or 5.04 or (in the case of a former non-industrial scheme member) Rule 8.04 of Appendix 8 taken into account for the purposes of calculating a widower's pension;
- iii) to receive on retirement a refund in respect of periodical contributions paid in respect of part of her reckonable service between the date her marriage ended and 31 January 1988. In these circumstances, the contributions paid in respect of the pensionable service from 1 February 1988 including any enhancement of reckonable service under Rules 5.01 or 5.04 or (in the case of a former non-industrial scheme member) Rule 8.04 of Appendix 8 together with contributions paid in the period from the day following the last day of the period in respect of which the member has opted

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

to receive a refund and 31 January 1988 will be taken into account for the purposes of calculating a widower's pension.

This option must be exercised before 1 August 1988 and once exercised will be irrevocable. In the event of a member failing to make the option, the member will be treated in accordance with sub-Rule (i) above.

**Part 5: Invalidity pensions for permanently incapacitated children of members**

**Eligibility**

**Persons who may be nominated for invalidity pension**

**6.45**

Any person may nominate for an invalidity pension under Rule 6.49 a person who:

- i) would be an eligible child under Part 2 of this Section if the member were to die; and
- ii) is permanently incapacitated; and
- iii) is wholly or mainly dependent on the member;

provided that the total amount payable by the member in respect of the periodical contributions under Section 2 and Rule 3.22 does not exceed 13 % of the member's current pensionable earnings. Any nomination under this Rule shall be made in writing to the Authority. A member may not have more than one valid nomination in force under this Rule at any one time.

**Meaning of "permanently incapacitated"**

**6.46**

For the purposes of Rule 6.45 "permanently incapacitated" means that because of a specific mental or physical disability which is likely to be permanent, the child in question is unlikely in the opinion of the Authority to be able to earn the member's own living.

**Ground for invalidity of nomination**

**6.47**

A nomination under Rule 6.45 shall cease to be valid if:

- i) the member revokes it; or
- ii) the nominee ceases to be permanently incapacitated; or
- iii) the nominee ceases to be wholly or mainly dependent on the member, except that at the Authority's discretion a break in dependence may be disregarded if the Authority are satisfied that the break is temporary only; or
- iv) the nominee dies; or
- v) the nominee marries the member.

A nominee will be regarded as ceasing to be wholly or mainly dependent on the member if the nominee enters a hospital or institution maintained by the State and ceases to be maintained by the member.

**Interpretation of Rules 6.47 to 6.60**

**6.48**

In Rules 6.47 to 6.60, "member" means a member who has made a nomination under Rule 6.45 and "nominee" means the person nominated by the member under that Rule.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

**Person to whom invalidity pension shall be paid**

**6.49**

If a member dies:

- i) in service before 1 April 1980 and with 5 or more years' qualifying service; or
- ii) in service on or after 1 April 1980; or
- iii) after leaving employment with a pension under Rule 4.03, an ill-health pension under Rule 5.01 or 5.04, or a preserved pension under Rule 5.09 and either;
  - a) had completed 5 or more years' qualifying service; or
  - b) died on or after 1 April 1980;

and if the nomination is still valid an invalidity pension shall be payable to such person as the Authority may think proper: provided that, if that person is not the nominee, the pension shall be applied for the benefit of the nominee.

**Duration of invalidity pension**

**6.50**

An invalidity pension payable under Rule 6.49 will be paid from the day after the member's death, or (if later) from the date the nominee reaches the age of 17. The pension will continue in payment until the date of the nominee's death except where the nominee marries, or lives with a man as the member's wife or lives with a woman as her husband, in which case the pension will cease unless the Authority are satisfied that there are compassionate grounds for continuing or restoring it.

**Amount of invalidity pension**

**6.51**

The annual amount of an invalidity pension payable under Rule 6.49 shall be one-eightieth of the member's pensionable final earnings (calculated where appropriate with regard to the last sentence of Rule 6.54) multiplied by one-half of the member's reckonable service calculated (in years and fractions of a year) in accordance with Rule 6.54(i). Where Rule 6.49(iii) applies, the invalidity pension may be increased under Rule 4.40 as if it had been awarded at the time the member left employment.

**Contributions for invalidity pension**

**Rate of periodical contributions**

**6.52**

As from 1 October 1973 or, 1 July 1973 in the case of a former non-industrial scheme member, or (if later) from such a date as the Authority may specify following the date when the member makes a valid nomination, a member in employment shall pay periodical contributions of 2 % of pensionable earnings. Subject to Rule 2.04, these contributions shall continue until the member's service ends or until the date upon which the Authority are notified that the nomination has ceased to be valid (whichever first occurs).

**Additional periodical contributions**

**6.53**

Subject to Rule 2.09, a member may opt to pay additional periodical contributions of 2 % or multiples of 2 % of pensionable earnings. Such additional contributions will be payable from such a date as the Authority may specify following the date of the exercise of the option, and shall continue until (whichever first occurs) the member's service ends or the member is no longer under a potential liability in respect of a balance of contributions under Rule 6.55 or the

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

Authority are notified that the nomination has ceased to be valid. An option under this Rule may be exercised at any time unless the nomination was made before 1 August 1984, in which case the option shall not be exercised later than 9 months after the date of the nomination. The member may at any time make a further option to increase the rate of contributions; but may not opt to reduce it, save only in the circumstances specified in Rule 2.07(b).

**Account of contributions for invalidity pension**

**6.54**

When a member who has made a valid nomination under Rule 6.45 dies or withdraws from the Scheme or leaves employment, an account of contributions for invalidity pension shall be taken in accordance with the next two Rules for the purposes of ensuring that contributions have been or are paid:

- i) if the member's nomination is still valid, for the same length of reckonable service as that for which (whether or not the member is married) an account would be required under Rule 6.07(i) or 6.43(A)(i);
- ii) if the nomination is no longer valid, for the reckonable service up to the date when the nomination became invalid. In the case of a former non-industrial scheme member, where paragraph (i) of this Rule applies and the member's reckonable service has been enhanced under Rule 8.04 of Appendix 8 on the basis of the first proviso to that Rule, pensionable final earnings shall be calculated for the purposes of this Rule, the next two Rules and Rule 6.51 as it would be at age 60 (or 65 as the case may be) on the assumptions specified in the said proviso.

**Debits to the account**

**6.55**

In the case of a member who dies before 1 April 1980 with less than 5 years' qualifying service, no sums will be debited to the account under Rule 6.54. In other cases, sums shall be debited to the account for each year of reckonable service (and proportionately for any fraction of a year) for which an account is required under that Rule, as follows:

- i) for any year of reckonable service or enhancement of reckonable service (except an added year) for which an account is required under Rule 6.54, two-eightieths of pensionable final earnings;
- ii) for any added year reckoned under Rules 3.16 to 3.29 or (in the case of a former non-industrial scheme member) Former Rule 4, for which an account is required under Rule 6.54(i), four-eightieths of pensionable final earnings;
- iii) for any added year reckoned under Rules 3.16 to 3.29 or (in the case of a former non-industrial scheme member) Former Rule 4, which falls within the proportion of such added years for which an account is required under Rule 6.54(ii), four-eightieths of pensionable final earnings. The said proportion shall be obtained by applying the ratio of the period (expressed to the nearest day) between the date of approval of the member's application to buy added years and the date the nomination became invalid to the total period service (expressed to the nearest day) after the date of approval of the member's application to buy added years.

**Credits to the account**

**6.56**

Sums shall be credited to the account under Rule 6.54 as follows: for each of the member's annual periodical contributions of 2 % under Rule 6.52 or 6.53, two-eightieths of pensionable final earnings. "Annual periodical contribution" means payment (without repayment) or periodical contributions under the appropriate Rule in respect of any period of one year.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

Proportionate credits will be made to the account for any fraction of a year during which the periodical contributions are paid.

**Recovery of any debit balance**

**6.57**

If the debits under Rule 6.55 exceed the credits under Rule 6.56 the balance shall be deducted from whichever of the benefits listed in Rule 6.09 or 6.43(C) becomes payable (with regard where appropriate to Rule 6.13). Any deduction from the lump sum preserved under Rule 5.09 will be calculated and deducted under this Rule when the preserved lump sum is awarded, not when it is paid. Except that, for an active deferred member, the deduction will be recalculated when the benefit is paid.

**Refund in respect of any credit balance**

**6.58**

If the credits under Rule 6.56 exceed the debits under Rule 6.55, a refund of the payments giving rise to the credits shall be made sufficient at the rate specified in Rule 6.56 to bring the account into balance. This refund shall be made in the same way, and be subject to the same additions and deductions as payment refunded under Rule 6.11(1).

**Re-nomination of same person**

**6.59**

If a nomination becomes invalid under Rule 6.47, and the member later nominates the same nominee, the periodical contributions already paid by the member for that nominee under Rules 6.52 and 6.53 will be taken into account in calculating any balance of contribution or refund under Rule 6.57 or 6.58.

**Marriage between member and nominee**

**6.60**

If a nomination becomes invalid because the nominee marries the member, periodical contributions actually paid in respect of an invalidity pension up to the date of the marriage will be deemed to have been paid for a widow's or widower's pension under Part 1 or 4 of this Section.

**Nomination under Former Rule 18**

**6.61**

In the case of a former non-industrial scheme member, in service on 1 June 1972 with a valid nomination in force on that date under Former Rule 18, Rules 6.45 to 6.60 shall apply with such modifications as the Authority may deem appropriate.

**Civil Partnerships and Marriages of Same Sex Couples**

**6.62**

Subject to Rules 6.63 to 6.66 and provisions expressly referring to civil partnerships and marriages of same sex couples, references in Parts 1 to 4 of this section, Section 9 and Appendix 7 to:-

- i) an eligible widow (in the case of a male member) and an eligible widower (in the case of a female member) include a surviving civil partner and a member's surviving spouse of the same sex as the member;
- ii) "spouse" includes a person married to someone of the same sex and a surviving civil partner;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

- iii) “marriage” includes a marriage between two persons of the same sex and a civil partnership.

**6.63**

All pensions to surviving civil partners or surviving spouses who were married to a person of the same sex shall be calculated by reference only to reckonable service on and after 6 April 1988, including any reckonable service granted under Section 9 of this Scheme in respect of a transfer received on or after 6 April 1988, unless the contributing member to the Scheme has made an election to pay contributions to reckon service prior to 6 April 1988 under Rule 2.06(5).

The contribution due in respect of this election will be determined by the Authority after consultation with the Actuary. This election must be made within six months following the registration of a civil partnership or marriage.

If the member dies within the six month period after the registration of a civil partnership or marriage without making an election to pay contributions for reckonable service prior to 6 April 1988, the surviving civil partner or spouse may make such an election. This option will not be available to pensioners or members who have preserved awards.

**6.64**

For the purposes of calculating contributions due and contributions to be refunded in respect of reckonable service prior to 6 April 1988, a member who had a civil partner or was married to a person of the same sex at the time of the member’s death in service or when the member ceased to be a member of the Scheme shall be treated as if the member were single at that time unless the member, or the surviving civil partner or spouse, as provided in this Rule, had made an election to pay contributions for pre 6 April 1988 reckonable service or had any reckonable service granted under Section 9 in respect of a transfer received on or after 6 April 1988 and providing the member had not been married during the pre 6 April 1988 period of service.

When this rule applies the premium referred to in Rule 6.11(5) shall not be deducted from any refund due in respect of reckonable service before 6 April 1988 unless the member, or the civil partner or spouse as provided in this rule, has made an election to pay contributions for pre April 1988 reckonable service or had any reckonable service granted under Section 9 in respect of a transfer received on or after 6 April 1988.

**6.65**

In relation to surviving civil partners or persons who were married to a person of the same sex Rules 6.05 and Rule 6.42(B) shall be replaced with the following: A surviving civil partner’s or same sex spouse’s pension under Rule 6.01 or Rule 6.41(A) will be paid from the day after the date of the member’s death until the date of the surviving civil partner’s or spouses death, except that:

- i) if the member’s surviving civil partner or spouse, before attaining pensionable age, forms a civil partnership or is a person who lives with another as if they were a married couple, the pension will be payable thereafter in respect of a period prescribed from time to time in regulations made under section 17(6) of the Pension Schemes Act 1993;
- ii) if the surviving civil partner or spouse of a member who had attained pensionable age before she died, marries or forms a civil partnership or lives with another as if they were a married couple, the pension will thereafter be restricted to the surviving civil partner’s or same sex spouse’s guaranteed minimum pension.

For the purposes of the rule “pensionable age” is as defined in section 181 of the Pension Scheme Act 1993 for the purposes of provisions relating to guaranteed minimum pensions. In any case where the surviving civil partner’s or same sex spouse’s pension ceases or is

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 6: Family Benefits**

restricted under this rule the Authority may restore it if they are satisfied that there are compassionate grounds for so doing or if the member's subsequent civil partnership or marriage comes to an end or if the member ceases to be a person who lives with another as if they were a married couple.

**6.66**

A member who ceased membership of the Scheme before 5 December 2005 and made an election under Rule 6.11(5)(i)(b) may choose to repay that part of the refund of contributions, with compound interest, that would not have been paid in respect of service on and after 6 April 1988 had the member not made an election under Rule 6.11(5)(i)(b). If such a repayment with compound interest is made benefits in respect of the member's reckonable service on and after 6 April 1988 will be calculated as if the member had not made an election under Rule 6.11(5)(i)(b). For the purposes of this rule compound interest means: at the yearly average rate for share accounts as announced annually by the Minister.

## **Section 7: Additional Voluntary Contribution Scheme**

Note: References to rule numbers within section 7 are to the rules within section 7.

### **1 Scheme Status, Definitions and Interpretation**

#### **1.1 Scheme status**

The Scheme is a money purchase pension scheme registered under section 153, or deemed registered under paragraph 1 Schedule 36 of the Finance Act 2004.

#### **1.2 Definitions**

The following words have the following meanings:

**"Act"** means the Finance Act 2004.

**"Authority"** means the United Kingdom Atomic Energy Authority or its successor for the time being.

**"Benefit Crystallisation Date"** means the date on which the Benefit Crystallisation Event is effective and benefits are tested against the Member's Lifetime Allowance in accordance with the Act.

**"Benefit Crystallisation Event"** means a benefit crystallisation event as defined in section 216 of the Act.

**"Child"** means a natural or adopted child of the Member, where the child:

- a) has not reached the age of 23; or
- b) has reached that age and, in the opinion of the Authority, was at the date of the Member's death dependent on the Member because of physical or mental impairment.

**"Civil Partner"** means a civil partner of a Member as defined in section 1 of the Civil Partnership Act 2004.

**"Combined Pension Scheme"** means the United Kingdom Atomic Energy Authority Combined Pension Scheme.

**"Crystallised Benefits"** means any Pensions or lump sum payments that have been put into payment and tested against the Member's Lifetime Allowance in accordance with section 219 of the Act, including any benefits put into payment before 6 April 2006.

**"Dependant"** means:

- a) a person who was the Member's spouse or Civil Partner at the date of the Member's death;
- b) a person who was the Member's spouse or Civil Partner when the Member first became entitled to a Pension under the Scheme;
- c) the Member's Child; or
- d) a person who, in the opinion of the Authority, at the date of the Member's death:
  - i) was financially dependent on the Member;
  - ii) had a financial relationship with the Member that was one of mutual dependence or interdependence; or
  - iii) was dependent on the Member because of physical or mental impairment.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

Where benefits have been crystallised, dependency and any related benefits will be determined by reference to the terms of the contract or policy governing the benefits chosen in accordance with Rule 3.5.

**"Employee"** means an individual employed by an Employer.

**"Employer"** means the Authority, or any other employing entity that has been admitted to the Scheme.

**"Employer Account"** has the meaning given to it in Rule 2.3.

**"Ex-Civil Partner"** means a former Civil Partner to whom Pension Credit Rights have been allocated under a Pension Sharing Order, agreement or equivalent provision.

**"Ex-Spouse"** means a former spouse of the Member to whom Pension Credit Rights have been allocated under a Pension Sharing Order, agreement or equivalent provision.

**"Flexi-Access Drawdown Fund"** has the meaning given to it in the Act.

**"Flexi-Access Drawdown Fund Lump Sum Death Benefit"** has the meaning given to it in the Act.

**"Fund"** means all contributions paid to the Scheme together with any money, investments, policies, real property and any other assets for the time being held by or on behalf of the Authority under the Scheme.

**"HMRC"** means Her Majesty's Revenue and Customs.

**"Insurance Company"** means an insurance company as defined in section 275 of the Act.

**"Lifetime Allowance Charge"** means a tax charge taken in accordance with section 214 of the Act where the Member's Lifetime Allowance has been exceeded.

**"Member"** means an individual who has become a Member under Rule 2.1.

**"Member's Account"** has the meaning given to it in Rule 3.1.

**"Member Contributions"** means contributions to the Scheme under Rule 2.2 by the Member or by any other Person on the Member's behalf.

**"Member's Lifetime Allowance"** means the Standard Lifetime Allowance, adjusted in accordance with section 218 of the Act. The Member's Lifetime Allowance is the value of benefits that the Member can draw from all Registered Pension Schemes in the member's lifetime without triggering a Lifetime Allowance Charge.

**"Payment Schedule"** means the documentation required by section 87 of the Pensions Act.

**"Pension"** means a lifetime annuity, a scheme pension or a drawdown pension, all as defined in Schedule 28 of the Act.

**"Pension Credit"** means a credit under section 29(1)(b) of the Welfare Reform and Pensions Act 1999.

**"Pension Credit Rights"** means rights to benefits attributable to a Pension Credit.

**"Pension Debit"** means a debit under section 29(1)(a) of the Welfare Reform and Pensions Act 1999.

**"Pension Sharing Order"** means any order or provision as defined in either section 19 or 20 of the Welfare Reform and Pensions Act 1999.

**"Pensions Act"** means the Pensions Act 1995.

## **UK Atomic Energy Authority Combined Pension Scheme Section 7: Additional Voluntary Contribution Scheme**

"**Person**" means an individual or a body of persons whether or not incorporated, other than the Employer.

"**Qualifying Recognised Overseas Pension Scheme**" means a qualifying recognised overseas pension scheme as defined in section 169 of the Act.

"**Registered Medical Practitioner**" means a fully registered medical person within the meaning of the Medical Act 1983 or someone with equivalent overseas qualifications.

"**Registered Pension Scheme**" means a pension scheme registered in accordance with section 153 of the Act, or deemed registered in accordance with paragraph 1 Schedule 36 of the Act.

"**Rules**" means these Rules.

"**Scheme**" means The United Kingdom Atomic Energy Authority and Associated Employers Voluntary Contribution Scheme.

"**Scheme Details**" means the document describing benefits under the Scheme distributed to the Members by or on behalf of the Authority.

"**Secretary of State**" means the Secretary of State of the Authority's sponsor department.

"**Standard Lifetime Allowance**" means the standard lifetime allowance established by the Treasury for each Tax Year under section 218 of the Act.

"**Tax Year**" means a period beginning on 6 April and ending on the following 5 April.

"**Unauthorised Payment**" means an unauthorised payment as defined in section 160(5) of the Act.

"**Uncrystallised Benefits**" means benefits not yet put into payment and not yet tested against the Member's Lifetime Allowance in accordance with section 219 of the Act.

"**Uncrystallised Funds Pension Lump Sum**" has the meaning given to it in the Act.

### **1.3 Interpretation**

- a) Any reference to legislation (including regulations) includes reference to the equivalent Northern Ireland legislation and includes any amendment or replacement to the legislation.
- b) Any reference to the singular includes a reference to the plural and vice versa.
- c) In no event will these Rules be interpreted as giving any right to the payment of an Unauthorised Payment.

### **1.4 Transitional protection under the Act**

Where the Member is entitled to transitional protection under Schedule 36 of the Act, the Trustees may pay benefits in accordance with the provisions of Schedule 36 of the Act.

## **2 Membership and Contributions**

### **2.1 Membership**

In order to become a Member, an individual must be a member of the Combined Pension Scheme or the Principal Non-Industrial Superannuation Scheme of the United Kingdom Atomic Energy Authority.

The Authority may at any time decide that no new Members shall be admitted to the Scheme.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

**2.2 Contributions**

- a) The Scheme may accept Member Contributions.
- b) Member Contributions will normally be made as a deduction from pay.
- c) A Member may at any time, by giving such notice as may be required by the Authority, direct that no further contributions will be made to the Member's Account.
- d) It is the Member's responsibility to determine whether the Member's contributions are entitled to tax relief or that total contributions on the Member's behalf remain within the annual allowance described in the Act. Except as provided for in Rule 2.2(h) below, a contribution will not be refunded once it has been received by or on behalf of the Authority unless there is a legal requirement that it be returned.
- e) The Employers may at any time pay contributions to provide additional benefits (including increases to any Pensions payable under the Scheme) for such Members or other persons as they shall determine.
- f) Contributions may be made on behalf of a Member working overseas so long as that Member is a "seconded worker" as defined in The Occupational Pension Schemes (Cross-border Activities) Regulations 2005 or is working outside a Member State of the European Union.
- g) Where a Member is absent due to maternity, paternity, parental responsibilities or adoption of a child, the Authority must comply with applicable law and its employment policy.
- h) Contributions may (in accordance with the Scheme Details) be used to pay premiums towards a policy of insurance that provides one or more benefits on the Member's death.
- i) The Authority may, if permitted by law and at its absolute discretion, refund any contributions paid in error and return these to the Member or Employer as applicable.

**2.3 Employer Account**

- a) The Employer Account is the account held in the Scheme which comprises the accumulated values of:
  - i) contributions paid to and retained by the Scheme that are not designated to a Member's Account;
  - ii) funds not designated to Members' Accounts on transfer into the Scheme;
  - iii) amounts attributable to benefits that are not payable from Members' Accounts under the Rules or the law;
  - iv) the balance of a Member's Account where the Scheme has been discharged from any further liability to or in respect of the Member without the Member's Account being applied; and
  - v) any income or capital gain, or any loss, arising from the investment of such payments;less such expenses, charges and deductions as the Authority agrees.
- b) Where the Authority determines, the Employer Account may be used:
  - i) to provide or augment benefits payable from Members' Accounts under the Rules;
  - ii) to pay costs and expenses for which an Employer is responsible;
  - iii) to satisfy the obligation of an Employer to pay contributions to the Scheme; and

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

- iv) for any other lawful purpose, provided that funds from the Employer Account are payable to an Employer only in accordance with the Pensions Act.

### **3 Member Benefits**

#### **3.1 Member's Account**

- a) A Member's Account is the account held for the Member in the Scheme which relates to the Member's notional interest in the Fund (as determined by the Authority) and shall comprise the accumulated values of:
  - i) the contributions paid to and retained in the Scheme by or in respect of the Member in accordance with Rule 2.2;
  - ii) any transfer payment accepted by the Authority in respect of the Member;
  - iii) any Pension Credit Rights accepted by the Authority in respect of the Member;
  - iv) any other payments to the Scheme made by or in respect of the Member; and
  - v) any income or capital gain, or any loss, arising from the investment of such payments;

less the exclusions in Rule 3.1(b) below.

A Member's Account does not include Crystallised Benefits or any life assurance provision that the Authority have arranged for the Member under the Scheme.

- b) The following shall be excluded from the Member's Account:
  - i) such expenses, charges and deductions as the Authority consider appropriate. In determining such amounts, the Authority may have regard to the terms of any investment contract that the Authority has entered into to provide benefits under the Scheme; and
  - ii) any Pension Debit arising as a result of a Pension Sharing Order.
- c) A Member shall not be entitled to any specific assets or any share of any specific assets in respect of the Member's entitlement to benefits under the Scheme. The Member's entitlement to benefits shall be set against the Fund as a whole. No reference to the Member's Account or to its value may be used to attribute any particular asset of the Fund to any particular Member.
- d) The Authority will apply the Member's Account to provide benefits for the Member.

#### **3.2 Age at which Member may take benefits**

- a) The Authority will apply the Member's Account to provide benefits for the Member on a date chosen by the Member, provided that this date is no earlier than age 55 (or such earlier or later age as may be permitted or prescribed by the Act).
- b) The Authority may, if the Member requests, put the Member's Account into payment earlier than the age required by (a) above if:
  - i) the Authority is satisfied that the Member is and will continue to be incapable of carrying out the Member's occupation because of a physical or mental impairment; and
  - ii) the Authority has received written evidence from a Registered Medical Practitioner confirming that the Member is and will continue to be incapable of carrying out the Member's occupation because of a physical or mental impairment.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

- c) A Member whose Member's Account has been used to provide benefits shall no longer be permitted to pay contributions to the Member's Account.

**3.3 Benefit crystallisation**

- a) When the Authority applies the Member's Account to provide benefits for the Member in accordance with this Rule 3, such payment will give rise to one or more Benefit Crystallisation Events.
- b) Before applying the Member's Account to provide any benefit, the Authority will ask the Member to provide information in order to determine how much, if any, of the Member's Lifetime Allowance will have been used on the relevant Benefit Crystallisation Date. Where the Authority determines that the Member's Lifetime Allowance is exceeded, a Lifetime Allowance Charge will be deducted from any crystallising amount that exceeds the Member's Lifetime Allowance.
- c) A Member may elect to crystallise only part of the Member's Account to provide benefits as set out in this Rule 3.3 provided that the Authority is able to make arrangements for the benefits to be paid in this way.
- d) If the Member attains age 75 and has not crystallised all benefits in the Member's Account, the Authority will crystallise the Member's Account and may deduct a Lifetime Allowance Charge if the Member has not provided information in accordance with Rule 3.3(b). The Authority will then hold the Member's Account until such time as the Member's Account is utilised to provide benefits in respect of the Member in accordance with the provisions of the Act.

**3.3.1 Pension income**

- a) When the Member requests payment of benefits from the Member's Account in accordance as a Pension, the Authority will apply some or all of the Member's Account to provide a Pension from an Insurance Company.
- b) A Member may choose a Pension that provides an income for the Member's Dependant if the Member predeceases the Dependant. Any Dependant's pension chosen must be payable in accordance with section 167 of the Act.
- c) A Member may choose a Pension that provides level or escalating income or income linked to investment results, or ceases at a specified age.
- d) The Member's Pension may be provided from an Insurance Company of the Member's choice.
- e) The Pension may be provided either:
  - i) under the Scheme through a contract or policy held by or issued to the Authority, or
  - ii) through a contract or policy issued to and in the name of the Member.
- f) The application of the Member's Account to provision of a Pension by or for a Member through a contract or policy issued to and in the name of the Member, along with any pension commencement lump sum provided under Rule 3.6, will extinguish the Member's rights under the Scheme regarding the benefits so crystallised.
- g) The Authority may permit a Member to designate all or part of the Member's Account to provide a Flexi-Access Drawdown Fund in the circumstances permitted by and in accordance with the provisions of the Act, provided the Authority is able to make arrangements for the administration and payment of benefits in this way.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

**3.3.2 Pension commencement lump sum**

- a) If the Member requests, the Authority will arrange for part of the Member's Account to be paid as a pension commencement lump sum from the Scheme in the circumstances permitted by the Act.
- b) The Authority will arrange for a pension commencement lump sum to be paid:
  - i) when the Member's benefits crystallise in circumstances permitted by the Act;
  - ii) provided that the amount is not more than 25% of the amount of the Member's Account being applied to provide benefits (including the lump sum) for the Member;
  - iii) within such period as may be prescribed under the Act;
  - iv) that does not, when added to all pension commencement lump sums taken from all other Registered Pension Schemes, exceed 25% of the Standard Lifetime Allowance applicable at the time it is paid; and
  - v) up to the amount of the unused Member's Lifetime Allowance provided that the amount is not more than 25% of the amount of the Member's Account being applied to provide benefits (including the lump sum) for the Member.

**3.3.3 Lump sum on grounds of serious ill-health**

The Authority may pay the Member's Account as a serious ill-health lump sum where:

- a) the Authority has received written evidence from a Registered Medical Practitioner confirming that the Member is expected to live for less than one year;
- b) the Member has all or part of the Member's Lifetime Allowance available at the time the lump sum crystallises;
- c) the lump sum extinguishes the Member's entitlement to any further benefits under the Scheme; and
- d) the lump sum is paid before the Member's 75th birthday.

**3.4 Uncrystallised Funds Pension Lump Sum**

The Authority may permit the Member's Account to be paid as one or more Uncrystallised Funds Pension Lump Sums in the circumstances permitted by, and in accordance with the provisions of the Act, provided the Authority is able to make arrangements for the administration and payment of benefits in this way.

**4 Benefits on Death**

**4.1 Lump sum benefits**

- a) Any lump sum which in accordance with the Scheme Details is to be paid on death, shall be paid by the Authority to or for the benefit of any one or more of the following in such proportions as the Authority decides:
  - i) any Person nominated by the Member in writing to the Authority;
  - ii) the Member's surviving spouse or Civil Partner and any children and remoter issue of any of them;
  - iii) the Member's parents and grandparents;
  - iv) the Member's Dependants;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

- v) the Member's or the Member's surviving spouse's or Civil Partner's brothers and sisters (including half-brothers and half-sisters) and their spouses and any children or remoter issue of any of them;
- vi) the Member's or the Member's surviving spouse's or Civil Partner's aunts and uncles (including half-aunts and half-uncles) and their spouses and any children or remoter issue of any of them;
- vii) any Person entitled under the Member's will to any interest in the Member's estate;
- viii) any other Person; or
- ix) the Member's estate.

In this Rule 4.1(a), a relationship acquired by legal adoption is as valid as a blood relationship.

- b) Any lump sum benefit payable on the death of a Member who is entitled to short service benefit as described in Rule 3.2(a) or Rule 3.2(b) shall, where the Scheme Details so prescribe, be paid to the Member's estate. If no grant of representation has been obtained, the Authority may pay this amount to the Member's spouse or Civil Partner, or, where there is no spouse or civil partner, to the Member's next of kin.

