

# **PUBLIC SERVICE PENSIONS ACT 2013**

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## **EXPLANATORY NOTES**

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

#### ***Final***

#### ***Schedule 3: Scope of scheme regulations: supplementary matters***

223. This schedule contains a list of the type of provision that may, in particular, be included in scheme regulations made under section 1. It is not an exhaustive list, but an indication of what can be included in scheme regulations.
224. [Paragraph 1](#) allows for scheme regulations to set out details of the persons who are eligible for membership of the scheme and the conditions that apply to eligibility. Scheme regulations may relate to a narrower class than those who could be covered by the scheme (for example where some of those workers belong to other public service schemes).
225. [Paragraph 2](#) provides a non-exhaustive list of some of the benefits for employees that may be written into regulations, including: pensions; benefits payable on death (including death in service); and compensation payments for death, injury or redundancy.
226. [Paragraph 3](#) provides a non-exhaustive list of some of the types of people to whom benefits can be paid under the regulations of the scheme. These include: active, deferred and pensioner members; pension credit members; and their surviving spouses, civil partners and dependants.
227. [Paragraph 4](#) allows for regulations to set out conditions for making payments to members.
228. [Paragraph 5](#) allows for regulations to set out the circumstances in which benefits can be assigned to other persons and any restrictions on such assignment.
229. [Paragraph 6](#) allows for regulations to set out how and when benefits can be forfeited or suspended.
230. [Paragraph 7](#) allows for regulations to set out how schemes may recover any benefits that have been overpaid.
231. [Paragraph 8](#) allows for scheme regulations to exclude double recovery of compensation or damages, including by modifying rights to compensation or damages where two sources of compensation or damages would otherwise be available for the same matter.
232. [Paragraph 9](#) allows for regulations to set out provisions for the making of contributions by employers and employees, including contribution rates. Interest may be charged on the late payment of contributions, whether by employees or employers.
233. [Paragraph 10](#) allows for regulations to set out how transfers of accrued pension “pots” will work and also any lump sum payments that can be made, in order to enable pension benefits to be transferred into, out of, or between schemes.

*These notes refer to the Public Service Pensions Act 2013  
(c.25) which received Royal Assent on 25 April 2013*

234. **Paragraph 11** allows for regulations for schemes which are funded to detail how such funds will be administered and managed, including: their investment arrangements and strategy; provisions for trustees and training; and how funds will be wound up.
235. **Paragraph 12** provides a non-exhaustive list of the provisions that may be included in regulations that relate to the administration and management of the scheme. The scheme manager in centrally-run schemes will be the responsible authority. In the context of locally-administered schemes such as the Local Government Pension Scheme, the scheme manager will be the administering authority, and the responsible authority may give directions or guidance to the scheme manager. Administrators may also provide or publish information.
236. **Paragraph 13** allows for scheme regulations to provide for the functions of the scheme manager or responsible authority to be delegated, and for further delegation of such functions.
237. **Paragraph 14** allows for scheme regulations to provide for employers to make payments to the scheme manager. This includes contributions to the administrative cost of the scheme and additional payments where a failure by the employer to comply with obligations under the scheme has increased those administrative costs. Interest can also be provided for under this paragraph.
238. **Paragraph 15** allows for regulations to set out the steps to be taken by schemes for resolving disputes and appeals. Schemes may provide for questions of law that have to be decided by the responsible authority to be determined instead by a court of law.