



Parliamentary Pensions etc. Act 1984

1984 CHAPTER 52

An Act to make further provision with respect to the contributory pensions schemes for Members of the House of Commons and for the holders of certain Ministerial and other offices; to increase the amount that may be appropriated under section 4(4) of the House of Commons Members' Fund Act 1948 for the alleviation of special hardship; and to provide for payments to be made, in certain circumstances, to persons who cease to hold Ministerial and other offices or to be Representatives to the Assembly of the European Communities. [31st July 1984]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Parliamentary pensions: contributions, calculation and entitlement

1 Increase of rate of contributions from Members and calculation of their pensions

(1) In subsection (2) of section 3 of the 1972 Act (rate of contributions from Members of the House of Commons to the Parliamentary Contributory Pension Fund), for the words " , is six per cent." there shall be substituted the words " in respect of any period, is the appropriate percentage " ; and after that subsection there shall be inserted the following subsection—

“(2A) For the purposes of subsection (2) of this section the appropriate percentage, in relation to a payment of salary made in respect of any period, is—

- (a) in the case of a period beginning before 1st January 1985, six per cent.;
- (b) in the case of a period beginning on or after 1st January 1985 and before 1st January 1986, seven per cent.;
- (c) in the case of a period beginning on or after 1st January 1986 and before 1st January 1987, eight per cent.; and

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- (d) in the case of a period beginning on or after 1st January 1987, nine per cent.”.
- (2) For subsection (3) of section 7 of the 1972 Act (annual amount of a Member's pension) there shall be substituted the following subsections—
- “(3) Subject to subsections (3A) and (4) of this section and to sections 8, 11 and 31 of this Act, the annual amount of the pension payable to a person under this section shall be a sum equal to the aggregate of the amounts produced, in relation to each year or part of a year comprised in his aggregate period of reckonable service as a Member, by multiplying the relevant terminal salary by the appropriate fraction.
- (3A) The annual amount of the pension payable to a person under this section shall not exceed the amount equal to two-thirds of the relevant terminal salary, except to the extent that it is calculated by reference to so much (if any) of that person's aggregate period of reckonable service as a Member as fell after he attained the age of sixty-five years ; and the said annual amount shall not, in any event, exceed such maximum pension as may for the time being be imposed in relation to that person by an order under subsection (3B) of this section.
- (3B) The Lord President of the Council may by order made by statutory instrument make provision, in relation to persons to whom pensions are payable under this section, as to the maximum pensions so payable and for the calculation of those maximum pensions in such manner and by reference to such matters as may from time to time be specified in the order; and, without prejudice to the foregoing, such an order may—
- (a) make different provision for different cases ;
- (b) require maximum pensions to be calculated by reference to the opinion of the Trustees or require any matter to be established to their satisfaction; and
- (c) provide for the amount of a maximum pension to be calculated by applying such maximum as may be specified in or determined under the order to a part only of the amount which, apart from the order, would be the annual amount of the pension in question.”.
- (3) In subsections (4) and (4A) of the said section 7, for the words " subsection (3) of this section " there shall be substituted the words " subsections (3) and (3 A of this section " .
- (4) After subsection (5) of the said section 7 there shall be inserted the following subsections—
- “(5A) In subsection (3) of this section ' the appropriate fraction', in relation to a year or part of a year comprised in a person's aggregate period of reckonable service as a Member, means—
- (a) in the case of a year or part of a year ending before 20th July 1983, one-sixtieth or, as the case may be, the fraction which bears to one-sixtieth the same proportion as the number of days in that part of a year bears to three hundred and sixty-five ; and
- (b) in the case of a year or part of a year beginning on or after 20th July 1983, one-fiftieth or, as the case may be, the fraction which bears to

one-fiftieth the same proportion as the number of days in that part of a year bears to three hundred and sixty-five.

(5B) For the purposes of subsection (5A) of this section, where a year or part of a year comprised in a person's aggregate period of reckonable service as a Member began before, but ended on or after, 20th July 1983—

- (a) so much of that year or part of a year as ended with 19th July 1983 shall be treated as a part of a year in relation to which paragraph (a) of that subsection applies; and
- (b) the remainder of that year or part of a year shall be treated as a part of a year in relation to which paragraph (b) of that subsection applies.

(5C) A statutory instrument containing an order made under subsection (3B) above shall be subject to annulment in pursuance of a resolution of either House of Parliament.”.