#### **4.2 Dependant's pension(s)**

- a) Any benefit in pension or annuity form applicable to the Member under a policy of insurance referred to in Rule 2.2(h), shall be paid to such one or more of the Member's Dependents as provided for, and in the manner prescribed by the terms of that policy of insurance.
- b) Any part of the Member's Account, and all or part of a lump sum benefit which is not paid in accordance with Rule 4.1, may be applied by the Authority to provide benefits for one or more Dependents in accordance with the Act.

#### **4.3 Trivial commutation lump sum death benefit**

The Authority may, with the Dependant's agreement, pay a trivial commutation lump sum death benefit in accordance with paragraph 20, Schedule 29 of the Act in lieu of a Dependant's Pension.

#### **4.4 Benefits from insurance policies**

- a) Any benefit provided through a policy of insurance referred to in Rule 2.2(h) will be payable in accordance with the terms of that policy.
- b) Where a Pension or a Dependant's Pension is provided under the Scheme through a contract or policy held by or issued to the Authority:
  - i) the Pension or Dependant's Pension will be payable in accordance with the terms on which it was provided and in accordance with the terms of that contract or policy;
  - ii) if the terms on which a Pension for a Member is provided include a lump sum payable on the death of the Member, that lump sum will be paid in accordance with Rule 4.1(a).

#### **4.5 Flexi-Access Drawdown Fund Lump Sum Death Benefit**

Where a Member has designated a Flexi-Access Drawdown Fund in accordance with Rule 3.3.1(g), any benefits payable on the Member's or her subsequent death may be in the form of a Flexi-Access Drawdown Fund Lump Sum Death Benefit in the circumstances

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

permitted by, and in accordance with the provisions of the Act, provided the Authority is able to make arrangements for the administration and payment of benefits in this way.

## **5 Transfers**

### **5.1 Transfers from the Scheme**

- a) A Member may direct the Authority to transfer the Member's Account to another Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme so long as the transfer constitutes a recognised transfer under section 169 of the Act.
- b) The transfer must be made in accordance with the relevant legislation.
- c) The Member may withdraw a request for transfer by giving the Authority notice in writing to that effect but may not withdraw a request after the Authority has disinvested the Member's Account except on terms agreed with the Authority. A Member who has withdrawn a request may make another request for a transfer.
- d) If the Authority determines, the Member may elect under this Rule 5.1 for different parts of the Member's Account to be transferred to more than one Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme.
- e) The Member and the Member's Dependants will cease to be entitled to benefits under the Scheme in respect of any rights transferred in accordance with this Rule 5.1 and the Authority will be discharged from any obligation to provide benefits in respect of those transferred rights.
- f) A Member may elect to transfer part of the Member's Account provided that the Authority is able to make arrangements for such a transfer.
- g) The Authority may transfer a Member's Account to another Registered Pension Scheme without the consent of the Member where permitted by law provided all the relevant conditions under the law are satisfied.

### **5.2 Transfers into the Scheme**

- a) The Authority may, at the written request of a Member who is paying Member Contributions to the Plan or an Employer, accept a transfer payment representing the value of the Member's rights (including any Pension Credit Rights) under another Registered Pension Scheme, a Qualifying Recognised Overseas Pension Scheme, or any other source permitted by HMRC.
- b) The Authority may accept a transfer without the Member's written request where the Member's consent to that transfer is not required by law, provided that all the relevant conditions under the law are satisfied.
- c) The transfer must be made in accordance with the Act.

### **5.3 Pension Sharing Order**

- a) If a Pension Sharing Order is made against a Member's benefits under the Scheme and the Member's Ex-Spouse or Ex-Civil Partner is awarded a Pension Credit, the Pension Sharing Order will be implemented by either:
  - i) a transfer of the Pension Credit to another Registered Pension Scheme or a Qualifying Recognised Overseas Pension Scheme; or
  - ii) if the Authority agrees, the retention of the Pension Credit in the Scheme. In this event, the Ex-spouse or Ex-Civil Partner shall be included as a Member and the Pension Credit shall form the Member's Account for the purposes of these Rules and the Fund.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

- b) A Member may transfer a Pension Credit in respect of the Member to the Member's Account where the Authority agrees to the transfer.

## **6 Administration of the Scheme**

### **6.1 Admission of Employers**

An employing entity may be admitted as an Employer if:

- a) the Authority agrees to the employing entity's admission; and
- b) the employing entity agrees to comply with the Rules.

### **6.2 Replacement of the Authority**

The Authority may be replaced if it is dissolved or otherwise ceases to exist, or is deemed to have been withdrawn from the Scheme under Rule 6.1.3. The replacement of the Authority by another body shall be exercised by the Secretary of State.

### **6.3 Withdrawal of Employer**

- a) An Employer may withdraw from and terminate its liability to pay contributions to the Scheme at any time by giving the Authority written notice of its intention to do so.
- b) The Authority may deem the Employer to have withdrawn from the Scheme where:
  - i) the Employer has failed to comply with its obligations under the Rules;
  - ii) the Employer has ceased trading, has been dissolved or otherwise ceased to exist, has commenced liquidation proceedings or a petition
  - iii) to wind-up the Employer has been presented; or
  - iv) the Employer's continued participation in the Scheme prejudices the Scheme's status as a Registered Pension Scheme.
- c) Where an Employer has withdrawn or has been deemed to have withdrawn from the Scheme, the provisions of Rule 9.4 will apply.

### **6.4 Obligations of Employers**

Each Employer will provide such information to the Authority as is required by law or that the Authority may reasonably require in order to administer the Scheme.

### **6.5 Scheme Administrator**

The Authority shall be the Scheme Administrator for the purposes of the Act. However, it may appoint another person or persons to act as the Scheme Administrator in its place in accordance with the provisions of the Act.

### **6.6 Power to administer**

- a) The Authority has all powers necessary for proper administration of the Scheme, and may exercise its powers without the consent of the Employers or Members except where such consents are required by law or the Rules.
- b) The Authority may from time to time appoint for the proper administration and management of the Scheme such clerical or executive officers or staff as it considers desirable.

### **6.7 Power to delegate**

- a) The Authority may delegate or sub-delegate certain powers, duties and discretions as it considers appropriate to such persons as the Authority may from time to time determine, in accordance with the Rules and relevant law. The Authority may impose

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

such conditions and restrictions and agree such written terms of reference as it thinks prudent in the circumstances. The Authority may appoint a person to give receipts or discharges on its behalf.

- b) For the avoidance of doubt, the Authority's powers, duties and discretions in relation to amendment of the Scheme in accordance with Rule 11 shall not be capable of delegation.

**6.8 Power to determine entitlement**

The Authority has the power to determine whether or not any Person is entitled to any payment of benefit in accordance with these Rules.

**6.9 Investment, borrowing and security**

- a) In addition to the powers given to the Authority under sections 33 to 36 and section 40 of the Pensions Act, and subject to the duties and restrictions imposed on it by those sections, the Authority shall have and may from time to time exercise in relation to the Fund, full and unrestricted powers to invest and apply the Fund, including all such powers as would apply if it was the beneficial owners of all of the assets of the Scheme.
- b) The Authority may invite Members to nominate an investment choice from a range of investments authorised by the Authority for this purpose. The Authority may, at its discretion, have regard to any investment wishes made known to it by a Member in respect of the assets notionally allocated to that Member's Account. The Authority shall not be liable for any losses which may arise as a result of it abiding by or not abiding by the Member's wishes. The Authority shall have discretion, at any time, to change the range of investments authorised for this purpose or to withdraw the facility for Members to nominate investment wishes.
- c) The Authority shall have power to raise or borrow money for such purposes as permitted by law and may secure repayment of the same in such manner and on such terms as the Authority determines, including by charging or mortgaging all or part of the Fund.
- d) The Authority shall have power to give any indemnity in connection with the exercise of the powers in relation to the Fund.

**6.10 Advisers**

The Authority may appoint and obtain the advice of an actuary, auditor, legal adviser or other professional adviser, upon whose advice it is entitled to rely. The terms of all such appointments shall comply with section 47 of the Pensions Act. The Authority will not be chargeable or accountable in respect of any matter or thing made, done or omitted in the administration of the Scheme upon advice so obtained.

**6.11 Disputes**

- a) The decision of the Authority shall be conclusive in the case of any doubt or dispute:
  - i) as to whether any individual is or is not an Employee;
  - ii) as to whether any Employee is or is not qualified for membership of the Scheme; and
  - iii) as to the amount of any Member's earnings from the Employers for the purposes of the Scheme.
- b) The Authority has the power to determine all other disputes. Any doubt or dispute concerning the interpretation of the Rules or a question of fact other than those listed in Rule 6.11(a) will be determined conclusively by the Authority.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

- c) If section 50 of the Pensions Act applies, the Authority will adopt and operate an internal disputes resolution procedure.

**6.12 Scheme records and accounts**

- a) The Authority will arrange for a complete record of all Persons entitled to benefit under the Scheme to be kept and will record all matters necessary for the proper administration and management of the Scheme in accordance with the Pensions Act and other applicable requirements.
- b) The Authority will arrange for full account to be kept of all money passing through its hands.
- c) Where required by legislation, the Authority will produce accounts and arrange for their audit.

**6.13 Provision of information**

The Authority will provide information concerning the Scheme to Members, to HMRC and to any other relevant authority in accordance with relevant legislation.

**7 Liability and Indemnity of the Authority**

**7.1 Monetary liability**

The Authority shall be liable only for such money as it shall actually receive and shall in no event be liable for any interest in respect of such money.

**7.2 General liability and indemnity**

So far as permitted by law the Authority shall be indemnified by the Employers and each of them in respect of all liabilities and expenses properly incurred in the execution or purported execution of the Scheme, or of the duties and powers or discretions vested in the Authority under the Scheme and against all actions proceedings costs expenses claims and demands in respect of any matters or things made done or omitted in any way relating to the Scheme. However, the Authority shall not be indemnified against any breach arising out of own fraud or deliberate disregard of the interests of the beneficiaries under the Scheme.

**7.3 Insurance against liabilities and expenses**

The Authority may purchase an insurance policy from an authorised insurer to insure against liabilities and expenses to the extent permitted by law. The premium for this insurance policy may be paid by the Authority, from the Fund (to the extent permitted by law) or by the Authority directly.

**8 Amendment of the Rules**

- 8.1** Subject to section 67 of the Pensions Act, any other applicable provisions of the law which govern amendments to pension schemes and as provided in this Rule, the Authority, with the approval of the Secretary of State, may from time to time and at any time alter or modify all or any of the provisions of the Scheme.

However, no such alteration or modification under this Rule shall be made which would have the effect of varying or affecting any benefits applicable to service completed before the alteration or modification without the consent in writing of any Member affected by it.

- 8.2** Any such alteration or modification shall be invalid to the extent that it has not been made in accordance with the requirements of section 67 of the Pensions Act, or in accordance with any other applicable provisions of the law which govern amendments to pension schemes.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

## **9 Winding-up the Scheme**

### **9.1 Events leading to winding-up**

- a) The Scheme will terminate when
  - i) the Authority terminates its liability to pay contributions to the Scheme; or
  - ii) the Secretary of State notifies the Authority that the Scheme will terminate; or
  - iii) the Authority is dissolved or otherwise ceases to exist or is deemed to have been withdrawn from the Scheme under Rule 6.1.3(b).

However, this Rule 9.1(a) will not apply if the Authority is replaced under Rule 6.1.2.

- b) When the Scheme terminates, the Authority will commence procedures to wind-up the Scheme in accordance with this Rule 9 on such date as the Authority shall determine.

### **9.2 Procedures on winding-up**

- a) On winding-up, the Authority will pay any fees, costs, charges or expenses incidental to the administration, management and winding-up to the Scheme that are payable from the Fund, as agreed under Rule 10.7.
- b) The Authority will arrange that any pension in payment under the Scheme be assigned or transferred into the name of the Member or Dependant to whom it is being paid.
- c)
  - i) The Authority will notify each Member who has a Member's Account of the Member's rights to transfer the Member's Account under Rule 5.1 and will provide to the Member any information relevant to the Member's Account that is required by law.
  - ii) If a Member does not choose to transfer the Member's Account under Rule 5.1, the Authority may apply the Member's Account to purchase a pension contract or policy in the Member's name or transfer the Member's Account to another Registered Pension Scheme without the consent of the Member, in accordance with relevant legislation.
- d) After having complied with any requirements under law, the Authority will distribute assets in the Employer Account as permitted by law.

### **9.3 Winding-up lump sum**

As an alternative to the provision of benefits under Rule 9.2(c), the Authority may pay the Member's Account as a lump sum in accordance with paragraph 10, Schedule 29 of the Act.

### **9.4 Partial winding-up**

On the withdrawal of an Employer the provisions of Rule 9.2 and 9.5 shall apply in respect of those Members who are then in the service of that Employer.

### **9.5 Delay in winding-up**

The Authority may delay the winding-up of the Scheme, and instead enter into such arrangements as it sees fit for the continuance of the Scheme (or part of it) as a paid-up scheme.

If the Authority chooses to exercise its discretion to delay wind-up, it may at any time subsequently resolve that the Scheme be wound-up.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

**10 General Provisions**

**10.1 Rights under the Scheme**

An individual's rights under the Scheme are limited to those given under the documents governing the Scheme, including these Rules.

**10.2 Assignment or Surrender**

No benefits secured with or arising from the Scheme may be assigned or surrendered except:

- a) to the extent necessary to comply with a Pension Sharing Order;
- b) in accordance with section 91 of the Pensions Act; and
- c) in accordance with Rule 10.8.

To the extent any benefit has been assigned or surrendered outside of these provisions, the Authority may determine to pay the benefit in accordance with section 92(3) of the Pensions Act.

**10.3 Payments from the Scheme**

All benefits under the Scheme are payable in Sterling or any replacement currency adopted by the United Kingdom government.

**10.4 Beneficiary unable to act**

If the Authority on advice of a Registered Medical Practitioner considers that an individual to whom a benefit is due to be paid is not physically or mentally capable, the Authority may exercise any option under the Rules on behalf of that individual. The Authority may arrange that the benefit payment, instead of being made to that individual, will be made for the maintenance of that individual and/or any of that individual's Dependants. Any payment made in accordance with this provision will discharge the Authority from any obligation to provide the benefits to which it relates.

**10.5 Evidence and documentation**

The Authority may require any Member or any other Person to whom benefits are payable under the Scheme to produce any evidence or information which the Authority reasonably require. If the Member or the other Person does not produce the required evidence or information, the Authority may withhold payment of any benefit to which it is relevant until it is produced, or deduct tax charges or penalties at the highest rate allowed in legislation.

**10.6 Notice to the Authority**

Where these Rules give a Member or other Person a choice which must be notified to the Authority, the Authority may impose requirements on the period or form of the notice to be given by the Member or other Person.

**10.7 Costs and expenses**

The Authority may from time to time determine that the administration and management expenses of the Scheme shall be met by:

- a) deducting all or part of the relevant sums from contributions made by or in respect of the Members;
- b) deducting all or part of the relevant sums from the Fund (by the realisation of assets of the Fund if required); or
- c) deducting all or part of the relevant sums from the Employer Account; or
- d) by the Employers in such proportions as the Authority considers to be equitable.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 7: Additional Voluntary Contribution Scheme**

The Authority will ensure that any deductions under Rule 10.7(a) or (b) are apportioned equitably between the Members' Accounts.

**10.8 Surrender of benefit**

If the Member registers, or notifies the Authority in writing, that the Member intends to register for enhanced transitional protection under Schedule 36 of the Act, the Authority shall have discretion to surrender the relevant excess under paragraph 12(5) of that Schedule.

**10.9 Deduction and payment of tax**

Prior to making any payment under the Scheme, the Authority are entitled to deduct from the Member's Account a sum equal to any charge, tax, levy, fee or duty for which the Authority or the Scheme Administrator under the Act are or may become liable.

**10.10 Monetary obligation owed by Member**

An Employer or the Authority may exercise a charge or lien on or set-off against an individual's accrued right or entitlement to a benefit for the purpose of discharging a monetary obligation due to the Employer or the Scheme and arising out of a criminal, negligent or fraudulent act or omission of that individual, or where applicable a breach of trust by that individual under the Scheme to the extent permitted by section 91 of the Pensions Act.

**10.11 Governing Law**

The Scheme will be governed in accordance with the laws of the jurisdiction that governs documents establishing the Scheme.

**10.12 Miscellaneous Lump Sum Payments**

The Authority may (whether by commutation of pension or otherwise), in circumstances other than those set out in rules 3 and 4, pay a lump sum to or in respect of a member where the relevant legislation would not make such a payment an unauthorised payment.

## **Section 8: Shift Pay Pension Savings Plan**

Note: References to rule numbers within section 8 are to the rules within section 8.

### **1 Scheme Status, Definitions and Interpretation**

#### **1.1 Scheme status**

The Scheme is a money purchase pension scheme registered under section 153, or deemed registered under paragraph 1 Schedule 36 of the Finance Act 2004.

#### **1.2 Definitions**

The following words have the following meanings:

**"Act"** means the Finance Act 2004.

**"Authority"** means the United Kingdom Atomic Energy Authority or its successor for the time being.

**"Benefit Crystallisation Date"** means the date on which the Benefit Crystallisation Event is effective and benefits are tested against the Member's Lifetime Allowance in accordance with the Act.

**"Benefit Crystallisation Event"** means a benefit crystallisation event as defined in section 216 of the Act.

**"Child"** means a natural or adopted child of the Member, where the child:

- a) has not reached the age of 23; or
- b) has reached that age and, in the opinion of the Authority, was at the date of the Member's death dependent on the Member because of physical or mental impairment.

**"Civil Partner"** means a civil partner of a Member as defined in section 1 of the Civil Partnership Act 2004.

**"Combined Pension Scheme"** means the United Kingdom Atomic Energy Authority Combined Pension Scheme.

**"Crystallised Benefits"** means any Pensions or lump sum payments that have been put into payment and tested against the Member's Lifetime Allowance in accordance with section 219 of the Act, including any benefits put into payment before 6 April 2006.

**"Dependant"** means:

- a) a person who was the Member's spouse or Civil Partner at the date of the Member's death;
- b) a person who was the Member's spouse or Civil Partner when the Member first became entitled to a Pension under the Scheme;
- c) the Member's Child; or
- d) a person who, in the opinion of the Authority, at the date of the Member's death:
  - i) was financially dependent on the Member;
  - ii) had a financial relationship with the Member that was one of mutual dependence or interdependence; or
  - iii) was dependent on the Member because of physical or mental impairment.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

Where benefits have been crystallised, dependency and any related benefits will be determined by reference to the terms of the contract or policy governing the benefits chosen in accordance with Rule 3.5.

**"Employee"** means an individual employed by an Employer.

**"Employer"** means the Authority, or any other employing entity that has been admitted to the Scheme.

**"Employer Account"** has the meaning given to it in Rule 2.3.

**"Employer Contributions"** means contributions to the Scheme under Rule 2.2 by an Employer in respect of a Member.

**"Ex-Civil Partner"** means a former Civil Partner to whom Pension Credit Rights have been allocated under a Pension Sharing Order, agreement or equivalent provision.

**"Ex-Spouse"** means a former spouse of the Member to whom Pension Credit Rights have been allocated under a Pension Sharing Order, agreement or equivalent provision.

**"Flexi-Access Drawdown Fund"** has the meaning given to it in the Act.

**"Flexi-Access Drawdown Fund Lump Sum Death Benefit"** has the meaning given to it in the Act.

**"Fund"** means all contributions paid to the Scheme together with any money, investments, policies, real property and any other assets for the time being held by or on behalf of the Authority under the Scheme.

**"HMRC"** means Her Majesty's Revenue and Customs.

**"Insurance Company"** means an insurance company as defined in section 275 of the Act.

**"Lifetime Allowance Charge"** means a tax charge taken in accordance with section 214 of the Act where the Member's Lifetime Allowance has been exceeded.

**"Member"** means an individual who has become a Member under Rule 2.1.

**"Member's Account"** has the meaning given to it in Rule 3.1.

**"Member Contributions"** means contributions to the Scheme under Rule 2.2 by the Member or by any other Person on the Member's behalf.

**"Member's Lifetime Allowance"** means the Standard Lifetime Allowance, adjusted in accordance with section 218 of the Act. The Member's Lifetime Allowance is the value of benefits that the Member can draw from all Registered Pension Schemes in the Member's lifetime without triggering a Lifetime Allowance Charge.

**"Payment Schedule"** means the documentation required by section 87 of the Pensions Act.

**"Pension"** means a lifetime annuity, a scheme pension or a drawdown pension, all as defined in Schedule 28 of the Act.

**"Pension Credit"** means a credit under section 29(1)(b) of the Welfare Reform and Pensions Act 1999.

**"Pension Credit Rights"** means rights to benefits attributable to a Pension Credit.

**"Pension Debit"** means a debit under section 29(1)(a) of the Welfare Reform and Pensions Act 1999.

**"Pension Sharing Order"** means any order or provision as defined in either section 19 or 20 of the Welfare Reform and Pensions Act 1999.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

**"Pensionable Shift Pay"** in relation to a Member means that part of the member's Shift Pay as is determined from time to time by the Employers and notified to the Member as being pensionable.

**"Pensions Act"** means the Pensions Act 1995.

**"Person"** means an individual or a body of persons whether or not incorporated, other than the Employer.

**"Qualifying Recognised Overseas Pension Scheme"** means a qualifying recognised overseas pension scheme as defined in section 169 of the Act.

**"Registered Medical Practitioner"** means a fully registered medical person within the meaning of the Medical Act 1983 or someone with equivalent overseas qualifications.

**"Registered Pension Scheme"** means a pension scheme registered in accordance with section 153 of the Act, or deemed registered in accordance with paragraph 1 Schedule 36 of the Act.

**"Rules"** means these Rules.

**"Scheme"** means The United Kingdom Atomic Energy Authority and Associated Employers Shift Pay Pension Savings Plan.

**"Scheme Details"** means the document describing benefits under the Scheme distributed to the Members by or on behalf of the Authority.

**"Secretary of State"** means the Secretary of State of the Authority's sponsor department.

**"Shift Pay"** means the extra pay received by a Member in respect of shift working.

**"Standard Lifetime Allowance"** means the standard lifetime allowance established by the Treasury for each Tax Year under section 218 of the Act.

**"Tax Year"** means a period beginning on 6 April and ending on the following 5 April.

**"Unauthorised Payment"** means an unauthorised payment as defined in section 160(5) of the Act.

**"Uncrystallised Benefits"** means benefits not yet put into payment and not yet tested against the Member's Lifetime Allowance in accordance with section 219 of the Act.

**"Uncrystallised Funds Pension Lump Sum"** has the meaning given to it in the Act.

### **1.3 Interpretation**

- a) Any reference to legislation (including regulations) includes reference to the equivalent Northern Ireland legislation and includes any amendment or replacement to the legislation.
- b) Any reference to the singular includes a reference to the plural and vice versa.
- c) In no event will these Rules be interpreted as giving any right to the payment of an Unauthorised Payment.

### **1.4 Transitional protection under the Act**

Where the Member is entitled to transitional protection under Schedule 36 of the Act, the Trustees may pay benefits in accordance with the provisions of Schedule 36 of the Act.

## **2 Membership and Contributions**

### **2.1 Membership**

- a) In order to become a Member, an individual must:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

- i) be a member of the Combined Pension Scheme or the Principal Non-Industrial Superannuation Scheme of the United Kingdom Atomic Energy Authority
  - ii) be in receipt of Pensionable Shift Pay;
  - iii) be accepted as a Member by the Authority; and
  - iv) make a contribution to the Scheme or a contribution must be made on the Member's behalf.
- b) The Authority may require an individual to make a written application (in such form as it shall decide) to become a Member.
  - c) No individual who is a "qualifying person" as defined in the Occupational Pension Schemes (Cross-border Activities) Regulations 2005 may become or remain a Member of the Scheme.
  - d) The Authority may at any time decide that no new Members shall be admitted to the Scheme.
  - e) If the Authority in any case agree, a person who is prospectively eligible to become a Member may be included in the Scheme solely for the purposes of being covered for any death benefits which are provided through one or more policies of insurance referred to in Rule 2.2(i).

**2.2 Contributions**

- a) The Scheme may accept the following contributions:
  - i) Member Contributions; and
  - ii) Employer Contributions.
- b) Member Contributions will normally be made as a deduction from pay. The contributions that a Member is required to pay, if any, are set out in the Scheme Details and relevant Payment Schedule. The Member may make additional contributions as agreed by the Authority.
- c) A Member may at any time, by giving such notice as may be required by the Authority, direct that no further contributions will be made to the Member's Account.
- d) It is the Member's responsibility to determine whether their contributions are entitled to tax relief or that total contributions on the Member's behalf remain within the annual allowance described in the Act. Except as provided for in Rule 2.2(i) below, a contribution will not be refunded once it has been received by or on behalf of the Authority unless there is a legal requirement that it be returned.
- e) Employer Contributions will be paid at the rates set out in the Scheme Details and relevant Payment Schedule. Where an Employer wishes to reduce or terminate its contributions, it must consult Members if required to do so by the Pensions Act 2004
- f) The Employers may at any time pay contributions in addition to those set out in the Payment Schedule to provide additional benefits (including increases to any Pensions payable under the Scheme) for such Members or other persons as they shall determine.
- g) Contributions may be made on behalf of a Member working overseas so long as that Member is a "seconded worker" as defined in The Occupational Pension Schemes (Cross-border Activities) Regulations 2005 or is working outside a Member State of the European Union.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

- h) Where a Member is absent due to maternity, paternity, parental responsibilities or adoption of a child, the Employer will contribute to the Scheme on the Member's behalf in accordance with applicable law and its employment policy.
- i) Contributions may (in accordance with the Scheme Details) be used to pay premiums towards a policy of insurance that provides one or more benefits on the Member's death.
- j) The Authority may, if permitted by law and at its absolute discretion, refund any contributions paid in error and return these to the Member or Employer as applicable.

### **2.3 Employer Account**

- a) The Employer Account is the account held in the Scheme which comprises the accumulated values of:
  - i) contributions paid to and retained by the Scheme that are not designated to a Member's Account;
  - ii) funds not designated to Members' Accounts on transfer into the Scheme;
  - iii) amounts attributable to benefits that are not payable from Members' Accounts under the Rules or the law;
  - iv) the balance of a Member's Account where the Scheme has been discharged from any further liability to or in respect of the Member without the Member's Account being applied; and
  - v) any income or capital gain, or any loss, arising from the investment of such payments;less such expenses, charges and deductions as the Authority agrees.
- b) Where the Authority determines, the Employer Account may be used:
  - i) to provide or augment benefits payable from Members' Accounts under the Rules;
  - ii) to pay costs and expenses for which an Employer is responsible;
  - iii) to satisfy the obligation of an Employer to pay contributions to the Scheme; and
  - iv) for any other lawful purpose, provided that funds from the Employer Account are payable to an Employer only in accordance with the Pensions Act.

## **3 Member Benefits**

### **3.1 Member's Account**

- a) A Member's Account is the account held for the Member in the Scheme which relates to the Member's notional interest in the Fund (as determined by the Authority) and shall comprise the accumulated values of:
  - i) the contributions paid to and retained in the Scheme by or in respect of the Member in accordance with Rule 2.2;
  - ii) any transfer payment accepted by the Authority in respect of the Member;
  - iii) any Pension Credit Rights accepted by the Authority in respect of the Member;
  - iv) any other payments to the Scheme made by or in respect of the Member; and
  - v) any income or capital gain, or any loss, arising from the investment of such payments;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

less the exclusions in Rule 3.1(b) below.

A Member's Account does not include Crystallised Benefits or any life assurance provision that the Authority have arranged for the Member under the Scheme.

- b) The following shall be excluded from the Member's Account:
  - i) such expenses, charges and deductions as the Authority consider appropriate. In determining such amounts, the Authority may have regard to the terms of any investment contract that the Authority has entered into to provide benefits under the Scheme; and
  - ii) any Pension Debit arising as a result of a Pension Sharing Order.
- c) A Member shall not be entitled to any specific assets or any share of any specific assets in respect of their entitlement to benefits under the Scheme. The Member's entitlement to benefits shall be set against the Fund as a whole. No reference to the Member's Account or to its value may be used to attribute any particular asset of the Fund to any particular Member.
- d) The Authority will apply the Member's Account to provide benefits for the Member.

**3.2 Age at which Member may take benefits**

- a) The Authority will apply the Member's Account to provide benefits for the Member on a date chosen by the Member, provided that this date is no earlier than age 55 (or such earlier or later age as may be permitted or prescribed by the Act).
- b) The Authority may, if the Member requests, put the Member's Account into payment earlier than the age required by (a) above if:
  - i) the Authority is satisfied that the Member is and will continue to be incapable of carrying out their occupation because of a physical or mental impairment; and
  - ii) the Authority has received written evidence from a Registered Medical Practitioner confirming that the Member is and will continue to be incapable of carrying out their occupation because of a physical or mental impairment.
- c) A Member whose Member's Account has been used to provide benefits shall no longer be permitted to pay contributions to the Member's Account.

**3.3 Benefit crystallisation**

- a) When the Authority applies the Member's Account to provide benefits for the Member in accordance with this Rule 3, such payment will give rise to one or more Benefit Crystallisation Events.
- b) Before applying the Member's Account to provide any benefit, the Authority will ask the Member to provide information in order to determine how much, if any, of the Member's Lifetime Allowance will have been used on the relevant Benefit Crystallisation Date. Where the Authority determines that the Member's Lifetime Allowance is exceeded, a Lifetime Allowance Charge will be deducted from any crystallising amount that exceeds the Member's Lifetime Allowance.
- c) A Member may elect to crystallise only part of their Member's Account to provide benefits as set out in this Rule 3.3 provided that the Authority is able to make arrangements for the benefits to be paid in this way.
- d) If the Member attains age 75 and has not crystallised all benefits in the Member's Account, the Authority will crystallise the Member's Account and may deduct a Lifetime Allowance Charge if the Member has not provided information in accordance with Rule 3.3(b). The Authority will then hold the Member's Account until such time

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

as the Member's Account is utilised to provide benefits in respect of the Member in accordance with the provisions of the Act.

