

# **PUBLIC SERVICE PENSIONS ACT 2013**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS AND SCHEDULES**

#### ***Final***

#### ***Schedule 9: Existing schemes for civil servants: extension of access***

278. [Schedule 9](#) amends the Superannuation Act 1972 to extend access to the schemes under that Act which provide for superannuation benefits for civil servants.
279. Currently, admission to the Principal Civil Service Pension Scheme (PCSPS) and other schemes made under section 1 of the Superannuation Act 1972 is restricted to those in employment in the civil service or those in an employment or office listed in Schedule 1 to that Act. Restrictive criteria apply to adding employments or offices to Schedule 1 to the 1972 Act. Members of the PCSPS who are compulsorily transferred out of the civil service to an independent provider of public services are therefore not able to retain membership (instead the current Government Fair Deal policy applies, requiring the new employer to provide a broadly comparable pension and advantageous bulk transfer terms).
280. The current Fair Deal policy is due to be amended to allow people under the above circumstances to retain access to their public service pension before the new schemes are introduced. Due to the restrictions on access to the PCSPS, the new Fair Deal policy could not apply without a change to the primary legislation. Schedule 9 aims to make this change to allow access to people who are not currently entitled to access under the 1972 Act. The Schedule will come into force on Royal Assent, to ensure that the new Fair Deal policy can be implemented in relation to the PCSPS with immediate effect. Any delay may mean that staff who are being moved out of the civil service could miss the opportunity to remain in their current pension arrangements and may affect the Government's ability to deliver improvements to public service delivery.
281. New subsection (4A) for section 1 of the 1972 Act provides that the section will also apply to persons serving in an employment or office specified under new section 1A of the 1972 Act.
282. [Paragraph 3](#) inserts new section 1A which gives the Minister for the Civil Service the power to specify employments and offices for the purposes of the new section 1(4A) of the 1972 Act.
283. New section 1A(1) provides that the Minister may specify in a list the employments and offices which will qualify persons for admission to a scheme by virtue of new section 1(4A). An employment or office may be specified only if subsection (2), (3) or (4) of section 1A is satisfied.
284. Subsection (2) applies where staff are transferred to a new employer after these provisions come into force, and so would otherwise cease to be entitled to membership of the PCSPS. If persons serving in that office or employment would have been eligible to be members of the scheme on the point of transfer, the Minister can specify the office

or employment for the purposes of new section 1(4A); the staff will then be entitled to retain access to the scheme.

285. Subsection (3) applies where staff were transferred to a new employer before the provisions come into force and have ceased to be members, or to be entitled to membership, of the PCSPS. If persons serving in that office or employment would have been eligible to be members of the scheme before the transfer then the Minister can specify the employment or office for the purposes of section 1(4A); the staff will then be entitled to regain access to the scheme.
286. Subsection (4) allows the Minister to specify an employment or an office in particular cases where he determines that it is appropriate to do so and the employment or office comes within a description set out in regulations. The general principle is that access under these provisions is for individuals who were entitled to access to the PCSPS at the point when they are moved to a new employer. The intention is that subsection (4) will only be used in exceptional cases as circumscribed by the descriptions in the regulations and the determination of the Minister.
287. Subsection (5) will allow access to be granted by virtue of subsection (4) with retrospective effect. This provision will allow the scheme to deal with historic anomalies.
288. Subsection (6) requires the list of employments and offices which qualify persons for access to the PCSPS (and any amendments to the list) to be published. Regulations made by the Minister for the Civil Service under subsection (7) will set out the information that the published list must contain. It is intended that this will include: details of the employments and offices specified; the name of the employers; the dates from which access through this route is granted; and the circumstances that must exist for access to continue.
289. Those who gain access to the PCSPS through this route will move into the new schemes once they are established under the Act and the closing date as set out in section 18 has passed (as for other members, except for those who are protected by transitional provisions). In the new schemes, access will be extended where required under the procedure in section 25.