



Parliamentary and other Pensions Act 1987

CHAPTER 45

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Parliamentary and other Pensions Act 1987

1987 CHAPTER 45

An Act to provide for the continuance in existence of the Parliamentary Contributory Pension Fund; to confer power on the Leader of the House of Commons to make regulations with respect to that Fund and with respect to the application of the assets of that Fund in or towards the provision of pensions; to amend Mr Speaker King's Retirement Act 1971; and for connected purposes. [15th May 1987]

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:—

1.—(1) Subject to the following provisions of this Act, the Parliamentary Contributory Pension Fund (in this Act referred to as "the Fund") shall continue to exist on and after the day on which this section comes into force with the same trustees as it had immediately before that day. Continuance of Fund.

(2) The House of Commons shall have power by Order of the House to remove a trustee of the Fund and, subject to any provision made under section 2 below as to the qualification or number of trustees, to fill any vacancy in the trustees and to appoint additional trustees.

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

Power to provide for pensions.

2.—(1) The Leader of the House of Commons may, with the consent of the Treasury, by regulations make provision with respect to the Fund and with respect to the application of the assets of the Fund in or towards the provision of pensions for or in respect of persons with service to which this section applies.

(2) Subject to subsection (3) below, the service to which this section applies is service as any of the following, that is to say—

(a) a Member of the House of Commons;

1975 c. 27.

(b) the holder of any of the offices specified in Parts I to IV of Schedule 1 to the Ministerial and other Salaries Act 1975 (ministerial offices);

(c) the holder of any office specified in Part I of Schedule 2 to that Act (Opposition leaders and whips); or

(d) the holder of the office of Chairman of Ways and Means, Deputy Chairman of Ways and Means, Chairman of Committees of the House of Lords or Deputy Chairman of Committees of the House of Lords.

(3) Regulations under this section shall not provide for the application of any of the assets of the Fund in or towards the provision of pensions for or in respect of persons with service as Lord Chancellor, Prime Minister and First Lord of the Treasury or Speaker of the House of Commons.

(4) Without prejudice to the generality of subsection (1) above, regulations under this section may—

(a) include all or any of the provisions specified in Schedule 1 to this Act;

(b) subject to subsection (5) below, make provision which has effect—

(i) from a date earlier than the date of the making of the regulations containing the provision; or

(ii) in relation to service before the passing of this Act (including, in the case of service falling within subsection (2)(b) or (c) above, service before the passing of the Ministerial and other Salaries Act 1975);

(c) make different provision in relation to different cases, circumstances or persons; and

(d) make such incidental, consequential and transitional provision as the Leader of the House of Commons considers appropriate.

(5) No regulation made under this section shall be construed as restricting the powers of the trustees of the Fund under section 1(3) above.

(6) The Leader of the House of Commons shall not under this section make any regulations in relation to an accrued right which put any person in a worse position than he would have been in apart from the regulations unless the Leader of the House of Commons is satisfied—

- (a) that the person in respect of whose service the right has accrued or, as the case may be, will have accrued by the time when the regulations come into force is, at the time of the making of the regulations, in service to which this section applies; or
- (b) that an opportunity is given under the regulations for that person or (where that person has died) for the persons who are or may become entitled by virtue of that right to or to the benefit of any pension, or for a person acting on behalf of that person or those persons, to opt for the accrued right to remain unaffected by the regulations.

(7) The power to make regulations under this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament; but no such regulations shall be made unless the trustees of the Fund and persons appearing to the Leader of the House of Commons to represent persons likely to be affected by the regulations have first been consulted about them.

(8) Where the Leader of the House of Commons has made any proposals for the making of regulations under this section, a copy of any representations made to him by the trustees of the Fund about the proposals shall be laid before the House of Commons.

(9) Schedule 2 to this Act shall have effect for the purpose of treating the enactments and subordinate legislation which relate to the Fund and the payment of pensions out of the Fund and which are in force immediately before the coming into force of this section as if they were contained in regulations made under this section.

