

SCHEDULES

SCHEDULE 6

Section 40

PARLIAMENTARY AND OTHER PENSIONS

PART 1

PARLIAMENTARY AND OTHER PENSIONS

The Parliamentary Contributory Pension Fund etc

Continuance of Fund

- 1 There is to continue to be a fund known as the Parliamentary Contributory Pension Fund (“the Fund”).

Number and composition of trustees

- 2 (1) The following are to be the trustees of the Fund—
- (a) one person appointed by the IPSA after consulting the Minister for the Civil Service and the persons who are already trustees of the Fund,
 - (b) one person appointed by the Minister for the Civil Service after consulting the IPSA and the persons who are already trustees of the Fund, and
 - (c) 8 persons nominated and selected in accordance with arrangements under paragraph 3 (“member-nominated trustees”).
- (2) Paragraphs 49 and 50 make transitional provision about the trustees of the Fund.

Member-nominated trustees

- 3 (1) The trustees of the Fund must make arrangements for the nomination and selection of member-nominated trustees.
- (2) The arrangements must provide for the member-nominated trustees to be—
- (a) nominated as the result of a process in which all the members of a scheme under paragraph 12 and all the members of a scheme under paragraph 16 are eligible to participate, and
 - (b) selected as the result of a process in which some or all of those persons are eligible to participate.
- (3) The arrangements must—
- (a) include provision for the nomination and selection process to take place within a reasonable period of any vacancy arising,

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- (b) include provision, where a vacancy is not filled because insufficient nominations are received, for the nomination and selection process to be repeated at reasonable intervals until the vacancy is filled, and
 - (c) include provision that, where the IPSA or the Minister for the Civil Service so requires, a person who is not a member of a scheme under paragraph 12 and is not a member of a scheme under paragraph 16 must have the approval of the IPSA or the Minister for the Civil Service to qualify for selection as a member-nominated trustee.
- (4) The arrangements may include provision that where the number of nominations received is equal to or less than the number of vacancies, the nominees are to be treated as selected (subject to sub-paragraph (3)(c)).

Remuneration

- 4 (1) The IPSA may, with the consent of the Treasury, provide for remuneration and allowances to be payable to the trustees of the Fund.
- (2) Any such remuneration and allowances are to be paid from the assets of the Fund.

Resignation and removal of trustees

- 5 (1) A person appointed as a trustee of the Fund by the IPSA under paragraph 2(1)(a)—
- (a) may resign by giving written notice to the IPSA, and
 - (b) may be removed by the IPSA after consulting the Minister for the Civil Service and all the other trustees of the Fund.
- (2) A person appointed as a trustee of the Fund by the Minister for the Civil Service under paragraph 2(1)(b)—
- (a) may resign by giving written notice to the Minister for the Civil Service, and
 - (b) may be removed by the Minister for the Civil Service after consulting the IPSA and all the other trustees of the Fund.
- (3) A person who is a member-nominated trustee—
- (a) may resign by giving written notice to the other trustees of the Fund, and
 - (b) may be removed by all the other trustees of the Fund acting together.

Proceedings

- 6 (1) Subject to any provisions contained in a scheme under paragraph 8 because of paragraph 8(1)(d), the trustees of the Fund may determine their own procedure.
- (2) The validity of any proceedings of the trustees of the Fund is not affected by—
- (a) a vacancy among the trustees, or
 - (b) a defect in the appointment of a trustee.

Powers of trustees

- 7 (1) The trustees of the Fund may invest the assets of the Fund, whether at the time in a state of investment or not, in any investment whatever and may also from time to time vary any such investments.

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- (2) The trustees of the Fund may settle or compromise any claim or dispute relating to the Fund, but—
 - (a) so far as the claim or dispute relates to a scheme under paragraph 8 or 12, they may do so only with the consent of the IPSA, and
 - (b) so far as the claim or dispute relates to a scheme under paragraph 16, they may do so only with the consent of the Minister for the Civil Service.
- (3) The IPSA must consult the Minister for the Civil Service before giving its consent to the settlement or compromise of a claim or dispute relating to a scheme under paragraph 8.
- (4) Section 35(1) to (4) of the [Pensions Act 1995](#) (pension scheme trustees must prepare statement of investment principles) applies to the trustees of the Fund despite any provision in regulations under section 35 of that Act which would (apart from this sub-paragraph) prevent it applying.
- (5) Any provision in regulations under that section which would require the trustees of the Fund to consult the employer applies as if it required them to consult the IPSA and the Minister for the Civil Service.