(5) Subsections (2) to (4) above shall be deemed to have come into force on 20th July 1983 but shall not have effect in relation to any pension which first became payable under the 1972 Act before that date ; and, accordingly, an order made under section 7(3B) of the 1972 Act (inserted by subsection (2) above) may provide for the order to be treated as having come into force, in relation to the pensions to which it applies, at any time after 19th July 1983.

2 Increase of rate of contributions from office-holders and calculation of their pensions

(1) In section 4 of the 1972 Act (contributions from participants under section 2 of that Act)—

- (a) in subsection (2), for the words from " at a time " to " five per cent. " there shall be substituted the words " for a period or part of a period during which he was not a Member of the House of Commons, is the appropriate percentage " ;
- (b) in subsection (3), for the words from " at a time " to " difference " there shall be substituted the words " for a period or part of a period during which he was a Member of the House of Commons, is the appropriate percentage of the difference at the end of that period or part of a period " ; and
- (c) after the said subsection (3) there shall be inserted the following subsection—

“(3AA) For the purposes of subsections (2) and (3) of this section, the appropriate percentage, in relation to a payment of salary made for any period or part of a period, is—

- (a) in the case of a period or part of a period beginning before 1st August 1984, five per cent.;
- (b) in the case of a period or part of a period beginning on or after 1st August 1984 and before 1st January 1985, six per cent.;
- (c) in the case of a period or part of a period beginning on or after 1st January 1985 and before 1st January 1986, seven per cent.;
- (d) in the case of a period or part of a period beginning on or after 1st January 1986 and before 1st January 1987, eight per cent.; and
- (e) in the case of a period or part of a period beginning on or after 1st January 1987, nine per cent”.

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(2) In section 10 of the 1972 Act (annual amount of officeholder's pension under section 9 of that Act), for paragraph (b) of subsection (2) (calculation of contribution factor by reference to five per cent, of a Member's pensionable salary for particular years), there shall be substituted the following paragraph—

“(b) an amount equal, subject to subsection (2A) of this section, to the aggregate amount which fell to be deducted under section 3(1) of this Act from the payments of salary made in respect of that year to any person who was a Member of the House of Commons throughout that year.”.

(3) After subsection (2) of the said section 10 there shall be inserted the following subsection—

“(2A) For the purposes of subsection (2)(b) of this section the appropriate percentage for the purposes of section 3(2) of this Act shall be deemed, in relation to any payment of salary made to a Member of the House of Commons in respect of any period beginning before 1st August 1984, to have been five per cent.”.

(4) In subsection (3) of the said section 10 (contribution credit calculated by reference to one-sixtieth of the relevant terminal salary)—

- (a) for the words " one-sixtieth " there shall be substituted the words " the appropriate fraction "; and
- (b) for the words " the next following subsection " there shall be substituted the words " subsection (3B) and (4) of this section " .

(5) After subsection (3) of the said section 10 there shall be inserted the following subsections—

“(3A) In subsection (3) of this section ' the appropriate fraction ' means—

- (a) in relation to the year beginning with 1st April 1984 and subsequent years, one-fiftieth ;
- (b) in relation to the year beginning with 1st April 1982 and previous years, one-sixtieth; and
- (c) in relation to the year beginning with 1st April 1983.—
 - (i) in the case of a person who held a qualifying office at some time in the period beginning with 1st April 1983 and ending with 19th July 1983 but did not hold such an office at any time in the period beginning with 20th July and ending with 31st March 1984, one-sixtieth;
 - (ii) in the case of a person who did not hold such an office at any time in the first of those periods but did hold such an office at some time in the second of those periods, one-fiftieth; and
 - (iii) in the case of a person who held such an office at some time in each of those periods, nineteen-thousandths.

(3B) The annual amount of the pension payable to a person under section 9 of this Act shall not exceed the amount equal to two-thirds of the product of—

- (a) the relevant terminal salary, and
- (b) the average of all the contribution factors calculated in relation to that person under subsection (2) of this section,

except to the extent that the said annual amount is calculated by reference to any years beginning after that person attained the age of sixty-five years; and

the said annual amount shall not, in any event, exceed such maximum pension as may for the time being be imposed in relation to that person by an order under subsection (3C) of this section.