**3.3.1 Pension income**

- a) When the Member requests payment of benefits from their Member's Account in accordance as a Pension, the Authority will apply some or all of the Member's Account to provide a Pension from an Insurance Company.
- b) A Member may choose a Pension that provides an income for their Dependant if the Member predeceases the Dependant. Any Dependant's pension chosen must be payable in accordance with section 167 of the Act.
- c) A Member may choose a Pension that provides level or escalating income or income linked to investment results, or ceases at a specified age.
- d) The Member's Pension may be provided from an Insurance Company of the Member's choice.
- e) The Pension may be provided either:
  - i) under the Scheme through a contract or policy held by or issued to the Authority, or
  - ii) through a contract or policy issued to and in the name of the Member.
- f) The application of the Member's Account to provision of a Pension by or for a Member through a contract or policy issued to and in the name of the Member, along with any pension commencement lump sum provided under Rule 3.6, will extinguish the Member's rights under the Scheme regarding the benefits so crystallised.
- g) The Authority may permit a Member to designate all or part of their Member's Account to provide a Flexi-Access Drawdown Fund in the circumstances permitted by and in accordance with the provisions of the Act, provided the Authority is able to make arrangements for the administration and payment of benefits in this way.

**3.3.2 Pension commencement lump sum**

- a) If the Member requests, the Authority will arrange for part of the Member's Account to be paid as a pension commencement lump sum from the Scheme in the circumstances permitted by the Act.
- b) The Authority will arrange for a pension commencement lump sum to be paid:
  - i) when the Member's benefits crystallise in circumstances permitted by the Act;
  - ii) provided that the amount is not more than 25% of the amount of the Member's Account being applied to provide benefits (including the lump sum) for the Member;
  - iii) within such period as may be prescribed under the Act;
  - iv) that does not, when added to all pension commencement lump sums taken from all other Registered Pension Schemes, exceed 25% of the Standard Lifetime Allowance applicable at the time it is paid; and
  - v) up to the amount of the unused Member's Lifetime Allowance provided that the amount is not more than 25% of the amount of the Member's Account being applied to provide benefits (including the lump sum) for the Member.

**3.3.3 Lump sum on grounds of serious ill-health**

The Authority may pay the Member's Account as a serious ill-health lump sum where:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

- a) the Authority has received written evidence from a Registered Medical Practitioner confirming that the Member is expected to live for less than one year;
- b) the Member has all or part of their Lifetime Allowance available at the time the lump sum crystallises;
- c) the lump sum extinguishes the Member's entitlement to any further benefits under the Scheme; and
- d) the lump sum is paid before the Member's 75th birthday.

### **3.4 Uncrystallised Funds Pension Lump Sum**

The Authority may permit the Member's Account to be paid as one or more Uncrystallised Funds Pension Lump Sums in the circumstances permitted by, and in accordance with the provisions of the Act, provided the Authority is able to make arrangements for the administration and payment of benefits in this way.

## **4 Benefits on Death**

### **4.1 Lump sum benefits**

- a) Any lump sum which in accordance with the Scheme Details is to be paid on death, shall be paid by the Authority to or for the benefit of any one or more of the following in such proportions as the Authority decides:
  - i) any Person nominated by the Member in writing to the Authority;
  - ii) the Member's surviving spouse or Civil Partner and any children and remoter issue of any of them;
  - iii) the Member's parents and grandparents;
  - iv) the Member's Dependants;
  - v) the Member's or their surviving spouse's or Civil Partner's brothers and sisters (including half-brothers and half-sisters) and their spouses and any children or remoter issue of any of them;
  - vi) the Member's or their surviving spouse's or Civil Partner's aunts and uncles (including half-aunts and half-uncles) and their spouses and any children or remoter issue of any of them;
  - vii) any Person entitled under the Member's will to any interest in the Member's estate;
  - viii) any other Person; or
  - ix) the Member's estate.

In this Rule 4.1(a), a relationship acquired by legal adoption is as valid as a blood relationship.

- b) Any lump sum benefit payable on the death of a Member who is entitled to short service benefit as described in Rule 3.2(a) or Rule 3.2(b) shall, where the Scheme Details so prescribe, be paid to the Member's estate. If no grant of representation has been obtained, the Authority may pay this amount to the Member's spouse or Civil Partner, or, where there is no spouse or civil partner, to the Member's next of kin.

### **4.2 Dependant's pension(s)**

- a) Any benefit in pension or annuity form applicable to the Member under a policy of insurance referred to in Rule 2.2(i), shall be paid to such one or more of the Member's

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

Dependants as provided for, and in the manner prescribed by the terms of that policy of insurance.

- b) Any part of the Member's Account, and all or part of a lump sum benefit which is not paid in accordance with Rule 4.1, may be applied by the Authority to provide benefits for one or more Dependants in accordance with the Act.

**4.3 Trivial commutation lump sum death benefit**

The Authority may, with the Dependant's agreement, pay a trivial commutation lump sum death benefit in accordance with paragraph 20, Schedule 29 of the Act in lieu of a Dependant's Pension.

**4.4 Benefits from insurance policies**

- a) Any benefit provided through a policy of insurance referred to in Rule 2.2(i) will be payable in accordance with the terms of that policy.
- b) Where a Pension or a Dependant's Pension is provided under the Scheme through a contract or policy held by or issued to the Authority:
  - i) the Pension or Dependant's Pension will be payable in accordance with the terms on which it was provided and in accordance with the terms of that contract or policy;
  - ii) if the terms on which a Pension for a Member is provided include a lump sum payable on the death of the Member, that lump sum will be paid in accordance with Rule 4.1(a).

**4.5 Flexi-Access Drawdown Fund Lump Sum Death Benefit**

Where a Member has designated a Flexi-Access Drawdown Fund in accordance with Rule 3.3.1(g), any benefits payable on the Member's subsequent death may be in the form of a Flexi-Access Drawdown Fund Lump Sum Death Benefit in the circumstances permitted by, and in accordance with the provisions of the Act, provided the Authority is able to make arrangements for the administration and payment of benefits in this way.

**5 Transfers**

**5.1 Transfers from the Scheme**

- a) A Member may direct the Authority to transfer the Member's Account to another Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme so long as the transfer constitutes a recognised transfer under section 169 of the Act.
- b) The transfer must be made in accordance with the relevant legislation.
- c) The Member may withdraw a request for transfer by giving the Authority notice in writing to that effect but may not withdraw a request after the Authority has disinvested the Member's Account except on terms agreed with the Authority. A Member who has withdrawn a request may make another request for a transfer.
- d) If the Authority determines, the Member may elect under this Rule 5.1 for different parts of the Member's Account to be transferred to more than one Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme.
- e) The Member and the Member's Dependants will cease to be entitled to benefits under the Scheme in respect of any rights transferred in accordance with this Rule 5.1 and the Authority will be discharged from any obligation to provide benefits in respect of those transferred rights.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

- f) A Member may elect to transfer part of their Member's Account provided that the Authority is able to make arrangements for such a transfer.
- g) The Authority may transfer a Member's Account to another Registered Pension Scheme without the consent of the Member where permitted by law provided all the relevant conditions under the law are satisfied.

**5.2 Transfers into the Scheme**

- a) The Authority may, at the written request of a Member who is paying Member Contributions to the Plan or an Employer, accept a transfer payment representing the value of the Member's rights (including any Pension Credit Rights) under another Registered Pension Scheme, a Qualifying Recognised Overseas Pension Scheme, or any other source permitted by HMRC.
- b) The Authority may accept a transfer without the Member's written request where the Member's consent to that transfer is not required by law, provided that all the relevant conditions under the law are satisfied.
- c) The transfer must be made in accordance with the Act.

**5.3 Pension Sharing Order**

- a) If a Pension Sharing Order is made against a Member's benefits under the Scheme and the Member's Ex-Spouse or Ex-Civil Partner is awarded a Pension Credit, the Pension Sharing Order will be implemented by either:
  - i) a transfer of the Pension Credit to another Registered Pension Scheme or a Qualifying Recognised Overseas Pension Scheme; or
  - ii) if the Authority agrees, the retention of the Pension Credit in the Scheme. In this event, the Ex-spouse or Ex-Civil Partner shall be included as a Member and the Pension Credit shall form the Member's Account for the purposes of these Rules and the Fund.
- b) A Member may transfer a Pension Credit in respect of the Member to the Member's Account where the Authority agrees to the transfer.

**6 Administration of the Scheme**

**6.1 Admission of Employers**

An employing entity may be admitted as an Employer if:

- a) the Authority agrees to the employing entity's admission; and
- b) the employing entity agrees to comply with the Rules.

**6.2 Replacement of the Authority**

The Authority may be replaced if it is dissolved or otherwise ceases to exist, or is deemed to have been withdrawn from the Scheme under Rule 6.1.3. The replacement of the Authority by another body shall be exercised by the Secretary of State.

**6.3 Withdrawal of Employer**

- a) An Employer may withdraw from and terminate its liability to pay contributions to the Scheme at any time by giving the Authority written notice of its intention to do so.
- b) The Authority may deem the Employer to have withdrawn from the Scheme where:
  - i) the Employer has failed to comply with its obligations under the Rules;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

- ii) the Employer has ceased trading, has been dissolved or otherwise ceased to exist, has commenced liquidation proceedings or a petition
  - iii) to wind-up the Employer has been presented; or
  - iv) the Employer's continued participation in the Scheme prejudices the Scheme's status as a Registered Pension Scheme.
- c) Where an Employer has withdrawn or has been deemed to have withdrawn from the Scheme, the provisions of Rule 9.4 will apply.

**6.4 Obligations of Employers**

Each Employer will provide such information to the Authority as is required by law or that the Authority may reasonably require in order to administer the Scheme.

**6.5 Scheme Administrator**

The Authority shall be the Scheme Administrator for the purposes of the Act. However, it may appoint another person or persons to act as the Scheme Administrator in its place in accordance with the provisions of the Act.

**6.6 Power to administer**

- a) The Authority has all powers necessary for proper administration of the Scheme, and may exercise its powers without the consent of the Employers or Members except where such consents are required by law or the Rules.
- b) The Authority may from time to time appoint for the proper administration and management of the Scheme such clerical or executive officers or staff as it considers desirable.

**6.7 Power to delegate**

- a) The Authority may delegate or sub-delegate certain powers, duties and discretions as it considers appropriate to such persons as the Authority may from time to time determine, in accordance with the Rules and relevant law. The Authority may impose such conditions and restrictions and agree such written terms of reference as it thinks prudent in the circumstances. The Authority may appoint a person to give receipts or discharges on its behalf.
- b) For the avoidance of doubt, the Authority's powers, duties and discretions in relation to amendment of the Scheme in accordance with Rule 11 shall not be capable of delegation.

**6.8 Power to determine entitlement**

The Authority has the power to determine whether or not any Person is entitled to any payment of benefit in accordance with these Rules.

**6.9 Investment, borrowing and security**

- a) In addition to the powers given to the Authority under sections 33 to 36 and section 40 of the Pensions Act, and subject to the duties and restrictions imposed on it by those sections, the Authority shall have and may from time to time exercise in relation to the Fund, full and unrestricted powers to invest and apply the Fund, including all such powers as would apply if it was the beneficial owners of all of the assets of the Scheme.
- b) The Authority may invite Members to nominate an investment choice from a range of investments authorised by the Authority for this purpose. The Authority may, at its discretion, have regard to any investment wishes made known to it by a Member in respect of the assets notionally allocated to that Member's Account. The Authority

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

shall not be liable for any losses which may arise as a result of it abiding by or not abiding by the Member's wishes. The Authority shall have discretion, at any time, to change the range of investments authorised for this purpose or to withdraw the facility for Members to nominate investment wishes.

- c) The Authority shall have power to raise or borrow money for such purposes as permitted by law and may secure repayment of the same in such manner and on such terms as the Authority determines, including by charging or mortgaging all or part of the Fund.
- d) The Authority shall have power to give any indemnity in connection with the exercise of the powers in relation to the Fund.

**6.10 Advisers**

The Authority may appoint and obtain the advice of an actuary, auditor, legal adviser or other professional adviser, upon whose advice it is entitled to rely. The terms of all such appointments shall comply with section 47 of the Pensions Act. The Authority will not be chargeable or accountable in respect of any matter or thing made, done or omitted in the administration of the Scheme upon advice so obtained.

**6.11 Disputes**

- a) The decision of the Authority shall be conclusive in the case of any doubt or dispute:
  - i) as to whether any individual is or is not an Employee;
  - ii) as to whether any Employee is or is not qualified for membership of the Scheme; and
  - iii) as to the amount of any Member's earnings from the Employers for the purposes of the Scheme.
- b) The Authority has the power to determine all other disputes. Any doubt or dispute concerning the interpretation of the Rules or a question of fact other than those listed in Rule 6.11(a) will be determined conclusively by the Authority.
- c) If section 50 of the Pensions Act applies, the Authority will adopt and operate an internal disputes resolution procedure.

**6.12 Scheme records and accounts**

- a) The Authority will arrange for a complete record of all Persons entitled to benefit under the Scheme to be kept and will record all matters necessary for the proper administration and management of the Scheme in accordance with the Pensions Act and other applicable requirements.
- b) The Authority will arrange for full account to be kept of all money passing through its hands.
- c) Where required by legislation, the Authority will produce accounts and arrange for their audit.

**6.13 Provision of information**

The Authority will provide information concerning the Scheme to Members, to HMRC and to any other relevant authority in accordance with relevant legislation.

**UK Atomic Energy Authority Combined Pension Scheme  
Section 8: Shift Pay Pension Savings Plan**

**7 Liability and Indemnity of the Authority**

**7.1 Monetary liability**

The Authority shall be liable only for such money as it shall actually receive and shall in no event be liable for any interest in respect of such money.

**7.2 General liability and indemnity**

So far as permitted by law the Authority shall be indemnified by the Employers and each of them in respect of all liabilities and expenses properly incurred in the execution or purported execution of the Scheme, or of the duties and powers or discretions vested in the Authority under the Scheme and against all actions proceedings costs expenses claims and demands in respect of any matters or things made done or omitted in any way relating to the Scheme. However, the Authority shall not be indemnified against any breach arising out of own fraud or deliberate disregard of the interests of the beneficiaries under the Scheme.

**7.3 Insurance against liabilities and expenses**

The Authority may purchase an insurance policy from an authorised insurer to insure against liabilities and expenses to the extent permitted by law. The premium for this insurance policy may be paid by the Authority, from the Fund (to the extent permitted by law) or by the Authority directly.

**8 Amendment of the Rules**

**8.1** Subject to section 67 of the Pensions Act, any other applicable provisions of the law which govern amendments to pension schemes and as provided in this Rule, the Authority, with the approval of the Secretary of State, may from time to time and at any time alter or modify all or any of the provisions of the Scheme.

However, no such alteration or modification under this Rule shall be made which would have the effect of varying or affecting any benefits applicable to service completed before the alteration or modification without the consent in writing of any Member affected by it.

**8.2** Any such alteration or modification shall be invalid to the extent that it has not been made in accordance with the requirements of section 67 of the Pensions Act, or in accordance with any other applicable provisions of the law which govern amendments to pension schemes.

**9 Winding-up the Scheme**

**9.1 Events leading to winding-up**

- a) The Scheme will terminate when
- i) the Authority terminates its liability to pay contributions to the Scheme; or
  - ii) the Secretary of State notifies the Authority that the Scheme will terminate; or
  - iii) the Authority is dissolved or otherwise ceases to exist or is deemed to have been withdrawn from the Scheme under Rule 6.1.3(b).

However, this Rule 9.1(a) will not apply the Authority is replaced under Rule 6.1.2.

- b) When the Scheme terminates, the Authority will commence procedures to wind-up the Scheme in accordance with this Rule 9 on such date as the Authority shall determine.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

**9.2 Procedures on winding-up**

- a) On winding-up, the Authority will pay any fees, costs, charges or expenses incidental to the administration, management and winding-up to the Scheme that are payable from the Fund, as agreed under Rule 10.7.
- b) The Authority will arrange that any pension in payment under the Scheme be assigned or transferred into the name of the Member or Dependant to whom it is being paid.
- c)
  - i) The Authority will notify each Member who has a Member's Account of their rights to transfer their Member's Account under Rule 5.1 and will provide to the Member any information relevant to the Member's Account that is required by law.
  - ii) If a Member does not choose to transfer their Member's Account under Rule 5.1, the Authority may apply the Member's Account to purchase a pension contract or policy in the Member's name or transfer the Member's Account to another Registered Pension Scheme without the consent of the Member, in accordance with relevant legislation.
- d) After having complied with any requirements under law, the Authority will distribute assets in the Employer Account as permitted by law.

**9.3 Winding-up lump sum**

As an alternative to the provision of benefits under Rule 9.2(c), the Authority may pay the Member's Account as a lump sum in accordance with paragraph 10, Schedule 29 of the Act.

**9.4 Partial winding-up**

On the withdrawal of an Employer the provisions of Rule 9.2 and 9.5 shall apply in respect of those Members who are then in the service of that Employer.

**9.5 Delay in winding-up**

The Authority may delay the winding-up of the Scheme, and instead enter into such arrangements as it sees fit for the continuance of the Scheme (or part of it) as a paid-up scheme.

If the Authority chooses to exercise its discretion to delay wind-up, it may at any time subsequently resolve that the Scheme be wound-up.

**10 General Provisions**

**10.1 Rights under the Scheme**

An individual's rights under the Scheme are limited to those given under the documents governing the Scheme, including these Rules.

**10.2 Assignment or Surrender**

No benefits secured with or arising from the Scheme may be assigned or surrendered except:

- a) to the extent necessary to comply with a Pension Sharing Order;
- b) in accordance with section 91 of the Pensions Act; and
- c) in accordance with Rule 10.8.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

To the extent any benefit has been assigned or surrendered outside of these provisions, the Authority may determine to pay the benefit in accordance with section 92(3) of the Pensions Act.

**10.3 Payments from the Scheme**

All benefits under the Scheme are payable in Sterling or any replacement currency adopted by the United Kingdom government.

**10.4 Beneficiary unable to act**

If the Authority on advice of a Registered Medical Practitioner considers that an individual to whom a benefit is due to be paid is not physically or mentally capable, the Authority may exercise any option under the Rules on behalf of that individual. The Authority may arrange that the benefit payment, instead of being made to that individual, will be made for the maintenance of that individual and/or any of that individual's Dependants. Any payment made in accordance with this provision will discharge the Authority from any obligation to provide the benefits to which it relates.

**10.5 Evidence and documentation**

The Authority may require any Member or any other Person to whom benefits are payable under the Scheme to produce any evidence or information which the Authority reasonably require. If the Member or the other Person does not produce the required evidence or information, the Authority may withhold payment of any benefit to which it is relevant until it is produced, or deduct tax charges or penalties at the highest rate allowed in legislation.

**10.6 Notice to the Authority**

Where these Rules give a Member or other Person a choice which must be notified to the Authority, the Authority may impose requirements on the period or form of the notice to be given by the Member or other Person.

**10.7 Costs and expenses**

The Authority may from time to time determine that the administration and management expenses of the Scheme shall be met by:

- a) deducting all or part of the relevant sums from contributions made by or in respect of the Members;
- b) deducting all or part of the relevant sums from the Fund (by the realisation of assets of the Fund if required); or
- c) deducting all or part of the relevant sums from the Employer Account; or
- d) by the Employers in such proportions as the Authority considers to be equitable.

The Authority will ensure that any deductions under Rule 10.7(a) or (b) are apportioned equitably between the Members' Accounts.

**10.8 Surrender of benefit**

If the Member registers, or notifies the Authority in writing, that they intend to register for enhanced transitional protection under Schedule 36 of the Act, the Authority shall have discretion to surrender the relevant excess under paragraph 12(5) of that Schedule.

**10.9 Deduction and payment of tax**

Prior to making any payment under the Scheme, the Authority are entitled to deduct from the Member's Account a sum equal to any charge, tax, levy, fee or duty for which the Authority or the Scheme Administrator under the Act are or may become liable.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 8: Shift Pay Pension Savings Plan**

**10.10 Monetary obligation owed by Member**

An Employer or the Authority may exercise a charge or lien on or set-off against an individual's accrued right or entitlement to a benefit for the purpose of discharging a monetary obligation due to the Employer or the Scheme and arising out of a criminal, negligent or fraudulent act or omission of that individual, or where applicable a breach of trust by that individual under the Scheme to the extent permitted by section 91 of the Pensions Act.

**10.11 Governing Law**

The Scheme will be governed in accordance with the laws of the jurisdiction that governs documents establishing the Scheme.

**10.12 Miscellaneous Lump Sum Payments**

The Authority may (whether by commutation of pension or otherwise), in circumstances other than those set out in rules 3 and 4, pay a lump sum to or in respect of a member where the relevant legislation would not make such a payment an unauthorised payment.

## **Section 9: Calculation of Transfer Values**

### **9.01**

- 1) Parts 1, 3 and 4 of this Section make provision in respect of transfer values payable where a member leaves pensionable employment on or after 1 June 1972. A member may apply for a transfer value in accordance with the Rules in Parts 1, 3 or 4, whichever is applicable in the member's case. Except that, an active deferred member may not apply for a transfer value. If an application for a transfer value may be made under the Rules in more than one Part, the application may be dealt with in accordance with the Rules of whichever Part is appropriate in order to meet the member's requirements.
- 2) Part 1 of this Section also makes provision in respect of transfer values payable where a member exercises an option to withdraw from the Scheme on or after 6 April 1988.
- 3) Part 2 of this Section makes provision in respect of incoming transfers.
- 4) Part 5 of this Section makes provision in respect of certain miscellaneous matters.
- 5) Appendix 4 to this Scheme shall continue to have effect for the cases, persons, purposes, and in the circumstances set out in this Section.

### **Part 1: Outgoing transfers**

#### **Right to transfer value**

### **9.02**

- 1) Subject to the Rules set out in this part, a member, except an active deferred member, has a right to a transfer value in respect of the member's accrued pension benefits where either
  - i) pensionable service ends on or after 1 January 1986, or
  - ii) pensionable service ends on or after 1 June 1972 and the transfer value in respect of accrued pension benefits is paid on or after 6 April 1988 to an occupational pension scheme approved by the Treasury for the purposes of the public sector transfer arrangements, provided that
    - a) the case does not fall under the provisions of Rule 9.28(ii)(a) in which case a transfer value under Part 4 will be calculated;
    - b) the member's pensionable service ends at least one year before normal pension age except where normal pension age is below the age of 60, in which case the member has the right to a transfer at any time before the member reaches that age.
  - iii) The transfer value payable under this Part will be the cash equivalent of the member's accrued pension benefits at the relevant date. Except where otherwise provided the relevant date will be as defined by Rule 9.32.
- 2) a) Where, on or after 6 April 1988
  - i) a member exercises an option to withdraw from the Scheme under Rule 1.08, and
  - ii) the relevant date is the date on which the pensionable service of a member who has withdrawn from the Scheme under Rule 1.08 ends, or, the date on which the application for transfer value is made, whichever is the later the transfer value payable will be the cash equivalent of the accrued pension benefits as specified in sub-paragraph (b) of this Rule.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

- b) The specified pension benefits are the pension benefits which have accrued to or in respect of the member by virtue of reckonable service on or after 6 April 1988.
  - c) Where a transfer value has been paid in respect of a member who has withdrawn from the Scheme under Rule 1.08, a cash equivalent transfer value may subsequently be paid, subject to the Rules in this Part, in respect of any benefits preserved in the Scheme, when the member leaves employment.
- 3) The right of a Member to a transfer value under this Part shall be subject to the member's electing at the same time to transfer the whole of the Member's Account (if any) under The United Kingdom Atomic Energy Authority and Associated Employers Voluntary Contribution Scheme pursuant to Rule 33(aa) of the Rules that govern that scheme.

Transfers from this scheme are not allowed to schemes offering flexible benefits as defined under the Pension Schemes Act 2015, section 68.

**Times limits for application for transfer value**

**9.03**

An application for a cash equivalent transfer value must be made in writing on or before the date one year before the date on which the member reaches their normal pension age, or 6 months after their pensionable service terminates whichever is the later except where a transfer value is to be made under Rule 9.04(i) or 9.04(iii) where an application may be made on or before the date immediately preceding the date on which the member reaches their normal pension age. A member's application for the payment of a cash equivalent transfer value must include instructions as to the pension Scheme, or where appropriate, the other arrangement(s) to which payment or payments should be applied. An application may be withdrawn at any time by notice in writing provided such notice is given before an agreement has been entered into with a third party to use the whole or part of the cash equivalent in the way set out in Rule 9.04.

**Benefits preservable on leaving the Scheme**

**Application of transfer value**

**9.04**

Where a member's accrued pension benefits are, or may be, preserved in accordance with Rule 5.09, the member may require the Authority to apply the cash equivalent transfer value in one, or more, of the following ways:

- i) except in so far as provided in (iii) below, for acquiring transfer credits in an occupational pension Scheme which is able and willing to accept the member and which satisfies prescribed requirements;
- ii) for purchasing one or more insurance policies or annuity contracts which satisfy prescribed requirements from one or more insurance companies which are chosen by the member, are willing to accept payment and which meet specified requirements;
- iii) for acquiring transfer credits to a contracted-out money purchase scheme which is able and willing to accept the member and which satisfies prescribed requirements;
- iv) for acquiring rights allowed under the rules of a personal pension scheme whose trustees or manager are able and willing to accept the member and which satisfies prescribed requirements.
- v) except in so far as the cash equivalent is in respect of a Guaranteed Minimum Pension or protected rights, for subscribing to a self-employed pension arrangement.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

Without prejudice to the effect of Rule 5.09, the reference in this Rule to "accrued pension benefits which are, or may be, preserved in accordance with Rule 5.09" shall include accrued pension benefits preserved on retirement on ill health grounds or on early retirement.

For the purposes of this Rule, the prescribed requirements are to be determined in accordance with the Social Security Pensions Act 1975, as amended, and Regulations made under it.

**Calculation of transfer value**

**9.05**

- 1) The cash equivalent transfer value will be calculated in accordance with the transfer value tables provided from time to time by the Actuary and which are in force at the relevant date. These tables will contain such factors as from time to time are considered appropriate by the Actuary, having regard to the provisions of paragraph 14 of Schedule 1A to the Social Security Pensions Act 1975 and to Regulations made under that Act. The factors to be used for benefits under Part 5 of Section 6 will be those which are provided from time to time by the Actuary and which are in force at the relevant date.
- 2) The tables will be applied using the member's age and the value of the member's preserved pension benefits, at the relevant date. ("Preserved pensions benefits" means the member's accrued pension, lump sum and, where appropriate, widow's or widower's pension or benefits under Part 5 of Section 6. The preserved pension benefits will be calculated under Rule 5.09, 6.04, 6.42(A) or 6.51 and will be subject to increase under Rule 4.40.) In the circumstances referred to in Rules 9.10 and 9.21 the member may instead exercise the option conferred by and in accordance with, Rule 9.10 or 9.14 whichever is appropriate.

**Minimum transfer value**

**9.06**

A minimum transfer value payment may be made where the member is transferring to a pension scheme or arrangement(s) except where the transfer is a qualifying transfer. The minimum transfer value will comprise the sum of:

- i) any transfer payment or payments previously received in respect of the member concerned and which have increased the reckonable service on the basis of which the accrued pension benefits are calculated; and
- ii) his contributions paid during service in order to secure pension benefits, but excluding any contributions in respect of benefits which would not be taken into account in the calculation of the member's cash equivalent transfer value.

If this amount is greater than the cash equivalent transfer value, it will be paid as the transfer value instead of the cash equivalent.

**Transfer of guaranteed minimum pension rights**

**9.07**

- 1) A cash equivalent transfer value may be divided into different portions and applied in different ways between the pension schemes or arrangements referred to in Rule 9.04, but guaranteed minimum pension rights must be transferred to another scheme which is contracted-out under the Social Security Pensions Act 1975, as amended, to a single insurance policy or annuity contract, to a personal pension scheme or, where the transfer is to a pension scheme which is not contracted-out and no other arrangement has been requested by the member, by payment of a transfer premium. A sum equivalent to that premium will be deducted from the amount of the transfer value.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

- 2) The public sector transfer arrangement will not apply where a cash equivalent transfer value is divided into different portions and applied in different ways in accordance with paragraph (1).

**Increase in transfer value where payment delayed**

**9.08**

- 1) Subject to paragraph (2) of this Rule, if the transfer value is not paid within 6 months of the relevant date, and there is no reasonable excuse for the delay, the transfer payment shall be increased to the greater of the following sums:
- i) the cash equivalent transfer value recalculated as if the date of payment had been the relevant date; or
  - ii) the cash equivalent transfer value together with interest calculated on a daily basis over the period from the relevant date up to the date of payment, at the same rate as that payable for the time being on judgement debts by virtue of section 17 of the Judgement Act 1838.
- 2) Where a transfer value is payable in respect of a qualifying transfer, the requirements set out in paragraph (1) of this Rule may be waived by agreement between Schemes.

**Revaluation of guaranteed minimum pensions**

**9.09**

Guaranteed minimum pensions in the Scheme are revalued by reference to orders issued under section 21 (Revaluation of earnings factors) of the Social Security Pensions Act 1975 as amended. Where, in accordance with paragraph 13(2)(b) of Schedule 1A to that Act, a member opts on or after 1 January 1986 to have the member's transfer value applied to the purchase of an approved insurance policy or annuity contract, any guaranteed minimum pension benefits to be so transferred may be revalued by reference to the fixed rate.