Administration scheme

- 8 (1) The IPSA may make a scheme containing provision about—
 - (a) the administration of the Fund,
 - (b) the management of the Fund’s assets,
 - (c) the indemnification of the trustees (and former trustees) of the Fund,
 - (d) the proceedings of the trustees of the Fund, and
 - (e) the application of the Fund’s assets in connection with the matters in paragraphs (a) to (d).
- (2) A scheme under this paragraph may in particular—
 - (a) include any or all of the provisions specified in paragraphs 31 to 33,
 - (b) make different provision in relation to different cases, circumstances or persons,
 - (c) make such incidental, consequential and transitional provision (other than provision modifying an enactment or subordinate legislation) as the IPSA considers appropriate.
- (3) In sub-paragraph (2)(c) the reference to subordinate legislation does not include a scheme under this paragraph.
- (4) No provision of a scheme under this paragraph is to be construed as restricting the powers of the trustees under paragraph 7(1).

Procedure for administration scheme

- 9 (1) The IPSA may make a scheme under paragraph 8 only with the consent of the trustees of the Fund.
- (2) Before making a scheme under paragraph 8 the IPSA must consult—
 - (a) the Treasury,
 - (b) the Minister for the Civil Service,

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- (c) persons the IPSA considers to represent those likely to be affected by the scheme, and
 - (d) any other person the IPSA considers appropriate.
- (3) The IPSA must send to the Speaker of the House of Commons for laying before the House of Commons—
- (a) any scheme made by it under paragraph 8, and
 - (b) a statement of the reasons for making the scheme.
- (4) When the scheme and the statement of reasons have been laid, the IPSA must publish them in a way it considers appropriate.

Exchequer contribution to Fund

- 10 (1) In respect of each financial year an Exchequer contribution is to be paid into the Fund out of money provided by Parliament.
- (2) Subject to any provision made by the IPSA under paragraph 11, the amount of the contribution for any financial year is to be calculated in accordance with recommendations for that year contained in a report made by the Government Actuary under this paragraph.
- (3) The Government Actuary must make a report under this paragraph as soon as practicable after the beginning of—
- (a) the period of three years beginning with the relevant date, and
 - (b) each succeeding period of three years.
- (4) The “relevant date” means the date immediately following the end of the three year period which is current for the purposes of section 3 of the [Parliamentary and other Pensions Act 1987](#) when this paragraph comes into force.
- (5) The report is to be made to—
- (a) the trustees of the Fund,
 - (b) the IPSA,
 - (c) the Minister for the Civil Service, and
 - (d) the Treasury.
- (6) The report must—
- (a) report on the general financial position of the Fund at the beginning of the period of three years in which the report is made, and
 - (b) make a recommendation as to the rate at which (subject to any subsequent report under this paragraph) Exchequer contributions should be paid into the Fund in respect of any financial year beginning after the report is made.
- (7) The rate is to be expressed by reference to such matters as the Government Actuary considers appropriate.
- (8) A copy of every report made by the Government Actuary under this paragraph is to be laid before the House of Commons.

Power to determine Exchequer contribution

- 11 (1) The IPSA may, with the relevant consents, make provision for determining the Exchequer contribution in respect of any financial year.

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- (2) The “relevant consents” means—
 - (a) if the result of making the provision is that the amount of the Exchequer contribution in respect of any financial year is less than it otherwise would be, the consent of the Treasury, the Minister for the Civil Service and the trustees of the Fund, and
 - (b) otherwise, the consent of the Treasury and the Minister for the Civil Service.
- (3) The “Exchequer contribution” means the amount to be paid into the Fund under paragraph 10.
- (4) Before making provision under this paragraph the IPSA must consult—
 - (a) (if sub-paragraph (2)(a) does not apply) the trustees of the Fund,
 - (b) the Government Actuary, and
 - (c) persons appearing to the IPSA to represent persons likely to be affected by the provision.
- (5) The IPSA must send to the Speaker of the House of Commons for laying before the House of Commons—
 - (a) any representations made by the trustees of the Fund in response to consultation under this paragraph,
 - (b) any provision made by the IPSA under this paragraph, and
 - (c) a statement of the reasons for making the provision.
- (6) When the provision and the statement of reasons have been laid, the IPSA must publish them in a way it considers appropriate.
- (7) Provision under this paragraph may—
 - (a) apply to a financial year which has already ended or which has begun before the making of the provision, and
 - (b) make such incidental, consequential and transitional provision (other than provision modifying an enactment or subordinate legislation) as the IPSA considers appropriate.