(10) In this section “accrued right”, in relation to any regulations made under this section, means so much of any right or entitlement to or in respect of a pension payable out of the Fund (including any future or contingent right or entitlement) as—

- (a) has accrued under the Parliamentary pension scheme in respect of so much of any person’s service as was before the making of the regulations; or
- (b) by the time when the regulations come into force, will have accrued under that scheme in respect of any service of a person whose service to which this section applies includes a period of service before the making of the regulations.

3.—(1) In respect of each financial year an Exchequer contribution shall be paid out of money provided by Parliament into the Fund.

Exchequer contributions to Fund.

(2) Subject to subsection (6) below, the amount of the contribution to be paid under subsection (1) above in respect of any financial year shall be calculated in accordance with the recommendations for that year contained in a report made under this section by the Government Actuary.

(3) As soon as practicable after the beginning of the period of three years beginning with the relevant date and of each succeeding period of three years, the Government Actuary shall make a report to the trustees of the Fund and to the Treasury on the general financial position of the Fund as at the commencement of the period of three years in which the report is made.

(4) Each report under this section shall contain a recommendation of the Government Actuary as to the rate at which Exchequer contributions should (subject to any subsequent report under this section) be paid into the Fund under this section in respect of any financial year beginning after the report is made; and that rate shall be expressed by reference to such matters as the Government Actuary considers appropriate.

(5) A copy of every report made by the Government Actuary under this section shall be laid before the House of Commons.

1972 c. 48.

(6) Notwithstanding the repeals made by this Act, section 5 of the Parliamentary and other Pensions Act 1972 shall continue to have effect after the coming into force of this section for the purpose—

- (a) of requiring a report to be made by the Government Actuary in accordance with that section in respect of any three year period which is current for the purposes of that section when this section comes into force and in respect of which no report has already been so made;
- (b) of requiring any report so made to be laid before the House of Commons; and
- (c) of determining the amount of the Exchequer contribution to be paid into the Fund in respect of any financial year beginning before the making of the first report to be made under this section;

and for the purposes of this subsection any recommendation contained in a report made under that section in respect of the three year period mentioned in paragraph (a) above shall, so far as it relates to the last year of that period (and except in so far as the Government Actuary otherwise recommends in the report), be treated as the recommendation to be taken into account under that section in relation to any financial year beginning after the end of the said last year and before the making of the said first report.

(7) In this section “the relevant date” means the date immediately following the end of the three year period which is current for the purposes of the said section 5 when this section comes into force.

Amendment of
Mr Speaker
King's
Retirement Act
1971.
1971 c. 13.

4.—(1) Subsection (2) of section 1 of Mr Speaker King's Retirement Act 1971 shall have effect as from the coming into force of this subsection as if the annuity which would have been payable to Una, the late Lady Maybray-King, if she had survived the late Lord Maybray-King were required to be paid, during her life, to Sheila, Lady Maybray-King, his widow.

(2) In the proviso to the said subsection (2) (application of terms and conditions applying under Part I of the Parliamentary and other Pensions Act 1972), for the words from “Part I” onwards there shall be substituted the words “the Parliamentary pension scheme (within the meaning of the Parliamentary and other Pensions Act 1987)”.

(3) There shall be charged on and paid out of the Consolidated Fund any increase attributable to this section in the sums so charged and paid under the said Act of 1971.

5.—(1) In this Act, except in so far as the context otherwise requires— Interpretation.

“the Fund” means the Parliamentary Contributory Pension Fund;

“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;

“modifications” includes additions, alterations and omissions, and cognate expressions shall be construed accordingly;

“the Parliamentary pension scheme” means the provisions of any regulations made under section 2 above or of any enactment or subordinate legislation which by virtue of this Act has effect as if it were contained in regulations so made;

“pension” includes gratuity;

“subordinate legislation” has the same meaning as in the Interpretation Act 1978.

1978 c. 30.

(2) For the purposes of this Act a person shall be treated as a Member of the House of Commons at any time if, at that time, a salary is or was payable to him under such resolutions of the House of Commons relating to the remuneration of Members as are or were for the time being in force.

6.—(1) Schedule 3 to this Act, which in connection with the provisions of this Act makes certain modifications and savings, shall have effect.

Minor and consequential modifications, savings and repeals.

