
STATUTORY INSTRUMENTS

2014 No. 1964

The Public Service (Civil Servants and Others) Pensions Regulations 2014

PART 1

Preliminary

Citation and commencement

1.—(1) These Regulations may be cited as the Public Service (Civil Servants and Others) Pensions Regulations 2014.

(2) Part 1, regulations 138 and 182, Schedule 1 (payments for extra pension) and Schedule 2 (transitional provisions) come into force on 15th August 2014.

(3) The remaining provisions come into force on 1st April 2015.

Interpretation

2. In these Regulations—

“the Act” means the Public Service Pensions Act 2013;

“FA 2004” means the Finance Act 2004(1);

“PIA 1971” means the Pensions (Increase) Act 1971(2);

“PSA 1993” means the Pension Schemes Act 1993(3);

“PA 1995” means the Pensions Act 1995(4);

“SA 1972” means the Superannuation Act 1972(5);

“WRPA 1999” means the Welfare Reform and Pensions Act 1999(6);

“accrued added pension” means—

(a) accrued added (self only) pension (if any); and

(b) accrued added (all beneficiaries) pension (if any);

“accrued club transfer earned pension”—

(a) for the purpose of calculating the amount of a description of full retirement pension or the provisional amount of a description of deferred pension, is the amount calculated in accordance with regulation 35(5);

(1) 2004 c. 12.
(2) 1971 c. 56.
(3) 1993 c. 48.
(4) 1995 c. 26.
(5) 1972 c. 11.
(6) 1999 c. 30.

(b) for the purpose of calculating the amount of a description of partial retirement pension, is the amount calculated in accordance with regulation 36(5);

“accrued earned pension” means—

(a) in relation to this scheme—

- (i) accrued standard earned pension (if any);
- (ii) accrued earned pension attributable to an effective pension age option (if any);
- (iii) accrued earned pension attributable to an enhanced effective pension age option (if any); and
- (iv) accrued club transfer earned pension (if any);

(b) in relation to another pension scheme, accrued rights to benefits under that scheme which are the equivalent of accrued earned pension under this scheme;

“accrued pension” means—

(a) accrued earned pension under this scheme; and

(b) accrued added pension (if any);

“accrued rights”, in relation to benefits under this scheme, does not include a right to benefits attributable (directly or indirectly) to a pension credit;

“accrued standard earned pension”—

(a) for the purpose of calculating the amount of a description of full retirement pension or the provisional amount of any description of deferred pension, is the amount calculated in accordance with regulation 35(3);

(b) for the purpose of calculating the amount of a description of partial retirement pension, is the amount calculated in accordance with regulation 36(3);

“active member”, in relation to this scheme, means a person who is in pensionable service⁽⁷⁾ under this scheme;

“active member’s account” has the meaning given in regulation 40(2);

“actuarial guidance” means guidance given by the scheme manager after consultation with the scheme actuary;

“actuarial reduction”, in relation to reduction of pension payable to a member who has not reached normal pension age, means a reduction determined by the scheme manager after consulting with the scheme actuary or taking into account tables prepared by the scheme actuary;

“actuarial tables” means tables determined by the scheme manager after consultation with the scheme actuary;

“added pension” means, in relation to this scheme—

(a) added (self only) pension (if any); and

(b) added (all beneficiaries) pension (if any);

“added pension payments” means periodical payments or a lump sum payment for added pension made to this scheme;

“additional paternity leave” has the meaning given in regulation 2(1) of the Additional Paternity Leave Regulations 2010⁽⁸⁾;

“Admission Agreement” has the meaning given in regulation 16;

⁽⁷⁾ See section 37 of the Act for the meaning of “pensionable service”.

⁽⁸⁾ S.I. 2010/1055.