**Treatment of voluntary contributions for widower's benefit and invalidity pensions**

**9.10**

Where a transfer value is calculated for a member who has the right to have the member's accrued benefits preserved under Rule 5.09 and who falls under the scope of Rule 6.40(2) or has opted for benefits under Part 5 of Section 6, any contributions paid in respect of such benefits, including any element for widower's benefits in contributions for Added Years under Section 3, will not be included for the purposes of calculating the transfer value unless the member so wishes and the member may opt either

- i) to have the benefits purchased by the contributions paid (which may include in the case of a widower's pension, contributions paid on or after 1 February 1988 and on or before 5 April 1988) preserved, any liability for contributions by deduction from the lump sum being cancelled; or
- ii) to have preserved benefits calculated by reference to the whole of the member's reckonable service up to the time of transfer, (except that, where widower's pension benefits are to be preserved, the calculation under this paragraph will only be made in relation to the whole of reckonable service on or before 5 April 1988) the liability for contributions for deduction from the lump sum being taken into account in the calculation of the preserved personal benefits by reference to which the transfer value is calculated; and
- iii) in either case, the preserved benefits will be brought into payment on the date on which they would have been brought into payment had the member remained subject to Part 4 or 5 of Section 6.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

Where the member falls under the scope of Rule 6.40(2) the widower's pension benefits based on contributions paid on or after 6 April 1988 will be included for the purposes of calculating the transfer value, even if the member exercised an option under (ii) above.

**Treatment of contributions for widower's pension outstanding or refunded**

**9.11**

- 1) Where contributions due under Rule 6.07, 6.08, 6.43(A), 6.43(B), 6.54 or 4.54, as appropriate, have not been paid before the date of transfer by periodical contributions the balance will be deducted from the preserved lump sum before calculations of the transfer value; except where contributions due under those Rules have not been paid by periodical contributions because, by reason of the employer's default, the necessary sums have not been deducted from the member's pensionable earnings, these contributions will be treated for the purposes of this Scheme as if they had been paid but will be treated by the employer as an overpayment of earnings.
- 2) Contributions will not be refunded under Rule 6.11 or 6.44(B) as appropriate where the member has applied for a transfer value before the termination of the member's pensionable service or before the refund has been made. However, where contributions for a widow's or widower's pension have been refunded under Rule 6.11 or 6.44(B), as appropriate, they may be repaid with the addition of compound interest. For the purposes of this Rule a reference to compound interest means compound interest added to the relevant sum at a rate of 4 % a year with yearly rests, provided the member's pensionable service ended on or before 5 July 1991. Where a member's pensionable service ends on or after 5 July 1991, a reference to compound interest means compound interest added to the relevant sum at the rates in Rule 6.11(9)(b). Any repayment of refunded contributions must be made before a transfer value can be paid.

**Benefits not preservable under the Scheme**

**9.12**

- 1) Subject to (2) below, where a member whose accrued benefits may not be preserved under Rule 5.09 leaves employment on or after 1 February 1988 or 1 June 1972 in the case of a member referred to in Rule 9.02(1)(ii), the member may, subject to Rule 9.13, require a cash equivalent transfer value to be paid to an occupational pension scheme or to a contracted out money purchase scheme or to a personal pension scheme or to a self-employed pension arrangement which meet the requirements in Rule 9.04(i), 9.04(iii) or 9.04(iv) or 9.04(v) respectively. Where the receiving pension scheme or arrangement is not contracted-out, and the member has a guaranteed minimum pension in relation to this Scheme, a contributions equivalent premium will be deducted from the amount of the transfer value.
- 2) Where the accrued pension benefits may not be preserved in accordance with Rule 5.09, a member who has a right to a cash equivalent transfer value payable under and in accordance with, Rule 9.02(2), may only exercise such a right by requiring the member's cash equivalent transfer value be applied to acquire rights under the rules of a personal pension scheme whose trustees or managers are able and willing to accept the member and which satisfies prescribed requirements.
- 3) The cash equivalent transfer value will be calculated in accordance with Rules 9.05 and 9.06 except that there will be no minimum period of qualifying service for the calculation of the accrued pension benefits on which the transfer value is based. The transfer value may not be divided into different portions and applied in different ways between pension schemes and other arrangements. If payment is not made within 6 months of the relevant date, the transfer value may be increased in accordance with Rule 9.08.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

Contributions due under Rules 6.07, 6.08, 6.43(B) or 6.54, as appropriate, will be dealt with in accordance with Rule 9.11.

For the purposes of this Rule, the prescribed requirements are to be determined in accordance with the Social Security Pensions Act 1975, as amended, and Regulations made under it.

**Transfer value not payable in certain cases**

**9.13**

- 1) A transfer value under Rule 9.12 shall not be paid if:
  - i) the break between the termination of the member's pensionable service and joining the new pension Scheme is more than 12 months; and
  - ii) application for payment is not made within the applicable period, starting with the date of joining the new pension Scheme. For the purposes of this Rule, the applicable period is:
    - a) subject to (c) below, where pensionable service ends on or before 5 April 1988, 6 months;
    - b) where pensionable service ends on or after 6 April 1988, 12 months;
    - c) where pensionable service ends on or before 5 April 1988 and the transfer value is paid on or after 6 April 1988 to an occupational pension scheme approved by the Treasury for the purposes of the public sector transfer arrangements, 12 months; and
  - iii) any refund of contributions under Rule 5.13 or any ill health payment awarded under Rule 5.03 has not first been refunded.
- 2) The Authority may allow a longer period than the interval of 12 months specified above if they are satisfied that the delay was outside the member's control or where the member has undertaken a period of appropriate training or education before assuming new employment.
- 3) Interest will be payable on a refund of contributions or an ill-health payment which is refunded. The rate of interest will be 2.25% compound for each completed 3 months of interval between the date on which the payment was made and the date on which it is refunded, except that no interest will be payable if the refund is made within 12 months of the last day of pensionable service.

**Treatment of voluntary contributions for widower's benefits and invalidity pensions**

**9.14**

- 1) Where a transfer value is calculated for a member whose accrued benefits may not be preserved under Rule 5.09 and who falls within the scope of Rule 6.40(2) or has opted for benefits under Part 5 of Section 6, any contributions paid in respect of such benefits, including any element for widower's benefits in contributions for Added Years under Section 3, will not be included for the purposes of calculating the transfer value unless the member so wishes and the member may opt to have the contributions paid (which may include in the case of a widower's pension, contributions paid on or after 1 February 1988 and on or before 5 April 1988) refunded in the same way as contributions are refunded under Rule 6.11 or 6.44(B). The member will then cease to be eligible for benefits under Part 4 or 5 of Section 6 and any liability for contributions by deduction from the lump sum will be cancelled.
- 2) Where the member falls under the scope of Rule 6.40(2) the widower's pension benefits based on contributions paid on or after 6 April 1988 will be included for the purposes of calculating the transfer value, even if the member exercised an option under (1) above.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

**9.15**

A cash equivalent transfer value will not be paid in respect of service for which a pension or annual compensation (under Appendices 7 or 8) has become payable under this Scheme.

**Treatment of added years**

**9.16**

If, when a member applies for a cash equivalent transfer value, the member is in the process of buying added years of pension credit, reckonable service will be increased in line with Rule 3.26 for the purposes of the calculation of accrued pension benefits (and thus the transfer value).

**Time limits for payment of transfer value**

**9.17**

The Authority shall ensure that any necessary action is taken to carry out the member's requirements within 12 months of the date of receipt of the application or of the date on which the member reaches normal pension age, whichever is earlier. Where it appears to the Authority that disciplinary proceedings, or proceedings before a court may lead to the forfeiture of the whole or part of the pension or benefit in lieu of the pension, the provisions of paragraph 16(4) of Schedule 1A to the Social Security Pensions Act 1975 (as amended) will apply.

**Part 2: Incoming transfer values**

**Time limits for application to bring in transfer value**

**9.18**

- 1) A member taking up employment on or after 1 January 1986 may apply in writing to bring in a transfer value in respect of any accrued pension benefits within 12 months of the date on which the member takes up pensionable service in this Scheme or within 12 months of the date on which this section comes into operation, whichever is the later. Provided that where the transfer value will be applied in whole or in part to purchase guaranteed minimum pension benefits in this Scheme, the Authority may at their discretion refuse it if in their opinion, its amount is insufficient to meet the minimum test to be specified by the Treasury from time to time.
- 2) If the member exercises the option referred to in sub-rule (1), the transfer value payment must be received within the periods specified in (1), or within 6 months of the date of the application, whichever is later; except that, if the transfer value is a cash equivalent payable in accordance with Schedule 1A to the Social Security Pensions Act 1975 and if the trustees or managers of the former pension Scheme fail without reasonable excuse to do what is needed to carry out what the member requires of them, the transfer value may be received at a later date.
- 3) Subject to paragraph 4 below, a member to whom sub-rule (1) applies will be credited with such reckonable service as is applicable to the amount of the member's transfer value in accordance with the incoming transfer value tables which are provided from time to time by the Actuary and which are in force on the date when the transfer value is received. However, if a member applies to bring in a transfer value, and if, before the date on which the transfer value is received, amendments to the incoming transfer value tables (in force on the date of the application) have been made, the member will be credited with reckonable service in accordance with whichever set of tables gives the better result having regard to Rule 9.19 and to the factors applicable by virtue of Rule 9.20.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

- 4) Where the transfer is a qualifying transfer, the tables to be applied under paragraph (3) will be the tables referred to in Rule 9.05 in force on the same date as the relevant date used by the sending scheme for the purposes of calculating the transfer value.
- 5) The time limits specified in Rule 9.18(1) above may at the discretion of the Authority, be disregarded in exceptional circumstances.

**Calculation of reckonable service to be credited**

**9.19**

The transfer value tables will be applied to the transfer value (irrespective of the particular benefits on which the transfer value payment is based) to give equal periods of reckonable service for personal pension, lump sum and (for both married and unmarried members) half rate widow's or widower's pension, as appropriate. Where the transfer value is received on or before 31 December 1985, the length of reckonable service credited may, however, be restricted in those circumstances where the limits laid down by the HM Revenue and Customs for approved occupational pension schemes would otherwise be exceeded. Where the transfer value is received on or after 1 January 1986, the length of the reckonable service credited will be restricted at the time of the award of a pension under this Scheme if the limits laid down in Rule 3.07 would otherwise be exceeded.

**Treatment of transfer payment received after specified period**

**9.20**

If a member to whom Rule 9.18(1) applies opts to bring in a transfer value otherwise than under the public sector transfer arrangements, the adjustment for market conditions, starting pensionable earnings, age, and marital status at the date of joining the Scheme (to be referred to as "the joining date") will be used in applying the transfer value tables for the purposes of crediting reckonable service provided that the payment is received within a specified period starting on the joining date. For members who join the Scheme on or after 1 January 1986 and on or before 31 January 1988, the specified period is the period of 6 months starting on the joining date: for those members who join on or after 1 February 1988, the specified period is the period of 12 months starting on the joining date. Where the transfer value payment is received on or after the day following the last day of the specified period, the adjustment for market conditions, age, pensionable earnings and marital status at the date of receipt of the payment will be used in applying the transfer value tables. For the purposes of this Rule pensionable earnings shall be reduced by the appropriate percentage defined in Rule 4.05(ii).

**Related qualifying service**

**9.21**

Where reckonable service credited is less than service actually served in the former pension scheme, qualifying service in this Scheme will be determined as follows:

- i) where the whole of the transfer value arising from service in the former pension scheme is transferred into this Scheme, the whole of the period actually served in the former schemes will count for the purposes of the qualifying period for pension benefits.
- ii) Where only part of the transfer value arising from service in the former pension Scheme is transferred into this Scheme, the whole of the period actually served in the former Scheme will count towards the qualifying period for the preservation of pension benefits under Rule 5.09. However, any benefits preserved solely by virtue of service in the former scheme will not be enhanced under Rule 5.01 or Appendix 8. In such cases, only the reckonable service credited in respect of the transfer value brought in will count as qualifying service for the purposes of an award under Rule 5.01 or under Appendix 8.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

**Related modification in respect of national insurance**

**9.22**

Where a person takes up employment on or after 1 January 1986, Rules 4.08 to 4.11 will not apply to any reckonable service credited in this Scheme as a result of the acceptance of a transfer value. In all other cases, modification on account of national insurance benefits will apply in accordance with paragraph 15 of Appendix 4.

**Treatment of payment received in respect of a qualifying transfer**

**9.23**

Where a payment is received in respect of a qualifying transfer

- i) before 6 April 1988 it will be dealt with in accordance with Appendix 4;
- ii) on or after 6 April 1988 it will be dealt with in accordance with this Part of this Section except that the adjustment for market conditions, pensionable final earnings, age and marital status used by the sending scheme will be used in applying the transfer value tables for the purpose of crediting reckonable service. Pensionable final earnings shall be increased by the amount of any salary disregarded by the Scheme (in respect of national insurance modification or for any other relevant purpose), and by the same factor used by the sending scheme where the accrued benefits underlying the transfer value have been updated.

**9.24**

Where a transfer value is received from a pension scheme other than a scheme to which Rule 9.23 applies in respect of a member whose pensionable service began on or before 31 December 1985, it will be dealt with under, and in accordance with, the Rules set out in Appendix 4.

**Part 3: Mixed transfer values**

**Eligibility for mixed transfer value**

**9.25**

A member whose pensionable service ends on or after 1 February 1988 who would have been entitled, had pensionable service ended before that date, to a transfer value calculated in accordance with the Rules in Appendix 4, and who has served continuously since that date, may apply on leaving employment for a transfer value calculated in part in accordance with those Rules and calculated in part in accordance with the Rules in Part 1 of this Section (to be referred to as a "mixed transfer value") if:

- i) the member meets the conditions for the payment of a cash equivalent transfer value specified in the Rules in Part 1 of this Section;
- ii) the conditions specified in the Rules in Appendix 4 are met;
- iii) the accrued benefits are being transferred to an occupational pension Scheme to be applied in accordance with Rule 9.04(1) other than under the public sector transfer arrangements; and
- iv) the mixed transfer value produces a greater transfer value than one calculated entirely in accordance with Part 1 of this Section.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

**Calculation of mixed transfer value**

**9.26**

- 1) Where the conditions of Rule 9.25 are met, the member's reckonable service will be divided into:
  - i) that part which related to service on or before 31 January 1988; and
  - ii) that part which relates to service after that date.

The pension benefits attributable to the two periods of service will be calculated by reference to pensionable earnings at the date on which pensionable service ends.

- 2) The transfer value payable will therefore be:
  - i) the amount calculated in accordance with the Rules in Appendix 4 based on benefits in respect of the reckonable service on or before 31 January 1998 added to the amount calculated in accordance with the Rules in Part 1 of this Section based on benefits in respect of the reckonable service after 31 January 1988, if the aggregate is greater than the amount of a transfer value calculated in accordance with (ii) below; or
  - ii) the amount calculated by reference to Part 1 of this Section, based on the whole of the member's reckonable service, whichever is payable to meet the member's requirements. Where a member has an option under Rule 9.05(2), the option, if it has been exercised, will be taken into account in calculating benefits under (i) and (ii) above.

**9.27**

When calculating a mixed transfer value, one or more of the following matters may be taken into account, as appropriate:

- i) where added years of pension credit are being bought by periodical contributions which began on or before 31 January 1988, the whole of the additional pension credit actually purchased on or before the date on which pensionable service ends will be added to the period of reckonable service referred to in Rule 9.26(1)(i) above;
- ii) any guaranteed minimum pension benefits to which the member is entitled will be divided between the period of reckonable service referred to in Rule 9.26(1)(i) and Rule 9.26(1)(ii) in the same proportion that the service which gives rise to such benefits on or after 6 April 1978 and on or before 31 January 1988 bears to the service which gives rise to such benefits on or after 1 February 1988 up to the date on which pensionable service ends. Where a transfer value has been received by this Scheme which includes the transfer of guaranteed minimum pension benefits, the actual service which gives rise to those benefits should be taken into account for the purposes of calculating the proportion referred to above in the following manner.
  - a) Where the transfer value is received on or before 31 January 1988, the actual length of service in the previous Scheme(s) on or after 6 April 1978 which gives rise to guaranteed minimum pension benefits should be added to the service under this Scheme on or before 31 January 1988 (regardless of the amount of reckonable service that the transfer value bought in this Scheme);
  - b) Where the transfer value is received on or after 1 February 1988, the actual length of the service in the previous scheme(s) on or after 6 April 1978 which gives rise to guaranteed minimum pension benefits should be added to the service under this Scheme on or after 1 February 1988 (regardless of the amount of reckonable service that the transfer value bought in this Scheme);

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

- iii) where more than 6 months has elapsed between the date on which pensionable service ends and the date on which the transfer value is payable, the amount based on the period of reckonable service referred to in Rule 9.21(1)(i) will be increased by a sum of interest calculated by reference to paragraph 6 of the Appendix 4. No interest will be payable in respect of the amount based on the period of reckonable service referred to in Rule 9.26(1)(ii) since that amount will be calculated in accordance with Rule 9.05.

**Part 4: Old Cases, interim transfers and public sector transfer arrangements**

**9.28**

A transfer value may be paid in respect of a member whose pensionable service ended on or after 1 June 1972 under, and in accordance with, the Rules set out in Appendix 4 where

- i) his pensionable service ended on or before 31 December 1985 and provided that the transfer is not qualifying transfer; or
- ii) his pensionable service ended on or after 1 January 1986 and on or before 31 January 1988 and, either
  - a) he had insufficient qualifying service for the member's benefits to be preserved in accordance with Rule 5.09, or
  - b) his accrued benefits were capable of being, or were, preserved under Rule 5.09 and a transfer value calculated under this Rule is of a greater amount than one calculated under Part 1 of this Section; or
- iii) his pensionable service ended on or after 1 January 1986 and the transfer value in respect of the member's accrued pension benefits is made on or before 5 April 1988 to an occupational pension scheme approved by the Treasury for the purposes of the public sector transfer arrangements;  
or
- iv)
  - a) he was in pensionable service on 31 January 1988;
  - b) he would have been entitled to the payment of a transfer value under, and in accordance with, the Rules set out in Appendix 4, but is not entitled to the payment of a cash equivalent transfer value under the Rules set out in Part 1 of this Section; and
  - c) he has been in pensionable service under this Scheme continuously since 31 January 1988; or
- v) he is a person to whom Rule 4.53 applies and who has opted to be treated under Rule 4.53(ii), provided that, subject to Rule 9.25 or 9.28(ii)(b) if applicable, the Rules in Appendix 4 do not apply to a transfer value in respect of pensionable service on or after 1 January 1986.

Cases falling within (ii)(b), (iii) or (v) above may instead be dealt with under, and in accordance with, the Rules set out in Part 1 of this Section.

**Part 5: Miscellaneous**

**Group transfers**

**9.29**

- 1) For groups of persons who transfer to this Scheme, if there are special circumstances which, in the opinion of the Authority, justify exceptional treatment, the Authority may apply

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

these Rules with necessary modifications. For groups of persons who are transferred out of employment together with their work there may be paid in respect of each such person to another occupational pension scheme or a contracted-out money purchase scheme a transfer value of an amount to be determined by the Actuary instead of one calculated either by reference to the transfer value tables referred to in Rule 9.05 or by reference to the transfer value tables set out in the Annex to Appendix 4, except that a transfer value so determined may not be paid in respect of a person who has not consented to the transfer of the member's accrued benefits under this Scheme.

- 2) a) For the purposes of this Rule, a seconded employee is a member who takes up a post with another employer for a limited period not exceeding 3 years, or 5 years if the initial period is extended, and whose salary, including superannuation contributions and employer's national insurance contributions, is paid during the period of secondment by the borrowing employer.
- b) The transfer value payable under this Rule will be a transfer value equal to the amount of the cash equivalent of the seconded employee's accrued pension benefits at the date when the member's period of secondment commences, such cash equivalent to be calculated in accordance with Rule 9.05.
- c) Subject to Rule 9.30, the seconded employee may with consent of the Authority, require the Authority to apply the transfer value for acquiring transfer credits in a contracted-out occupational pension scheme, which is able and willing to accept the member and which satisfies prescribed requirements (as determined in accordance with the Social Security Pensions Act 1975, as amended, and Regulations made under it), provided that the seconded employee agrees in writing that, at the end of the period of secondment the member shall take such steps, as the Authority may require the member to take to bring in a transfer value in accordance with Rule (e) below.
- d) No application for a transfer value under this Rule will be accepted unless the seconded employee makes an application in writing before the date when the period of secondment commences. Rules 9.16 (treatment of added years), 9.06 (minimum transfer payment), 9.08 (uprating in event of delayed payment), 9.10 and 9.14(1) (options in respect of voluntary contributions), and 9.11(1) widow(er)'s pensions contributions) shall apply to a transfer value made under this Rule as they apply to a transfer under Part 1. The Authority shall, if appropriate, determine whether and how any other Rules under Part 1 might apply.
- e) At the end of the period of secondment, the seconded employee shall bring in a transfer value from the borrowing employer's pension scheme in respect of all of the member's accrued pension benefits at the final date of the period of secondment. The reckonable service credit will be calculated in accordance with Rule 9.18(3), Rules 9.19 (application of transfer value tables), 9.20 (date of calculation) and 9.22 (ending of modification) shall apply to an incoming transfer under this Part as they apply to a transfer under Part 2. The Authority shall, if appropriate, determine whether and how any other Rules under Part 2 might apply.

**Agreements relating to transfers**

**9.30**

The Authority may apply the Rules of this Section with any necessary modifications in order to comply with the terms of any transfer arrangements concluded with the Communities Pension Scheme of the Institutions of the European Communities or an overseas pension scheme.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

**Transfers between this Scheme and other Authority Schemes**

**9.31**

Where on or before 30 June 1997, a person ceased to be a member of the of the Principal Non-Industrial Superannuation Scheme on becoming a member of the Authority's Industrial Superannuation Scheme or ceased to be a member of that Scheme or the Authority's Protected Persons Superannuation Scheme on becoming a member of the Industrial Superannuation Scheme, a transfer value may be paid or accepted by this Scheme (as the case may be) in accordance with this Section; provided that (notwithstanding Rule 9), a member for whom such a transfer value is accepted by this Scheme shall be credited with reckonable and qualifying service respectively equal to the member's reckonable and qualifying service in the Industrial Superannuation Scheme or the Protected Persons Superannuation Scheme. In such a case, the Authority may apply the Rules with such modifications as regards re-employment or otherwise as they deem appropriate.

**Meaning of expressions used in this Section**

**9.32**

Except where otherwise provided:

- i) "the relevant date" means the date on which pensionable service ends or the date on which the transfer value application is made, whichever is the later;
- ii) the term "transfer credits" has the same meaning as in the Social Security Pensions Act 1975;
- iii) a "qualifying transfer" means a transfer of the whole sum (except in so far as an option may be exercised under Rule 9.10 or 9.14) representing a person's accrued pension benefits from an occupational pension scheme approved by the Treasury for the purposes of the public sector transfer arrangements to another pension scheme so approved;
- iv) without prejudice to the relevance of any other Rules contained this Scheme, the term "the public sector transfer arrangements" means the arrangements from time to time specifically applicable (whether by virtue of the Rules contained in this Scheme or otherwise) to a qualifying transfer.
- v) the term "self-employed pension arrangement" means a personal pension scheme within the meaning of Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988 which is approved by the HM Revenue and Customs under that Chapter, but which is neither a personal pension scheme within the meaning of the Social Security Act 1986 nor a contract nor a scheme approved under Chapter III of Part XIV of the Income and Corporation Taxes Act 1988.

**9.33**

- i) Without prejudice to the provisions of Rule 9.23(ii) if, on or before 5 April 1988, an offer has been made in writing to deal with an incoming qualifying transfer in accordance with Appendix 4 but the payment in respect of the transfer is received after that date, the transfer may be dealt with in accordance with Appendix 4 provided that the member and the Authority so agree.
- ii) Without prejudice to the provisions of Rule 9.28(iii) if, on or before 5 April 1988, a request in writing is received requiring a transfer value to be paid under, and in accordance with, the Rules set out in Appendix 4 to an occupational pension scheme approved by the Treasury for the purposes of the public sector transfer arrangements but the payment in respect of the transfer is paid after that date, the transfer may be dealt with in accordance with Appendix 4 provided that the member and the Authority so agree.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 9: Calculation of Transfer Values**

**Discharge of liability to provide benefits**

**9.34**

- i) Without prejudice to the effect of paragraph 16 of Schedule 1A to the Social Security Pensions Act 1975, where a cash equivalent transfer value is paid in accordance with Part 1 of this Section on or after 1 January 1986 this Scheme will be discharged from any obligation to provide any benefits to which the cash equivalent relates.
- ii) Where a transfer value is paid in accordance with Part 3 or Part 4 of this Section, this Scheme will be discharged from any obligation to provide any benefits to which the transfer value relates.

## **Section 10: Miscellaneous Provisions**

### **Right to receive benefits**

#### **10.01**

The Authority (or, in the case of a temporary allowance payable under Rule 7.06(c) of Appendix 7 by another employer, that other employer) will, subject to production of such evidence and other particulars as may be required in the light of the circumstances in which each benefit is claimed, duly and punctually pay or cause the payment of the various benefits described in the Scheme. No person whether a member or not shall have any claim, right or interest upon, or in respect of, the Scheme except in accordance with the provisions of the Scheme, as amended from time to time.

### **Provision of copies of the Rules to members**

#### **10.02**

Every member shall be entitled on request to one copy of these Rules and of any amendments thereto currently in force. Additional copies shall be made available on such reasonable terms as the Authority may decide to cover the cost thereof.

### **Right to terminate employment not affected**

#### **10.03**

Nothing in these Rules shall in any way restrict any right of an employer to terminate the employment of any member.

### **Set off and forfeiture**

#### **10.04**

- 1) If any member is discharged from employment on account of an act or omission which is a criminal offence or fraudulent, or resigns from such employment to avoid such discharge, the Authority (whether as employers or on behalf of any of the other employers for the purpose of enabling such employer to obtain discharge by the member of some monetary obligation due to the employer and arising out of the member's criminal offence or fraud as aforesaid) shall be entitled to set off against or deduct from any money due to the member under the Scheme a sum equal to the value of any money, or goods misappropriated, or the cost of making good any criminal damage done; provided that no such set-off or deduction shall be made from that part of any benefit which is attributable to a transfer value received by the Scheme in respect of the member, nor from the minimum pension guaranteed under Rule 4.14.
- 2) Any set-off or deduction under paragraph (1) of this Rule shall be limited to the actuarial value of the member's actual or prospective benefits under the Scheme at that time or the amount of the member's monetary obligation, whichever is the less (subject to any different agreement in writing between the employer and the member). The member shall be entitled to a certificate showing the amount set-off or deducted and its effect on the member's benefits or prospective benefits. In the event of any dispute as to the amount to be set-off or deducted, the Authority shall not be entitled to enforce the set-off or deduction except after the member's monetary obligation has become enforceable under an order of a competent court or the award of an arbitrator or in Scotland an arbiter appointed (failing agreement between the member and the member's employer) by the Sheriff.
- 3) The Authority shall have power to withhold benefits payable under this Scheme where a member or former member is convicted:

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 10: Miscellaneous Provisions**

- a) of one or more offences under the Official Secrets Acts 1911 to 1989 for which the person concerned has been sentenced to a term of imprisonment of at least 10 years or has been sentenced on the same occasion to two or more consecutive terms amounting in the aggregate to at least 10 years; or
- b) of an offence committed in connection with his role as a public servant, being an offence which is certified by a Minister of the Crown either to have been gravely injurious to the interests of the State or to be liable to lead to serious loss of confidence in the public service;

and shall withhold such benefits where a member or former member is convicted of treason. Provided that, before benefits may be forfeited under sub-paragraph (a) or (b) of this paragraph, the person concerned will be entitled to appeal against the forfeiture to an independent board nominated by the Authority.

**10.05**

Unallocated.

**Benefits not assignable**

**10.06**

Any benefit payable under the Scheme shall not be assignable or chargeable and shall cease to be paid or payable to the person who, but for this provision, would be entitled thereto in the event of the bankruptcy of that person, or upon the execution of an assignment for the benefit of the member's creditors, or in the event of any attempt to mortgage, charge or assign the same to any person. In any of such events, and whether or not the benefit had previously become payable, the Authority shall have power, in their discretion, and at such time or times as they may think fit, to pay or apply such benefits, or any part thereof, for the benefit of the member or the member's dependants, or any of them, as the case may be.

**Discretionary application of benefit**

**10.07**

If a person is, in the opinion of a medical adviser of the Scheme, unable to manage the member's affairs by reason of mental incapacity or other cause, the Authority may, in their absolute discretion, pay any sum to which such person is entitled under the Scheme to any other person for the member's benefit, or for the benefit of the member's dependants, or any of them.

**Medical examination**

**10.08**

Any medical examination of a member or any medical opinion required under these Rules shall be conducted, or given, by a medical adviser to the Scheme taking account of reports from the family doctor or specialist medical advisers which the medical adviser to the Scheme may deem necessary. A report by the medical adviser to the Scheme will be made available to the member's family doctor who may express dissatisfaction with the report. For an appeal from the family doctor to be considered, the reasons for the family doctor's dissatisfaction with the report of the medical adviser to the Scheme, must be received by the medical adviser to the Scheme within one month of the date of the report. If such an appeal is received, a review of the reasons for the determination, which may include an examination of the member, shall be conducted by a different medical adviser to the Scheme not previously involved in the determination. The report of the second medical adviser to the Scheme shall be considered as final and conclusive for the purposes of the Scheme.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 10: Miscellaneous Provisions**

**Payments to legal personal representatives**

**10.09**

On the death of a member or of a member's spouse or member's civil partner in receipt of a pension or continuing annual payment, any sum that is due to the deceased in respect of the pension or continuing annual payment which is not, within 12 months of the death, claimed in writing by the personal representatives of the deceased may be paid to or expended for the benefit of any one or more of the dependants of the deceased as the Authority may in their discretion think fit. The receipt of the person to whom any money is paid under the provision of this Rule shall be a good and sufficient discharge for the amount mentioned therein.

**Method of payment of pension or continuing annual payment**

**10.10**

A pension or continuing annual payment will be paid monthly in arrears. Every person entitled to receive a pension or continuing annual payment is responsible for keeping the Authority informed of the current address where the member normally resides, for furnishing them with such evidence of the member's being alive as they may from time to time require, and for specifying the address and particulars of a bank or giro account to which the member's pension or continuing annual payment is to be sent. In the absence of any such information the Authority shall be entitled at their discretion to withhold or delay payment of the pension or continuing annual payment.

