

PUBLIC SERVICE PENSIONS ACT 2013

EXPLANATORY NOTES

COMMENTARY ON SECTIONS AND SCHEDULES

Parliamentary and other pension schemes

Section 35: Members of the European Parliament

208. This section inserts new subsections (3B) and (3C) into section 4 of the European Parliament (Pay and Pensions) Act 1979 (which allows for the creation of pension schemes in respect of Representatives to the European Parliament). The new subsections mean that if the scheme in future links the normal pension age under the scheme to state pension age, the scheme can provide for benefits that have accrued under the scheme to be subject to the link. The application is restricted to benefits that have accrued after the addition of the link to the scheme and does not therefore apply to benefits accrued under current pension arrangements.
209. The section also inserts new subsection (3D) into section 4 of the European Parliament (Pay and Pensions) Act 1979. This ensures that the MEPs' scheme can continue to contain provisions that are in the scheme for MPs. In particular it ensures that scheme managers may continue, once power to make new schemes passes to IPSA, to make small (under £5,000) payments from the Consolidated Fund to the beneficiaries of deceased members before probate. Commencement of paragraph 38 of Schedule 6 to the Constitutional Reform and Governance Act 2010 would otherwise remove this power.
210. There are currently only 6 active members of the pension scheme made under the European Parliament (Pay and Pensions) Act 1979. Article 25 of the Statute for Members of the European Parliament (European Parliament Decision [2005/684/EC](#) Euratom) provided that existing representatives would be able to opt for the "national system applicable hitherto in respect of the salary, transitional allowance and pensions for the entire duration of their membership of the European parliament." The active members of the scheme are those who exercised this option. The pension scheme is closed to new members.