“adoption leave” has the meaning given in regulation 2(1) of the Paternity and Adoption Leave Regulations 2002(9);

“age addition” has the meaning given in regulation 33(4);

“the allocation amount” means the amount of the pension allocated as a result of making an allocation election;

“allocation election” means an election under regulation 86;

“amount of added pension”, in relation to a scheme year, means an amount calculated in accordance with regulation 43(7);

“amount of credited pension” has the meaning given in regulation 56(5);

“amount of earned pension”, in relation to a scheme year, means an amount calculated in accordance with regulation 43(4);

“annual allowance” has the meaning given in section 228 (annual allowance) of FA 2004(10);

“annual allowance charge” has the meaning given in section 227 (annual allowance charge) of FA 2004(11);

“annual rate”—

(a) for each description of pension, has the meaning given in Part 6 (retirement benefits); and

(b) in relation to pensionable earnings, means the amount of pensionable earnings payable for a scheme year;

“assumed age addition” has the meaning given in regulation 34(3);

“assumed pay” has the meaning given in regulation 27(2);

“the beginning date”, in relation to a pension not attributable (directly or indirectly) to a pension credit, means the date on which the pension is deemed to begin for the purpose of section 8(2) (meaning of “pension” and other supplementary provisions) of PIA 1971(12);

“beneficiary”, in relation to a deceased member, means the surviving adult or eligible child of the member;

“Civil Service Compensation Scheme” means the compensation scheme made under section 1 (superannuation schemes as respects civil servants etc.) of SA 1972(13) which was laid before Parliament on 9th January 1995, as amended from time to time;

“closing date”, in relation to a transition member, has the meaning given in paragraph 1 of Schedule 2 (transitional provisions);

“club scheme” means a registered occupational pension scheme (other than a connected scheme) that has agreed to make and receive club transfer value payments under the club transfer arrangements;

“club transfer” means a transfer to or from this scheme under the club transfer arrangements;

(9) S.I. 2002/2788; regulation 2(1) was amended by S.I. 2006/2014 and S.I. 2011/1740.

(10) Section 228 was substituted by the Finance Act 2011 (c. 11), Schedule 17, paragraphs 1 and 4 and was amended by the Finance Act 2013 (c. 29), section 49.

(11) Section 227 was amended by the Finance Act 2009 (c. 10), Schedule 2, paragraphs 10 and 15 and the Finance Act 2011, Schedule 16, paragraph 45 and Schedule 17, paragraphs 1 and 3.

(12) Section 8(2) was amended by the Pensions (Miscellaneous Provisions) Act 1990 (c. 7) section 1(5) and the Welfare Reform and Pensions Act 1999 (c. 30) section 39(1) and (4). Section 8(2) of the PIA may be applied subject to such modifications, adaptations and exceptions as may be specified in regulations under section 5(3) of that Act.

(13) Section 1 was amended by the Pensions (Miscellaneous Provisions) Act 1990 (c. 7) section 8(1) and (2); the Pension Schemes Act 1993 (c. 48) Schedule 8 paragraph 6; the Scotland Act 1998 (c. 46) Schedule 8 paragraph 14; the Public Bodies Act 2011 (c. 24) section 34; the Financial Services Act 2012 (c. 21) Schedule 18 paragraph 35; the Public Service Pensions Act 2013 (c. 25) Schedule 8 paragraphs 6 and 7 and Schedule 9 paragraphs 1 and 2; and S.I. 2000/2040, 2001/3649, 2007/126 and 2013/3115.

“club transfer arrangements” means arrangements approved by the scheme manager as providing reciprocal arrangements between this scheme and other registered occupational pension schemes for making and receiving club transfer value payments;

“club transfer earned pension” means pension attributable to receipt of a club transfer value payment;

“club transfer value” has the meaning given in regulation 141;

“club transfer value payment” means payment of a club transfer value;

“the commutation amount” means the amount of pension exchanged for a lump sum as a result of the exercise of the commutation option;

“commutation option” means the option to exchange part of a pension for a lump sum—

- (a) exercisable under regulation 84 in relation to a retirement pension; or
- (b) exercisable under regulation 97 in relation to a pension credit member’s pension;

“compensation scheme” means—

- (a) the Civil Service Compensation Scheme; or
- (b) a scheme made under section 1(2)(a) of the Act providing for redundancy compensation payments;

“connected scheme” means another statutory pension scheme that is connected, within the meaning of section 4(6) of the Act, with this scheme;

“continuity of service”, in relation to a transition member, has the meaning given in paragraph 2 of Schedule 2;

“continuous period of pensionable service”, in relation to this scheme, means a period of pensionable service under this scheme disregarding any gap in pensionable service not exceeding 5 years, unless otherwise provided;

“death benefits” means benefits payable under Part 8 (death benefits);

“deferred member”, in relation to this scheme, has the meaning given in regulation 28;