(3C) The Lord President of the Council may by order made by statutory instrument make provision, in relation to persons to whom pensions are payable under that section, as to the maximum pensions so payable and for the calculation of those maximum pensions in such manner and by reference to such matters as may from time to time be specified in the order; and, without prejudice to the foregoing, such an order may—

- (a) make different provision for different cases ;
- (b) require maximum pensions to be calculated by reference to the opinion of the Trustees or require any matter to be established to their satisfaction; and
- (c) provide for the amount of a maximum pension to be calculated by applying such maximum as may be specified in or determined under the order to a part only of the amount which, apart from the order, would be the annual amount of the pension in question.”.

(6) After subsection (6) of the said section 10 there shall be inserted the following subsection—

“(6A) A statutory instrument containing an order made under subsection (3C) above shall be subject to annulment in pursuance of a resolution of either House of Parliament.”.

(7) In consequence of the preceding provisions of this section, in the said section 10—

- (a) in subsection (4), for the words " to (3)" there shall be substituted the words " to (3B) "; and
- (b) in subsection (5), for the words " and (3) of this section ' year' means " there shall be substituted the words " to (3B) of this section ' year ' (except in the expression ' sixty-five years ') means " .

(8) Subsections (2) to (7) above shall be deemed to have come into force on 20th July 1983 but shall not have effect in relation to any pension which first became payable under the 1972 Act before that date ; and, accordingly, an order made under section 10(30) of the 1972 Act (inserted by subsection (5) above) may provide for the order to be treated as having come into force, in relation to the pensions to which it applies, at any time after 19th July 1983.

3 Abolition of qualifying period and further provision for refunds on death

(1) In relation to any person who has been a Member of the House of Commons at a time after the passing of this Act or has at any such time held a qualifying office, the 1972 Act and the 1978 Act shall have effect (subject to subsection (4) below) with the omission of the following provisions (being provisions relating to the minimum period of reckonable service necessary for the payment of a pension), that is to say—

- (a) paragraph (c) of section 7(1) of the 1972 Act;
- (b) in section 13(1)(b) of the 1972 Act, the words "and had an aggregate period of reckonable service (whether as a Member or otherwise) of not less than four years " and the words " and had an aggregate period of reckonable service (whether as a Member or otherwise) of not less than three years " ;

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- (c) in section 7(4) of the 1978 Act, the words " but had an aggregate period of reckonable service (whether as a Member or otherwise) of not less than four years "; and
 - (d) section 8 of the 1978 Act (short-term pensions for widows, widowers and children).
- (2) Accordingly, in relation to a person who has been a Member of the House of Commons at a time after the passing of this Act or has at any such time held a qualifying office—
- (a) section 7(4) of the 1972 Act shall have effect as if for the words " paragraphs (a) to (c) of subsection (1) of this section " there were substituted the words " paragraphs (a) and (b) of subsection (1) of this section "; and
 - (b) section 18(3) of that Act shall have effect as if at the end of paragraph (d) there were inserted the words " ; and
 - (e) he has not become entitled to a pension under this Part of this Act."
- (3) In relation to a person who dies after the passing of this Act, section 19 of the 1972 Act (refund of contributions after death of contributor) shall have effect as if—
- (a) for paragraph (a) there were substituted the following paragraph—
 - “(a) without leaving a widow, widower or relevant child (within the meaning of section 15 of this Act) who is, or may become, entitled in respect of that person to receive a pension under any of sections 13 to 15 of this Act; and”;

and
 - (b) in paragraph (b) for the words " paragraphs (a) to (d) " there were substituted the words " paragraphs (a), (b), (d) and (e) " .
- (4) Where
- (a) a person who was a Member of the House of Commons at the passing of this Act dies; and
 - (b) but for the preceding provisions of this section a pension would have been payable under section 8 of the 1978 Act to that person's widow or widower, or for the benefit of any child or children of that person,
- then, if a valid election is made, that pension shall be so payable instead of any pension that by virtue of the preceding provisions of this section or section 8 below would otherwise be payable to that person's widow or widower, or for the benefit of the child or children in question, under any of sections 13 to 15 of the 1972 Act.
- (5) In subsection (4) above " a valid election" means an election made, in such manner as the Trustees may require, either before, or not later than three months after, the first instalment of any pension that but for the election would be payable under any of sections 13 to 15 of the 1972 Act becomes so payable, being an election made—
- (a) in the case of a widow or widower, by that widow or widower; or
 - (b) in the case of a child or children, by such person as the Trustees may direct.
- (6) In this section " child" has the same meaning as in section 15 of the 1972 Act.