MPs’ pension scheme

MPs’ pension scheme

- 12 (1) The IPSA may make a scheme containing provision about the application of the assets of the Fund in or towards the provision of pensions for or in respect of persons with service as a member of the House of Commons, in respect of that service.
- (2) A scheme under this paragraph may not provide for the application of any of the assets of the Fund in or towards the provision of pensions for or in respect of persons with service as Lord Chancellor.
- (3) A scheme under this paragraph may not provide for the application of any of the assets of the Fund in or towards the provision of pensions for or in respect of a person (“P”) with service as—
 - (a) Prime Minister and First Lord of the Treasury, or
 - (b) Speaker of the House of Commons.

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- (4) Sub-paragraph (3) does not apply if P elects, in accordance with provision made by the scheme, to contribute to the Fund out of P's salary as a member of the House of Commons while holding the office of Prime Minister and First Lord of the Treasury or Speaker of the House of Commons.
- (5) The provision mentioned in sub-paragraph (4) may not provide for a pension payable under the scheme for or in respect of P to be calculated by reference to service as a member of the House of Commons before 28 February 1991.

Meaning of “service as a member of the House of Commons”

- 13 (1) For the purposes of this Schedule a person is to be treated as in service as a member of the House of Commons at any time if at that time a salary is or was payable to the person under—
- (a) section 4 of the [Parliamentary Standards Act 2009](#), or
 - (b) in relation to a time before that section was in force, the resolutions of the House of Commons then in force relating to the remuneration of its members.
- (2) For the purposes of this Schedule service as a member of the House of Commons includes service as the holder of a qualifying office or position.
- (3) In relation to a time when a determination under section 4(4) of the [Parliamentary Standards Act 2009](#) is in effect a “qualifying office or position” means an office or position in respect of which, because of section 4A(2) of that Act, a higher salary is payable than the salary payable to members of the House of Commons generally.
- (4) In relation to a time before the first determination under section 4(4) of the [Parliamentary Standards Act 2009](#) comes into effect a “qualifying office or position” means—
- (a) the office of Chairman of Ways and Means and the office of Deputy Chairman of Ways and Means,
 - (b) an office or position in respect of which, under the resolutions of the House of Commons then in force relating to the remuneration of its members, a higher salary was payable than the salary payable to members of the House of Commons generally.

MPs' pension scheme: further provision

- 14 (1) A scheme under paragraph 12 may in particular—
- (a) include any or all of the provisions specified in paragraphs 24 to 32, except for—
 - (i) the provision specified in paragraph 26(1), unless with the consent of the trustees of the Fund,
 - (ii) the provision specified in paragraph 31, unless with the consent of the trustees of the Fund, and
 - (iii) the provision specified in paragraph 29(2),
 - (b) make provision which has effect from a date earlier than the date the scheme is made,
 - (c) make provision in relation to service before the passing of this Act,
 - (d) make different provision in relation to different cases, circumstances or persons, and

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- (e) make such incidental, consequential and transitional provision (other than provision modifying an enactment or subordinate legislation) as the IPSA considers appropriate.
- (2) In sub-paragraph (1)(e) the reference to subordinate legislation does not include a scheme under paragraph 12.

Procedure for MPs' pension scheme

- 15 (1) Before making a scheme under paragraph 12 the IPSA must consult—
- (a) the Treasury,
 - (b) the Minister for the Civil Service,
 - (c) the trustees of the Fund,
 - (d) persons the IPSA considers to represent those likely to be affected by the scheme,
 - (e) the Government Actuary,
 - (f) the Review Body on Senior Salaries, and
 - (g) any other person the IPSA considers appropriate.
- (2) The IPSA must send to the Speaker of the House of Commons for laying before the House of Commons—
- (a) any representations made to it by the trustees of the Fund in response to consultation under this paragraph,
 - (b) any scheme made by it under paragraph 12, and
 - (c) a statement of the reasons for making the scheme.
- (3) When the scheme and the statement of reasons have been laid, the IPSA must publish them in a way it considers appropriate.
- (4) The reference in sub-paragraph (1)(f) to the Review Body on Senior Salaries—
- (a) if the name of the body is changed, is to be treated as a reference to the body by its new name, and
 - (b) if the functions of the body (or substantially corresponding functions) become functions of a different body, is to be treated as a reference to the body by which those functions are exercisable.
- (5) Any question arising under sub-paragraph (4) is to be determined by the Speaker of the House of Commons.