**Amendment of the Scheme**

**10.11**

The Authority may, with the approval of the responsible Minister of the Crown, from time to time amend any Rule of the Scheme, or make, or amend, any additional Rule; provided that no amendment or additional Rule shall alter the main purpose of the Scheme.

**Dissolution of the Scheme**

**10.12**

If the Scheme is terminated at any time the Authority shall pay:

- a) to persons in receipt of pensions, continuing annual payments or annuities under the Scheme - pensions, continuing annual payments or annuities equal in amount and similar in character to those under the Scheme;
- b) to persons entitled to contingent pensions under the Scheme - pensions contingent on the same happenings and equal in amount and similar in character to those under the Scheme;
- c) to other members - such single payments or periodical amounts as the Authority shall decide to be appropriate having regard to the advice of the Actuary.

**10.13**

**Discretionary and Special Benefits**

- 1) The exercise by the Authority of its discretion under this Rule 10.13(1) is subject to Rule 10.13(3). The Authority may, with the approval of the responsible Minister of the Crown, provide under the Scheme increased or additional benefits in respect of any member or beneficiary beyond those specified in the Rules; [or
  - (b) benefits in respect of any member (b) or beneficiary different from those set out in the Rules]

but any such benefits must be authorised payments for the purpose of the Finance Act 2004 (as amended).

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 10: Miscellaneous Provisions**

- 2) Without prejudice to the generality of Rule 10.13(1) and subject to Rule 10.13(3), the Authority may, with the approval of the responsible Minister of the Crown:
  - a) disapply the proviso in Rule 2.13(2) in the case of any particular member so that any pensionable earnings in excess of the [permitted maximum as defined in section 590(c) of the Income and Corporation Taxes Act 1988] may be taken into account for the purposes of calculating the pensionable pay of a member who became a member on or after 1 June 1989; and
  - b) treat a member as remaining eligible for death benefits under Rules 5.06 and 5.07 for such period as the Authority may determine if the member has [opted out of membership of the Scheme] on the grounds that the amount crystallised for the purposes of section 216 of the Finance Act 2004 if the member were to become entitled to the member's pension under the Scheme would be likely to exceed the member's available lifetime allowance (as defined in section 218 of the Finance Act 2004) if the member continued to accrue retirement benefits in the Scheme.
- 3) Before the Authority exercises its power in Rule 10.13(1) or (2), it shall, acting on the advice of the Actuary, determine the actuarial cost of the increase in benefits or of the additional benefits and determine the amount and timing of any additional contributions (if any) that it requires to be paid to the Scheme by the Employer and member as a condition of the provision of the increased or additional benefits. If such contributions are not paid, the Authority may suspend or adjust those benefits.

## **Section 11: Finance and Accounting Provisions**

### **Appointment of Actuary, Auditor and Legal Adviser**

#### **11.01**

The Authority shall from time to time appoint an actuary to be the Actuary of the Scheme. The Authority shall appoint an Auditor or Auditors and a Legal Advisor or Legal Advisors as appropriate to the Scheme.

### **Superannuation Account**

#### **11.02**

- 1) There shall be kept a Superannuation Account of all credits and debits in connection with the Scheme, except as specified in Appendices 7 and 8. The accounting period shall be the period of 12 months ending on 31 March in each successive year. The Account shall be submitted to the Comptroller and Auditor General not later than 7 months after the end of the accounting period.
- 2) There shall be accounts (separate to the account required in Rule 11.02(i)) of credits and debits in connection with the contributions to and benefits under Section 7 (Additional Voluntary Contribution Scheme) and Section 8 (Shift Pay Pensions Savings Plan). The accounting period shall be the period of 12 months ending on 31 March and 5 April respectively in each successive year. The Accounts shall be submitted to the Auditors selected by the Authority not later than 7 months after the end of the accounting period (also known as the Scheme year).

### **Credits to Superannuation Account**

#### **11.03**

There shall be credited to the Superannuation Account:

- a) contributions and payments by members in accordance with –
  - i) Section 2; Rules 3.18, 6.10, 6.12, 6.13, 6.44(A)(1), 6.52, 6.53 and 6.57;
  - ii) Former Rules 2, 4, 4A, 28 and 27(3)(g);
- b) credits by the Authority in respect of:
  - i) such sums (and by such instalments) as the Authority may from time to time determine after consultation with the Actuary as shall be required to provide pensions and other benefits payable and prospectively payable under the Scheme (except as specified in Appendices 7 and 8) in accordance with the recommendation of the Actuary under Rule 11.06 or 11.07;
  - ii) such sums (and by such instalments) as the Authority may determine after consultation with the Actuary as may be necessary to reimburse the Account for the amounts by which payments debited to the Account for each member prematurely retired in accordance with Appendix 8 and Rule 5.19 exceed the payments which would have been debited if the member had resigned or, in the case of a member who could have retired of the member's own volition, if the member had so retired; and for the amount by which payments debited to the Account for each member who has exercised an option granted under Rule 4.01 to change the member's retirement age to 60 exceed the payments which would have been debited if the member had not exercised the option;
  - iii) any other sums required under the Rules and the Former Rules to meet the pensions and other benefits specified in paragraph (i);

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 11: Finance and Accounting Provisions**

- c) all moneys received under Rule 9.10 and Former Rule 10 (in the case of a former non-industrial scheme member Former Rule 3) in respect of staff entering employment including the current value as estimated by the Actuary of any policy of assurance or deferred annuity policy assigned for the purpose; and
- d) interest at a rate determined each year by the Authority after consultation with the Actuary.

**Reimbursement of Authority by other employers**

**11.04**

- i) Sums credited to the Superannuation Account in pursuance of Rule 11.03(b) shall be reimbursed to the Authority by the other employers to such extent and in such proportions as the Authority, acting on the advice of the Actuary and after agreement with the other employers, determine to be fair and reasonable, or in default of such agreement between the Authority and the other employers as the Secretary of State may direct.
- ii) In the alternative, the Authority may agree with the other employers that contributions will instead be paid directly to the Authority or to a third party administrator in such proportions as the Authority, acting on the advice of the Actuary and after agreement with the other employers, determines to be fair and reasonable, or in default of such agreement between the Authority and the other employers as the Secretary of State may direct.
- iii) Each employer must in addition pay to the Scheme
  - (a) the annual administration charges;
  - (b) any other administrative charges; and
  - (c) such other payments as are set out or referred to in an Admission Agreement in respect of an Admitted Body;

at such intervals and at such rates as the Authority may from time to time determine which shall, where the employer is the employer of a New Fair Deal Employee, be as provided for in the Admission Agreement.

Where the Admission Agreement provides for an employer of a New Fair Deal employee to pay additional payments or charges to the Scheme, that employer must make such additional payments or charges as required by the Admission Agreement.

**Debits to Superannuation Account**

**11.05**

Except as provided in the Rules, there shall be debited to the Superannuation Account all expenditure on benefits and other payments out of the Scheme.

**Actuary's investigation**

**11.06**

As soon as possible after 31 March 1975 and thereafter as soon as possible after the end of each such period not exceeding 5 years as the Authority shall from time to time determine, the Actuary shall make an investigation into the financial position of the Superannuation Account as at that date or as at the end of each such period (as the case may be) and into the adequacy of the contributions and other payments payable to members and the credits from the Authority in relation to the benefits payable and future liabilities arising under the Scheme, and shall report the results of the investigation to the Authority. The Actuary shall recommend in the report what credits should be paid by the Authority until the next periodical investigation in order to maintain the amount in the Superannuation Account in reasonable balance with the capital value of the liabilities under the Scheme.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 11: Finance and Accounting Provisions**

**Actuary's advice on amount of credits payable by Authority**

**11.07**

On a change in the benefits or in any Rule of the Scheme, or on a change in the scope or membership of the Scheme, or for any other reason, the Authority may at any time request the Actuary to review the latest recommendation as to the amount of credits being paid by the Authority, and to advise them whether in the Actuary's opinion any change in the amount of the credits recommended is necessary.

## **Section 12: The Lifetime or Annual Allowance Charge**

### **Payment on behalf of members of lifetime or Annual allowance charge**

#### **12.01**

- i) A member may request the person who is the scheme administrator for the purposes of section 217 of the Finance Act 2004 (“the administrator”) to pay on the member’s behalf any amount that is payable by way of the lifetime or annual allowance charge under section 214 of the Finance Act 2004 when;
  - a) an event that is a benefit crystallisation event listed in the table in section 216(1) of the Finance Act 2004 occurs in relation to the member, and
  - b) the member and the administrator are jointly and severally liable in relation to that event.
- ii) Such a request may only be made by notice in writing given before the event occurs.
- iii) The administrator may only comply with such a request if the member pays the administrator the amount in question on or before the date on which the event occurs.

### **Reduction of benefits where lifetime allowance charge payable**

#### **12.02**

- i) This rule applies if;
  - a) an event that is a benefit crystallisation event listed in the table in section 216(1) of the Finance Act 2004 occurs in relation to a member,
  - b) the member and the scheme administrator for the purposes of section 217 (“the administrator”) are jointly and severally liable in relation to that event, and
  - c) no request has been duly made under Rule 12.1 in relation to the event or, if such a request has been made, the administrator is prevented from complying with it by paragraph (iii) of that rule.
- ii) Where this rule applies the administrator must pay the tax payable on the event.
- iii) The benefits payable to or in respect of the member, or the transfer payment in the case of event 8 in the table in section 216(1) of the Finance Act 2004, shall be reduced to reflect fully the amount of tax payable.
- iv) The amount of the reduction shall be determined in accordance with guidance by the Authority and, in the case of a reduction to pension benefits, consistent with normal actuarial practice.

### **Reduction of prospective benefits at the member’s request**

#### **12.03**

- i) If a member requests, prospective benefits to and in respect of the member shall be reduced by such an amount as the member agrees with the Authority. This is subject to paragraph (ii) and Rules 4.14 and 6.19 (guaranteed minimum pensions)
- ii) A request under paragraph (i) must be made in writing to the scheme administrator before the member’s benefits have come into payment.
- iii) Any reduction in respect of prospective benefits under this rule shall be irrevocable once the benefits have come into payment.

## **Section 13: Interpretation**

### **13.01**

In the Scheme the following expressions bear the following meanings except where the context otherwise requires:

"**accrued rights**" has the same meaning as in the Social Security Pensions Act 1975, as amended;

"**Active Deferred member**" means a member who ceases to be eligible to accrue reckonable service in the scheme by virtue of their being eligible for membership of the Combined Nuclear Pension Plan (the Plan) of the Nuclear Decommissioning Authority. Once an active deferred member ceases to be a member of the Plan they will become a deferred member of the CPS. Except that, with effect from 1 April 2010 Active Deferred members employed by Springfield Fuels Ltd who are Active members of the CNPP on 31 March 2010, shall cease to have Active Deferred status in the CPS and shall instead become deferred pensioners from 1 April 2010. Benefits for these members will be calculated using their reckonable service to 16 October 2006 and pensionable final earnings as at 31 March 2010.

"**Active member**" means a member of the scheme who is accruing benefits and/or paying contributions under the scheme in respect of current service.

"**Actuary**" means a Fellow of the Institute of Actuaries, or of the Faculty of Actuaries in Scotland, or a firm of such Actuaries for the time being appointed by the Authority to perform actuarial duties required by the Scheme;

"**added years**" means such years counting for reckonable service (and, except for those granted under Former Rule 4, for qualifying service) as may be allowed under Rules 3.16 to 3.29 or have been granted under Former Rule 4;

"**Admission Agreement**" means the contractual agreement between the Authority and the employer of a New Fair Deal Employee (and which may also be between a 3rd party) relating to participation in the Scheme;

"**Admitted Body**" means the party who will, from the Effective Date, be employing staff who remain or become eligible to participate in the Scheme pursuant to an Admission Agreement;

"**Authority**" means the United Kingdom Atomic Energy Authority;

"**back service credit**" means such years counting as qualifying service (and, subject to Rule 3.06(a)(iv), reckonable service), not being years in service, as may be granted under Rule 4.30, 9.10 or 9.16;

"**basic social security pension**" means a pension paid under Part II of the Social Security Pensions Act 1975, as amended at a rate based on the basic component only of such a pension;

"**cessation of employment**" means termination of a contract of employment;

"**civil partner**" is a person who has entered into a civil partnership in accordance with the Civil Partnership Act 2004.

"**civil partnership**" is a relationship between two people of the same sex ("civil partners") which is formed when they register as civil partners in accordance with the Civil Partnership Act 2004.

"**Combined Nuclear Pension Plan (CNPP)**" means the Combined Nuclear Pension Plan established by the Nuclear Decommissioning Authority.

"**compound interest**" in respect of any sum means compound interest calculated at such a rate as may be specified in the Rules with yearly rests from the 1 April following either the date when the sum in question was paid, or the commencement of the period in respect of which it

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 13: Interpretation**

was, or would have been payable, or otherwise as specified in the Rules, as the case may require;

"**continuing annual payment**" has the meaning assigned to it in Rules 8.06 of Appendix 8, in the case of a former non-industrial scheme member, and 8.16 of Appendix 8;

"**continuous employment**" means employment under a single contract of employment, whether or not the terms of the contract are varied from time to time;

"**Contract**" means a contract entered into or to be entered into pursuant to which New Fair Deal Employees were, or will be (as applicable), compulsorily transferred to the Admitted Body in accordance with the provisions of TUPE;

"**contracted-out employment**" has the same meaning as in the Social Security Pensions Act 1975, as amended;

"**contracted-out money purchase scheme**" is a money purchase contracted-out scheme as defined in section 66(1) of the Social Security Pensions Act 1975, as amended;

"**Contributions Equivalent Premium**" means a premium under section 42 of the Social Security Pensions Act, 1975, as amended;

"**Designated BNFL Company**" has the meaning assigned to it in Rule 1.01

"**Effective Date**" means the date from which the employment of a New Fair Deal Employee is transferred to an Admitted Body in accordance with the provisions of the Contract or the date a New Fair Deal Employee becomes eligible to be an active member of the Scheme as a result of an extension or retender of an existing Contract, as applicable;

"**eligible child**" has the meaning assigned in Rules 6.22 to 6.24;

"**eligible widow**" has the meaning assigned to it in Rule 6.02;

"**employee**" means a person engaged in employment in the service of an employer;

"**employer**" means any of the following in respect of membership of either the Principal Non-Industrial Superannuation Scheme or the Industrial Superannuation Scheme of the UKAEA before 1 July 1997:

- i) the United Kingdom Atomic Energy Authority;
- ii) the Research Councils;
- iii) any department of the Civil Service in the capacity of an employer of a non-industrial civil servant who is a member of the Scheme by virtue of section 2(3) of the Atomic Energy Authority (Weapons Group) Act 1973, as described in Rule 1.06;
- iv) the National Radiological Protection Board;
- v) British Nuclear Fuels Limited, unless and until the Secretary of State acts to the contrary under section 20(4) of the Atomic Energy Authority Act 1971;
- vi) Amersham plc. in the capacity of employer of any person who was in continuous employment since 4 January 1982; (v) the Civil Nuclear Police Authority under the terms of paragraph 7(1) of Schedule 10 of the Energy Act 2004;
- vii) AEA Technology plc. under the terms of paragraph 2 of schedule 4 of the Atomic Energy Act 1995.

"**employer**" means any of the following in respect of membership of the Combined Pension Scheme of the UKAEA on or after 1 July 1997:

- i) the United Kingdom Atomic Energy Authority;
- ii) the National Radiological Protection Board (until 1 April 2005);

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 13: Interpretation**

- iii) British Nuclear Fuels plc. (renamed "British Nuclear Group Sellafield Limited" with effect from 1 April 2005") by virtue of section 20(1) and (3) of the Atomic Energy Authority Act 1971;
- iv) Amersham plc. in the capacity of employer of any person (being a person employed in an industrial capacity) who was in continuous employment since 4 January 1982;
- v) the Civil Nuclear Police Authority under the terms of paragraph 7(1) of Schedule 10 of the Energy Act 2004;
- vi) any BNFL Company listed under Rule 1.01;
- vii) the Health Protection Agency in respect of such of its employees as it may determine under paragraph 18 of Schedule 1 to the Health Protection Agency Act 2004. On 1st April 2013 members who are employees of the Health Protection Agency will transfer to Public Health England, but may remain members of this Scheme for a limited period as determined by the Authority;
- viii) Research Sites Restoration Ltd (until October 2009);
- ix) Dounreay Sites Restoration Ltd (until October 2009);
- x) UKAEA Ltd (until October 2009).
- xi) the Nuclear Decommissioning Authority (solely in the circumstances described in Rule 1.01).

**"employer"** for the purposes of ascertaining the pensionable earnings of an active deferred member means the member's employer in respect of the member's membership of the Combined Nuclear Pension Plan (CNPP) of the Nuclear Decommissioning Authority.

**"employment"** means employment in the service of an employer;

**"Fixed Rate"** (in the context of revaluation of guaranteed minimum pensions) means a fixed rate determined in accordance with the provisions of the Social Security Pensions Act 1975, as amended, and of any relevant regulations made thereunder;

**"guaranteed minimum"** and **"guaranteed minimum pension"** have the same meanings respectively as in the Social Security Pensions Act 1975, as amended;

**"Medical Adviser of the Scheme"** means any duly registered medical practitioner nominated by the Authority for the purposes of the Scheme;

**"member"** means a member, a deferred member or an active deferred member, unless otherwise stated;

**"mobile"** and **"non-mobile"** have the meanings assigned to them in Rule 8.02;

**"New Fair Deal Employee"** means a person who is eligible to be an active member of the Scheme by virtue of fulfilling the conditions for eligibility specified in Rule 15.01;

**"Occupational pension scheme"** has the same meaning as is set out in section 66(1) of the Social Security Pensions Act 1975, as amended;

**"part-time employee"** means any employee whose contract of employment provides for the member's normal hours of work to be less than the conditioned hours of the member's grade (that is to say, less than the minimum hours required of a full-time employee in that grade); and **"part-time hours"**, in relation to that employee, means the said normal hours so provided;

**"part-time service"** means service by a part-time employee;

**"pension"** means an annual pension accruing from day to day and payable monthly in arrears;

**"pensionable earnings"** has the meaning assigned to it in Rule 2.13;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 13: Interpretation**

"**pensionable service**" means employment while in membership of the Scheme;

"**pensionable final earnings**" has the meaning assigned to it in Rule 4.05;

"**pension age**" means the earliest age at which a member can receive full pensions benefits;

"**pensions earnings cap**": prior to 6 April 2006, has the meaning defined under the Finance Act 1989 as amended. From 6 April 2006 the pensions earnings cap will be as announced from time to time by HM Treasury as being the maximum amount of pensionable earnings on which contributions can be deducted and benefits calculated under this scheme

"**personal pension scheme**" has the same meaning as is set out in section 84(1) of the Social Security Act 1986(C50);

"**premature retirement**" means cessation of employment before retirement age except where the employment is terminated by the employer on medical or security grounds, or occurs by reason of the employee's resignation or death;

"**qualifying service**" has the meaning assigned to it in Rule 3.01;

"**re-employment**" means employment under a fresh contract of employment;

"**reckonable service**" has the meaning assigned to it in Rule 3.06;

"**resignation**" means cessation of employment before pension age by the member's own volition;

"**retirement**" means cessation of employment in any of the circumstances referred to in Rules 4.03, 4.04, 5.01 and 5.03;

"**retirement age**" has the meaning assigned to it in Rule 4.01;

"**retirement on medical grounds**" means retirement on the grounds that the member is prevented by ill health from discharging the member's duties, and that the member's ill health is likely to be permanent. In this context;

- the phrase 'prevented by ill health' means having a significant incapacity caused by physical or mental pathology recognised by the Scheme's medical adviser, which renders the Scheme member incapable of efficient and regular employment;
- The term 'duties' means the job which they were employed to do (adjusted or restricted if necessary) or any reasonable alternative job;
- The term 'permanent' means that on the balance of probability, recover, even with treatment, cannot be expected before normal pension age.

All three criteria and the ill health condition as defined in paragraph 1 of Schedule 28 to the Finance Act 2004 must be met for ill health retirement to be approved;

"**retiring age**" has the meaning assigned to it in Rule 4.02;

"**return of basic contributions**" has the meaning assigned to it in Rule 5.15;

"**Research Councils**" means the Science and Engineering Research Council the activities of which were taken over with effect from 1 April 1994 by either the Particle Physics and Astronomy Research Council or the Engineering and Physical Sciences Research Council or with effect from 1 April 1995, the Council for the Central Laboratory of the Research Councils. With effect from 1 April 2007 the Particle Physics and Astronomy Research Council and the Central Laboratory of the Research Councils were merged to form the Science and Technology Facilities Council and RCUK Shared Services Centre Limited was formed, members who were participants of the PNISS at this time may continue in membership. With effect from 1 April 2018, taking account of the restrictions set out in 1.07, membership is extended to employees in membership of the Research Councils on 31 March 2018 whose employment is transferred to the United Kingdom Research and Innovation.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 13: Interpretation**

"**service**" means service as an employee; provided that, in the case of an active deferred member it means the member's service as a member of the Combined Nuclear Pension Plan (CNPP) of the Nuclear Decommissioning Authority.

"**superannuable employment**" means employment, or the tenure of an office, in respect of which superannuation allowances are payable in pursuance of any public general Act of Parliament;

"**transfer premium**" has the same meaning as in the Social Security Pensions Act 1975, as amended;

"**widow's guaranteed minimum**" and "**widow's guaranteed minimum pension**" have the same meanings respectively as in the Social Security Pensions Act 1975;

"**Widower's guaranteed minimum**" and "**widower's guaranteed minimum pension**" have the same meaning respectively as in the Social Security Pensions Act 1975, as amended.

References throughout the rules shall, in addition to the meanings set out in the rules, have the additional following meanings:

"**husband**" includes a man who is married to another man;

"**wife**" includes a woman who is married to another woman;

"**widower**" includes a man whose marriage to another man is ended by the other man's death;

"**widow**" includes a woman whose marriage to another woman is ended by the other woman's death;

"**spouse**" includes 'husband', 'wife', 'widow' or 'widower'.

**13.02**

Except where the context otherwise requires:

- a) words in the masculine gender include the feminine;
- b) in the construction of references to the age of a person, the member shall be deemed to have attained that age if the member survives until the beginning of the day which is the anniversary of the member's birth on which the member has lived for the number of years specified; and
- c) in the construction of references to the death of a member in service, the death shall be deemed to have been "in service" if it occurs during the period of the member's employment or during absence counting as qualifying service in accordance with Rule 3.09.

**13.03**

The headings and side headings of the Rules shall not affect the interpretation thereof.

## **Section 14: Pensions Sharing on Divorce**

### **Part 1: Interpretation**

#### **Meaning of expressions used in this Section**

##### **14.01**

Except where otherwise provided:

“the Act” means the Welfare Reform and Pensions Act 1999 or corresponding Northern Ireland legislation and references to legislation under that Act also refer to corresponding Northern Ireland legislation;

“Accrued Pension Rights” and equivalent expressions mean such rights after taking into account any reduction applied in accordance with section 31 of the Act;

“Implementation Period” means the four month period specified in section 34(1) of the Act subject to any regulations made by the Secretary of State under section 34(4) or section 41(2)(a) of that Act;

“Pension Credit” means a credit under section 29(1)(b) of the Act;

“Pension Credit Benefit” has the meaning given by section 101B of the Pension Schemes Act 1993;

“Ex-Spouse Participant” means a person, whether or not that person is otherwise a member of this scheme, entitled to a pension credit giving rise to a liability under this scheme within the meaning of section 29(1)(b) of the Act;

“Pension Debit” means a debit under section 29(1)(a) of the Act;

“Pension Debit Member” means a person whose benefits or future benefits under this scheme are reduced under section 31 of the Act;

“Pension Sharing Order” means any provision or order specified in section 28 of the Act giving rise to a liability under this scheme relating to a pension credit. This section applies to pension sharing orders on or after dissolution or nullity orders of civil partnerships in accordance with Schedule 5, Part 4 of the Civil Partnership Act 2004. References to Ex-Spouse are also applicable to civil partners where the partnership has been dissolved or annulled by a court;

“Valuation Day” means the day referred to in Rule 14.13.

### **Part 2: Ex-Spouse Participants**

#### **Ex-Spouse Participant Pension Benefits**

##### **14.02**

- i) An Ex-Spouse Participant member shall be entitled to a pension and, if Rule 14.02(iv) applies, a lump sum in accordance with the provisions of this Rule.
- ii) The value of the pension shall be of an amount which complies with paragraph 5(b) of Schedule 5 to the Act and with such requirements as may be prescribed from time to time under that paragraph .
- iii) Subject to Rules 14.03 and 14.04 the pension shall be paid to the Ex-Spouse Participant for life provided that Ex-Spouse Participant has reached the age of 60 years.
- iv) A Ex-Spouse Participant is entitled to a lump sum under this Rule if no lump sum was paid under this scheme to the pension debit member prior to the date on which the pension sharing order giving rise to the pension credit came into effect.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 14: Pensions Sharing on Divorce**

- v) The lump sum payable under paragraph (i) shall be equal to three times the Ex-Spouse Participant's initial annual pension.

**Commutation of lump sum into pension**

**14.03**

- i) An Ex-Spouse Participant who is entitled to a pension and lump sum under Rule 14.02 may, before the benefits are due to come into payment, elect to surrender the whole or part of the lump sum so as to receive, instead, the equivalent commutation value of that pension lump sum in the form of an increase in the member's annual pension from the date that such pension comes into payment.
- ii) An election made under sub-rule (i) above will be irrevocable from the date that the benefits under Rule 14.02 are due to come into payment.
- iii) For the purposes of determining any increases under this Rule, the Government Actuary shall be consulted, or tables drawn up by the member shall be used.
- iv) Any amount of lump sum elected to be surrendered shall be determined in multiples of 100.

**Commutation of Ex-Spouse's Participant's pension into lump sum on ill health**

**14.04**

- i) An Ex-Spouse Participant who is suffering from serious ill health may elect, before the benefits under Rule 14.02 are due to come into payment, to commute the whole of the pension credit into a lump sum payment.
- ii) The lump sum payment shall be an amount equal to five times the initial annual pension which would be payable if the Ex-Spouse Participant had reached the age of 60 years.
- iii) In this Rule, "serious ill health" means ill health which is such as to give rise to a life expectancy of less than one year from the date on which an election is made under this Rule.
- iv) For the purposes of this Rule, the Ex-Spouse Participant will be required to be medically assessed by the medical adviser of the Scheme.

**Death of Ex-Spouse Participant**

**14.05**

- i) If an Ex-Spouse Participant dies before any benefits have become payable under Rules 14.02, 14.03, or 14.04, benefits will be paid in accordance with Rule 14.05(ii) to a person or persons nominated by the Ex-Spouse Participant to receive such benefits, or in the absence of a valid nomination, to the legal personal representatives. Nomination of more than one person is permitted only in respect of specified shares in the death benefit.
- ii) For the purposes of Rule 14.05(i), the benefits shall consist of a lump sum of 25% of the value of the pension credit at the time of death.
- iii) If an Ex-Spouse Participant dies after any pension benefits have become payable to under Rules 14.02, 14.03, or 14.04 benefits will be paid in accordance with Rule 14.05(iv) to a person or persons nominated by the Ex-Spouse Participant to receive such benefits, or in the absence of a valid nomination, to the legal personal representatives.
- iv) For the purpose of Rule 14.05(iii), the benefits will consist of a lump sum equal to five times the initial annual pension in payment to the Ex-Spouse Participant at the time of death less all the pension and lump sum benefits (if any) that have been paid to Ex-Spouse Participant that are directly attributable to the pension credit.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 14: Pensions Sharing on Divorce**

- v) A nomination in respect of a death benefit shall not be valid at the time of the nominator's death:
- a) if the person nominated was the nominator's husband or wife at the time the nomination was made but the marriage has come to an end; or
  - b) if the Authority is of the opinion that payment of the death benefit to the person nominated is not reasonably practicable in all the circumstances, or is prevented by the operation of the common law rule of forfeiture; or
  - c) if the person nominated has died;
  - d) if the nomination is one of joint nominees;
  - e) if the nomination was not by notice in writing in such form as the Authority may from time to time require.

When a member has made nominations in favour of more than one person the invalidity of one or more nominations by reason of the circumstances in (a), (b) or (c) above shall not affect the validity of nominations to which those circumstances do not apply and for the avoidance of doubt the share of the person or persons nominated by valid nominations shall remain unchanged. When a nomination in respect of a specified share in the death benefit is invalid under this Rule, that share will be payable to the member's personal representatives.

**Aggregation**

**14.06**

- i) Where an Ex-Spouse Participant is also a member of this scheme by virtue of any Section other than this one, any period of time which may count for any purpose in connection with the member's pension credit benefit shall not be taken into account in determining the member's entitlement to, or calculation of, benefits under this scheme other than pension credit benefits.
- ii) Pension credit rights or benefits attributable to a pension credit may not be aggregated with any other rights or benefits under this scheme (including those attributable to a different pension credit).

**Safeguarded rights**

**14.07**

- i) Section 68A(2)(a) of the Pensions Act 1993 (safeguarded rights) shall apply in relation to the safeguarded rights of an Ex-Spouse Participant.
- ii) Safeguarded rights shall be identified in this scheme as being the safeguarded percentage of pension credit rights within the meaning of section 68A(3) of the Pensions Act 1993.

**Transfers**

**14.08**

A transfer value shall not be paid or accepted by this Scheme in respect of any pension credit rights or pension credit benefits.