4 Earlier entitlement to pension

- (1) In relation to any person who has been a Member of the House of Commons at a time after the passing of this Act or has at any such time held a qualifying office, sections 7(4) and 10(4) of the 1972 Act (payment of a reduced pension to a person who has not

attained the age of 65 years but has attained the age of 60 years) shall have effect as if for the words " sixty years " there were substituted the words " fifty years " .

(2) In section 7(4A) of the 1972 Act (full pension payable to person who, having attained the age of 62 years and completed 25 years' service, ceases to be a Member at a dissolution)—

(a) in paragraph (b)—

(i) for the words " sixty-two years " there shall be substituted the words " sixty years "; and

(ii) for the words " twenty-five years ", in both places where they occur, there shall be substituted the words " twenty years "; and

(b) for paragraph (c) there shall be substituted the following paragraph—

“(c) is not or was not a candidate for election to that House at the general election consequent upon the dissolution or was such a candidate but was not elected to that House,”; and

(c) for the words " day of the poll in the general election consequent upon the dissolution " there shall be substituted the words " period of six months beginning with the day of the dissolution " .

(3) The Lord President of the Council may by order made by statutory instrument make provision in relation to the dissolution of Parliament on 13th May 1983 and any subsequent dissolution—

(a) for extending entitlement to a pension under subsection (4A) of section 7 of the 1972 Act to persons in relation to whom the conditions specified in paragraph (b) of that subsection are not satisfied or are satisfied only in part;

(b) for any entitlement to a pension conferred by an order made by virtue of paragraph (a) above to be subject to such abatement as may be specified in, or determined under, the order.

(4) An order under subsection (3) above may—

(a) make different provision for different cases ; and

(b) be framed by reference to the opinion of the Trustees or to their approval or require any matter to be established to their satisfaction ;

and a statutory instrument containing an order made under that subsection shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(5) Without prejudice to the power conferred by subsection (3) above, the amendments made by paragraphs (a) and (b) of subsection (2) above shall be deemed to have come into force on 12th May 1983 but, in relation to the dissolution of Parliament on 13th May 1983, the said section 7(4A), as amended by those paragraphs, shall have effect (except in the case of a person who became entitled to receive a pension by virtue of the said section 7 (4A) before the passing of this Act) with the following modifications—

(a) for the words " day of the poll in the general election consequent upon the dissolution " there shall be substituted the words " period of six months beginning with the date of the passing of the Parliamentary Pensions etc. Act 1984 " ;

(b) after the word " stand " there shall be inserted the words " (and since that general election has not stood) " ; and

(c) for the words " time when that salary ceases to be payable " there shall be substituted the words " passing of the said Act of 1984 " .

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- (6) A person already in receipt of a pension by virtue of subsection (4) of section 7 of the 1972 Act (" the reduced pension ") shall not by reason of his being in receipt of that pension be precluded from becoming entitled to receive a pension by virtue of subsection (5) above (" the full pension "); but where such a person becomes so entitled—
- (a) that person shall cease to be entitled to receive the reduced pension as from the time as from which he becomes entitled to receive the full pension ;
 - (b) the annual amount of the full pension shall be calculated as if any lump sum paid to that person under section 11 of that Act in commutation of the reduced pension had been paid in commutation of the full pension; and
 - (c) the permitted maximum for the purposes of subsection (4) of the said section 11 shall, in relation to the commutation under that section of any part of the full pension, be treated as reduced by the amount of any lump sum paid to that person under that section in commutation of the reduced pension.
- (7) In section 9 of the 1972 Act (pensions for office holders), in subsection (1), for the words from " to (d) " onwards there shall be substituted the words " and (b) of section 7(1) of this Act and one of the following conditions are fulfilled in respect of him, that is to say—
- (a) he has attained the age of sixty-five years ; or
 - (b) he has, by virtue of section 7(4A) of this Act, become entitled to receive a pension under section 7 of this Act;
- and the time as from which the condition in paragraph (6) of this subsection is to be treated as fulfilled in respect of any person is the time as from which a pension becomes payable to that person by virtue of the said section 7(4A)."
- (8) Accordingly, in section 25(2)(b) of the 1972 Act (meaning of " basic or prospective pension or pensions "), for the words from " to (d) of section 7(1) " onwards there shall be substituted the words " and (b) of section 7(1) and paragraph (a) of section 9(1) of this Act " .