Ministers' etc pension scheme

Ministers' etc pension scheme

- 16 (1) The Minister for the Civil Service may make a scheme containing provision about the application of the assets of the Fund in or towards the provision of pensions for or in respect of persons with service to which this paragraph applies, in respect of that service.
- (2) This paragraph applies to service as—
- (a) the holder of an office specified in Parts 1 to 4 of Schedule 1 to the [Ministerial and other Salaries Act 1975](#) (ministerial offices),

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- (b) the holder of an office specified in Part 1 of Schedule 2 to that Act (Opposition leaders and whips),
 - (c) Speaker of the House of Lords,
 - (d) Chairman of Committees of the House of Lords,
 - (e) Deputy Chairman of Committees of the House of Lords.
- (3) A scheme under this paragraph may not provide for the application of any of the assets of the Fund in or towards the provision of pensions for or in respect of a person with service as—
- (a) Lord Chancellor,
 - (b) Prime Minister and First Lord of the Treasury, or
 - (c) Speaker of the House of Commons.

Ministers' etc pension scheme: further provision

- 17 (1) A scheme under paragraph 16 may in particular—
- (a) include any or all of the provisions specified in paragraphs 24 to 32 and 34, except the provisions specified in paragraphs 26(1) and 31 unless with the consent of the trustees of the Fund,
 - (b) make provision which has effect from a date earlier than the date the scheme is made,
 - (c) make provision in relation to service before the passing of this Act (including, in relation to service within paragraph 16(2)(a) or (b), service before the passing of the [Ministerial and other Salaries Act 1975](#)),
 - (d) make different provision in relation to different cases, circumstances or persons, and
 - (e) make such incidental, consequential and transitional provision (other than provision modifying an enactment or subordinate legislation) as the Minister considers appropriate.
- (2) In sub-paragraph (1)(e) the reference to subordinate legislation does not include a scheme under paragraph 16.

Procedure for Ministers' etc pension scheme

- 18 (1) Before making a scheme under paragraph 16 the Minister for the Civil Service must consult—
- (a) the IPSA,
 - (b) the Government Actuary,
 - (c) the trustees of the Fund, and
 - (d) any other person the Minister considers appropriate.
- (2) The Minister for the Civil Service must lay before each House of Parliament—
- (a) any representations made to the Minister by the trustees of the Fund in response to consultation under this paragraph,
 - (b) any scheme made by the Minister under paragraph 16, and
 - (c) a statement of the reasons for making the scheme.
- (3) When the scheme and the statement of reasons have been laid, the Minister must publish them in a way the Minister considers appropriate.

Supplementary provision

Protection of accrued rights

- 19 (1) This paragraph applies where—
- (a) the IPSA makes a scheme under paragraph 12, or
 - (b) the Minister for the Civil Service makes a scheme under paragraph 16, (the “new scheme”).
- (2) The new scheme must not make any provision in relation to an accrued right which puts (or might put) a person in a worse position than the person would have been in apart from the provision.
- (3) Sub-paragraph (2) does not apply if—
- (a) the trustees of the Fund consent to the new scheme making the provision, and
 - (b) the person making the new scheme is satisfied that the consent requirement is met.
- (4) The consent requirement is met if under the new scheme the provision has effect in relation to an accrued right only with the written consent, given in accordance with sub-paragraph (5), of—
- (a) the person (“P”) in respect of whose service the right has accrued, or
 - (b) if P is dead, the persons (“the survivors”) who because of the accrued right are entitled, or may become entitled, to a pension or the benefit of any pension.
- (5) Consent is given in accordance with this sub-paragraph if it is given after the person making the scheme has given P (or the survivors)—
- (a) information in writing which adequately explains the nature of the provision and its effect,
 - (b) notice in writing that they may make representations about the provision,
 - (c) an adequate opportunity to make such representations, and
 - (d) notice in writing that the provision has effect in relation to the accrued right only with their written consent.
- (6) Consent may be given by a person acting on behalf of P (or the survivors); and the references in sub-paragraph (5) to P (or the survivors) include a person acting on their behalf.
- (7) In sub-paragraph (4)(a) “service” means—
- (a) where the new scheme is a scheme under paragraph 12, service as a member of the House of Commons, and
 - (b) where the new scheme is a scheme under paragraph 16, service to which that paragraph applies.

Meaning of “accrued right”

- 20 (1) This paragraph applies for the interpretation of paragraph 19.
- (2) “Accrued right”, in relation to a provision of the new scheme, means a right (including a contingent right) or entitlement to or in respect of a pension or future pension payable out of the Fund which has accrued in respect of service before the provision comes into force.