(2) Subject to section 3(6) above and Schedules 2 and 3 to this Act, the enactments mentioned in Schedule 4 to this Act are hereby repealed to the extent specified in the third column of that Schedule.

7.—(1) This Act may be cited as the Parliamentary and other Pensions Act 1987.

Short title, commencement and extent.

(2) This Act shall come into force on such day as the Leader of the House of Commons may by order made by statutory instrument appoint, and different days may be so appointed for different provisions or for different purposes.

(3) This Act extends to Northern Ireland.

SCHEDULES

Section 2.

SCHEDULE 1

PROVISIONS THAT MAY BE INCLUDED IN REGULATIONS

1. Provision as to the administration of the Fund, as to the management and application of the assets of the Fund and as to the number, qualification and proceedings of the trustees of the Fund.

2. Provision authorising or requiring contributions and other sums to be paid into the Fund by or on behalf of persons in service to which section 2 of this Act applies, including provision for those contributions and sums to be paid by means of deductions from salary and, in the case of a person who does not draw a salary, provision for them to be paid out of money provided by Parliament.

3. Provision as to the circumstances in which there is to be entitlement to a pension payable out of the Fund, as to the conditions of any such entitlement, as to the persons to or for the benefit of whom such a pension is to be payable, as to the calculation of the amount of any such pension and as to the payment or commutation of any such pension.

4. Provision for the application of assets of the Fund in or towards the provision of pensions to be paid otherwise than out of the Fund and, in connection with any such provision, provision for the payment into the Fund out of money provided by Parliament of sums in addition to those paid into the Fund under section 3 of this Act.

5. Provision for the payment and receipt of transfer values by the trustees of the Fund (including provision for the payment of such values into the Consolidated Fund), and provision for the transfer and receipt by those trustees, in lieu of transfer values, of funds or policies of insurance.

6. Provision authorising service other than service to which section 2 of this Act applies to be taken into account, in addition to service to which that section does apply, for the purposes of any of the regulations.

7. Provision as to the circumstances and manner—

(a) in which amounts equal to some or all of the contributions and other sums paid by or on behalf of a person into the Fund may be repaid or paid to him; and

(b) in which any such amounts are to be paid out of the Consolidated Fund in respect of any transfer values paid into that Fund,

and provision as to whether any repayment or payment made out of either Fund is to be made with or without interest.

8. Provision which, in relation to such cases, circumstances or persons as may be specified in or determined under the regulations, authorises any sum due to be paid out of the Fund in respect of a person who has died to be paid without probate or other proof of title.

9. Provision rendering void any assignment (or, in Scotland, assignation) of or charge on, or any agreement to assign or charge, any pension which is or may become payable out of the Fund; and, without prejudice to paragraph 13 below, provision modifying the effect in relation to any such pension of so much of any enactment or subordinate legislation (whether passed or made before or after the passing of this Act) as relates to bankruptcy or, in Scotland, to the sequestration of a debtor's estate.

10. Provision conferring functions under the regulations on such persons as may be specified in or determined under the regulations.

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

SCH. 1

12. Provision which, with or without modifications, applies in relation to a pension payable out of the Fund so much of any enactment or subordinate legislation (whether passed or made before or after the passing of this Act) as relates to any other pension, being a pension payable out of money provided by Parliament.

13. Provision making such modifications of any enactment or subordinate legislation (whether passed or made before or after the passing of this Act) as the Leader of the House of Commons considers appropriate in consequence of any provision of the regulations.

SCHEDULE 2

Section 2.

EXISTING ENACTMENTS ETC. CONTINUED IN FORCE

Enactments

1.—(1) Notwithstanding the repeals made by this Act, on and after the appointed day the existing enactments shall have effect, subject to the following provisions of this Schedule, as if they were contained in regulations made under and in accordance with section 2 of this Act and could be modified accordingly.

(2) In any enactment contained in Part I of the Parliamentary and other Pensions Act 1972, as that enactment has effect under sub-paragraph (1) above, any reference to section 31 of that Act shall have effect as a reference to the provisions, as from time to time modified by virtue of paragraph 3 of Schedule 3 to this Act, of the Pensions (Increase) Act 1971 and sections 59 and 59A of the Social Security Pensions Act 1975.

1972 c. 48.