5 Supplemental provisions with respect to calculation of pensions etc.

- (1) Without prejudice to the power contained in section 11 of the 1978 Act (purchase of added years), the Lord President of the Council may, for any purpose connected either with any provision contained in, or made by virtue of, any of sections 1 to 3 above or with anything contained in an order under the said section 11, by order made by statutory instrument make provision—
- (a) for treating—
 - (i) a period of reckonable service which is purchased in pursuance of the said section 11 or is attributable to a determination under subsection (3) of section 22 of the 1972 Act (transfers from other schemes) or to the provisions of section 2(4) of the 1978 Act (increase of service for purposes of ill-health pension), or
 - (ii) a year which is the subject of a determination under subsection (4)(a) of the said section 22,
 as a period or year beginning after or ending before such time as may, in relation to that period or year, be specified in or determined under the order ;
 - (b) for the cancellation or variation of any period of reckonable service purchased in pursuance of the said section 11 or of any requirement imposed on any

- person in connection with the purchase by him, in pursuance of that section, of any period of reckonable service; and
- (c) for imposing a requirement on the Trustees to refund sums paid to them (whether before or after the coming into force of the order) in pursuance of the said section 11 and to make the refunds with interest at such rate, and calculated in such manner, as may be specified in the order.
- (2) Without prejudice to the generality of subsection (1) above, an order under that subsection may—
- (a) make different provision for different cases ; and
- (b) be framed by reference to the opinion of the Trustees or to their approval or require any matter to be established to their satisfaction;
- and a statutory instrument containing an order made under that subsection shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (3) Subject to subsection (6) below—
- (a) in section 2(4) of the 1978 Act (amount of ill-health pension based on service as Member), for the words " section 7(3) of that Act" there shall be substituted the words " section 7(3) and (3A) of that Act " ;
- (b) in section 3(4) of that Act (amount of ill-health pension based on service as office-holder), for the words " section 10(1) to (3) of that Act" there shall be substituted the words " section 10(1) to (3B) of that Act " .
- (4) In subsection (8) of section 12 of the 1978 Act (limit on reckonable service not to apply in certain circumstances to widow's or widower's pension), for the words " subsections (2), (4), (5) and (6) above " there shall be substituted the words " sections 7(3A) and 10(3B) of the Act of 1972 " ; but this subsection shall not apply in relation to any case where, but for the said subsection (8), subsections (2), (4), (5) and (6) of the said section 12 would apply by virtue of subsection (6) below.
- (5) Subject to subsections (6) and (7) below, the enactments specified in the Schedule to this Act are hereby repealed to the extent specified in the third column of that Schedule.
- (6) Subsection (3) above and the repeals in section 6 of the 1972 Act, section 1(2) of the Parliamentary and other Pensions and Salaries Act 1976 and section 12 of the 1978 Act which are provided for in the Schedule to this Act shall be deemed to have come into force on 20th July 1983 but shall not have effect in relation to any pension which first became payable under the 1972 Act before that date.
- (7) Subject to section 3(4) above, the other repeals provided for in the Schedule to this Act, except the repeal of section 14 of the 1978 Act, shall apply only in relation to a person who has been a Member of the House of Commons at a time after the passing of this Act or has at any such time held a qualifying office.

Parliamentary pensions: miscellaneous

6 Maximum lump sum payable by way of commutation of pension

- (1) The Lord President of the Council may by order made by statutory instrument provide, in relation to persons of any class or description specified in the order, that the permitted maximum for the purposes of subsection (4) of section 11 of the 1972 Act (maximum lump sum payable by way of commutation of pension) shall, instead of being the amount determined under subsection (5) of that section, be an amount

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calculated in such manner and by reference to such matters as may from time to time be so specified.

- (2) Without prejudice to the generality of subsection (1) above, an order under that subsection may—
 - (a) make different provision for different cases; and
 - (b) be framed by reference to the opinion of the Trustees or to their approval or require any matter to be established to their satisfaction.
- (3) The persons in relation to whom an order under subsection (1) above may be made shall include persons in respect of the commutation of whose pensions notices were given under section 11 of the 1972 Act before the making of the order; and in relation to such persons, an order under subsection (1) above may contain such transitional provisions as appear to the Lord President of the Council to be appropriate.
- (4) A statutory instrument containing an order made under subsection (1) above shall be subject to annulment in pursuance of a resolution of either House of Parliament.

