

# European Parliament (Pay and Pensions) Act 1979

# **1979 CHAPTER 50**

An Act to make provision for the payment of salaries and pensions, and the provision of allowances and facilities, to or in respect of Representatives to the Assembly of the European Communities. [26th July 1979]

## **Modifications etc. (not altering text)**

C1 By reason of the retrospective amendment of s. 9(1) of this Act by European Communities (Amendment) Act 1986 (c. 58, SIF 29:5), s. 3(1)(a)(2)(b)(3) the short title, the European Assembly (Pay and Pensions) Act 1979, is now retrospectively the European Parliament (Pay and Pensions) Act 1979

Power to transfer functions conferred (27.12.1995) by S.I. 1995/2995, art. 2(1)

# 1 Salaries of Representatives.

- (1) A salary shall be payable to every Representative in accordance with this section.
- (2) The yearly rate of the salary payable to a Representative for any period shall be—
  - (a) in the case of a period not within paragraph (b), the same as that of a Member's ordinary salary for that period;
  - (b) in the case of a period for which a salary is payable to him pursuant to any resolution or combination of resolutions of the House of Commons relating to the remuneration of Members, a rate equal to one-third of that of a Member's ordinary salary for that period.
- (3) The salary payable under this section to a Representative shall be payable—
  - (a) in the case of a Representative elected at a general election of representatives to the Assembly, for the period beginning with the opening of the first session of the Assembly following his election and ending with—
    - (i) the day before the opening of the first session of the Assembly following the next such general election; or

Changes to legislation: There are currently no known outstanding effects for the European Parliament (Pay and Pensions) Act 1979. (See end of Document for details)

- (ii) if he ceases to be a Representative before that day, his last day as a Representative;
- (b) in the case of a Representative elected otherwise than at such a general election, for the period beginning with the day of his election and ending as mentioned in paragraph (a).
- (4) The salary payable under this section to a Representative shall be payable in sterling monthly in arrears, the payments being made into such account at a bank in the United Kingdom as he may nominate for the purpose.
- (5) If the rate of a Member's ordinary salary for any period is changed retrospectively, the yearly rates given for that period by subsection (2) shall change accordingly.
- [F1(6) This section does not apply on or after 14 July 2009, except in relation to a Representative who is an opted-out Representative.
  - (7) An "opted-out Representative" is a Representative who exercises the option conferred by Article 25 of the Statute for Members of the European Parliament (European Parliament Decision 2005/684/EC, Euratom) (existing Representatives may opt out of new arrangements for remuneration from 14 July 2009).]

## **Textual Amendments**

F1 S. 1(6)(7) inserted (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(2)

## 2 Allowances.

F2

# **Textual Amendments**

F2 S. 2 omitted (14.7.2009) by virtue of The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(3)

# [F3] Resettlement grants to persons ceasing to be Representatives.

- (1) Where a person who is a Representative immediately before the end of any five-year period either—
  - (a) did not stand for election to the European Parliament at the general election of representatives to the European Parliament held in that period; or
  - (b) did so stand (whether for the same or a different [F4electoral region]) at that election and was not elected,

he shall be entitled to a resettlement grant calculated in accordance with the following provisions of this section.

(2) Where a person becomes entitled to a grant under this section at the end of any five year period, its amount shall be equal to the relevant percentage of a year's salary under section 1 at the rate applicable to him immediately before the end of that period, the relevant percentage for this purpose being that shown in the following Table in relation to his age at the end of that period and the number of years for which he has served as a Representative before the end of that period.

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TABLE
PERCENTAGE OF YEARLY SALARY

	Number of years of service						
Age	Under10	10	11	12	13	14	15 or over
Under 50	50	50	50	50	50	50	50
50	50	50	52	54	56	58	60
51	50	52	55	58	62	65	68
52	50	54	58	63	67	72	76
53	50	56	62	67	73	78	84
54	50	58	65	72	78	85	92
55 to 64	50	60	68	76	84	92	100
65	50	58	65	72	78	85	92
66	50	56	62	67	73	78	84
67	50	54	58	63	67	72	76
68	50	52	55	58	62	65	68
69	50	50	52	54	56	58	60
70 or over	50	50	50	50	50	50	50

(3) In calculating for the purposes of subsection (2)

the number of years for which a person has served as a Representative before the end of the period in question, there shall be disregarded—

- (a) any fraction of a year for which he has so served; and
- (b) if he has become entitled to a grant under this section on any previous occasion, any period of service which for those purposes was on that occasion either taken into account or disregarded under paragraph (a).
- (4) In this section "five-year period" means a period of five years for which Representatives have been elected to the European Parliament; but if any such period is extended or curtailed, the references in this section to the end of that period shall be construed accordingly.

