

STATES OF JERSEY



DRAFT PUBLIC EMPLOYEES (CONTRIBUTORY RETIREMENT SCHEME) (EXISTING MEMBERS) (AMENDMENT No. 8) (JERSEY) REGULATIONS 200-

Lodged au Greffe on 24th October 2006
by the Chief Minister

STATES GREFFE



Jersey

**DRAFT PUBLIC EMPLOYEES (CONTRIBUTORY
RETIREMENT SCHEME) (EXISTING MEMBERS)
(AMENDMENT No. 8) (JERSEY)
REGULATIONS 200-**

REPORT

The Chief Minister is promoting an amendment to the Public Employees (Contributory Retirement Scheme) (Existing Members) (Jersey) Regulations 1989 and the Public Employees (Contributory Retirement Scheme) (New Members) (Jersey) Regulations 1989. Under the Regulations an employee can remain a member of PECRS for up to two years whilst on unpaid leave as agreed by the Employer. However, there is an issue regarding pension benefits and the situation that would occur following the death of an employee during a period of unpaid leave, either under the Career Break Policy or the Maternity Leave Policy, or indeed any period of unpaid leave the Employer may grant.

The death in service lump sum is based on the annual salary the member was receiving at the date of their death. As employees on unpaid leave would not be in receipt of annual salary at date of death, the Law Officers have advised that the lump sum would not be payable and there is no provision under the Regulations which deals with members who are absent from duty other than by reason of ill-health or injury.

This amendment is a minor change in the PECRS Regulations so that the death in service lump sum benefit would be able to be paid in the event of death of an employee whilst on unpaid leave.

There are no financial or manpower implications arising from these draft Regulations.

Explanatory Note

These Regulations amend the older retirement scheme for civil servants so as to provide that a member who is absent from duty on unpaid leave is, in the event of his or her death, entitled to a lump sum based on annual salary similar to the death in service benefit paid to a member who dies in service. If the member continued to pay the required contributions whilst on unpaid leave, the lump sum is based on the annual salary he or she would have been receiving at the date of death if not on unpaid leave. If the member was not paying contributions, the relevant annual salary is the salary that was being paid up till he or she went on unpaid leave.



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RETIREMENT SCHEME) (EXISTING MEMBERS)
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Made [date to be inserted]

Coming into force [date to be inserted]

THE STATES, in pursuance of Article 2 of the Public Employees (Retirement) (Jersey) Law 1967¹, have made the following Regulations –

1 Regulation 9 amended

In Regulation 9 of the Public Employees (Contributory Retirement Scheme) (Existing Members) (Jersey) Regulations 1989² –

(a) in paragraphs (8) and (9) for the words “Subject to paragraph (10)” there shall be substituted the words “Subject to paragraphs (10) and (12)”;

(b) after paragraph (11) there shall be added the following paragraph –

“(12) Where a member to whom paragraph (8) or (9) applies is deemed to remain a member under Regulation 2(11), the reference in the applicable paragraph to the annual salary the member was receiving at the date of his or her death shall be construed –

(a) if the member continued to contribute in accordance with sub-paragraph (a) of the provision to Regulation 2(11), as the member’s annual salary as determined under that sub-paragraph; or

(b) if the member did not so contribute, as the annual salary the member was receiving immediately prior to being absent from duty.”.

2 Citation and commencement

These Regulations may be cited as the Public Employees (Contributory Retirement Scheme) (Existing Members) (Amendment No. 8) (Jersey) Regulations 200- and shall come into force 7 days after they are made.

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- ¹ *chapter 16.650*
² *chapter 16.650.12*