7 Widows' pensions: minor amendment

In the proviso to section 13(4) of the 1972 Act (under which a pension may be paid or restored to a widow who has been cohabiting with another person if the Trustees are satisfied that the cohabitation has ceased and that there are exceptional reasons for the payment of the pension)—

- (a) for the word " and " there shall be substituted the word " or "; and
- (b) at the end there shall be added the words " notwithstanding that the cohabitation continues. " .

8 Widowers' pensions

- (1) After section 13 of the 1972 Act (pensions for widows) there shall be inserted the following section: —

“13A Pensions for widowers.

- (1) Subject to the provisions applied by subsection (2) of this section, the widower of a woman who has died after the passing of the Parliamentary Pensions etc. Act 1984 shall be entitled to receive a pension under this section, whether or not his late wife was entitled at the time of her death to receive a pension under section 7 or section 9 of this Act, if—
 - (a) she had been a Member of the House of Commons at any time after the passing of that Act; or
 - (b) she was a participant under section 2 of this Act in respect of one or more periods of tenure of a qualifying office and had held such an office at any time after the passing of that Act.
- (2) Subsections (2) to (5) of section 13 of this Act shall apply for the purposes of this section with the necessary modifications.”
- (2) In section 14 of the 1972 Act (pensions for certain widowers), after subsection (5) there shall be inserted the following subsection—

“(6) This section shall not apply in the case of a widower who is entitled to receive a pension under section 13A of this Act”.

(3) Accordingly—

- (a) in sections 15(4) and 17(1) of the 1972 Act (which contain references to sections 13 and 14 of that Act), after the words " section 13 " there shall be inserted the words " , section 13A " ;
- (b) in section 15(6) of that Act (interpretation), after the words " applied by " there shall be inserted the words " section 13A or " ;
- (c) subsection (9) of section 7 of the 1978 Act (which applies to widowers' pensions certain provisions made in relation to widows' pensions) shall have effect, in relation to any case where a person is entitled to receive a pension under section 13A of the 1972 Act, as if for the words from " section 14 of that Act" onwards there were substituted the words " section 13A of that Act and the reference to subsections (3) to (5) of section 13 of that Act shall be read as a reference to those subsections as applied by section 13A(2) of that Act "; and
- (d) in subsection (8) of section 12 of the 1978 Act (maximum not to apply in case of widows' and widowers' pensions) for the words " section 14 " and " or 14 " there shall be substituted, respectively, the words " section 13A or 14 " and the words " , 13A or 14 " .

9 Nominations in respect of gratuities payable on death

In section 16 of the 1972 Act (gratuity on death of Member or office-holder payable to nominated person or personal representatives)—

- (a) in subsection (1A)(a), for the word " person " there shall be substituted the word " individual " ; and
- (b) for subsection (1B) (which restricts the persons who may be nominated for the purposes of that section to the husband or wife of the nominator and says how nominations may be made or revoked) there shall be substituted the following subsections—

“(1B) The Trustees shall treat a nomination made for the purposes of this section by any person (" the nominator ") as not being in force at the time of the nominator's death—

- (a) if the individual nominated was the nominator's wife or husband at the time the nomination was made but has subsequently ceased to be the nominator's wife or husband ;
or
- (b) if they are of the opinion that the payment of the gratuity to the individual nominated is not reasonably practicable in all the circumstances.

(1C) A nomination for the purposes of this section must be made, and may be revoked, by a notice in writing given to the Trustees; and such a notice must be in such form as the Trustees may require.”.

10 Transfers from other pension schemes

- (1) In relation to a request made after the passing of this Act under subsection (1) of section 22 of the 1972 Act (transfers from other pension schemes), subsection (2) of

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that section (period during which receipt of transfer value may be requested) shall have effect as if—

- (a) for the words " twelve months ", there were substituted the words " five years "; and
- (b) for the words " the House of Commons Members' Fund and Parliamentary Pensions Act 1981 " there were substituted the words " the Parliamentary Pensions etc. Act 1984 " .

(2) Subsection (4) of the said section 22 (effect of transfer from other pension scheme by person who is not a Member of the House of Commons) shall have effect, and be deemed always to have had effect, as if for paragraph (a) there were substituted the following paragraph—

- “(a) the calculation under section 10 of this Act of the annual amount of any pension shall be made in respect of that person as if—
 - (i) the number of years for which a contribution credit falls to be calculated under subsection (3) of that section were increased by such number of additional years as may have been determined in relation to those sums by the Trustees, and
 - (ii) the contribution factor for each of those additional years were such amount as may have been so determined, and”;

and, accordingly, in subsection (5) of the said section 22 (calculation of matters determined by Trustees), after the word " period ", in each place where it occurs, there shall be inserted the words " or number of years; " .