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- (3) Where the new scheme is a scheme under paragraph 12, in this paragraph “service” means service as a member of the House of Commons.
- (4) Where the new scheme is a scheme under paragraph 16, in this paragraph “service” means service to which that paragraph applies.

Power to make consequential amendments

- 21
- (1) The Minister for the Civil Service may by order make such modifications of any enactment or subordinate legislation (whenever passed or made) as the Minister considers appropriate in consequence of any provision of a scheme made by the IPSA or the Minister for the Civil Service under this Part of this Schedule.
 - (2) In sub-paragraph (1) the reference to subordinate legislation does not include a scheme made by the IPSA or the Minister for the Civil Service under this Part of this Schedule.
 - (3) An order under this paragraph is to be made by statutory instrument.
 - (4) A statutory instrument containing an order under this paragraph is subject to annulment in pursuance of a resolution of either House of Parliament (subject to sub-paragraph (5)).
 - (5) A statutory instrument containing an order made under this paragraph in consequence only of a scheme under paragraph 12 is subject to annulment in pursuance of a resolution of the House of Commons.

Interpretation etc

- 22
- (1) A scheme made by the IPSA under paragraph 8 or 12 may amend or revoke any previous scheme made by the IPSA under that paragraph.
 - (2) A scheme made by the Minister for the Civil Service under paragraph 16 may amend or revoke any previous scheme made by the Minister under that paragraph.
 - (3) For the purposes of this Schedule “member”—
 - (a) in relation to a scheme under paragraph 12, means a person with service as a member of the House of Commons who, in respect of that service, has a right or entitlement under the scheme to a pension or future pension payable out of the Fund, and
 - (b) in relation to a scheme under paragraph 16, means a person with service to which that paragraph applies who, in respect of that service, has a right or entitlement under the scheme to a pension or future pension payable out of the Fund.
 - (4) In this Part of this Schedule—
 - “the Fund” means the Parliamentary Contributory Pension Fund;
 - “the IPSA” means the Independent Parliamentary Standards Authority;
 - “member-nominated trustee” has the meaning given by paragraph 2;
 - “modifications” includes additions, alterations and omissions (and related expressions are to be read accordingly);
 - “pension” includes gratuity;

“subordinate legislation” has the same meaning as in the [Interpretation Act 1978](#).

PART 2

PROVISION WHICH MAY BE INCLUDED IN SCHEMES

Introductory

- 23 (1) In this Part of this Schedule “relevant service”—
- (a) for the purposes of paragraph 14(1)(a), means service as a member of the House of Commons, and
 - (b) for the purposes of paragraph 17(1)(a), means service to which paragraph 16 applies.
- (2) Expressions defined in relation to Part 1 of this Schedule have the same meaning in this Part of this Schedule as in that Part.

Contributions

- 24 Provision authorising or requiring contributions and other sums to be paid into the Fund by or on behalf of persons in relevant service, including provision for those contributions and sums to be paid—
- (a) by deductions from salary;
 - (b) in the case of a person who does not draw a salary, out of money provided by Parliament.

Conditions etc

- 25 Provision as to—
- (a) the circumstances in which there is to be entitlement to a pension payable out of the Fund;
 - (b) the conditions of any such entitlement;
 - (c) the persons to or for the benefit of whom such a pension is payable;
 - (d) the calculation of the amount of any such pension;
 - (e) the payment or commutation of any such pension.

Pensions not paid out of Fund

- 26 (1) Provision for the application of assets of the Fund in or towards the provision of pensions to be paid otherwise than out of the Fund.
- (2) In connection with such provision, provision for the payment into the Fund out of money provided by Parliament of sums in addition to those paid into the Fund under paragraph 10.

Transfer values

- 27 (1) Provision for the payment and receipt of transfer values by the trustees of the Fund (including provision for the payment of such values into the Consolidated Fund).

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- (2) Provision for the transfer and receipt by the trustees of the Fund of funds or policies of insurance in lieu of transfer values.

Service

- 28 Provision authorising service other than relevant service to be taken into account, in addition to relevant service, for the purposes of any provision of the scheme.

Repayments

- 29 (1) Provision as to the circumstances and manner in which amounts equal to some or all of the contributions and other sums paid by or on behalf of a person into the Fund may be repaid or paid to that person.
- (2) Provision as to the circumstances and manner in which any such amounts are to be paid out of the Consolidated Fund in respect of transfer values paid into that Fund.
- (3) Provision under sub-paragraph (1) or (2) may include provision as to whether any repayment or payment made under that provision is to be made with or without interest.