1971 c. 56.

1975 c. 60.

(3) In subsection (1) of section 24 of the said Act of 1972 (payments due to deceased persons), as it has effect under sub-paragraph (1) above, the reference to the amount payments in excess of which cannot (except in so far as they are due by way of interest) be made under that subsection shall have effect as a reference to the amount of the limit for the time being specified by virtue of orders made from time to time under section 6 of the Administration of Estates (Small Payments) Act 1965 in the enactments listed in Part I of Schedule 1 to the said Act of 1965.

1965 c. 32.

Subordinate legislation

2. Where any of the existing enactments contains any power to make subordinate legislation, that power shall cease to have effect on the appointed day, but on and after that day any subordinate legislation which was made under that power and is in force immediately before that day shall have effect, with the necessary modifications, as if it were contained in regulations made under and in accordance with section 2 of this Act and could be modified accordingly.

Commencement and transitional provisions

3.—(1) Where for the purpose of determining the enactments and subordinate legislation which have effect under paragraphs 1 and 2 above it is necessary to take account of any modifications or successive modifications of any enactment or subordinate legislation as originally enacted or made—

- (a) neither paragraph 1 nor paragraph 2 above shall apply in relation to any commencement or transitional provision or saving made in connection with any such modifications; but

SCH. 2 (b) notwithstanding the repeals made by this Act, on and after the appointed day any such provision or saving (whether contained in, or in subordinate legislation made under, any existing enactment or not) shall continue to have effect, in so far as it relates to any enactment or subordinate legislation which has effect under paragraph 1 or 2 above, for the purpose of determining the cases, circumstances or persons in relation to which that enactment or subordinate legislation so has effect.

(2) On and after the appointed day so much of any enactment or subordinate legislation as, notwithstanding its modification by any other enactment or subordinate legislation, is continuing immediately before that day to have effect, in relation to particular cases, circumstances or persons—

(a) by virtue of any commencement or transitional provision or saving made in connection with any such modifications as are mentioned in sub-paragraph (1) above; or

1972 c. 48. (b) by virtue of section 36(2) of the Parliamentary and other Pensions Act 1972 (transitional provisions),

shall continue to have effect in accordance with the provision or saving, or with the said section 36(2), as if it too were contained in regulations made under and in accordance with section 2 of this Act and could be modified accordingly.

1978 c. 56.
1984 c. 52. (3) Sub-paragraph (2) above shall apply to the provisions of section 8 of the Parliamentary Pensions Act 1978 (as they have effect by virtue of sections 3(1) and 5(7) of the Parliamentary Pensions etc. Act 1984) as it applies to the other enactments repealed by virtue of the said section 3(1).

1965 c. 11. (4) In subsection (2) of section 14 of the Ministerial Salaries and Members Pensions Act 1965 (payments due to deceased persons), as it has effect under sub-paragraph (2) above, the reference to the amount payments in excess of which cannot (except in so far as they are due by way of interest) be made under that subsection shall have effect as a reference to the amount of the limit for the time being specified by virtue of orders made from time to time under section 6 of the Administration of Estates (Small Payments) Act 1965 in the enactments listed in Part I of Schedule 1 to the last-mentioned Act of 1965.

1965 c. 32.

Supplemental

4.—(1) Anything done before the appointed day under or for the purposes of any provision which by virtue of this Schedule has effect as if it were contained in regulations made under section 2 of this Act shall have effect on and after that day as if it had been done under or for the purposes of that provision as so contained.

(2) Subject to any regulations made under section 2 of this Act, any reference in any enactment or subordinate legislation, or in any deed or other instrument or document, to any provision which by virtue of this Schedule has effect as if it were contained in regulations so made shall have effect, so far as necessary for the purposes of or in connection with the provisions of this Schedule, as a reference to the corresponding provision having effect as if so contained.

(3) Where any period of time specified in any enactment or subordinate legislation having effect under this Schedule as if it were contained in regulations made under section 2 of this Act is current on the appointed day, this Schedule shall have effect in relation to that period as if the appointed day had been before the period began to run.