11 Pensions under Part II of 1972 Act: refund of added years contributions

In section 30 of the 1972 Act, after subsection (3) (refund of amounts contributed by a person who subsequently became Prime Minister, Speaker or Lord Chancellor) there shall be inserted the following subsections—

“(4) Subject to subsection (5) of this section, any payments made by a contributor (whether before or after the coming into force of this subsection) for the purchase in pursuance of section 11 of the Act of 1978 of additional years of reckonable service shall be treated, for the purposes of subsection (3) of this section, as contributions.

(5) Where—

- (a) by virtue of subsection (4) of this section any part of an amount falling to be reduced under subsection (3) of this section represents a sum paid for the purchase in pursuance of the said section 11 of additional years of reckonable service, and
 - (b) that sum was so paid otherwise than in respect of an obligation that required the making of periodical payments (whether by way of deduction from salary or otherwise) over a period of five years or more,
- there shall be disregarded, for the purposes of calculating the amount of the reduction to be made under subsection (3) of this section, so much of that part of the amount falling to be reduced as does not represent interest on that sum.”.

House of Commons Members' Fund

12 Appropriation of funds for alleviation of special hardship

- (1) In the year current at the passing of this Act and subsequent years, the power of the House of Commons by resolution under subsection (4) of section 4 of the House of Commons Members' Fund Act 1948 (provision for cases of special hardship) to appropriate for the purposes of that section up to one-tenth of—
- (a) the sums deducted and set aside as mentioned in that subsection, and
 - (b) the contributions made under section 1 of the House of Commons Members' Fund Act 1957 (Treasury contributions),
- shall (without prejudice to section 3 of the House of Commons Members' Fund and Parliamentary Pensions Act 1981 (exclusion of increases in Treasury contributions from appropriation for the alleviation of special hardship)) be exercisable in relation to the whole or any part of those sums and contributions, instead of in relation to not more than one-tenth of them.
- (2) Accordingly, in relation to the years to which subsection (1) above applies—
- (a) in subsection (4) of the said section 4, for the words from " such part " to " the resolution " there shall be substituted the words " the whole or any part "; and
 - (b) in subsection (4) of the said section 1, for the words " up to one-tenth " there shall be substituted the words " the whole or any part " .

*Grants to persons ceasing to be office-holders or
Representatives to the Assembly of the European Communities*

13 Grants to persons ceasing to hold certain Ministerial and other offices

- (1) Where a person who has not attained the age of 65 ceases at any time after the passing of this Act (" the material time ") to hold a relevant office, he shall be entitled to a payment under this section if—
- (a) he has not been a Member of the House of Commons at any time during the period of two years ending at the material time ;
 - (b) he was throughout that period the holder of a relevant office (whether the same office or a succession of different offices); and
 - (c) he does not again become the holder of a relevant office within the period of three weeks beginning at the material time.
- (2) The amount of the payment to which a person who has ceased to hold a relevant office is entitled under this section is the amount equal to one-quarter of the annual amount of the salary which was being paid to that person in respect of that office immediately before the material time.
- (3) A payment under this section shall not be made until the end of the period mentioned in subsection (1)(c) above.
- (4) No payment shall be made under this section where a person has ceased to hold a relevant office on his death.
- (5) Where a person has at any time (whether before or after the passing of this Act) ceased to hold a relevant office but has again become the holder of such an office within the period of three weeks beginning at that time, then, on any subsequent occasion

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on which he ceases to hold a relevant office, the fact that he was not the holder of such an office for any part of that period of three weeks shall be disregarded for the purpose of—

- (a) calculating the period of two years mentioned in sub section (1)(a) and (b) above ; and
 - (b) determining whether he was the holder of a relevant office throughout the period so mentioned.
- (6) Where a person ceases on a dissolution of Parliament to hold the position of Leader of the Opposition in the House of Lords or Chief Opposition Whip in the House of Lords, subsection (1)(c) above and, in the event of his ceasing to hold a relevant office on a subsequent occasion, subsection (5) above shall have effect in relation to his ceasing to hold that position on that dissolution as if for the words " three weeks " (wherever occurring) there were substituted the words " six weeks " .
- (7) In this section " relevant office " means an office or position in respect of which a salary is payable under any provision of the Ministerial and other Salaries Act 1975 or the office of Chairman of Committees of the House of Lords or any office of Deputy Chairman of Committees of the House of Lords in respect of which a salary is payable out of money provided by Parliament; and in subsection (6) above " Leader of the Opposition " and " Chief Opposition Whip " have the same meaning as in that Act.