[ This section does not apply after 14 July 2009, except in relation to a Representative <sup>F5</sup>(5) who is an opted-out Representative.]]

## **Textual Amendments**

- F3 S. 3 substituted (15.7.1994) by S.I. 1994/1663, art. 2 (with art. 3)
- **F4** Words in s. 3(1)(b) substituted (1.5.1999) by 1999 c. 1, s. 3(2), **Sch. 3 para. 2(a)**; S.I. 1999/717, **art 2(1)** (with art. 2(3))

Changes to legislation: There are currently no known outstanding effects for the European Parliament (Pay and Pensions) Act 1979. (See end of Document for details)

F5 S. 3(5) inserted (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(4)

#### **Modifications etc. (not altering text)**

C2 S. 3(1) continued (24.10.2002) by 2002 c. 24, ss. 15, 18(2), Sch. 3 para. 4(a)

## 3A Power to amend section 3.

- (1) If it appears to the [F6 Leader of the House of Commons] that the effect, at any time, of section 3 in relation to persons [F7 to whom it applies or applied] ceasing to be Representatives is not or was not equivalent to the effect, at that time, of the arrangements made pursuant to any resolution or combination of resolutions of the House of Commons [F8, or a scheme under section 5 of the Parliamentary Standards Act 2009,] for the payment of grants to persons ceasing to be Members on a dissolution of Parliament, he may by order amend that section for the purpose of making its effect in relation to persons [F7 to whom it applies or applied] ceasing to be Representatives as nearly so equivalent as he considers practicable.
- (2) An order under this section—
  - (a) may provide for the order to be deemed to have come into force on a date before the date on which it is made, but
  - (b) shall not reduce the amount of, or cancel any entitlement to, any grant under section 3 to which a person has become entitled before the date on which the order is made.
- (3) The power to amend section 3 conferred by this section includes power to make new provision in place of that section, whether by substituting one or more new sections or otherwise; and references in this section to that section shall accordingly include any provisions for the time being having effect in place of it by virtue of an order under this section.

# **Textual Amendments**

- F6 Words in s. 3A(1) substituted (16.12.2003) by The Transfer of Functions (European Parliamentary Pay and Pensions) Order 2003 (S.I. 2003/2922), art. 2(2)
- F7 Words in s. 3A(1) inserted (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(5)
- **F8** Words in s. 3A(1) inserted (29.3.2010) by Parliamentary Standards Act 2009 (c. 13), **ss. 5(10)**, 14(3) (with ss. 1, 2(1)); S.I. 2010/1033, art. 2(a)

## 4 Pensions.

- (1) The [F9 Leader of the House of Commons] may by order make provision with respect to the pensions which, subject to the fulfilment of such requirements and conditions as may be prescribed by the order, are to be or may be paid by the Treasury to or in respect of persons who have ceased to be Representatives.
- (2) Any such provision shall include provision for the appointment of persons as managers to perform such functions in connection with the administration of provisions contained in orders under this section as may be conferred on them by any such order, and may include provision for the removal of managers so appointed.

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- (3) Without prejudice to the generality of subsection (1), an order under this section may
  - (a) make provision as to the periods of service as a Representative which are to be taken into account for pension purposes;
  - (b) provide for deductions to be made by the Treasury from Representatives' salaries at a prescribed rate by way of contributions towards the cost of providing the pensions payable by virtue of this section;
  - (c) provide for transfer values to be paid or received by the Treasury;
  - (d) make the opinion, satisfaction or approval of the managers appointed in pursuance of subsection (2) material for the purposes of any provision of the order;
  - (e) make different provision with respect to different classes of persons and different circumstances;
  - (f) include transitional and other supplemental provisions;
  - (g) be made so as to have effect from a date before the making of the order.
- [F10(3A) An order under this section shall not make provision for any period of service as a Representative on or after 14 July 2009 to be taken into account for pension purposes, except in relation to a Representative who is an opted-out Representative.]
  - (4) An order under this section may provide for any statutory provision relating to any matter connected with the pensions payable to or in respect of Members to have effect with respect to or in connection with Representatives, with such additions, omissions, amendments or other modifications as may be specified in the order.
    - In this subsection "statutory provision" means any provision contained in an Act or in any instrument made under an Act (including an Act or instrument passed or made after the passing of this Act).
  - (5) The [F9 Leader of the House of Commons] shall from time to time lay before each House of Parliament a report on the operation of any provisions in force under this section.
  - (6) As regards such reports—
    - (a) the first shall be so laid not more than five years after the coming into force of the first order made under this section;
    - (b) each subsequent report shall be so laid not more than five years after the date by which the previous report was so laid; and
    - (c) each report shall cover the period since the previous report or, in the case of the first report, since the coming into force of the first order under this section.
  - (7) In Schedule 2 to the MIPensions (Increase) Act 1971 (which specifies the pensions referred to in that Act as "official pensions"), after paragraph 3A there shall be inserted—