“deferred member’s account” has the meaning given in regulation 47(3);

“description of accrued added pension” means any of the following—

- (a) accrued added (self only) pension;
- (b) accrued added (all beneficiaries) pension;

“description of accrued pension” means accrued pension of a description mentioned in regulation 29;

“description of added pension” means any of the following—

- (a) added (self only) pension;
- (b) added (all beneficiaries) pension;

“description of deferred pension” means any of the following—

- (a) deferred standard earned pension;
- (b) deferred earned pension attributable to an effective pension age option;
- (c) deferred earned pension attributable to an enhanced effective pension age option;
- (d) deferred club transfer earned pension;
- (e) deferred added (all beneficiaries) pension;
- (f) deferred added (self only) pension;

“description of full retirement pension” means a full retirement pension of a description mentioned in regulation 30;

“description of partial retirement pension” means a partial retirement pension of a description mentioned in regulation 31;

“description of pension” means any of the following—

- (a) standard earned pension;
- (b) transferred pension;
- (c) earned pension attributable to an effective pension age option;
- (d) earned pension attributable to an enhanced effective pension age option;
- (e) club transfer earned pension;
- (f) added (all beneficiaries) pension;
- (g) added (self only) pension;

“dual capacity member” has the meaning given in regulation 160;

“early payment reduction” means the actuarial reduction that is applied when calculating the annual rate of pension payable to a member of this scheme who has not reached normal pension age under this scheme or, if applicable, effective pension age or enhanced effective pension age;

“effective pension age”, in relation to a member who has exercised an effective pension age option, means the age at which the member is entitled to payment, without actuarial reduction, of a full retirement earned pension or partial retirement earned pension attributable to that option;

“effective pension age payments” has the meaning given in paragraph 1 of Schedule 1 (payments for extra pension);

“effective pension age option” has the meaning given in paragraph 1 of Schedule 1;

“eligible child” has the meaning given in regulation 113;

“eligible child’s pension” has the meaning given in regulation 112;

“employment” includes an office or appointment and related expressions are to be read accordingly;

“enhanced effective pension age”, in relation to a member who has exercised an enhanced effective pension age option, means the age at which the member is entitled to payment, without actuarial reduction, of a full retirement earned pension or partial retirement earned pension attributable to that option;

“enhanced effective pension age option” has the meaning given in paragraph 1 of Schedule 1;

“enhanced effective pension age payments” has the meaning given in paragraph 1 of Schedule 1;

“Fair Deal eligible person” has the meaning given in regulation 16;

“Fair Deal transfer date” has the meaning given in regulation 16;

“full retirement account” has the meaning given in regulation 51(4);

“full retirement added pension” means, unless otherwise provided—

- (a) full retirement added (self only) pension (if any); and
- (b) full retirement added (all beneficiaries) pension (if any);

“full retirement earned pension” means, unless otherwise provided—

- (a) full retirement standard earned pension (if any);

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- (b) full retirement earned pension attributable to an effective pension age option (if any);
- (c) full retirement earned pension attributable to an enhanced effective pension age option (if any); and
- (d) full retirement club transfer earned pension (if any);

“full retirement pension” means—

- (a) full retirement earned pension; and
- (b) full retirement added pension (if any);

“guaranteed minimum” means the guaranteed minimum as defined in sections 14(14) (earner’s guaranteed minimum) and 17(15) (minimum pensions for widows and widowers) of PSA 1993—

- (a) as increased in accordance with the requirements of section 109(16) of that Act (annual increase of guaranteed minimum pensions); and
- (b) if a reduction has been made under section 15A(17) of that Act (reduction of guaranteed minimum in consequence of pension debit), as reduced in accordance with that section;

“ill-health pension”, in relation to pension payable under this scheme, means—

- (a) a lower tier earned pension; and
- (b) an upper tier top up earned pension (if applicable); or
- (c) if paragraph 29 of Schedule 2 applies, a pension payable under that paragraph;

“index adjustment” means—

- (a) in relation to the opening balance of a description of pension other than club transfer earned pension for any scheme year, the change in prices in that scheme year(18); and
- (b) in relation to the opening balance of club transfer earned pension for any scheme year, the in-service revaluation index that the sending scheme would have applied to the transferred pension for that scheme year, had it not been transferred;