**Effective date of provisions relating to benefits**

**14.09**

Any right or entitlement to any benefits payable under any of the foregoing provisions of this Section to or in respect of a person in whose favour a pension sharing order has been made shall take effect from the day that sharing order takes effect.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 14: Pensions Sharing on Divorce**

**Early Payment of ex-spouse participant benefits**

**14.09A**

- i) An ex-spouse participant who is entitled to a pension under rule 14.02 and, if rule 14.02(iv) applies, to a lump sum, and who has reached the age of 55 years may opt for immediate payment of a reduced pension and (if applicable) lump sum before reaching pension age.
- ii) The annual amount of the pension and (if applicable) the amount of the lump sum to which the ex-spouse participant is entitled under this rule is an amount calculated in accordance with rule 14.02 but reduced after consultation with the Scheme Actuary.
- iii) A pension credit member who opts for payment of an immediate pension under this rule may buy out the actuarial reduction that would otherwise apply to the ex-spouse participant pension and (if applicable) lump sum by giving notice in writing in such form as the Authority requires.
  - The cost of buying out the actuarial reduction is set out in tables prepared by the Authority, after consulting the Scheme Actuary.
  - The ex-spouse participant must meet the cost of buying out the actuarial reduction by paying a special contribution to the scheme.
  - Where an ex-spouse participant exercises the option to buy out the actuarial reduction on a pension and (if applicable) lump sum payable under this rule, the amount of the ex-spouse participant's pension and (if applicable) lump sum are calculated as if the reference in paragraph 14.16(ii) to applying an actuarial reduction were omitted.
- iv) Where regulation 7(5) of the Pension Sharing (Pension Credit Benefit) Regulations 2000 (early or deferred retirement) applies, the Authority must be reasonably satisfied that the requirements of that regulation have been met.

**Application of the foregoing sections of these Rules**

**14.10**

The Sections in this scheme apart from this one shall not apply in respect of the pension credit of any Ex-Spouse Participant.

**Part 3: Pension debit members**

**Pension debit members' benefits**

**14.11**

- i) Any benefits to which a pension debit member would be entitled under this scheme if no pension debit applied to that pension shall be reduced in accordance with and to the extent required by section 31 of the Act.
- ii) Without prejudice to the generality of paragraph (i), "benefits" for the purpose of this Rule include accrued benefits for the purposes of payment of transfer values under this scheme.

**Dependants' pensions**

**14.12**

- i) The pension paid to the spouse of a deceased pension debit member under Section 6 of the Scheme shall be reduced by the same proportion by which the deceased's retirement benefits have been reduced in accordance with section 31 of the Act or would have been reduced if the member had become entitled to them on the day the member died.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 14: Pensions Sharing on Divorce**

- ii) The amount of the reduction shall be calculated in accordance with any guidance issued by the Government Actuary.
- iii) For the avoidance of doubt, the pension debit member shall not be entitled to any refund of contributions under Section 6 arising from any deduction made under Rule 14.12(i).
- iv) Subject to paragraph 14.12(v), when the child of a pension debit member becomes entitled to a pension under Section 6, the child's pension shall be first calculated in accordance with Rule 6.25 as if references to the member's pension were to such pension without taking account of any reduction applied to that pension by virtue of section 31 of the Act.
- v) Notwithstanding paragraph 14.12(iv), the amount of a pension to a child of a debit member shall be reduced to the extent required by section 31 of the Act.

**Valuation day**

**14.13**

For the purpose of calculating the cash equivalent referred to in section 29(2) of the Act, the valuation day shall be the first day of the implementation period.

**14.14**

[Deleted 15 September 2008]

**Charging**

**14.15**

The Authority may recover charges incurred in connection with any of the activities prescribed for the time being under section 41 of the Act in accordance with, and to the extent prescribed in regulations under that section.

## **Section 15: New Fair Deal Employees**

### **Conditions for Eligibility**

#### **15.01**

A person (P) must meet the following conditions to be eligible to be an active member of the Scheme by virtue of being a New Fair Deal Employee.

- a) P must have been:
  - (i) a member of the Scheme; or
  - (ii) eligible to be a member of the Scheme on or immediately before the Effective Date;
- b) P must be employed to carry out the services specified in the Contract (the “transferred services”) for more than 50% of P’s time working under the contract to carry out those services;
- c) P must have been continuously employed to carry out the transferred services since the Effective Date;
- d) P must not be an active member of another workplace pension scheme provided by P’s employer in respect of P’s contract to carry out the transferred services; and
- e) P must not have signed an agreement with P’s employer in which P voluntarily agrees to waive P’s entitlement to be an active member of the Scheme.

#### **15.02**

A person who ceases to meet the conditions specified in Rule 15.01 will, from the date that they cease to meet those conditions, cease to be eligible to be an active member of the Scheme in relation to the transferred services by virtue of being a New Fair Deal Employee.

#### **15.03**

In determining whether a person is employed to carry out the transferred services for the purposes of determining whether the person meets the condition in Rule 15.01 b:

- a) services carried out by a person under another contract are to be disregarded;
- b) where the Authority has agreed that a person may carry out other specified services these other services shall be treated for the purposes of this rule as if they were transferred services; and
- c) time spent carrying out functions associated with the transferred services (such as relevant training) can be treated as time spent carrying out the transferred service.

### **Additional Protections for the Scheme**

#### **15.04**

- 1) a) If the pensionable final earnings, calculated in accordance with Rule 4.05, of a New Fair Deal Employee who is an active member of the Scheme (“P”) are greater than the specified amount, the Authority may require P’s employer to pay to the Scheme on demand such sums, as determined by the Authority after consulting the Scheme actuary, which are required to compensate the Scheme for any increase in the Scheme’s costs or liabilities resulting from the amount by which P’s pensionable final earnings are greater than the specified amount.
- b) The specified amount is the greater of:

**UK Atomic Energy Authority Combined Pension Scheme  
Section 15: New Fair Deal Employees**

- i)  $A + a$ ; and
- ii)  $A * b * 1.1$

where:

A is the amount that would be P's pensionable final earnings calculated in accordance with Rule 4.05 had P's last day of Reckonable Service been the first day of the applicable relevant period;

a is the amount to which £5,000 would have increased at the last day of the applicable relevant period if it had been an official pension within the meaning of section 5(1) of the Pensions (Increase) Act 1971 beginning, and first qualifying for increases under that Act, on 1st April 2011; and

b is  $(P1/P2)$

where:

P1 is the index number for the earnings series which applies to the last day of the applicable relevant period;

P2 is the index number for the earnings series which applies to the first day of the applicable relevant period; and

the earning series is the total weekly earnings growth including bonuses but excluding arrears specified in the Average Weekly Earnings index on a seasonally adjusted basis for the public sector excluding financial services published by the Office for National Statistics.

c) In paragraph b) the relevant period is:

- i) the period starting with the day which is 3 calendar years before P's last day of Reckonable Service and ending with P's last day of Reckonable Service; or
- ii) if P was transferred to a new employer during the period of 4 calendar years before P's last day of Reckonable Service, the period starting with the day which is 12 months after the day that P transferred to that new employer and ending with P's last day of Reckonable Service; or
- iii) if P was transferred to a new employer during the period of 12 months before P's last day of Reckonable Service, the period starting with the day that P transferred to that new employer and ending with P's last day of Reckonable Service.

- 2) Where an employer of a New Fair Deal Employee increases the pensionable earnings of a member of the Scheme employed by them in a way which the Authority has determined, is one where the resulting costs to the Scheme are costs which should be paid by the employer, the employer must pay to the Scheme on demand the amount of the increase in the Scheme's costs or liabilities resulting from the increase.
- 3) Where a New Fair Deal Employee exercises a choice available to them under the Scheme which leads to an increase in the contributions that the person's employer is required to pay under the Scheme, the employer must pay to the Scheme the amount of the increase in their contributions.
- 4) Where an employer of a New Fair Deal Employee has breached any of the provisions of the Scheme or any provision of the Admission Agreement, the employer must pay to the Scheme on demand such sums as determined by the Authority based on an actuarial valuation, which are required to compensate the Scheme for any increase in the Scheme's costs or liabilities resulting from the breach and for any resulting additional administration expenses incurred by or on behalf of the Scheme.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Section 15: New Fair Deal Employees**

- 5) Where an employer of a New Fair Deal Employee has entered into a contractual agreement (whether in the Admission Agreement or otherwise) with the Authority to lodge a bond with the Scheme, the Authority may call on the bond in the circumstances provided for in the contractual agreement.
- 6) Where the sponsoring Government Department or another body has entered into a contractual agreement (whether in the Admission Agreement or otherwise) to indemnify the Scheme in respect of contributions and other payments due to the Scheme from an employer of a New Fair Deal Employee, that Department or body must pay to the Scheme on demand by the Authority the sums due under the indemnity, in accordance with the provisions of the contractual agreement.

**Application of Rules**

**15.05**

- 1) Rule 1.05 iii does not prevent a person (“P”) belonging to another registered scheme to which P's employer contributes where P's membership of that scheme relates to services carried out under a contract for services other than the contract to carry out the transferred services.
- 2) Where an employer of a New Fair Deal Employee proposes to make an additional contribution under Rule 11.04 the employer must:
  - a) give notice in writing to the Authority and the Scheme administrator at least three calendar months before the additional contribution is to be made; and
  - b) pay to the Scheme such additional amounts as determined by the Authority, after consulting the Scheme actuary, as are required to compensate the Scheme for any additional costs to the Scheme resulting from the payment of the additional contribution.

**Information to be Provided by Employers**

**15.06**

- 1) Employers must provide the Authority with such information as the Authority may request:
  - a) in connection with the Authority's functions in relation to the Scheme or the functions of the Scheme administrator; or
  - b) to enable the Authority to fulfil any obligations upon it as set out under legislation and the rules which information must be provided by such date as the Authority may specify.
- 2) An employer of a New Fair Deal Employee must provide to the Authority within 30 calendar days of the end of each complete scheme year during which the employer is an employer of a New Fair Deal Employee:
  - a) a list of the New Fair Deal Employees employed by them, stating whether they are active members of the Scheme or have opted out of active Scheme membership; and
  - b) a statement confirming that the persons listed are eligible to be active members of the Scheme.
- 3) An employer of a New Fair Deal Employee must inform the Authority promptly and in any event within 28 days of:

**UK Atomic Energy Authority Combined Pension Scheme  
Section 15: New Fair Deal Employees**

- a) any changes to the eligibility of a New Fair Deal Employee employed by that employer to be an active member of the Scheme, including where such a person ceases to be eligible to be an active member of the Scheme;
  - b) any change in the:
    - (i) terms and conditions of employment (including working on services other than the transferred services);
    - (ii) working pattern or hours; or
    - (iii) attendance (including long term sick leave or other absences) of an active member of the Scheme employed by that employer where the change affects the member's entitlement to benefits under or membership of the Scheme;
  - c) any New Fair Deal Employee who has opted to cease to be an active member of the Scheme (although remaining eligible to be a member of it); and
  - d) any matter which may or is likely to affect the employer's ability to meet its obligations under the Admission Agreement or under the Scheme.
- 4) An employer of a New Fair Deal Employee must inform the Authority immediately the employer becomes aware of any circumstance (including any actual or proposed change in the employer's status) which is one which may give rise to the termination of the Admission Agreement.

## **Appendix 1: Limits on the number of Added Years which may be bought**

No longer applicable post 6 April 2006

## **Appendix 1(A): (Rules 3.27(a) and 3.30) Contributions for Added Years on Early Retirement**

Details of the cost of purchasing added years on early retirement can be obtained from the Pensions Administration Office, Thurso.

## **Appendix 2: Periodic Contributions for Added Years – Retirement Age 60**

For details of the cost of purchasing added years in the Combined Pension Scheme if you have a retirement age of 60 see the added years leaflet.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 3**

**Appendix 3: Table of Adjustment of the Pension Payable under this Scheme to a Member in Receipt of the Flat Rate Pension to which the member is entitled under the National Insurance Acts**

**(Rule 4.08)**

Pension reductions starting at age 65 in the case of men and age 60 in the case of women.

**Table:** Pension reduction per year of reckonable service from the date of attaining the age shown in the first column and in accordance with Rule 4.08(b) (Subject to a maximum reduction corresponding to 40 years' service)

<b>Age (as defined in Rule 4.08(a))</b>	<b>Men £</b>	<b>Women £</b>
19 and under	1.70	1.70
20	1.70	1.65
21	1.67	1.55
22	1.65	1.45
23	1.63	1.35
24	1.60	1.27
25	1.55	1.20
26	1.53	1.15
27	1.50	1.10
28	1.47	1.05
29	1.45	1.03
30	1.43	0.97
31	1.37	0.95
32	1.35	0.93
33	1.33	0.90
34	1.27	0.87
35	1.25	0.85
36	1.23	0.85
37	1.20	0.83
38	1.17	0.80
39	1.15	0.77
40	1.13	0.75
41	1.10	0.73
42	1.07	0.70
43	1.05	0.70
44	1.03	0.67
45	1.00	0.65
46	0.97	0.63

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 3**

<b>Age (as defined in Rule 4.08(a))</b>	<b>Men £</b>	<b>Women £</b>
47	0.95	0.60
48	0.93	0.60
49	0.90	0.57
50	0.87	0.57
51	0.85	0.57
52	0.83	0.57
53	0.80	0.57
54 and over	0.77	0.57

## **Appendix 4: Transfer Values**

### **(Rules 9.1, 9.19, 9.25, 9.27 and 9.29)**

Transfer arrangements for members in employment from 1 June 1972 to 31 December 1985; and, in certain circumstances for members in the interim period and/or transferees under the Public Sector transfer arrangements; and for the purposes of calculating a mixed transfer value; the term "pensions scheme" in this Appendix retains the meaning it had as at 31 December 1985, namely a contracted-out salary related occupational pension scheme or non contracted-out occupational pension scheme.

### **Outgoing transfer values**

1. A member leaving employment on or after 1 June 1972, and entering pensionable employment outside this Scheme, may apply for a transfer value to be paid to the member's new pension scheme in accordance with Paragraphs 2-9 (formerly Rules 9.02 to 9.09) provided such scheme is approved for this purpose by the HM Revenue and Customs and is prepared to accept the transfer value. This Rule shall not apply:
  - i) where a member leaves employment on or after 6 April 1978 and the member's new employment is not contracted out employment by reference to the member's new pension scheme under the Social Security Pensions Act 1975, unless a Contributions Equivalent Premium has been paid on the member's behalf or the member has no guaranteed minimum in relation to this Scheme;
  - ii) in the case of any member who left employment before 3 May 1973 for whom a transfer value has been paid in respect of such transfer in accordance with former Rule 23(i)(c).
2. A transfer value shall not be paid if there is an interval of more than 12 months between the date of the member's leaving employment and the date on which the member enters pensionable employment outside this Scheme, or if the application for the transfer value is made more than 6 months after the transferee joins their new pension scheme. Provided that a member who elects to have their pension benefits preserved and later becomes a member of a pension scheme which will accept a transfer value, or becomes a member of a pension scheme which initially will not accept a transfer value but later agrees to do so, may apply in writing for a transfer value to be paid to their new pension scheme instead of having their pension benefits preserved, provided the member makes such application for the transfer value within 6 months of becoming a member of the new pension scheme or of being informed that their new pension scheme will notwithstanding accept one. Provided also that the Authority may allow a longer period than the interval of 12 months specified above if they are satisfied that the delay was outside the member's control or where the member has undertaken a period of appropriate training or education before assuming new employment.
3. The Tables at the Annex to this Appendix will be applied for the calculation of the transfer value, using the member's age when they left employment and their preserved pension benefits at that date. "Preserved pension benefits" means personal pension, lump sum and (for all men whether married or not, except in respect of service to which, by virtue of Rule 6.14, neither Part 1 nor Part 3 of Section 6 applies) widow's pension. The preserved pension benefits will be calculated under Rules 5.09 and 6.04, except that there will be no minimum period of qualifying service and no deduction of contributions for family benefits will be made from the preserved lump sum save in accordance with Rule 9.05. All male members save as aforesaid will be treated as married and no regard will be paid to Rule 6.03. The transfer value will be calculated in relation to the appropriate age shown in the first column of Table 1 or Table 2 (as the case may be) at Appendix 4 and shall be the aggregate of:

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 4: Transfer Values**

- a) the sum shown in the second column multiplied by the gross annual pension to which the member would be entitled at the date of transfer; and
  - b) the sum shown in the fourth column multiplied by the lump sum to which the member would be entitled; and
  - c) in the case of a male member (if applicable) the sum shown in the fifth column multiplied by the amount of the widow's pension which would be payable on the member's death;
- less:
- d) the sum shown in the third column, multiplied by the annual amount of the modification of the member's pension which would be due under Rules 4.08 to 4.11; and
  - e) the sum shown in the last column, multiplied by the annual amount of the member's accrued guaranteed minimum pension; and
  - f) any Contributions Equivalent Premium paid on behalf of the member.
4. Where a transfer value is calculated for a member who has opted for benefits under Rule 6.40 or 6.45, any contributions paid in respect of such benefits, including any element for widower's benefits in contributions for added years under Rule 3.16, will not be included in the transfer value but will be treated as follows:
- i) where the qualifying service is less than 5 years, any such contributions paid will be refunded in the same way and subject to the same additions and deductions as contributions refunded under Rule 6.11(1), and the member will cease to be eligible for the said benefits, any liability for contributions by deduction from the lump sum under Rule 6.10 or 6.57 being cancelled;
  - ii) where the qualifying service is 5 years or more, and the member has paid such contributions in respect of service before 6 April 1975 and in respect of service of less than 5 years after 5 April 1975, and the member opts for a refund of all such contributions paid, the contributions will be refunded to the member in the same way and subject to the same additions and deductions as contributions refunded under Rule 6.11(1) and the member will cease to be eligible for the said benefits, any liability for contributions by deduction from the lump sum under Rule 6.10 or 6.57 being cancelled;
  - iii) in any other case, the member will be entitled to have the benefits purchased by the contributions paid preserved, any liability for contributions by deduction from the lump sum under Rule 6.10 or 6.57 being cancelled. Alternatively, the member may opt to have preserved benefits calculated by reference to the whole of the member's reckonable service up to the time of transfer, the liability for contributions by deduction from the lump sum being taken into account in the calculation of the preserved personal benefits by reference to which the transfer value is calculated. In either case, the preserved benefits will be brought into payment on the date on which they would have been brought into payment had the member remained in employment.
5. Where a widow's pension is calculated for the purpose of Paragraph 3, any contributions therefore (including arrears of periodical contributions, except where Rule 6.10(2) applies) not paid at the time of transfer will be deducted from the preserved lump sum before calculation of the transfer value. However, where contributions for a widow's pension have been refunded to the member under Rule 6.11 or 3.30 they may be repaid by the member (together with, if the Authority so require, any income tax deducted therefrom) with the addition of compound interest; and the member may pay the Authority any sum due under Rule 6.12 instead of having it deducted from the preserved lump sum. For the purposes

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 4: Transfer Values**

of this Rule the reference to compound interest means compound interest added to the relevant sum at a rate of 3 % a year up to and including 5 April 1978, and 4 % thereafter, with yearly rests. Any repayment of refunded contributions or payment under Rule 6.12 shall be made within any appropriate time limit specified in paragraph 2 for the payment of the transfer value.

6. 1) A transfer value paid before 1 April 1979 will be increased by 6 % compound interest for each completed year of interval between the date of leaving employment and the date of payment of the transfer value.
- 2) A transfer value paid on or after 1 April 1979 will be increased by:
  - a) 6 % compound interest for any completed year of interval between the date of leaving employment and 1 April 1977; and
  - b) 2.25 % compound interest for each completed three months of interval between 1 April 1977 or the date of leaving employment whichever is the later and the date of payment of the transfer value;except that no interest will be added to a transfer value paid within six months of the date of leaving employment.
7. Where a member is at the date of the member's transfer in the process of buying added years, or is paying additional contributions for previous service under Rule 2.12, only the number of added years the member has been granted by that date (in accordance with Rule 3.26) or the previous service paid for by that date will reckon for the purpose of the calculation of the member's preserved pension benefits.
8. Where a return of basic contributions has been made under Rule 5.13 or 5.17, a transfer value may be paid in accordance with the Rules of this Section provided the sum actually paid to the member is repaid to the Authority together with, in the case of repayment on or after 1 August 1984, interest at the rate specified in Rule 9.06(2)(b), save that no interest will be payable if the repayment is made within 12 months of the member's leaving employment.
9. A transfer value will not be paid in respect of service for which a pension or annual compensation (under Section 7 or 8) has become payable under this Scheme.

**(Rules 9.1, 9.19, 9.25, 9.27 and 9.29)**

**Incoming transfer values**

10. A member taking up employment on or after 1 June 1972 who brings with them a transfer value from their former pension scheme will be credited with such reckonable service as, according to the transfer value tables in the Annex and subject to the next three Rules, corresponds to the amount of the transfer value received. The member will also be credited with a like period of qualifying service, or if paragraph 14 applies such longer period of qualifying service as may be appropriate. Provided that where the transfer value relates to the member's guaranteed minimum, the Authority may at their discretion refuse it if, in their opinion its amount is inadequate to cover that liability.
11. The transfer value tables will be applied to the transfer value (irrespective of the particular benefits of the scheme making the payment) to give equal periods of reckonable service for personal pension, lump sum and (for both married and unmarried men) half rate widow's pension. The length of reckonable service credited may, however, be restricted in those circumstances where the limits on such length imposed from time to time by the HM Revenue and Customs for approved occupational pension schemes would otherwise be exceeded.
12. Where a transfer value is received from a pension scheme which is approved for transfer purposes by the Civil Service Department, the pensionable pay and age in that former

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 4: Transfer Values**

pension scheme at the time of leaving it will be used for calculating the reckonable service to be credited. For the purpose of such calculation "pensionable pay" means the amount of pay used by the former pension scheme as a basis for calculating the transfer value increased by the amount of any salary disregarded by the scheme in respect of national insurance modification. If interest is included in the transfer value, the interest element shall be left out of account for the purposes of the transfer value tables.

13. Where a transfer value is received from a scheme other than one approved for transfer purposes by the Civil Service Department, the starting pensionable earnings and age of the member who joins this Scheme will be used for the purposes of applying the transfer value tables in order to ascertain reckonable service. If, however, a transfer value is received more than 12 months after the member commences employment, the member's pensionable earnings and age on the date the transfer value is received will be used for the purposes of applying the transfer value tables and no distinction shall be made in respect of any interest element in the transfer value.
14. Where reckonable service credited is less than service actually served in the former pension scheme, the previous service will count as to its actual length for the purpose of the five-year qualifying period for pension benefits.
15. Service credited for the purpose of this Scheme by means of a transfer value shall be subject to modification if Rules 4.08 to 4.11 apply.
16. A member who before 3 May 1973 transferred into this Scheme and was granted a back service credit under Former Rule 3 or Former Rule 28 (reproduced in Appendix 5), shall be entitled to have such back service credit counted accordingly instead of any credit under paragraph 10.

**Miscellaneous**

17. For groups of persons who transfer to this Scheme, if there are special circumstances which, in the opinion of the Authority, justify exceptional treatment, the Authority may apply these Rules with necessary modifications. For groups of persons who are transferred out of employment together with their work there may be paid in respect of each such person to another scheme contracted out under the Social Security Pensions Act 1975 a transfer value of an amount to be determined by the Actuary instead of one calculated by reference to the transfer value tables in the Annex. Provided that this Rule shall not be applied to the disadvantage of any member, whether on leaving or entering employment and that a transfer value so determined may not be paid in respect of a person who has not consented to the transfer of the member's accrued rights under this Scheme.
18. Where the Authority has entered into an agreement relating to transfers between this Scheme and another pension scheme, not being a scheme referred to in paragraph 12, the Authority may apply the Rules with necessary modifications to conform with such agreement until such time as that other scheme is approved for transfer purposes by the Civil Service Department. The Authority may apply the Rules with any necessary modifications in order to comply with the terms of any transfer arrangement concluded with the European Communities or an overseas pension scheme.
19. Where a person ceases to be a member of this Scheme on becoming a member of the Authority's Industrial Superannuation Scheme or ceases to be a member of that Scheme or the Authority's Protected Persons Superannuation Scheme on becoming a member of this Scheme, a transfer value may be paid or accepted by this Scheme (as the case may be) in accordance with this Section; provided that, notwithstanding paragraph 11, a member for whom such a transfer value is accepted by this Scheme shall be credited with reckonable and qualifying service respectively equal to the member's reckonable and qualifying service in the Industrial Superannuation Scheme or the Protected Persons

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 4: Transfer Values**

Superannuation Scheme. In such a case, the Authority may apply the Rules with such modifications as regards re-employment or otherwise as they deem appropriate.

- 20 1) This Rule applies to employees who have been in relevant employment and:
- a) on 1 April 1976, or such later date as the Authority may determine, were members of a superannuation scheme within the Federated Superannuation System for Universities (FSSU) or of the United Kingdom Atomic Energy Authority's Superannuation (Special Classes) Scheme (S(SC)S); or
  - b) on 1 April 1976, were members of this Scheme and had previously been members of a superannuation scheme within the FSSU or the S(SC)S.

For the purposes of this Rule "relevant employment" shall mean employment for such period or periods as the Authority may determine for the purposes of this Rule.

- 2) If an employee or member to whom this Rule applies elects before 1 April 1978, or such later date as the Authority may determine:
- a) if the member is a member of a superannuation scheme within the FSSU or of the S(SC)S, to cease to be such a member and become a member of this Scheme; and
  - b) in any case to relinquish the member's rights in respect of all policies and other assets held in relation to the member by an employing Institution under the FSSU, or by the Authority for the purpose of the S(SC)S, or by the member on their own behalf (provided in this case that the aforesaid policies and other assets were assigned absolutely to the member in accordance with the rules of a superannuation scheme maintained by an Institution under the FSSU);

and consents to those policies and other assets becoming the absolute property of the Authority free and discharged from all trusts, powers and provisions of either of those schemes, the member's period or periods of relevant employment shall be treated as qualifying and reckonable service for the purpose of this Scheme.

- 3) In relation to an employee or member who makes an election under paragraph (2) of this Rule:
- i) Rule 4.08 shall apply as though the date when the member became a member of the FSSU or the S(SC)S were the date when the member became a member of this Scheme or such later date as the Authority may determine; and as though the member had paid contributions reduced under Rule 2.15, unless the Authority in their discretion decide otherwise;
  - ii) Rule 4.11(c) shall apply with the following modification; that is to say, a pension payable to the member under this Scheme shall be reduced by £3.25 a year for men and £2.70 a year for women for each year of service reckoned under the election between 3 April 1961 and 5 April 1975, and so in proportion for any period of less than one year; except that reckonable service in respect of periods of service outside the United Kingdom during which the member is not required to pay contributions under the National Insurance Acts, or any scheme which is subject to a reciprocal agreement under section 105 of the National Insurance Act 1965 shall not be taken into account for this purpose;
  - iii) notwithstanding Rule 3.22, Rule 3.32 or Former Rule 4(1), a member who is purchasing added years under Rule 3.22 or Former Rule 4(1) may, at the time the member makes an election under paragraph (2) of this Rule, apply to reduce the number of added years being so purchased by a whole number of years to the extent necessary to ensure that the member's total reckonable service does not exceed the limits set out in Rule 3.07; and the member's liability for further

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 4: Transfer Values**

contributions or payments under Rule 3.22 or Former Rule 4(1) shall cease or be reduced accordingly from such a date as the Authority may specify following the election; provided that contributions or payments under Rule 3.22 or Former Rule 4(1) made prior to that date will not be refunded by virtue of this sub-paragraph;

- iv) for the purposes of Part 1 of Section 6 (widow's pension) service reckoned under this Rule in relation to any period of relevant employment which occurred before 1 June 1972 shall be treated as reckonable service to which Rule 6.06 refers, with corresponding entitlement to widow's pension at the four-ninths rate unless the member concerned has already uprated the member's entitlement to the one-half rate or the Authority in their discretion direct otherwise;
  - v) on making the election, or at any time within the succeeding 9 months, a member to whom this Rule applies by virtue of sub-paragraph (1)(a) shall be allowed an opportunity to exercise the options provided under Rules 2.06 and 6.06.
- 4) When an employee or member makes an election under paragraph (2) of this Rule, the Authority shall credit the Superannuation Account with an amount to be determined by the Actuary, and the amounts so credited shall be deemed to be in two parts:
- i) the cash value of the assets acquired by the Authority as a result of the election; and
  - ii) any excess over the said cash value of the amount determined by the Actuary under this paragraph, Rule 11.04 being applied to this part of the credit.
- 5) This Rule may be applied to employees who are members of the Federated Superannuation Scheme for Nurses and Hospital Officers (FSSN), as if FSSN were substituted for FSSU in the preceding paragraphs and as if "nine-tenths of" were inserted before "his period of periods or periods of relevant employment" in paragraph (2).

**Annex: To Paragraphs 3 and 10 of Appendix 4**

Transfer values per £1 of benefit accrued at date of transfer.