Interpretation

SCH. 2

5. In this Schedule —

“the appointed day” means the day on which section 2 of this Act comes into force;

“commencement or transitional provision” includes so much of any provision as provides for, or is to be construed as providing for, any enactment or subordinate legislation to come into force only with effect from a particular time or only in relation to particular cases; circumstances or persons; and

“the existing enactments” means the following enactments as they have effect immediately before the appointed day, namely—

(a) the enactments contained in Part I of the Parliamentary and other Pensions Act 1972 (including Schedules 1 and 2), other than sections 1(1) to (4) and (7), 5, 23 and 24(4); 1972 c. 48.

(b) sections 30, 33 and 35 of the said Act of 1972; and

(c) without prejudice to section 20(2) of the Interpretation Act 1978 (references to enactments) in its application in relation to paragraphs (a) and (b) above, sections 2 to 5, 6(2), 7, 11, 12(8) and 18(2) and (3) of the Parliamentary Pensions Act 1978 and sections 3(4) to (6), 4(3) to (6), 5(1) and (2) and 6 of the Parliamentary Pensions etc. Act 1984. 1978 c. 30.
1978 c. 56.
1984 c. 52.

SCHEDULE 3

Section 6.

CONSEQUENTIAL MODIFICATIONS AND SAVINGS

The Superannuation (Miscellaneous Provisions) Act 1948

1948 c. 33.

1.—(1) For the purposes of section 2 of the Superannuation (Miscellaneous Provisions) Act 1948 (pensions of persons transferring to different employment) a person's service—

(a) as a Member of the House of Commons of the United Kingdom during any period in respect of which he is a participant in relation to his membership of that House in arrangements contained in the Parliamentary pension scheme; or

(b) as the holder of an office mentioned in subsection (2)(b), (c) or (d) of section 2 of this Act during any period in respect of which he is a participant in relation to that office in any such arrangements; or

(c) as a Member of the House of Commons of the United Kingdom or the holder of an office so mentioned during any period in respect of which his service was treated as employment by virtue of section 23 of the Parliamentary and other Pensions Act 1972; or

(d) as a Member of the House of Commons of Northern Ireland,

shall be treated as employment within the meaning of the said Act of 1948, whether or not it would be so treated apart from this paragraph.

(2) Without prejudice to the power conferred by virtue of paragraph 13 of Schedule 1 to this Act, regulations under section 2 of this Act may make provision specifying the circumstances in which any person is to be regarded for the purposes of this paragraph as being a participant in relation to his membership of the House of Commons of the United Kingdom, or in relation to any office, in arrangements contained in the Parliamentary pension scheme.

SCH. 3 (3) In relation to any time before the coming into force of the first regulations to be made containing any such provision as is mentioned in sub-paragraph (2) above a person shall be treated as a participant in arrangements contained in the Parliamentary pension scheme—

(a) in relation to his Membership of the House of Commons, if he is a Member of that House;

1972 c. 48. (b) in relation to any office, if he is a participant under section 2 of the Parliamentary and other Pensions Act 1972, as that section has effect by virtue of Schedule 2 to this Act.

(4) Nothing in this Act shall affect the validity of any rules which are in force at the coming into force of this paragraph under section 2 of the said Act of 1948 or which have effect under section 36(4) of the Parliamentary and other Pensions Act 1972 as if they were so in force.

1970 c. 10.

The Income and Corporation Taxes Act 1970

2.—(1) In section 211(2) of the Income and Corporation Taxes Act 1970 (exemption from income tax of Parliamentary pension funds), for paragraph (b) there shall be substituted the following paragraph—

“(b) the Parliamentary Contributory Pension Fund;”.

(2) Subsection (1) of section 229 of the said Act of 1970 (annuity premiums of Ministers and other officers) shall have effect with the following amendments, that is to say—

(a) in paragraph (b), for the words “elects not to be a participant under section 2 of the Parliamentary and other Pensions Act 1972” there shall be substituted the words “is not a participant in relation to that office in arrangements contained in the Parliamentary pension scheme but is a participant in relation to his membership of the House of Commons in any such arrangements”; and

(b) for the words from “(in accordance with any” to “that resolution)” there shall be substituted the words “and the salary which (in accordance with any such resolution as is mentioned in subsection (1B)(a) below)”;