“in-service revaluation index”, in relation to a pension scheme, means the percentage increase or decrease by which the pensionable earnings of a person, or a proportion of those earnings accrued as a pension, are revalued whilst the person is in pensionable service in that pension scheme;

“last active scheme year” means the scheme year in which an active member of this scheme ceases to be in pensionable service under this scheme;

“last day of pensionable service” means the last day of a continuous period of pensionable service under this scheme;

“late payment supplement”, in relation to the provisional amount of any description of deferred pension, means an additional amount of pension determined by the scheme manager after consulting the scheme actuary to be appropriate if a deferred member of this scheme reaches normal pension age under this scheme or, if applicable, effective pension age or enhanced

(14) Section 14 was amended by the Pensions Act 1995 (c. 26) Schedule 5 paragraph 27 and Schedule 7 Part 3, the Social Security Contributions (Transfer of Functions etc.) Act 1999 (c. 2) Schedule 1 paragraph 38 and the Proceeds of Crime Act 2002 (c. 29) Schedule 11 paragraphs 1 and 22.

(15) Section 17 was amended by the Social Security Contributions (Transfer of Functions etc.) Act 1999 (c. 2) Schedule 1 paragraph 39; the Child Support, Pensions and Social Security Act 2000 (c. 19) Schedule 5 paragraph 1 and Schedule 9 Part 3; the Pensions Act 2004 (c. 35) section 284(2); the Pensions Act 2007 (c. 22) section 14(2); the Marriage (Same Sex Couples) Act 2013 (c. 30) Schedule 4 paragraphs 18 and 20; and S.I. 2005/2050 and 2014/560.

(16) Section 109 was amended by the Pensions Act 1995 (c. 26) section 55 and S.I. 2005/2050.

(17) Section 15A was inserted by the Welfare Reform and Pensions Act 1999 (c. 30) section 32(1) and (3).

(18) Under section 9 of the Act the change in prices to be applied in a period is the percentage increase or decrease as a Treasury order under that section may specify in relation to the period.

effective pension age, before becoming entitled to the immediate payment of a full retirement pension;

“the leaving year” means the scheme year in which the relevant last day falls;

“lower tier earned pension” means accrued earned pension payable if a member meets the lower tier payment threshold;

“lower tier payment threshold” has the meaning given in regulation 72;

“lump sum death benefit” means a lump sum paid under Part 8 (death benefits) on the death of a member;

“maternity leave” means ordinary maternity leave or additional maternity leave as defined in regulation 2(1) of the Maternity and Parental Leave etc. Regulations 1999⁽¹⁹⁾;

“member”, in relation to this scheme, means an active member, deferred member, pensioner member or pension credit member of this scheme;

“member contributions” has the meaning given in regulation 134;

“Minister” means Minister for the Civil Service;

“normal minimum pension age” has the same meaning as in section 279(1) (other definitions) of FA 2004⁽²⁰⁾;

“normal pension age”, in relation to this scheme, is determined in accordance with section 10 of the Act;

“occupational pension scheme” has the meaning given in section 1 (categories of pension schemes) of PSA 1993⁽²¹⁾;

“opening balance”, in relation to a description of pension for a scheme year, has the meaning given in regulation 44;

“option proportion”, in relation to a description of accrued pension, means the proportion specified in a notice under regulation 65;

“ordinary maternity leave” has the meaning given in regulation 2(1) of the Maternity and Parental Leave etc. Regulations 1999;

“parental leave” has the meaning given in regulation 2(1) of the Maternity and Parental Leave etc. Regulations 1999;

“partial retirement account” has the meaning given in regulation 54;

“partial retirement added pension” means—

- (a) partial retirement added (self only) pension (if any); and
- (b) partial retirement added (all beneficiaries) pension (if any);

“partial retirement earned pension” means—

- (a) partial retirement standard earned pension (if any);
- (b) partial retirement earned pension attributable to an effective pension age option (if any);
- (c) partial retirement earned pension attributable to an enhanced effective pension age option (if any); and
- (d) partial retirement club transfer earned pension (if any);

“partial retirement option” means the option exercisable under regulation 64;

“partial retirement pension” means—

⁽¹⁹⁾ S.I. 1999/3312; regulation 2(1) was amended by S.I. 2002/2789, 2006/2014, 2013/388 and 2013/591.