Assignment etc

- 30 Provision rendering void—
- (a) any assignment (or, in Scotland, assignation) of a pension which is payable or may become payable out of the Fund;
 - (b) any charge on such a pension;
 - (c) any agreement to assign or charge such a pension.

Functions

- 31 Provision conferring functions under the scheme on persons specified in or determined under the scheme.

Approvals

- 32 Provision making the approval, satisfaction or opinion of persons on whom functions are conferred by or under the scheme material for the purposes of any provision of the scheme.

Payments without probate

- 33 Provision authorising (in relation to such cases, circumstances or persons as may be specified in or determined under the scheme) any sum due to be paid out of the Fund in respect of a person who has died to be paid without probate or other proof of title.

Application of other provisions

- 34 Provision which (with or without modifications) applies in relation to a pension payable out of the Fund so much of any enactment or subordinate legislation (whenever passed or made) as relates to another pension, being a pension payable out of money provided by Parliament.

PART 3

AMENDMENTS, TRANSITIONAL PROVISION ETC

Pensions (Increase) Act 1971 (c. 56)

- 35 (1) Part 1 of Schedule 2 is amended as follows.
- (2) For paragraph 3A substitute—
- “3A A pension which, under a scheme under paragraph 12 or 16 of Schedule 6 to the Constitutional Reform and Governance Act 2010, is payable out of the Parliamentary Contributory Pension Fund.”
- (3) In paragraph 3B for “an order” substitute “a scheme”.

Parliamentary and other Pensions Act 1972 (c. 48)

- 36 (1) Section 27 (pensions for dependants of Prime Minister or Speaker) is amended as follows.
- (2) In subsection (1)—
- (a) in paragraph (a) for the words from “in respect” to the end substitute “under a scheme made by the Minister for the Civil Service under paragraph 16 of Schedule 6 to the Constitutional Reform and Governance Act 2010 to receive a pension payable out of the Parliamentary Contributory Pension Fund in respect of service to which that paragraph applies”, and
- (b) in paragraph (c) for “Treasury” substitute “Minister for the Civil Service”.
- (3) In subsection (2)—
- (a) for “the Parliamentary pension scheme” substitute “a scheme made by the Minister for the Civil Service under paragraph 16 of Schedule 6 to the Constitutional Reform and Governance Act 2010”,
- (b) in paragraph (a) for “as a Member of the House of Commons” substitute “to which that paragraph applies”, and
- (c) in paragraph (b), for “Leader of the House of Commons” substitute “Minister for the Civil Service”.
- (4) In subsection (5), omit from ““the Leader” to the end.
- 37 (1) The amendments made by paragraph 36 do not apply in relation to a person who, having held office as Prime Minister and First Lord of the Treasury or Speaker of the House of Commons, died before that paragraph comes into force.
- (2) In relation to such a person section 27 of the [Parliamentary and other Pensions Act 1972](#), and the provisions designated under that section, have effect as if this Act had not been passed.

European Parliament (Pay and Pensions) Act 1979 (c. 50)

- 38 (1) Section 4 (pensions) is amended as follows.
- (2) In subsection (1)—
- (a) for “Leader of the House of Commons may by order make” substitute “IPSA may make a scheme containing”, and

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(b) for “by the order” substitute “in the scheme”.

(3) In subsection (2)—

- (a) for “orders” substitute “a scheme”, and
- (b) for “order” substitute “scheme”.

(4) In subsection (3)—

- (a) for “an order” substitute “a scheme”, and
- (b) in paragraphs (d) and (g) for “order” substitute “scheme”.

(5) In subsection (3A), for “An order” substitute “A scheme”.

(6) For subsection (4) substitute—

“(4) Before making a scheme under this section the IPSA must consult—

- (a) the Treasury,
- (b) the Minister for the Civil Service,
- (c) persons it considers to represent those likely to be affected by the scheme,
- (d) the Government Actuary, and
- (e) any other person it considers appropriate.

(4A) The IPSA must send to the Speaker of the House of Commons for laying before both Houses of Parliament—

- (a) any scheme made by it under this section, and
- (b) a statement of the reasons for making the scheme.

(4B) When the scheme and the statement of reasons have been laid, the IPSA must publish them in a way it considers appropriate.”