**Table 1: Men**

Age last birthday at date of transfer	Gross Pension of £1 per annum	Reduction for National Insurance Modification of £1 per annum under Rules 4.08 to 4.11	Lump Sum of £1	Widow's pension of £1 per annum	Deduction for guaranteed minimum pensions of £1 per annum
	£	£	£	£	£
Less than 20	5.00	0.25	0.60	4.00	1.47
20	5.05	0.25	0.60	4.00	1.50
21	5.10	0.25	0.61	4.00	1.53
22	5.15	0.30	0.61	4.00	1.56
23	5.20	0.30	0.61	4.00	1.59
24	5.25	0.30	0.62	4.00	1.62
25	5.30	0.35	0.62	4.00	1.65

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 4: Transfer Values**

<b>Age last birthday at date of transfer</b>	<b>Gross Pension of £1 per annum</b>	<b>Reduction for National Insurance Modification of £1 per annum under Rules 4.08 to 4.11</b>	<b>Lump Sum of £1</b>	<b>Widow's pension of £1 per annum</b>	<b>Deduction for guaranteed minimum pensions of £1 per annum</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
26	5.35	0.40	0.63	4.00	1.68
27	5.40	0.40	0.63	4.00	1.71
28	5.45	0.45	0.63	4.00	1.74
29	5.50	0.50	0.64	4.00	1.78
30	5.55	0.50	0.64	4.00	1.81
31	5.60	0.55	0.65	4.00	1.85
32	5.65	0.60	0.66	4.00	1.88
33	5.70	0.65	0.66	4.00	1.92
34	5.75	0.70	0.67	4.00	1.95
35	5.80	0.80	0.67	4.00	1.99
36	5.85	0.90	0.68	4.00	2.02
37	5.90	1.00	0.68	4.00	2.06
38	5.95	1.10	0.68	4.00	2.10
39	6.00	1.20	0.69	4.00	2.14
40	6.05	1.30	0.69	4.00	2.18
41	6.10	1.40	0.70	4.00	2.22
42	6.15	1.50	0.70	4.00	2.26
43	6.20	1.60	0.71	4.00	2.30
44	6.25	1.70	0.72	4.00	2.34
45	6.30	1.80	0.72	4.00	2.39
46	6.40	1.90	0.73	4.00	2.44
47	6.50	2.00	0.74	4.00	2.48
48	6.60	2.20	0.74	4.00	2.53
49	6.70	2.40	0.75	4.00	2.58
50	6.80	2.60	0.75	4.00	2.62
51	6.90	2.90	0.76	4.00	2.67
52	7.10	3.20	0.76	4.00	2.72
53	7.30	3.50	0.77	4.00	2.78
54	7.50	3.80	0.78	4.00	2.84
55	7.70	4.20	0.79	4.00	2.90
56	8.00	4.60	0.80	4.00	2.97
57	8.30	5.00	0.81	4.00	3.04

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 4: Transfer Values**

<b>Age last birthday at date of transfer</b>	<b>Gross Pension of £1 per annum</b>	<b>Reduction for National Insurance Modification of £1 per annum under Rules 4.08 to 4.11</b>	<b>Lump Sum of £1</b>	<b>Widow's pension of £1 per annum</b>	<b>Deduction for guaranteed minimum pensions of £1 per annum</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
58	8.60	5.40	0.82	4.00	3.12
59	9.00	5.80	0.84	4.00	3.20
60	9.50	6.30	0.86	4.00	3.28
61	9.50	6.80	0.88	4.00	3.36
62	9.50	7.40	0.91	4.00	3.44
63	9.50	8.10	0.94	4.00	3.53
64	9.50	9.00	0.98	4.00	3.64
65	9.50	9.50	1.00	4.00	-

**Table 2: Women**

<b>Age last birthday at date of transfer</b>	<b>Gross Pension of £1 per annum</b>	<b>Reduction for National Insurance Modification of £1 per annum under Rules 4.08 to 4.11</b>	<b>Lump Sum of £1</b>	<b>Deduction for guaranteed minimum pensions of £1 per annum</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Less than 20	7.00	0.50	0.60	2.20
20	7.05	0.50	0.60	2.24
21	7.10	0.55	0.61	2.28
22	7.15	0.60	0.61	2.32
23	7.20	0.65	0.61	2.36
24	7.25	0.70	0.63	2.40
25	7.35	0.75	0.62	2.45
26	7.40	0.80	0.63	2.50
27	7.45	0.85	0.63	2.55
28	7.50	0.90	0.63	2.60
29	7.55	0.95	0.64	2.66
30	7.65	1.05	0.64	2.71
31	7.70	1.15	0.65	2.77
32	7.80	1.25	0.66	2.82
33	7.90	1.35	0.66	2.88

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 4: Transfer Values**

<b>Age last birthday at date of transfer</b>	<b>Gross Pension of £1 per annum</b>	<b>Reduction for National Insurance Modification of £1 per annum under Rules 4.08 to 4.11</b>	<b>Lump Sum of £1</b>	<b>Deduction for guaranteed minimum pensions of £1 per annum</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
34	7.95	1.45	0.67	2.93
35	8.05	1.55	0.67	2.99
36	8.15	1.65	0.68	3.05
37	8.25	1.75	0.68	3.11
38	8.35	1.85	0.68	3.17
39	8.45	1.95	0.69	3.24
40	8.55	2.10	0.69	3.31
41	8.65	2.25	0.70	3.38
42	8.75	2.45	0.70	3.45
43	8.85	2.65	0.71	3.52
44	9.95	2.90	0.72	3.59
45	9.05	3.15	0.73	3.66
46	9.15	3.40	0.74	3.74
47	9.25	3.70	0.75	3.82
48	9.35	4.00	0.76	3.90
49	9.45	4.35	0.77	3.98
50	9.55	4.75	0.78	4.06
51	9.65	5.15	0.79	4.15
52	9.80	5.60	0.80	4.24
53	9.95	6.10	0.81	4.33
54	10.10	6.65	0.82	4.43
55	10.30	7.25	0.83	4.55
56	10.50	7.95	0.84	4.63
57	10.75	8.75	0.85	4.74
58	11.05	9.65	0.87	4.85
59	11.40	10.65	0.89	4.97
60	11.75	11.75	0.91	-
61	11.75	11.75	0.93	-
62	11.75	11.75	0.95	-
63	11.75	11.75	0.97	-
64	11.75	11.75	0.99	-
65	11.75	11.75	1.00	-

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 4: Transfer Values**

## **Appendix 5: Some Former Rules**

- 1 The Rules refer to some Former Rules by number and, to the extent stated in the Rules, give continuing force to the provisions of such Former Rules. For ease of reference the texts of such Former Rules are reproduced below for information only, but the inclusion or exclusion of a Former Rule in or from this Appendix is without prejudice to the continuing in force, adaption or supersession of any Former Rule as provided in the Rules. The Former Rules so reproduced contain references to other Former Rules, and also expressions defined by the Former Rules; and for an accurate construction of any Former Rule, it is necessary to consider a full copy of them. Such copies are available for inspection by members under arrangements made by the respective employers.

### **Members' contributions**

- 2
  - 1) Each member shall pay a contribution of 6% of their salary subject to the provisions of Rule 26.
  - 2) Each employer may deduct from any payment of salary made to a member any contributions due from the member under this Scheme.
  - 3) Subject to the provisions of Rule 10(2) a member shall not be required to pay any contribution after they have completed their fortieth year of pensionable service. Provided that where a member continues in employment after having both completed 40 years' pensionable service and attained minimum retiring age contributions shall be payable in respect of the first 5 years of the member's employment after the date on which the member completed 40 years' pensionable service or attained minimum retiring age, whichever is the later.
  - 4) Upon the retirement or death of a member there shall be returned with compound interest so much of the member's contributions, if any, beginning with the last of them, as is necessary in order to secure that the period of the member's pensionable service is an exact number of years.

### **Back service credit**

- 3
  - 1) Where a member, within twelve months of commencing employment, or such longer period as the Authority may in any case allow, was engaged in superannuable employment, or was a member of a superannuation scheme (herein referred to as "the former Scheme") in respect of the member's former employment, the member shall be granted a Back Service Credit of the following number of years:
    - a) where a Transfer Value under the Interchange Rules and Regulations made under the Superannuation (Miscellaneous Provisions) Act, 1948, or the National Health Service Superannuation Scheme, is paid to the Authority in respect of the member, and provided that a sum equal to any refund to the member of any contributions, or other payments made by the member, is paid to the Authority; the number of years' service appropriate to the member under the relevant Rules or provisions;
    - b) where the member, or the member's former employer, or the Trustees of the former Scheme, as the case may be, pays to the Authority such sum as is available under the rules of the former Scheme upon the transfer of a member of the former Scheme to some other approved superannuation scheme; such number of years as the Actuary may determine, not exceeding the number of years reckonable for benefits under the former Scheme;
    - c) where the member or the member's former employer, or the Trustees of the former Scheme, as the case may be, assign to the Authority a policy of assurance, or a deferred annuity policy; such number of years as the Actuary

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

may determine, not exceeding the number of years of membership in the former Scheme;

- d) where the member pays to the Authority a sum equal to all contributions under the former Scheme which were returned to the member with interest, if any, on leaving the former Scheme; such number of years as the Actuary may determine;

Provided that the Authority shall in no case falling under sub-paragraph (b) accept a sum greater than that certified by the Actuary to be required.

In this paragraph the word "year" includes part of a year.

- 2) The pensionable salary of a member granted Back Service Credit under this Rule who retires, or dies within 3 years of commencing employment, shall be determined by the Authority, having regard to the salary the member received from the member's former employer.
- 3) In relation to an industrial employee of an employer who is appointed to non-industrial employment with an employer, the provisions of this Rule shall apply as if the member's industrial employment were employment with a former employer.

**Added years**

- 4 1) Subject to the discretion of the Authority a member may, at the member's option at any time before attaining the age of 60, purchase a number of Added Years, not exceeding such number as will bring the member's total number of years of pensionable service to 40 by the date on which the member would attain minimum retiring age, on paying the whole cost thereof by either a single payment or a series of payments spread over the period until the member attains the age of 60, in accordance with the tables set out in Appendix 1 hereto.

Provided that the total amount payable in any year by the member in respect of the member's contributions under the Scheme and any such annual payment shall not exceed 15% of the member's salary.

- 2) Added Years purchased under this Rule shall be included in the period of pensionable service of the member concerned but shall not count for the purpose of computing the member's qualifying service.
- 3) The Authority may in their discretion, in cases of hardship, permit a member to cease making annual payments under this Rule. In such event the number of Added Years credited to the member shall be reduced to such number as the Actuary may determine.
- 4) Where Added Years are purchased by annual payments, no further annual payments shall be payable after the member's retirement or death. Provided that where the member becomes entitled to a deferred pension and deferred lump sum payment under Rule 13(1)(d) the number of Added Years credited to the member shall be reduced to such number as the Actuary may determine.

**Purchase of earlier qualification for benefits**

- 4a 1) A member who on medical examination is found to be in good health, regard being had to the member's age, may elect to secure that, in the event of the member's retiring on grounds of ill health or dying before completing 10 years' qualifying service, benefits under sub-paragraph (b) of Rule 13(1) or family benefits under Rules 14 or 15 or benefits under Rules 16,17 or 18 (notwithstanding the provisions of paragraph (3) of Rule 19) shall be payable in lieu of benefits under Rules 21 or 22.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- 2) Such an election may be made, subject to compliance with such conditions as the Authority may require, upon the member paying or agreeing to pay such a sum as the Actuary may determine either as a single payment or as a series of payments spread over the period until the member attains the age of 60. Provided that the total amount payable in any year by the member in respect of the member's contributions under the Scheme and any annual payment under Rule 4 shall not with the addition of any annual payment under this Rule exceed 15 % of the member's salary.
- 3) No further annual payments shall be payable after the termination of the member's employment.
- 4) Payments under this Rule shall not be deemed to be contributions for the purpose of Rule 12(3).

**Reduction of salary**

- 7 Subject to the discretion of the Authority a member whose salary is reduced otherwise than as provided in Rule 8 may within three months of the date of such reduction exercise an option to have the member's salary treated for the purposes of the Scheme as if it had not been reduced and thereupon, during such time as the member's salary is reduced, the member's contribution shall continue to be paid without reduction and any benefits payable under the Scheme in respect of the member's retirement or death shall be calculated as if the member's salary has continued without reduction.

**Break in service**

- 11 Where a member who is not in receipt of a pension under this Scheme and has received no payment under Rule 21 or under heads (k) or (1) of Rule 27(3), and has ceased to be in employment re-enters employment within one year of the date on which the member ceased to be in employment (or within such longer time as the Authority may in any case allow), the period which was reckonable for the member's qualifying service (but excluding any Added Years under Rule 4) immediately before the member ceased to be in employment shall be included in the member's qualifying service upon the payment in full by the member to the Authority of a sum equal to the payment (if any) made to the member under Rule 24 together with a sum equal to any income tax that was deducted in arriving at the amount of such payment but excluding any part of such payment which represented the returned contributions for Added Years, with compound interest thereon, from the date on which the Authority's payment was received by the member provided that with effect from 3 April 1961:
  - a) where in accordance with the provisions of the National Insurance Acts, the Authority have assured equivalent pension benefits in respect of the member the provisions of Rule 26B(2) shall apply as though the member's former service had been service in a former scheme, and
  - b) this Rule shall not apply where the member would not complete 10 years' qualifying service by the date on which the member would attain minimum retiring age.
- 12 3) The expression "return of contributions"
  - a) means a sum equal to:
    - i) the contributions which the member concerned has paid under the Scheme less so much thereof as may be returnable in accordance with Rule 2(4) and Rule 27(3)(g);

**Incapacitated child**

- 18 1) A member may nominate for an annuity under this Rule any one child of the member's who, in the opinion of a medical adviser of the Scheme, is incapacitated.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- 2) The amount of the annuity under this Rule shall be equal to four-ninths of the pension payable to the member, or the pension which would have been payable to the member if the member had retired on grounds of ill health, on the day of the member's death.
  - 3) An annuity under this Rule shall be payable to such person as the Authority may think proper for the benefit of the nominated child;
  - 4) Payment of the annuity shall commence from the date on which any pension payable under Rule 15 in respect of a nominated child ceases to be payable or, if no such pension be payable, from the date of the member's death.
  - 5) No annuity shall be payable if the member ceases to be responsible for the maintenance of the nominated child during the period of the member's employment, or if during that period the child ceases, in the opinion of a medical adviser of the Scheme, to be incapacitated.
- 19 4) The amount of any lump sum payment or payment under Rule 13(1)(e) payable to, or in respect of, a member who has elected to procure benefits under any of the three last preceding Rules shall be abated by such percentage for each year of pensionable service as the Authority shall have determined on the Actuary's advice as soon as possible after the member's election or, in a case where Added Years have been purchased, after that date, as soon as possible after the option to purchase such Added Years Provided that:
- a) in any case where the member has informed the Authority in writing, either that the member wished to withdraw the member's election or nomination, or that in the events which have happened no pension or annuity will be payable to, or in respect of any person for whom such benefit was intended, no abatement under this Rule shall be made for any subsequent year of the member's pensionable service;
  - b) in the case of an election under Rule 17 no abatement shall be made in respect of any year which reckons for two-eightieths of pensionable salary in computing the lump sum payment.

**Surrender of part of pension for annuity in favour of spouse or dependent**

- 20 1) Where a member will be entitled on retirement to a pension under Rule 13(1)(a), (c) or (d) the member may, within one month immediately prior to the date of the member's retirement, notify the Authority of the member's wish to surrender part of the member's pension to provide an annuity payable by the Authority to the spouse of the member or to any named dependant.
- 2) The amount of any annuity payable under this Rule shall be calculated in accordance with the tables, furnished by the Actuary for the purposes of this Rule from time to time, a copy of which shall be made available to the member.
  - 3) An annuity under this Rule shall commence to be payable on the death of the member and shall continue to be payable during the life of the annuitant.
  - 4) Any part of a pension to be surrendered shall be expressed in multiples of £1.
  - 5) A member shall not, under this Rule, surrender more than one-third of the member's pension provided that in no case shall the part surrendered be such that the amount of the annuity payable under this Rule would exceed the amount of the reduced pension payable to the member.
  - 6) Any surrender of part of a pension under this Rule shall be null and void if either the member, or the prospective annuitant, dies before the day on which the member's pension commences to be payable.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- 7) It shall be a condition precedent to the surrender of part of a pension under this Rule, that the Authority are satisfied that the member concerned is in good health, regard being had to the member's age, and that the Authority are furnished at the expense of the member concerned with such particulars as they may require in respect of the annuitant.
- 8) An annuity payable under this Rule shall be payable on the same terms and conditions as apply under the Scheme to the payment of a pension.

**Transfer out of the scheme**

- 23 1) If a member ceases to be in employment, and within twelve months or such longer period as the Authority may in any case allow thereafter enters other employment, the Authority may, at their discretion, provide in lieu of any other benefit under the Scheme:
  - c) if the member enters other employment by virtue of which the member is entitled to become a member of a Superannuation Scheme, which is either:
    - i) A scheme to which any Interchange Rules and Regulations made under the Superannuation (Miscellaneous Provisions) Act, 1948, or the National Health Service Superannuation Scheme and applicable to this Scheme apply; or
    - ii) approved by the Commissioners of HM Revenue and Customs under section 379 of the Income Tax Act, 1952, or otherwise approved by them for the purposes of this Rule, a Transfer Value Payment, applied on the member's behalf, of such amount as the Authority shall determine Provided that no such Transfer Value Payment shall be made unless the member previously pays in full to the Authority, or the new employer, as the case may require, the amount of any refund of contributions which may have been paid to the member by the Authority, including, if the Authority so require, any income tax deducted therefrom.

**Modifications for transferred Civil Servants**

- 12 1) In this rule, except where the context otherwise requires, the expression "Civil Servant" means a person serving in an established capacity in the permanent Civil Service of the State who holds the member's appointment directly from the Crown or has been admitted into the Civil Service with a certificate from the Civil Service Commissioners. The expression "temporary employee" shall mean a person employed in an unestablished capacity in the Civil Service of the State.

For the purpose of this Rule a person holding either a Special Recommendation Certificate issued by the Civil Service Commissioners or an appointment under medical reject terms shall be treated as if the member had been a Civil Servant on the day immediately before the member became a member of the Scheme.

Provided that a Civil Servant who, at the date of accepting employment with the Authority, was subject to a Superannuation Scheme to which section 5 of the Superannuation Act, 1946, applies shall not be treated as a Civil Servant for the purposes of this Rule.
- 2) The modifications in paragraph (3) of this Rule shall be made in the application of the Scheme to any member who falls within any of the following classes:
  - a) Civil Servants who were in the service of the Department of Atomic Energy on 31 July 1954, and continue in the service of the Authority until accepting employment with the Authority;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- b) temporary employees who were eligible to become Civil Servants on fulfilment of one or more of the following conditions:
  - i) the completion of a specified period;
  - ii) the acquisition of particular technical qualifications;
  - iii) the existence of a vacancy in the complement of established posts in the Department in which they were employed;

and who entered the service of the Authority by the transfer to the Authority of the work on which they were engaged at the date of transfer and in respect of whom the conditions upon which they would have become Civil Servants are subsequently deemed by the Authority to have been fulfilled;

- c) temporary employees who were in the service of the Department of Atomic Energy on 31 July, 1954 and who, on or before that date, had entered for a scheme of establishment or were eligible for a scheme of establishment planned but not commenced and are subsequently reported by the Civil Service Commissioners to be qualified for establishment in the Civil Service;
- d) Civil Servants who enter the service of the Authority on or after 1 August, 1954, as the result of negotiations for their transfer which were commenced before that date;
- e) Civil Servants who enter the service of the Authority by the transfer to the Authority of the work on which they were engaged at the date of transfer;
- f) Civil Servants who enter the service of the Authority in pursuance of any agreement made between the Ministry of Supply and the Department of Atomic Energy for the exchange of staff of equal grades between the two departments;
- g) Civil Servants employed in the Ministry of Supply who enter the Service of the Authority as the consequence of interchange vacancy notices issued on or before 31 July, 1954;
- h) Civil Servants who enter the service of the Authority in pursuance of any agreement made between the Ministry of Works and the Authority for the exchange of staff of equal grades between that Department and the Authority

Provided that in every case where the Civil Servant concerned is in class (d), (e), (f) or (h) or a temporary employee in class (b) of this paragraph the application of the modifications in paragraph (3) of this Rule shall be subject to the approval of the Authority.

- 3) In relation to a member who falls within any of the classes (a) to (h) in paragraph (2) of this Rule:
  - a) the minimum retiring age shall be 60 or such lower age as would have applied by virtue of the provisions of section 42 of the Superannuation Act, 1949, on the day immediately before the member became a member of the Scheme;
  - b) the salary the member received as a Civil Servant before entering the service of the Authority shall be such sum as the Principal Establishment Officer of the Department in which the member worked at any relevant time shall certify to have been the member's annual salary;
  - c) the reference in Clause IV(1) to attaining the age of 18 shall be omitted and Proviso (a) to that clause shall not apply;
  - d) the period of Back Service Credit under Rule 3 shall be the period of service which was or, as the case may be, would have been reckonable for the purposes

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

of the Superannuation Acts, 1834 - 1950, on the day immediately before the member became a member of the Scheme;

- e) no family benefits shall be payable if the member, when a Civil Servant, had elected not to make contributions under Part 1 of the Superannuation Act, 1949, and has not within three months of the date of the member's contract of service with the Authority arranged with the Authority for family benefits to be paid on the member's death;
- f) the amount of a lump sum payment payable to or in respect of a member who has been married and in respect of whom no family benefits are payable in accordance with the preceding sub-paragraph shall be computed under formula (ii) of Rule 12(2)(b);
- g) additional contributions of 1.25% of salary may continue to be paid (with the right to discontinue paying at any time, by any member who when a Civil Servant had elected to pay and was paying, immediately before accepting employment with the Authority, contributions under sub-section (3) of section 7 of the Superannuation Act, 1949, in which event for the purpose of computing a lump sum payment payable to or in respect of the member three-eighths of the member's pensionable salary shall be allowed for each completed year of pensionable service during which the member paid any such contributions as are mentioned in this sub-paragraph;

Provided that such of these contributions as have been repaid to the member under section 8 of the Superannuation Act, 1949, shall be paid forthwith by the member to the Authority;

And provided also that any payments made by the member in accordance with this sub-paragraph may at the discretion of the Authority be returned to the member in the like circumstances and to the like extent that contributions of Civil Servants would be returned under section 8 of the Superannuation Act, 1949, with compound interest at such rate or rates as the Authority may determine, so however that no such payment shall be returned in any case where a payment by the Authority under Rule 23 includes an amount in respect of family benefits;

- h) a female member who if she had remained a Civil Servant would have been eligible for a marriage gratuity under the terms of and under the conditions prescribed by the Treasury Minute of 15 October, 1946, as amended by the Treasury Minute of 14 September, 1949, may within one month after her marriage elect to receive, together with the repayment with compound interest of any payments which she has made for Added Years, a sum equal to the marriage gratuity which would have been payable on the said terms and conditions, in lieu of benefit under Rule 24.

No service prior to the date of receipt of such a sum shall reckon for pensionable service unless the member, being eligible, re-enters the Scheme within 7 years of the date of marriage and within one month of such re-entry elects to refund the said sum to the Authority. The refund shall be made in one sum or by such instalments as the Authority may determine;

- j) if a member is discharged on grounds of inefficiency after having completed 10 years' qualifying service and before attaining the age of 50 the Authority may at their discretion award the member a pension and a lump sum payment of such amount not exceeding the amount payable under (k) below and subject to such conditions as they may think fit;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- k) The Authority shall, in lieu of any other benefit under the Scheme, pay to any member retiring or removed from employment in consequence of the abolition of the member's office or for the purpose of facilitating improvements in the undertaking of the member's employer, by which greater efficiency and economy can be effected,
- i) the pension and the lump sum payment for which the member's service qualifies the member; or
  - ii) at the discretion of the Authority, an award equal in value thereto; or
  - iii) if the member has less than 10 years' qualifying service, a gratuity calculated under the next succeeding sub-paragraph;
- together in any case with a sum equal to any payments the member has made for Added Years with compound interest;
- l) a member retiring before completing 10 years' qualifying service on grounds of ill-health or upon reaching minimum retiring age shall be entitled to receive (if more favourable than the benefits payable under Rules 21 or 22 as the case may be) a gratuity equal to one twenty-fourth of the member's pensionable salary for each completed half year of the member's qualifying service with an addition (if the member has completed 2 years' qualifying service) equal to three-eightieths of the member's pensionable salary for each completed year of qualifying service together with a sum equal to any payments the member has made for Added Years with compound interest Provided that no gratuity shall be payable to a member who has not completed one year of qualifying service.
- For the purpose of this sub-paragraph the pensionable salary of a member who has not completed 3 years' qualifying service shall be the average annual salary paid to the member during the member's period of qualifying service;
- m) where a male member's pensionable service includes any Added Years purchased under Rule 4 and the member retires of the member's own volition before attaining the age of 65, so much of the pension and lump sum payment as is attributable to Added Years shall be reduced by 1% for every period of two complete months which intervene between the date on which the member retires and the date on which the member would attain the age of 65, so, however, that the total reduction under this sub-paragraph shall not exceed 30% and that no reduction shall be made for the purpose of calculating the widow's pension;
- n) notwithstanding the provisions of Rule 25 the payment of a pension shall not be withheld;
- o) in sub-paragraph (b) of paragraph (1) of Rule 13 there shall be inserted after the word "reaching" in line two and after the word "until" in line fourteen the words "five years after".

**Modifications for transferred temporary Civil Servants**

- 28 1) In this Rule the expression "temporary employee" shall mean a person employed by the Crown in an unestablished capacity in the Civil Service of the State.
- 2) Subject to the provisions of paragraph (3) of this Rule and upon payment of the requisite sum under paragraph (4):
- a) a member who was a temporary employee in the Department of Atomic Energy from 1 January, 1954, to 31 July, 1954, and continued in the service of the Authority in a similar capacity until accepting employment with the Authority, may be granted Back Service Credit from such date not earlier than 1 January, 1954, as the member may select;

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- b) a member who was a temporary employee of the Admiralty Constabulary or the War Department Constabulary and was employed at one of the establishments and the Department of Atomic Energy from 1 January, 1954, to 31 July, 1954 and continued to serve at one of the establishments of the Authority from 1 August, 1954, until accepting employment with the Authority, may be granted Back Service Credit from such date not earlier than 1 January, 1954, as the member may select;
  - c) a member who was a temporary employee in the Ministry of Works employed on work for the Authority continuously from 1 August, 1954, until accepting employment with the Authority may be granted Back Service Credit from such date not earlier than 1 August, 1954, as the member may select;
  - d) a member who was a temporary employee in the Civil Service on 1 August, 1954, and continued therein until accepting employment with the Authority following the transfer to the Authority of the work on which the member was engaged may be granted Back Service Credit from such date not earlier than 1 August, 1954, as the Authority may in their discretion determine having regard to the circumstances of the case.
- 3) No Back Service Credit shall be granted under this Rule in respect of any period of a member's service as a temporary employee which has reckoned for a gratuity under section 39 of the Superannuation Act, 1949, or for which contributions have been paid to a Superannuation Scheme under section 5 of the Superannuation Act, 1946.
  - 4) The sum payable by a member to whom this Rule applies shall be equal to 6% of each instalment of salary the member received during the period of the member's back service, with compound interest from the date when the relevant instalment of salary was paid until the end of the member's back service.
  - 5) Any Back Service Credit granted under this Rule shall count as Back Service Credit for the purpose of proviso (a)(i) to paragraph (1) of Clause IV of the Scheme.
  - 6) A member who is in any of the categories specified in sub-paragraphs (a) to (d) of paragraph (2) and who, if the member had remained in the Civil Service, would have become a Civil Servant (as defined in Rule 27(1)) on completion of 20 years' service and attainment of age 60, may, on completion of an aggregate of 20 years' service in the Civil Service and with an employer and attainment of age 60, be granted Back Service Credit. The period of Back Service Credit shall be the period of service which would have been reckonable for the purposes of the Superannuation Acts on the day immediately before the member became a member of the Scheme.
  - 7) The period of Back Service Credit granted to a member under paragraph (2) of this Rule shall cease to have effect to the extent that it is in respect of or is included in the same period of Back Service Credit granted under paragraph (6). Upon the retirement or death of such a member there shall be returned with compound interest a sum equal to the payment which the member had made under paragraph (4) of this Rule.

**Modifications for transferred members of the National Health Service Superannuation Scheme**

- 29 1) The minimum retiring age of any member who, being superannuable under the National Health Service (Superannuation) Regulations, 1950, as amended, was in the service of the Department of Atomic Energy on 31 July, 1954, and continued in the service of the Authority until accepting employment with the Authority shall be the pensionable age under those Regulations or the age of 60 whichever is the greater.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 5: Some Former Rules**

- 2) The provisions of paragraphs (c), (1) and (m) of Rule 27(3) shall apply to any such member.