⁽²⁰⁾ There are amendments to section 279(1) but none is relevant.

⁽²¹⁾ Section 1 was amended by the Pensions Act 2004 (c.35), section 239(1), (2), (3) and (4), the Finance Act 2007 (c.11), Schedule 20, paragraph 23 and Schedule 27 Part 3(2), S.I. 1999/1820 and S.I. 2000/3014.

(a) partial retirement earned pension; and

(b) partial retirement added pension (if any);

“partially retired”, in relation to a member of this scheme, means a member who has exercised the partial retirement option;

“partnership pension account”, in relation to a person in service in a scheme employment, means a stakeholder pension scheme or personal pension scheme to which the person’s employer is paying contributions;

“paternity leave” means leave under regulation 4 or 8 of the Paternity and Adoption Leave Regulations 2002(22);

“pay period” means the period in respect of which a payment of pensionable earnings is made;

“pension credit” has the meaning given in section 124(1) (interpretation of Part 1) of PA 1995(23);

“pension credit member”, in relation to this scheme, means a person who has rights under this scheme which are attributable (directly or indirectly) to a pension credit under a pension sharing order following divorce or nullity of marriage;

“pension credit member’s account” has the meaning given in regulation 56;

“pension credit member’s pension” means a pension payable under regulation 91;

“pension debit member”, in relation to this scheme, means a person who is a member of this scheme whose benefits or future benefits under this scheme have been reduced under section 31 (reduction of benefit) of WRPA 1999;

“pensionable earnings” has the meaning given in regulation 26;

“pensionable public service” means pensionable service under an existing scheme(24) or an existing public body pension scheme as defined in paragraph 1 of Schedule 2 (transitional provisions);

“pensioner member”, in relation to this scheme, means a person who is entitled to the immediate payment of a retirement pension under this scheme;

“pension sharing order” means any provision or order specified in section 28 (activation of pension sharing) of WRPA 1999(25);

“period of assumed pay” has the meaning given in regulation 27(1);

“permanent pensionable earnings” has the meaning given in regulation 26(4);

“personal pension scheme” means a personal pension scheme as defined in section 1 (categories of pension schemes) of PSA 1993 that is a registered pension scheme;

“the PCSPS” means the pension scheme made under section 1 (superannuation schemes as respects civil servants etc.) of SA 1972 which is the principal civil service pension scheme within the meaning of section 2(10)(further provisions relating to schemes under section 1)(26) of that Act;

“prospective normal pension age”, in relation to a member’s prospective entitlement to benefits under this scheme, means the normal pension age that the scheme manager, by reference to

(22) Regulations 4 and 8 were amended by 2005/2114.

(23) Section 124(1) was amended by the Welfare Reform and Pensions Act 1999 (c.30) Schedule 2 paragraph 18 and Schedule 12 paragraphs 43 and 61; the Pensions Act 2004 (c.35) section 7(2), Schedule 12 paragraphs 34 and 69 and Schedule 13, Part 1; the Child Support, Pensions and Social Security Act 2000 (c.19), section 49(2) and Schedule 5 paragraph 8; and S.I. 2005/2053, 2006/745 and 2014/560.

(24) See section 18(2) of the Act for the meaning of “existing scheme”.

(25) Section 28 was amended by the Civil Partnership Act 2004 (c.33) Schedule 27 paragraph 159 and the Pensions Act 2008 (c.30) section 128(1) and (2).

(26) Section 2(10) was amended by the Constitutional Reform and Governance Act 2010 (c. 25) Schedule 2 paragraph 2.

Treasury directions under section 11(2) of the Act, determines would apply in relation to those benefits;

“protected member”, in relation to the PCSPS, has the meaning given in paragraph 1 of Schedule 2;

“provisional amount”, in relation to any description of deferred pension, has the meaning given in regulation 48(2);

“qualifying service” has the meaning given in regulation 59;

“registered”, in relation to a pension scheme, means registered under Chapter 2 of Part 4 (registration of pension schemes) of FA 2004;

“the relevant last day”, in relation to a continuous period of pensionable service, means—

- (a) for a partially retired member, the day before the day on which the partial retirement option was exercised, and
- (b) otherwise, the member’s last day of pensionable service;