14 Grants to persons ceasing to be Representatives to the Assembly of the European Communities

The European Assembly (Pay and Pensions) Act 1979 shall have effect, and be deemed always to have had effect, with the substitution for section 3 (grants to Representatives losing their seats) of the following sections—

“3 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 Assembly at the general election of representatives to the Assembly held in that period ; or
 - (b) did so stand (whether for the same or a different constituency) at that election and was not elected,
- he shall, unless he attained the age of 65 before the end of that period, 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.

TABLE
 PERCENTAGES OF YEARLY SALARY

Age	Number of years of service						
	Under 10	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 or over	50	60	68	76	84	92	100

- (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 relation to the five-year period ending in 1984, subsection (1) shall have effect as if the words ' unless he attained the age of 65 before the end of that period' were omitted.
- (5) In this section ' five-year period' means a period of five years for which representatives have been elected to the Assembly; but if any such period is extended or curtailed, the references in this section to the end of that period shall be construed accordingly.

3A Power to amend section 3.

- (1) If it appears to the Secretary of State that the effect, at any time, of section 3 in relation to persons 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 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 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.”.

General

15 Financial provisions

- (1) There shall be paid out of money provided by Parliament any increase attributable to this Act in the sums payable out of such money under any other Act.
- (2) There shall be paid into or out of the Consolidated Fund any increase attributable to this Act in the sums payable into or out of that Fund under—
 - (a) section 30 of the 1972 Act; or
 - (b) section 7(1)(b) of the European Assembly (Pay and Pensions) Act 1979 (grants payable under section 3 of that Act).
- (3) A payment made in pursuance of section 13 above to a person who has ceased to hold a relevant office (within the meaning of that section) shall be paid out of money provided by Parliament or charged on and paid out of the Consolidated Fund according as the salary payable in respect of that office is payable out of such money or charged on and paid out of that Fund.

16 Interpretation

- (1) In this Act—
 - " the 1972 Act" means the Parliamentary and other Pensions Act 1972;
 - " the 1978 Act" means the Parliamentary Pensions Act 1978;
 - " qualifying office " has the same meaning as in Part I of the 1972 Act;
 - " the Trustees " means the Trustees of the Parliamentary Contributory Pension Fund.
- (2) Section 25(3) of the 1972 Act (persons to be treated as Members of the House of Commons whenever salary payable to them as such) shall apply for the purposes of this Act as it applies for the purposes of Part I of that Act.

17 Short title

This Act may be cited as the Parliamentary Pensions etc. Act 1984.

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SCHEDULE

Section 5(5) to (7).

REPEALS

Chapter	Short Title	Extent of Repeal
1972 c. 48.	The Parliamentary and other Pensions Act 1972.	<p>In section 6, in subsection (1), the words " subject to subsection (2A) of this section ", subsection (2A), in subsection (3) the words " subject to subsection (3A) of this section " and subsection (3A).</p> <p>Section 7(1)(c).</p> <p>In section 13(1)(b) the words " and had an aggregate period of reckonable service (whether as a Member or otherwise) of not less than four years " and the words " and had an aggregate period of reckonable service (whether as a Member or otherwise) of not less than three years ".</p> <p>In section 18(3)(c) the word " and ".</p>
1976 c. 48.	The Parliamentary and other Pensions and Salaries Act 1976.	<p>In section 1(2), the reference to section 10(2) of the 1972 Act.</p>
1978 c. 56.	The Parliamentary Pensions Act 1978.	<p>In section 2(5), paragraph (b) and the word " and " immediately preceding it.</p> <p>In section 7(4)(b), the words from " but" to " four years ".</p> <p>Section 8.</p> <p>In section 12, subsections (2) and (4) to (7).</p> <p>Section 14.</p> <p>Section 16.</p> <p>Section 18(3)(a).</p> <p>In Schedule 1, in paragraph 1(b), the reference to section 19(a) of the 1972 Act.</p>