# "EUROPEAN ASSEMBLY

A pension payable under an order made under section 4 of the European Assembly (Pay and Pensions) Act 1979.".

Changes to legislation: There are currently no known outstanding effects for the European Parliament (Pay and Pensions) Act 1979. (See end of Document for details)

#### **Textual Amendments**

- **F9** Words in s. 4(1)(5) substituted (16.12.2003) by The Transfer of Functions (European Parliamentary Pay and Pensions) Order 2003 (S.I. 2003/2922), art. 2(2)
- F10 S. 4(3A) inserted (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(6)

### **Modifications etc. (not altering text)**

C3 The text of s. 4(7) is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

## **Marginal Citations**

M1 1971 c. 56.

# 5 Salary for purpose of calculating pension benefits.

- (1) For the purpose of calculating the rate or amount of any pension payable by virtue of section 4 the yearly rate of the salary payable to a Representative under this Act for any period shall be regarded as being—
  - (a) in the case of a period not within section 1(2)(b), the same as that of a Member's pensionable salary for that period;
  - (b) in the case of a period within section 1(2)(b), a rate equal to one-third of that of a Member's pensionable salary for that period.
- (2) If the rate of a Member's pensionable salary for any period is changed retrospectively, the yearly rates given for that period by subsection (1) shall change accordingly.

# 6 Provision for payment of block transfer value into another pension scheme.

- (1) F11... the [F12 Leader of the House of Commons] may by order direct that, on a specified date, there shall be paid into or for the purposes of a specified overseas fund or scheme a specified sum representing the aggregate value on that date of the accrued pension rights of all Representatives and other persons under the relevant pension provisions, excluding (if the order so provides) those of persons of any specified class.
- (2) Before making an order under this section the [F12 Leader of the House of Commons] shall consult with—
  - (a) the managers appointed under the relevant pension provisions; and
  - (b) such persons representing the interests of Representatives and other persons having pension rights under the relevant pension provisions as he considers appropriate,

and shall not make such an order unless he has been informed by or on behalf of the persons administering the overseas fund or scheme in question that they are willing to accept the sum proposed to be specified in the order.

- (3) For the purposes of this section the aggregate value on any date of the accrued pension rights mentioned in subsection (1) shall be taken to be such sum as for those purposes may be certified by the Government Actuary.
- (4) In this section—

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"overseas fund or scheme" means a fund or scheme which is established outside the United Kingdom or wholly or primarily administered outside the United Kingdom and which is approved by the Commissioners of Inland Revenue F13... for the purposes of this section;

"the relevant pension provisions", in relation to an order under this section, means all such provisions contained in orders made under section 4 as are in force when the order is made.

#### **Textual Amendments**

- F11 Words in s. 6(1) repealed (27.12.1995) by S.I. 1995/2995, art. 2(3) (with art. 3)
- F12 Words in s. 6(1)(2) substituted (16.12.2003) by The Transfer of Functions (European Parliamentary Pay and Pensions) Order 2003 (S.I. 2003/2922), art. 2(2)
- **F13** Words in s. 6(4) repealed (6.4.1997) by 1995 c. 26, ss. 151, 177, Sch. 5 para. 7, **Sch. 7 Pt. III**; S.I. 1997/664, art. 2, **Sch. Pt. II**

# 7 Expenses and receipts.

- (1) There shall be charged on and paid out of the Consolidated Fund—
  - (a) all salaries payable under section 1;
  - (b) any grant payable under section 3;
  - (c) all pensions and other sums payable by the Treasury under the provisions of any order made under section 4 or of any enactment or instrument so far as it has effect with respect to or in connection with Representatives by virtue of such an order; and
  - (d) any sum directed to be paid as mentioned in subsection (1) of section 6 by an order under that section.
- (2) Any sums required by a secondary Class 1 contributor for the purpose of paying any secondary Class 1 contributions which are payable by him in respect of an earner in consequence of the earner's employment in the office of Representative for the [F14electoral region] of Northern Ireland shall be paid out of the Consolidated Fund of the United Kingdom.