(7) For subsection (5) substitute—

“(5) The IPSA must from time to time prepare a report on the operation of any provisions in force under this section, and send it to the Speaker of the House of Commons for laying before both Houses of Parliament.”

(8) After subsection (7) insert—

“(8) A scheme made by the IPSA under this section may amend or revoke any previous scheme made by the IPSA under this section.”

39 (1) Section 6 (block transfer into another pension scheme) is amended as follows.

(2) In subsection (1)—

- (a) for “Leader of the House of Commons may by order” substitute “IPSA may, with the consent of the Treasury and the Minister for the Civil Service”, and
- (b) for “the order” substitute “the direction”.

(3) In subsection (2)—

- (a) for “making an order” substitute “giving a direction”,
- (b) for “Leader of the House of Commons” substitute “IPSA”,
- (c) for “he” (in both places) substitute “it”,
- (d) for “make such an order” substitute “give such a direction”, and
- (e) for “the order” substitute “the direction”.

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- (4) In subsection (4), in the definition of “the relevant pension provisions”—
- (a) for “an order” substitute “a direction”,
 - (b) for “orders” substitute “a scheme”, and
 - (c) for “order is made” substitute “direction is given”.
- 40 (1) Section 7 (expenses and receipts) is amended as follows.
- (2) In subsection (1)(c) (expenses and receipts)—
- (a) for “any order” substitute “a scheme”, and
 - (b) omit the words from “or of any” to the end.
- (3) In subsection (1)(d) for “an order” substitute “a direction”.
- 41 (1) Section 8 is amended as follows.
- (2) In subsection (1) (interpretation)—
- (a) after the definition of “electoral region” insert—
““the IPSA” means the Independent Parliamentary Standards Authority;”, and
 - (b) omit the definition of “the Leader of the House of Commons”.
- (3) Omit subsection (2).

House of Commons Members’ Fund and Parliamentary Pensions Act 1981 (c. 7)

- 42 In section 1 (entitlement to payments out of House of Commons Members’ Fund)—
- (a) in subsection (5)(b) for “paragraph (b), (c) or (d) of section 2(2) of the Parliamentary and other Pensions Act 1987” substitute “subsection (5A)”, and
 - (b) after subsection (5) insert—
“(5A) The offices are—
 - (a) the offices mentioned in paragraph 16(2)(a), (b), (d) or (e) of Schedule 6 to the Constitutional Reform and Governance Act 2010;
 - (b) the offices of Chairman of Ways and Means and Deputy Chairman of Ways and Means.”

Parliamentary and other Pensions Act 1987 (c. 45)

- 43 Omit—
- (a) section 1,
 - (b) section 2(1) to (8) and (10),
 - (c) section 3, and
 - (d) Schedule 1.
- 44 (1) The existing regulations have effect (subject to any provision in an order under section 51 of this Act)—
- (a) so far as they relate to matters which could be contained in a scheme made by the IPSA under paragraph 8, as if they were a scheme made by the IPSA under that paragraph,

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- (b) so far as they relate to matters which could be contained in a scheme made by the IPSA under paragraph 12, as if they were a scheme made by the IPSA under that paragraph, and
 - (c) so far as they relate to matters which could be contained in a scheme made by the Minister for the Civil Service under paragraph 16, as if they were a scheme made by the Minister under that paragraph.
- (2) An order under section 51 or 52 of this Act may provide for any provision of the existing regulations which—
- (a) relates to one or more of the matters listed in paragraph 8(1), but
 - (b) could not be contained in a scheme under paragraph 8,
- to have effect as if contained in a scheme under that paragraph.
- (3) If it does so a scheme under paragraph 8 may—
- (a) revoke the provision;
 - (b) amend it so that it makes provision which may be contained in a scheme under that paragraph (but not otherwise amend it).
- (4) An order under section 51 or 52 of this Act may provide for any provision of the existing regulations which—
- (a) relates to service as a member of the House of Commons, but
 - (b) could not be contained in a scheme under paragraph 12,
- to have effect as if contained in a scheme under that paragraph.
- (5) If it does so a scheme under paragraph 12 may—
- (a) revoke the provision;
 - (b) amend it so that it makes provision which may be contained in a scheme under that paragraph (but not otherwise amend it).
- (6) An order under section 51 or 52 of this Act may provide for any provision of the existing regulations which—
- (a) relates to service to which paragraph 16 applies, but
 - (b) could not be contained in a scheme under that paragraph,
- to have effect as if contained in a scheme under that paragraph.
- (7) If it does so a scheme under paragraph 16 may—
- (a) revoke the provision;
 - (b) amend it so that it makes provision which may be contained in a scheme under that paragraph (but not otherwise amend it).
- (8) “The existing regulations” means the regulations under section 2 of the [Parliamentary and other Pensions Act 1987](#) in force immediately before the date specified in an order made by a Minister of the Crown by statutory instrument.
- (9) An order under sub-paragraph (8) may specify different dates for different purposes.