“retirement index adjustment”, in relation to an amount of accrued pension, has the meaning given in regulation 32;

“retirement benefits” means benefits payable under Part 6 (retirement benefits);

“retirement pension” means any of the following—

- (a) a full retirement pension;
- (b) a partial retirement pension;
- (c) an ill-health pension (and any full retirement added pension payable with it);

“this scheme” means the scheme established by these Regulations;

“scheme actuary” means the individual appointed by the Minister under regulation 158;

“scheme closing date” means 31st March 2015;

“scheme employment” has the meaning given in regulation 13;

“scheme manager” has the meaning given in regulation 4;

“scheme medical adviser” means the medical adviser appointed by the scheme manager for the time being to provide a consulting service on medical matters relevant to this scheme;

“scheme year” means a period of one year beginning with 1st April and ending with 31st March;

“sending scheme” means a club scheme which pays a club transfer value;

“stakeholder pension scheme” means a scheme which is a stakeholder pension scheme for the purposes of Part 1 (Stakeholder Pension Schemes) of WRPA 1999 (see section 1(27) of that Act);

“standard earned pension” means pension which is earned under this scheme and which is payable without actuarial reduction at normal pension age;

“statutory pay” means—

- (a) statutory adoption pay within the meaning of section 171ZL(1) (entitlement) of the Social Security Contributions and Benefits Act 1992(28);
- (b) statutory maternity pay within the meaning of section 164(1) (statutory maternity pay – entitlement and liability to pay) of the Social Security Contributions and Benefits Act 1992;

(27) Section 1 was amended by Pensions Act 2004 (c.35) section 285(1), (2), (3) and (4), Pensions Act 2007 (c.22) Schedule 4 paragraph 37 and Schedule 7 Part 6 and S.I. 2006/745.

(28) 1992 c. 4. Section 171ZL was inserted by the Employment Act 2002 (c. 22) section 4.

- (c) ordinary statutory paternity pay within the meaning of section 171ZA(1) (entitlement: birth) or 171ZB(1) (entitlement: adoption) of the Social Security Contributions and Benefits Act 1992⁽²⁹⁾; or
- (d) additional statutory paternity pay within the meaning of section 171ZEA(1) (entitlement to additional statutory paternity pay: birth) or 171ZEB(1) (entitlement to additional statutory paternity pay: adoption) of the Social Security Contributions and Benefits Act 1992 ⁽³⁰⁾;

“surviving adult”, in relation to a deceased member of this scheme, has the meaning given in regulation 100;

“surviving adult’s pension” has the meaning given in regulation 102;

“surviving civil partner” has the meaning given in regulation 100;

“surviving nominated partner” has the meaning given in regulation 101;

“surviving spouse” has the meaning given in regulation 100;

“tax year” means a period of one year which is the period of assessment for income tax purposes;

“total allocation amount”, in relation to an amount of retirement pension, means the total amount of that pension allocated under Chapter 6 of Part 6 (retirement benefits);

“transfer payment” means a transfer value payment or a club transfer value payment;

“transfer value” has the meaning given in regulation 141;

“transfer value payment” means payment of a transfer value;

“the transferred services” has the meaning given in regulation 16;

“transferred pension” means pension attributable to receipt of a transfer value payment;

“transition member” has the meaning given in paragraph 1 of Schedule 2 (transitional provisions);

“upper tier top up earned pension” means top up earned pension payable if a member meets the upper tier payment threshold;

“upper tier payment threshold” has the meaning given in regulation 73;

“weekly rate”, in relation to a guaranteed minimum pension, has the meaning given in regulation 55(2) of the Occupational Pension Schemes (Contracting-out) Regulations 1996⁽³¹⁾;

“whole of the member’s accrued pensions” means—

- (a) all the member’s accrued earned pension under this scheme; and
- (b) all the member’s accrued added pension (if any).

⁽²⁹⁾ Sections 171ZA and 171ZB were inserted by the Employment Act 2002 section 2. Subsections (1) of those sections were amended by the Work and Families Act 2006 (c. 18) Schedule 1 paragraphs 12 and 13.

⁽³⁰⁾ Sections 171ZEA and 171ZEB were inserted by the Work and Families Act 2006 (c. 18) sections 6 and 7.

⁽³¹⁾ S.I. 1996/1172.