Expressions used in this subsection and Part I of the M2Social Security (Northern Ireland) Act 1975 have the same meanings in this subsection as in that Part.

- (3) There shall be paid out of money provided by Parliament—
  - (a) 115.....
  - (b) any administrative expenses incurred by a government department in consequence of this Act; and
  - (c) any increase attributable to this Act in the sums payable out of money so provided under any other Act.
- (4) Any sums received by a government department in consequence of this Act shall be paid into the Consolidated Fund.

## **Textual Amendments**

**F14** Words in s. 7(2) substituted (1.5.1999) by 1999 c. 1, s. 3(2), **Sch. 3 para. 2(b)**; S.I. 1999/717, **art. 2(1)** (with art. 2(3))

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F15 S. 7(3)(a) omitted (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(7)

## **Modifications etc. (not altering text)**

C4 S. 7(2) continued (24.10.2002) by 2002 c. 24, ss. 15, 18(2), Sch. 3 para. 4(b)

# **Marginal Citations**

**M2** 1975 c. 15.

# 8 Interpretation and orders.

(1) In this Act—

F16

[F17electoral region] means an Assembly [electoral region];

[F18" the Leader of the House of Commons" means the Minister of the Crown who is for the time being designated as Leader of the House of Commons by the Prime Minister and First Lord of the Treasury.]

"Member" means a Member of the House of Commons;

"a Member's ordinary salary" and "a Member's pensionable salary" have the meaning given by [F19] section 629(2) and (3) of the Income and Corporation Taxes Act 1988];

[F20" opted-out Representative" has the meaning given by section 1(7);]

"pension" includes a gratuity, and "pension rights" shall be construed accordingly;

"Representative" means a representative to the Assembly elected for [ an electoral region] in the United Kingdom.

(2) Every order under this Act shall be made by statutory instrument, and <sup>F21</sup>... shall be subject to annulment in pursuance of a resolution of either House of Parliament.

### **Textual Amendments**

- **F16** Definition of "the Assembly" repealed by European Communities (Amendment) Act 1986 (c. 58, SIF 29:5), s. 4(3), **Sch.**
- F17 Words in s. 8(1) substituted (1.5.1999) by 1999 c. 1, s. 3(2), Sch. 3 para. 2(c); S.I. 1999/717, art. 2(1) (with art. 2(3))
- F18 S. 8(1): definition inserted (16.12.2003) by The Transfer of Functions (European Parliamentary Pay and Pensions) Order 2003 (S.I. 2003/2922), art. 2(3)
- F19 Words substituted by virtue of Income and Corporation Taxes Act 1988 (c. 1, SIF 63:1), s. 844(1)(2), Sch. 29 para. 32
- **F20** S. 8(1): definition inserted (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), **reg. 2(8)**
- **F21** Words in s. 8(2) repealed (14.7.2009) by The European Parliament (Pay and Pensions) Regulations 2009 (S.I. 2009/1485), reg. 2(9)

### **Modifications etc. (not altering text)**

C5 S. 8(1) continued (24.10.2002) by 2002 c. 24, ss. 15, 18(2), Sch. 3 para. 4(c)

Changes to legislation: There are currently no known outstanding effects for the European Parliament (Pay and Pensions) Act 1979. (See end of Document for details)

# 9 Short title and extent.

- (1) This Act may be cited as the [F22European Parliament] (Pay and Pensions) Act 1979.
- (2) This Act extends to Northern Ireland.

# **Textual Amendments**

**F22** Words substituted retrospectively by virtue of European Communities (Amendment) Act 1986 (c. 58, SIF 29:5), s. 3(1)(a)(2)(b)(3)

# **Status:**

Point in time view as at 29/03/2010.

# **Changes to legislation:**

There are currently no known outstanding effects for the European Parliament (Pay and Pensions) Act 1979.