(c) for the words from “In this subsection” onwards there shall be substituted the following subsections—

“(1A) In this section—

‘Member’s pensionable salary’ means a Member’s ordinary salary under any resolution of the House of Commons which, being framed otherwise than as an expression of opinion, is for the time being in force relating to the remuneration of Members or, if the resolution provides for a Member’s ordinary salary thereunder to be treated for pension purposes as being at a higher rate, a notional yearly salary at that higher rate;

‘qualifying office’ means an office mentioned in paragraph (b), (c) or (d) of subsection (2) of section 2 of the Parliamentary and other Pensions Act 1987;

‘the Parliamentary pension scheme’ has the same meaning as in that Act;

and, without prejudice to the power conferred by virtue of paragraph 13 of Schedule 1 to that Act, regulations under section 2 of that Act may make provision specifying the circumstances in which a person is to be regarded for the purposes of this section

as being or not being a participant in relation to his Membership of the House of Commons, or in relation to any office, in arrangements contained in the Parliamentary pension scheme.

SCH. 3

(1B) In subsection (1A) above 'a Member's ordinary salary', in relation to any resolution of the House of Commons, means—

- (a) if the resolution provides for salary to be paid to Members at different rates according to whether or not they are holders of particular offices, or are in receipt of salaries or pensions as the holders or former holders of particular offices, a Member's yearly salary at the higher or highest rate; and
- (b) in any other case, a Member's yearly salary at the rate specified in or determined under the resolution."

The Pensions (Increase) Act 1971

1971 c. 56.

3.—(1) In section 5(3) of the Pensions (Increase) Act 1971 (power to modify Act in relation to certain official pensions), the reference to the provisions of that Act and of sections 59 and 59A of the Social Security Pensions Act 1975 shall include a reference to those provisions as they have effect in consequence of the following provisions of this paragraph.

1975 c. 60.

(2) Notwithstanding the repeal by this Act of Part I and section 34(1) of the Parliamentary and other Pensions Act 1972, section 19(2)(a) of the said Act of 1971 shall continue to have effect, after the coming into force of the repeal, with the amendment made by the said section 34(1).

1972 c. 48.

(3) In Schedule 2 to the said Act of 1971, for paragraph 3A there shall be substituted the following paragraph—

"3A. A pension which under the Parliamentary pension scheme (within the meaning of the Parliamentary and other Pensions Act 1987) is payable out of the Parliamentary Contributory Pension Fund."

(4) Without prejudice to paragraph 4 of Schedule 2 to this Act—

- (a) any regulations made under section 5(3) of the said Act of 1971 which immediately before the day on which this paragraph comes into force have effect in relation to pensions payable under any enactment the effect of which is continued under Schedule 2 to this Act shall have effect on and after that day, with the necessary modifications, as if they had effect in relation to pensions payable under the corresponding provision of the Parliamentary pension scheme; and
- (b) any increases made before that day under the said Act of 1971 and sections 59 and 59A of the Social Security Pensions Act 1975 shall be taken into account in determining the amount of any pension which was being paid before that day and continues to be paid on and after that day under that scheme.

(5) Subject to any regulations made under section 2 of this Act, the provisions of the said Act of 1971 and of the said sections 59 and 59A shall not be taken into account in calculating any amount—

- (a) in accordance with subsection (1) of section 8 of the Parliamentary and other Pensions Act 1972 (alternative calculation of pension by reference to the 1965 Act), as that subsection has effect by virtue of Schedule 2 to this Act; or

SCH. 3

- (b) for the purposes of subsection (2) of section 25 of the said Act of 1972 (meaning of “basic or prospective pension or pensions”), as that subsection so has effect.

1972 c. 48.

Parliamentary and other Pensions Act 1972

4.—(1) In section 27 of the Parliamentary and other Pensions Act 1972 (pensions for dependants of Prime Minister or Speaker) for the words from “the provisions of sections 13 to 15” in subsection (1) to the end of subsection (2) there shall be substituted the words “the designated provisions shall have effect as if—

- (a) at the time of his death that person had been entitled in respect of service as a Member of the House of Commons to receive a pension payable under the provisions of the Parliamentary pension scheme out of the Parliamentary Contributory Pension Fund;
- (b) the annual amount of that pension had been an amount equal to the annual amount of such pension calculated in accordance with subsection (3) or (in the case of a person who held office as Speaker) subsection (4) of section 26 of this Act as would have been payable to him at the time of his death if he had ceased to hold office immediately before his death and subsection (2) of that section and section 31 of this Act were disregarded; and
- (c) references in the designated provisions to the trustees of the Fund were references to the Treasury.