Ministerial and other Pensions and Salaries Act 1991 (c. 5)

45 Omit section 6.

Pensions Act 2004 (c. 35)

- 46 In section 249A(3)(c) (schemes to which section 249A does not apply) for “section 2 of the Parliamentary and other Pensions Act 1987 (c. 45)” substitute “paragraph 8, 12 or 16 of Schedule 6 to the Constitutional Reform and Governance Act 2010”.

Parliamentary Standards Act 2009 (c. 13)

- 47 (1) In section 5(9) (MPs’ allowances scheme does not affect pensions) for “the Parliamentary and other Pensions Act 1987 (c. 45)” substitute “Schedule 6 to the Constitutional Reform and Governance Act 2010”.
- (2) In paragraph 18 of Schedule 1 (IPSA’s administration and regulation functions), after sub-paragraph (2) insert—
- “(3) The IPSA’s functions under the following provisions are also regulation functions—
- (a) sections 3, 4 and 6 of the European Parliament (Pay and Pensions) Act 1979 (but not any function relating to the administration of a scheme under section 3 or 4);
- (b) paragraphs 2 to 5, 8, 9, 11, 12 and 15 of Schedule 6 to the Constitutional Reform and Governance Act 2010 (but not any function relating to the administration of a scheme under paragraph 8 or 12).”
- (3) In paragraph 29(2) of Schedule 1 (interpretation) in the definition of “regulation functions” after “18(2)” insert “and (3)”.
- 48 (1) An order under section 13 of the Parliamentary Standards Act 2009 may make the provision mentioned in section 13(6) (provision for transfer schemes) in connection with this Schedule (as well as in connection with that Act).
- (2) But for this purpose—
- (a) the reference in section 13(6)(a) to matters dealt with by the rules is to be treated as a reference to matters which could be dealt with by a scheme under paragraph 8 or 12;
- (b) section 13(6)(b) and (c) does not apply to property, rights and liabilities, or documents and information, held by or on behalf of the trustees of the Fund.
- (3) Section 13(7) of that Act applies to a scheme made by virtue of section 13(6) and this paragraph.

Trustees of the Fund

- 49 (1) This paragraph applies if, under an order under section 52, paragraph 2 comes into force for the purpose of making an appointment under paragraph 2(1)(a) or (b) before it comes into force for other purposes.
- (2) The reference in paragraph 2(1)(a) or (b) to the persons who are already trustees of the Fund is to the persons who are trustees of the Fund by virtue of section 1 of the Parliamentary and other Pensions Act 1987.
- 50 (1) In this paragraph “the transitional period” means the period of six months beginning with the day on which paragraph 2 comes into force (other than for the purpose of making an appointment under paragraph 2(1)(a) or (b)).

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- (2) During the transitional period—
- (a) paragraph 2(1) applies as if for paragraph (c) there were substituted—
 - “(c) the persons who (by virtue of section 1 of the Parliamentary and other Pensions Act 1987) are the trustees of the Fund immediately before the beginning of the transitional period.”, and
 - (b) paragraph 5 applies to persons who are trustees of the Fund because of paragraph (a) as if they were member-nominated trustees.
- (3) But if a person who is a trustee of the Fund immediately before the beginning of the transitional period is appointed under paragraph 2(1)(a) or (b) that person is not to be treated as being a trustee of the Fund because of sub-paragraph (2)(a).
- (4) The trustees of the Fund must make arrangements (the “transitional arrangements”) for 8 persons to be nominated and selected as member-nominated trustees before the end of the transitional period.
- (5) Those persons become member-nominated trustees immediately after the end of the transitional period.
- (6) Only persons who are trustees of the Fund immediately before the beginning of the transitional period may be nominated and selected as member-nominated trustees under the transitional arrangements.
- (7) But if it is not possible to secure 8 member-nominated trustees from among those persons, the deficiency may be supplied by other persons.
- (8) At the end of the transitional period any persons who—
- (a) immediately before the end of that period, are trustees of the Fund because of sub-paragraph (2)(a), but
 - (b) have not been nominated and selected as member-nominated trustees, cease to be trustees of the Fund.