**Modifications for Civil Servants transferred in the future**

- 20 Where, in the opinion of the Authority, the special circumstances of the case justify exceptional treatment the Authority may provide in their contract of service with any established Civil Servant who leaves the Civil Service, with the consent of the Head of the member's Department, to enter the service of the Authority, that the provisions of the Scheme shall apply to the member with such of the modifications contained in Rule 27 as the Authority may direct.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Appendix 1: Tables showing the cost to Members of Purchasing Added Years in Accordance with Rule 4**

**Men (excluding family and optional benefits)**

Age at date of single payment or at date of commencement of payments	Payment by member, for each £100 of salary at the time of purchase of Added Years, required in order to meet the whole cost of one Added Year of service being made reckonable for benefits payable on retirement at age 65 or previously on grounds of ill health	
	Single payment £	£Level annual payment ceasing on the member's attainment of age 60 £
35 and under	9.27	0.55
36	9.33	0.57
37	9.40	0.59
38	9.47	0.62
39	9.57	0.65
40	9.67	0.68
41	9.80	0.71
42	9.95	0.75
43	10.10	0.80
44	10.27	0.85
45	10.45	0.92
46	10.65	0.99
47	10.85	1.07
48	11.07	1.17
49	11.33	1.29
Exact age		
50	11.45	1.35
51	11.70	1.52
52	11.97	1.72
53	12.25	1.98
54	12.55	2.33

Note: The amounts appropriate for members aged between 50 and 55 should be obtained by reference to their ages in years and completed months and should be calculated proportionately by reference to the amounts shown at integral ages in the table.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Men (continued)**

Age in completed months		Single payment	Number of payments	Level monthly payment ceasing on the member's attainment of age 60
Years	Months	£		£
55	0	12.85	60	0.23
	1	12.88	59	0.24
	2	12.91	58	0.24
	3	12.94	57	0.25
	4	12.97	56	0.25
	5	13.00	55	0.26
	6	13.03	54	0.26
	7	13.06	53	0.27
	8	13.09	52	0.27
	9	13.13	51	0.28
	10	13.15	50	0.28
56	11	13.18	49	0.29
	0	13.22	48	0.30
	1	13.25	47	0.30
	2	13.27	46	0.31
	3	13.30	45	0.32
	4	13.34	44	0.33
	5	13.37	43	0.33
	6	13.40	42	0.34
	7	13.43	41	0.35
	8	13.46	40	0.36
	9	13.49	39	0.37
57	10	13.52	38	0.38
	11	13.55	37	0.39
	0	13.58	36	0.40
	1	13.61	35	0.41
	2	13.65	34	0.43
	3	13.67	33	0.44
	4	13.70	32	0.45
	5	13.74	31	0.47
	6	13.77	30	0.48
	7	13.80	29	0.50
	8	13.83	28	0.52

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

Age in completed months		Single payment	Number of payments	Level monthly payment ceasing on the member's attainment of age 60
Years	Months	£		£
	9	13.86	27	0.54
	10	13.89	26	0.56
	11	13.92	25	0.58
58	0	13.95	24	0.61
	1	13.98	23	0.63
	2	14.01	22	0.66
	3	14.05	21	0.69
	4	14.08	20	0.73
	5	14.11	19	0.77
	6	14.14	18	0.81
	7	14.17	17	0.86
	8	14.20	16	0.91
	9	14.24	15	0.97
	10	14.27	14	1.04
	11	14.30	13	1.13
59	0	14.33	12	1.22
	1	14.37	11	1.33
	2	14.40	10	1.47
	3	14.43	9	1.63
	4	14.47	8	1.84
	5	14.50	7	2.10
	6	14.53	6	2.45
	7	14.57	5	2.95
	8	14.60	4	3.69
	9	14.63	3	4.93
	10	14.67	2	7.41

Note: The amounts appropriate for members aged between 50 and 55 should be obtained by reference to their ages in years and completed months and should be calculated proportionately by reference to the amounts shown at integral ages in the table.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Women (excluding optional benefits)**

Age at date of single payment or at date of commencement of payments	Payment by member, for each £100 of salary at the time of purchase of Added Years, required in order to meet the whole cost of one Added Year of service being made reckonable for benefits payable on retirement at age 65 or previously on grounds of ill health	
	Single payment £	Level annual payment ceasing on the member's attainment of age 60 £
30 and under	12.30	0.68
31	12.43	0.70
32	12.57	0.73
33	12.75	0.75
34	12.93	0.78
35	13.13	0.81
36	13.33	0.85
37	13.55	0.89
38	13.83	0.94
39	14.13	0.99
40	14.45	1.05
41	14.77	1.11
42	15.13	1.18
43	15.47	1.26
44	15.83	1.35
45	16.17	1.46
46	16.55	1.57
47	16.95	1.71
48	17.35	1.87
49	17.75	2.07
Exact age		
50	17.97	2.17
51	18.40	2.43
52	18.83	2.75
53	19.25	3.15
54	19.65	3.68

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Women (continued)**

Age in completed months		Single payment	Number of payments	Level monthly payment ceasing on the member's attainment of age 60
Years	Months	£		£
55	0	20.05	60	0.37
	1	20.08	59	0.37
	2	20.11	58	0.38
	3	20.14	57	0.39
	4	20.17	56	0.40
	5	20.21	55	0.40
	6	20.24	54	0.41
	7	20.27	53	0.42
	8	20.31	52	0.43
	9	20.34	51	0.43
	10	20.37	50	0.44
56	11	20.41	49	0.45
	0	20.44	48	0.46
	1	20.47	47	0.47
	2	20.51	46	0.48
	3	20.54	45	0.49
	4	20.58	44	0.50
	5	20.61	43	0.52
	6	20.65	42	0.53
	7	20.68	41	0.54
	8	20.72	40	0.55
	9	20.76	39	0.57
57	10	20.80	38	0.58
	11	20.83	37	0.60
	0	20.87	36	0.62
	1	20.91	35	0.63
	2	20.95	34	0.65
	3	20.99	33	0.67
	4	21.03	32	0.70
	5	21.07	31	0.72
	6	21.10	30	0.74
	7	21.15	29	0.77
	8	21.19	28	0.80

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

Age in completed months		Single payment	Number of payments	Level monthly payment ceasing on the member's attainment of age 60
Years	Months	£		£
	9	21.23	27	0.83
	10	21.27	26	0.85
	11	21.30	25	0.89
58	0	21.34	24	0.93
	1	21.38	23	0.97
	2	21.42	22	1.01
	3	21.45	21	1.06
	4	21.49	20	1.11
	5	21.53	19	1.17
	6	21.57	18	1.23
	7	21.60	17	1.31
	8	21.64	16	1.39
	9	21.68	15	1.48
	10	21.72	14	1.59
	11	21.76	13	1.71
59	0	21.80	12	1.85
	1	21.83	11	2.03
	2	21.87	10	2.23
	3	21.91	9	2.48
	4	21.95	8	2.79
	5	22.00	7	3.20
	6	22.04	6	3.73
	7	22.09	5	4.48
	8	22.14	4	5.61
	9	22.19	3	7.49
	10	22.24	2	11.23

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Appendix 5: Tables Applicable prior to 1 September 1998**

Revised Tables Applicable from 1 March 2000 are shown at Appendix 1(A)

**Contributions for Added years on Early Retirement**

(In this appendix "family benefits" means widow's or widower's pension under Part 1 or 4 of Section 6)

1. For a member who opts to buy Added Years by a lump sum payment under the provisions of Rule 3.27(a), the following tables show the rate of contribution for one Added Year;

Age next birthday at exercise of option	Contribution (excluding family benefits) %	Contribution for family benefits %
49	24.1	1.6
50	24.0	1.7
51	23.9	1.7
52	23.8	1.8
53	23.6	1.8
54	23.3	1.9
55	23.0	1.9
56	22.7	1.9
57	22.3	2.0
58	21.8	2.0
59	21.4	2.0
60	21.0	2.1

2. The contribution for family benefits in the final column of the tables in paragraph 1 will be payable in addition to the contribution in the second column of these tables where the member is unmarried when the member leaves employment, any contribution for family benefits which the member has paid will be treated in the same way as contributions under Rules 6.07(a) and 6.43(A)(ii)(b) respectively and will be subject to the same conditions governing refunds as are laid down for those contributions in Rule 6.11 or 6.44(B).

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Appendix 5: Tables for Lump Sum Contributions for Added Years on Early Retirement prior to 1 March 2000**

Revised tables are shown at Appendix 1(A)

Applicable for Applications received after 1 September 1998 to 29 February 2000

Age next birthday at date of approval of application	Contribution for normal benefits	Contribution for family benefits	Total Contribution
41	23.8%	1.5%	25.3%
42	23.9%	1.5%	25.4%
43	24.0%	1.6%	25.6%
44	24.1%	1.6%	25.7%
45	24.1%	1.7%	25.8%
46	24.1%	1.7%	25.8%
47	24.1%	1.8%	25.9%
48	24.1%	1.8%	25.9%
49	24.1%	1.9%	26.0%
50	24.0%	1.9%	25.9%
51	23.9%	2.0%	25.9%
52	23.8%	2.0%	25.8%
53	23.6%	2.1%	25.7%
54	23.3%	2.1%	25.4%
55	23.0%	2.2%	25.2%
56	22.7%	2.2%	24.9%
57	22.3%	2.2%	24.5%
58	21.8%	2.3%	24.1%
59	21.4%	2.3%	23.7%
60	21.0%	2.3%	23.3%
61	20.6%	2.4%	23.0%
62	20.2%	2.4%	22.6%
63	19.8%	2.4%	22.2%
64	19.4%	2.4%	21.8%
65	18.9%	2.4%	21.3%

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

**Appendix 5: Contributions for Added Years prior to 1 September 1998**

Revised tables are shown at Appendix 2

**Retirement Age 60**

(Rules 3.16 - 3.35)

1. In this Appendix "family benefits" means a widow's or widower's pension under Part 1 or Part 3 or Part 4 of Section 6.
2. The costs of Added Years under both the Principal Non-Industrial Superannuation Scheme and the Industrial Superannuation Schemes are those applicable to those schemes as at 30 June 1997 and are shown in the Rule Books of those schemes at that date.
3. The following tables of costs show the rate of contributions for each added year for applications made on or after 1 July 1997 by members of the Combined Pension Scheme of the UKAEA.

Age next birthday at date application is approved	Total Contribution %
21	0.54
22	0.55
23	0.56
24	0.57
25	0.58
26	0.60
27	0.62
28	0.64
29	0.66
30	0.68
31	0.70
32	0.73
33	0.76
34	0.79
35	0.82
36	0.86
37	0.90
38	0.95
39	1.00
40	1.05
41	1.11
42	1.17
43	1.25
44	1.33

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 5: Some Former Rules**

<b>Age next birthday at date application is approved</b>	<b>Total Contribution %</b>
45	1.42
46	1.53
47	1.65
48	1.79
49	1.96
50	2.16
51	2.40
52	2.70
53	3.07
54	3.57
55	4.24
56	5.21
57	6.75
58	9.59

**Appendix 6: Unallocated**

## **Appendix 7: Injury Benefits**

### **Scope**

7.01

This Appendix shall apply equally to both male and female employees. Appendix 7 applies to any employee who, while in employment, is injured of the circumstances set out in Rule 7.04 (except any employee recruited and employed in a place outside the United Kingdom where the Authority are satisfied that a satisfactory scheme of injury compensation is provided under local legislation which is applicable to, or the provisions of which will be applied to, the member).

### **“Injury” to include disease**

7.02

Any reference to “injury” in this Appendix will be taken to include a reference to “disease”. Similarly, references to a person being injured and to the date on which any injury is sustained will be construed respectively as including references to the member’s contracting a disease and to the date on which the disease is contracted.

### **Accounting for and payment of injury benefits**

7.03

The payment of benefits under this Appendix will be made by or on behalf of the Authority but the cost thereof will be met by the employee’s employer and will not be debited to the Superannuation Account; except than any temporary allowance payable under Rule 7.06(c), shall be paid by the employer.

### **Benefits payable to members whose earning capacity is impaired**

#### **Qualifying conditions**

7.04

Except as provided under Rule 7.11, benefits in accordance with the provisions of this Appendix may be paid to any employee to whom the Appendix applies who:

- i) suffers an injury in the course of official duty, provided that such injury is directly attributable to the nature of the duty or arises from an activity reasonably incidental to the duty; or
- ii) suffers an injury as a result of an attack or similar act which is directly attributable to the member’s being employed, or holding office, as a person to whom the Appendix applies: or
- iii) contracts a disease to which the member is exposed by the nature of the member’s duty; or
- iv) having been recruited in the United Kingdom, suffers an injury while in an area outside the United Kingdom for the purposes of the member’s employment, which is either:
  - a) directly attributable to the existence in or near that area of a state of war, revolution, or serious and widespread internal disturbance; or
  - b) a direct result of deliberate acts of the local population or of sporadic political disturbances; or
- v) having been recruited in the United Kingdom, but as a result of having been employed outside the United Kingdom, suffers an aggravation of a disease from which the

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

member is already suffering, being an aggravation to which the member was exposed because of the member's duty outside the United Kingdom; except that benefits will not be payable if the said injury or disease, or aggravation, is wholly or mainly due to, or is seriously aggravated by, the member's own serious and culpable negligence or misconduct.

**Meaning of "injury" in the course of duty**

7.05

- i) Subject to paragraph (ii) below, an injury suffered in the course of a journey between the individual's place of residence and the member's place of employment shall not be treated as falling within Rule 7.04(i).
- ii) An injury suffered in the course of a duty journey shall be treated as an injury in the course of the official duty. For the purposes of this paragraph, a duty journey includes a journey;
  - a) between the normal place of employment and a detached duty station, and between any two points of detached duty;
  - b) between the place of residence at the headquarters station and a detached duty station;
  - c) between the temporary place of residence on a detached duty station and the place of employment on the detached duty station, for the first 30 days only of the detached duty;
  - d) between the place of residence and the place of employment if required for official purposes and additional to the journeys required for the individual's normal attendance at work.
- iii) An injury unrelated to the nature of the individual's official duty and suffered during the member's main meal break, whether or not on an official premise, shall not be treated as falling within Rule 7.04(i).

**Eligibility for benefit**

7.06

Subject to the provisions of this Appendix, any employee whose earning capacity is impaired because of injury and

- a) Whose service is ended before retirement age, may at the employer's discretion be paid an annual allowance and lump sum as provided in Rules 7.07 and 7.09 according to the demonstrated impairment of the member's earning capacity, the length of the member's service, and the member's pensionable final earnings when the member's service ends. Except that an employee whose service is ended at the member's own request or who is discharged for disciplinary reasons, may only be paid an annual allowance and lump sum on reaching retirement age and the member's pensionable final earnings for this purpose will be the appropriate rate at the date of the member's resignation or discharge;
- b) who is receiving sick pay or sick pay at pension rate or who but for the conditions of the member's employment e.g. members with less than 2 years' qualifying service or part-time employees whose contracted hours of attendance are less than 15 hours per week, would otherwise be eligible for the receipt of sick pay or sick pay at pension rate for the member's injury, may be paid a temporary allowance under this Appendix provided the total of
  - i) the sick pay or sick pay at pension rate, and,

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

- ii) any national insurance benefits specified in Rule 7.08(c) and
  - iii) any occupational pension payable from public funds or for which all or part of the contributions are payable from public funds, as specified in Rule 7.08, and,
  - iv) any contracted-out personal or state earnings-related pension (as the case may be),
- does not exceed the amount of guaranteed minimum income provided in Rule 7.07 for total incapacity (calculated at the commencement of part sick pay or sick pay at pension rate);
- c) who remains in employment but because of that injury is downgraded or transferred to work in a different capacity with loss of earnings, may be paid an annual allowance in accordance with the demonstrated impairment of the member's earnings capacity provided the total of
    - i) the pension to which the member would have been entitled had the member retired on ill-health grounds at the date of the member's transfer with loss of earnings,
    - ii) any national insurance benefits specified in Rule 7.08(c) and
    - iii) any occupational pension payable from public funds or for which all or part of the contributions are payable from public funds, as specified in Rule 7.08, and,
    - iv) any contracted-out personal or state earnings-related pension (as the case may be),does not exceed the appropriate guaranteed minimum income provided in Rule 7.07 (calculated at the commencement of employment in the lower grade or in a difference capacity). Except that for the purposes of this Rule the amount of the annual allowance payable shall be subject to suspension or abatement under Rules 4.43 and 4.44 as if the allowance were a pension under Rule 4.03 and the member has resigned immediately before the said transfer;
  - d) who has ceased to be in employment because of that injury, may on re-employment continue to receive any allowance payable under this Appendix. Except that the total of
    - i) that allowance and
    - ii) any occupational pension payable from public funds or for which all or part of the contributions are payable from public funds (as specified in Rule 7.08)
    - iii) any contracted-out personal or state earnings-related pension (as the case may be), shall be subject to suspension or abatement in accordance with Rules 4.43 and 4.44 as if the allowance were a pension payable under Rule 4.03;
    - iv) who was only eligible for a temporary allowance under Rule 7.06(c), or a lump sum and who subsequently retires on age grounds, may on such retirement be paid an annual allowance and lump sum as provided in Rules 7.07 and 7.09 according to the demonstrated impairment of the member's earning capacity, and length of the member's service and the member's pensionable final earnings at the date of the member's retirement.

**Scale of annual allowance**

**7.07**

The annual allowance under paragraphs (a) and (e) of Rule 7.06 will be the amount which, when added to the benefits specified below, will provide an income of not less than the guaranteed minimum income at the rate in the following table appropriate to the circumstances

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

The benefits to be taken in to account are:

- i) any occupational pension payable to the member out of public funds or for which all or part of the contributions are so payable, except that.
  - a) no account shall be taken of increases in pension resulting from an election made under Rule 4.03(1);
  - b) where a member has commuted an ill health pension under Rule 5.01(a), the pre-commutation value of the ill health pension shall be used;
- ii) any of the national insurance benefits specified in Rule 7.08(c) which are payable to the member; and
- iii) where the member has withdrawn from the Scheme, any contracted-out personal or state earnings-related pension (as the case may be) to which the member may be entitled.

Where a person is employed part-time, the pensionable final earnings used to determine the guaranteed minimum income from the table shall be scaled down by the ratio that hours worked bear to full-time hours.

Where the member has withdrawn from the Scheme the member's pensionable final earnings and reckonable service are calculated as if the member had remained a Scheme member.

<b>Impairment of earning capacity</b>	<b>Guaranteed minimum income</b>			
	<b>Proportion of pensionable final earnings</b>			
	<b>Length of service or reckonable service if longer</b>			
	<b>Less than 5 years</b>	<b>5 years and over but less than 15 years</b>	<b>15 years and over but less than 25 years</b>	<b>25 years and over</b>
Slight impairment (More than 10% impaired but not more than 25%)	15%	30%	45%	60%
Impairment (More than 25% impaired but not more than 50%)	40%	50%	60%	70%
Material impairment (More than 50% impaired but not more than 75%)	65%	70%	75%	80%
Total impairment (More than 75% impaired)	85%	85%	85%	85%

If the amounts payable under (i), (ii) and (iii) above together exceed the appropriate guaranteed minimum income provided in this Rule no annual allowance will be payable under this Appendix.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

**Other pensions and benefits to be taken into account**

7.08

The pensions and benefits referred to in Rule 7.06 and 7.07 are taken to be of the following amounts as at (as the case may be):

the date of retirement or death, or

the date of commencement of part sick pay or sick pay at pension rate, or

the date of re-employment with loss of earnings:

- a) the annual amount of any occupational pension payable from public funds or by any employer, or the annual amount of any contracted-out personal or state earnings-related pension to which the person may be entitled consequent on the member's withdrawing from the Scheme, or for which all or part of the contributions are payable from public funds or by any employer; and any other periodical payment provided for in any Section or Appendix of this Scheme other than this Appendix or in any other provisions from the award of terminal benefits on premature retirement by an employer;
- b) three-quarters of such sum as the Authority may determine to be the annual value on a fair and reasonable basis, according to the circumstances, of the benefits of the policies or accumulated investments held under the Federated Superannuation System for Universities, the Federated Superannuation Scheme for Nurses, The Authority's Superannuation (Special Classes) Scheme, or any other scheme under which the benefits are payable otherwise than as an annual pension.
- c) the annuity value or the annual value, as appropriate, of any rights which have accrued or are likely to accrue from the injury by way of industrial disablement benefit, sickness benefit or, invalidity pension or incapacity benefit except that no account will be taken of any increase of the disablement pension payable under section 61 of the Social Security Act 1975 (increase of a disablement pension where constant attendance is needed) or under section 63 of the Social Security Act 1975 (increase of disablement pension in cases of exceptionally severe disablement), and no account will be taken of so much of an unemployables supplement as represents an increase payable under section 59 of the Social Security Act 1975 (early onset of incapacity for work);
- d) the annual amount of annuity value of payments made under any insurance for which the premium was paid wholly or partly from public funds or by any employer (where the premium was partly paid from public funds or by an employer, the amount of insurance payments taken into account will be proportionate to the amount of the premium so paid);

provided that in applying Rule 7.07 no account shall be taken of pensions:

- i) payable under section 1 or 2 of the Overseas Pensions Act 1973 except for those pensions payable under a scheme which incorporates, replaces or amends the Governors Pensions Act 1957 and 1967 or the Superannuation Act 1965 so far as it continues to have effect by virtue of section 23(2) of the Superannuation Act 1972; or
- ii) for which Her Majesty's Government in the United Kingdom has accepted, or in the opinion of the Secretary of State with the consent of the Civil Service Department would be prepared to accept, responsibility for the whole or part of the cost in pursuance of arrangements made with the Secretary of State under section 1 of the Overseas Aid Act 1966.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

**Scale of lump sum**

7.09

The lump sum under Rule 7.06 will be calculated according to the degree of impairment of earning capacity as specified in Rule 7.07 and the amount of pensionable final earnings as follows:

<b>Impairment of earning capacity</b>	<b>Proportion of pensionable final earnings</b>
Slight impairment	one-eighth
Impairment	one-quarter
Material impairment	three-eighths
Total impairment	one-half

Where any person is employed part-time, the pensionable final earnings used to determine the lump sum shall be scaled down by the ratio that hours worked bears to full-time hours.

**Determination and review of benefits**

7.10

Benefits under this Appendix will be paid at the discretion of the employer of the injured employee at the time of the relevant injury, and nothing in this Appendix will extend or be construed to extend to give any person an absolute right to them. The said employer shall determine the amounts of such benefits, and may review any annual or temporary allowance:

- i) if the beneficiary's condition attributable to the member's injury deteriorates and the member requests such review; or
- ii) if any change is made in the class of benefit payable to the member under the Social Security Acts, such as substitution of retirement pension for sickness benefit or invalidity pension, or cessation of a dependant's allowance; or
- iii) when re-employment ends; or
- iv) on modification of pension on account of national insurance pensions; or
- v) when there comes into payment a retirement pension payable wholly or partly out of public funds or by any employer;
- vi) where the beneficiary has withdrawn from the Scheme and there comes into payment any contracted out personal or state earnings-related pension to which the member may be entitled.

**Temporary service outside the United Kingdom**

7.11

If a member to whom this Appendix applies and who is normally employed in the United Kingdom is injured while serving outside the United Kingdom, the member may be paid:

- i) the rate of benefit which would have been payable to the member under the Social Security Act, 1975; or
- ii) the award which the Authority consider would have been payable to the member under the Criminal Injuries Compensation Scheme; or
- iii) the benefits which would have been provided by this Appendix;

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

if the injury had been sustained in analogous circumstances in Great Britain, whichever is the most favourable. In calculating the sums payable under this Rule, no account will be taken of any benefit which would have reduced the sum payable if the injury had been sustained in analogous circumstances in Great Britain unless there is in fact any present or future entitlement to that benefit.

**Widows', widower's and dependants' benefits**

7.12

If an employee to whom this Appendix applies was injured in any of the circumstances set out in Rule 7.04, and dies as the direct result of the member's injury, an annual allowance and a lump sum may be paid in accordance with Rules 7.13 to 7.17 and as follows:

- a) An annual allowance may be paid to the member's eligible widow. This allowance will begin on the 183rd day after the date of the deceased employee's death; except that it will begin on
  - i) the day after the date of the member's death if this produces a more favourable result for the member's widow and if, in the case of an employee leaving employment before 6 April 1978, the member dies after so leaving; or
  - ii) on the 92nd day where death occurred before 1 January 1986

The allowance will be paid under the same conditions as those specified in Rule 6.05 in respect of a widow's pension.

- b) An annual allowance may be paid for each eligible child as defined in Rules 6.22 to 6.24, up to a maximum of four children at any one time. If there is also an eligible widow, the allowance will begin at the same time as the widow's allowance under paragraph (a). If there is no eligible widow, it will begin on the 92nd day after the date of the deceased employee's death or (if earlier) on the day after payments under Rule 6.35 cease, if the member dies in service, or where death occurred on or after 1 January 1986 on the 183rd day after the date of the member's death; if the member dies after leaving employment it will begin on the day after the date of the member's death or where death occurred on or after 1 January 1986, on the 183rd day after the date of the member's death.
- c) An annual allowance may be paid to the deceased employee's mother, or if the member's mother is dead, the member's father provided the member's mother or the member's father as the case may be was wholly or mainly dependent on the employee at the date of the member's death.
- d) An annual allowance may be paid to any of the deceased employee's incapacitated children, brothers and sisters who have ceased to be in the period of childhood and full-time education and who was wholly or mainly dependent on the employee at the date of the member's death. The limitation to four children in paragraph (b) does not apply to incapacitated children.

**Reduction of widow's allowance for industrial death benefit**

7.13

The allowance payable under this Appendix to a widow shall be reduced by the annual value of any rights which may accrue to her by way of industrial death benefit under the Social Security Act 1975 at the date when industrial death benefit first comes into payment. The allowance may not thereafter be further reduced because of any subsequent change in the annual value of those rights.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

**Payment of lump sum**

7.14

A lump sum calculated in accordance with Rule 7.18(2) may be paid to an eligible widow. Where there is no eligible widow the lump sum may be paid for the benefit of any children of the deceased employee who are entitled to an allowance under the Appendix, and if there is more than one child the lump sum shall be paid for the benefit of them equally. Where there is neither an eligible widow nor eligible children the lump sum may be paid to a dependent parent. If there is no eligible widow, eligible children, not dependent parents, the lump sum may be paid to dependent brothers or sisters, being divided equally between them if there is more than one. In all cases, the lump sum may be paid immediately after the deceased employees' death. However, no lump sum will be payable under this Rule, if a lump sum in respect of the injury was previously paid to the member under Rule 7.06.

**Meaning of "father", "mother", "brother", "sister"**

7.15

In Rules 7.12 and 7.14:

"Father" includes the member's step-father and a male person by whom the member has been adopted;

"Mother" includes the member's step-mother and a female person by whom the member has been adopted

"Brother" includes every male child of the member's father and of the member's mother;

"Sister" includes every female child of the member's father and of the member's mother.

7.16

- a) References in this Appendix to a widow or her husband shall be construed as references to a widower or the member's wife, except that where the deceased employee died on or before 31 January 1988 and left a widower no award may be made to the member or for the member's children unless the widower was at the date of the deceased member's death permanently incapacitated and wholly dependent on her.
- b) References in this Appendix to a widow should also be construed as references to a surviving civil partner, which shall include the civil partner of a male or female member.

**Child's eligibility in respect of more than one deceased employee**

7.17

Where a child may be eligible for the award of a children's pension in respect of more than one deceased employee the following Rules will apply:

- i) Where the employees in question died on or before 31 January 1988 a child may not be eligible for an award under this Appendix in respect of more than one such employee. A child will count as eligible in respect of one of them in the way which, in the opinion of the Authority, gives the most favourable overall result for all the children in question.
- ii) Where at least one of the employees in question dies on or after February 1988, an eligible child may receive a children's allowance in respect of not more than two such deceased employees. If an eligible child is eligible for children's allowances in respect of three or more such employees the child will count as eligible in respect of only two of them, in the way which, in the opinion of the Authority, gives the most favourable overall result for all the children in question.

**UK Atomic Energy Authority Combined Pension Scheme  
Appendix 7: Injury Benefits**

**Scale of widow's and dependents' benefits**

7.18

- 1) The annual allowance under Rule 7.12 will be an amount which, when added to any pension to which the dependent is entitled under Section 6 or any occupational pension payable from public funds or for which all or part of the contributions are payable from public funds, or by an employer (as specified in Rule 7.08), or any personal pension or state earnings-related pension payable as a consequence of the deceased having previously withdrawn from the Scheme, will provide an income of not less than the guaranteed minimum income at the rate provided in the following table. Where an individual had withdrawn from the scheme, pensionable earnings will be calculated as if the member had remained a member. If any pension in issue exceeds the appropriate guaranteed minimum income, no allowance will be payable under this Rule. In applying this Rule, no account shall be taken of any increases in a pension under Section 6, resulting from an election made under Rule 4.03(1).

Beneficiary	Guaranteed minimum income Proportion of pensionable final earning	
a) widow	45%	
	<b>Where there is a widow eligible for benefit</b>	<b>Where there is no widow eligible for benefit</b>
b) Children, during the period of childhood and full-time education up to a maximum of 4 at any one time	10% for each child	20% for each child
c) dependent mother of father	20%	45%
d) dependent brothers and sisters during the period of childhood and full-time education up to a maximum of 4, inclusive of the children in (b) above	10% for each child	20% for each child
e) dependent adult children, brothers and sisters	20% each	45% each

Allowances for incapacitated children may be paid in addition to the maximum number of children's allowances laid down in (b) and (d) above. The total of allowances awarded for the death of a member may not exceed 100% of the member's pensionable final earnings.

- 2) If the member dies on or after 1 January 1986 the lump sum under Rule 7.14 will be equal to 6 months' pensionable final earnings; where death occurred before 1 January 1986, the lump sum will be equal to three months' pensionable final earnings.

**Damages**

7.19

- 1) Where the employer is satisfied that damages have been or will be recovered by a person, being damages in respect of an injury for which benefits may be paid under this Appendix, or damages in respect of the death of an employee to whom this Appendix applies, the employer will take those damages into account against any benefit which might otherwise be payable under this Appendix in such a manner and to such an extent as the employer thinks fit and will withhold or reduce the allowance or lump sum or both payable under this Appendix accordingly.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 7: Injury Benefits**

- 2) Before 6 April 1978, a person shall be regarded as having recovered damages whether they are paid in pursuance of a judgement or order of the Court or by way of settlement or compromise of the member's claim and whether or not proceedings are instituted to enforce the claim; and if they are recovered for the member's benefits in respect of a claim under the Fatal Accidents Acts 1846-1959. From 6 April 1978 damages will, for the purposes of this Rule, include payment received by a person to whom this Appendix applies as a result of a claim in respect of an injury for which benefits may be paid under this Appendix, or received by the estate or dependants of such a person as a result of a claim in respect of the member's death, whether or not payment is made in pursuance of a judgement or order of a Court of any jurisdiction or by way of a settlement or compromise of the claim and whether or not proceedings are instituted to enforce the claim.
- 3) Where compensation is paid:
  - a) under a Criminal Injuries Compensation Scheme in the United Kingdom, or
  - b) under a scheme of injury compensation provided under local legislation or otherwise in respect of an injury to, or death of, an employee injured in an area outside the United Kingdom in the circumstances described in Rule 7.04(iv) or circumstances resulting in a payment under Rule 7.11(ii), the person to whom or for whose benefit the compensation is paid shall be deemed to recover damages and the compensation paid shall be deemed to be the damages recovered.

**Apprentices**

7.20

If a member to whom this Appendix applies is, at the date on which the member becomes eligible for an allowance under Rule 7.06, an apprentice, or because of the member's use is receiving pay at a lower rate than is payable to an adult worker in similar work, the allowance payable to the member will, for any period after the member attains adult age, be calculated as if at the date of eligibility for an allowance the member had been receiving the pay of an adult worker employed in similar work.

**UK Atomic Energy Authority Combined Pension Scheme**  
**Appendix 8: Benefits in the event of Premature Retirement in the Public Interest or other grounds**

**Appendix 8: Benefits in the event of Premature Retirement in the Public Interest or on other grounds**

Please contact your employer's HR Department.