(2) For the purposes of subsection (1) above the designated provisions are such of the provisions contained in the Parliamentary pension scheme as—

- (a) have effect for the purposes of, or in connection with, the payment out of the Parliamentary Contributory Pension Fund of a pension in respect of service as a Member of the House of Commons—
 - (i) to the widow or widower of a person with such service; or
 - (ii) for the benefit of any children of any person;

and

- (b) are designated for the purposes of this section by regulations made by the Leader of the House of Commons.

(2A) The power to make regulations designating any provisions for the purposes of this section shall be exercisable by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.”

(2) After subsection (4) of the said section 27 there shall be inserted the following subsection—

“(5) In this section—

‘children’ includes adopted children, stepchildren and illegitimate children; and

‘the Leader of the House of Commons’ and ‘the Parliamentary pension scheme’ have the same meanings as in the Parliamentary and other Pensions Act 1987.”

(3) This paragraph shall not apply in relation to a person who, having held office as Prime Minister and First Lord of the Treasury or Speaker of the House of Commons, died before the coming into force of this paragraph; and in relation to such a person section 27 of the said Act of 1972, and the provisions applied by that section, shall have effect as if this Act had not been passed.

(4) There shall be charged on and paid out of the Consolidated Fund any increase attributable to this paragraph in the sums so charged and paid under section 27 of the said Act of 1972.

The European Parliament (Pay and Pensions) Act 1979

SCH. 3

5. In section 8(1) of the European Parliament (Pay and Pensions) Act 1979 (interpretation), for the words "section 3(6) of the Parliamentary and other Pensions Act 1972" there shall be substituted the words "subsections (1A) and (1B) of section 229 of the Income and Corporation Taxes Act 1970".

1979 c. 50.

1972 c. 48.

1970 c. 10.

The House of Commons Members' Fund and Parliamentary Pensions Act 1981

1981 c. 7.

6. In section 1(5)(b) of the House of Commons Members' Fund and Parliamentary Pensions Act 1981 (disqualification from benefit of certain office holders and persons receiving pensions), for the words from "a qualifying office" to "that Act" there shall be substituted the words "an office mentioned in paragraph (b), (c) or (d) of section 2(2) of the Parliamentary and other Pensions Act 1987 or is in receipt of a pension under the Parliamentary and other Pensions Act 1972."

SCHEDULE 4

Section 6.

REPEALS

Chapter	Short title	Extent of repeal
1965 c. 32.	The Administration of Estates (Small Payments) Act 1965.	In section 6(1)(b), the words from "section 14(2)" to "1972".
1972 c. 48.	The Parliamentary and other Pensions Act 1972.	Part I. Section 30. In section 31, subsection (1), in subsection (4) the words "and by section 22(3) of the Act of 1978" and subsection (5). Sections 33 and 34. In section 35(1), the definitions of "the Act of 1978", "contribution", "effective resolution" and "interest". Section 36(1), (2) and (4). Schedules 1 to 4.
1975 c. 72.	The Children Act 1975.	In Schedule 3, paragraph 77.
1976 c. 48.	The Parliamentary and other Pensions Act 1976.	Sections 1 to 4.
1978 c. 56.	The Parliamentary Pensions Act 1978.	The whole Act.
1981 c. 7.	The House of Commons Members' Fund and Parliamentary Pensions Act 1981.	Section 4. Section 5(2).
1983 c. 20.	The Mental Health Act 1983.	In Schedule 4, paragraph 31.
1984 c. 52.	The Parliamentary Pensions etc. Act 1984.	Sections 1 to 11. Section 15(2)(a). Section 16. The Schedule.
1986 c. 50.	The Social Security Act 1986.	In section 17(3), paragraph (f).

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