



Public Service Pensions and Judicial Offices Act 2022

2022 CHAPTER 7

PART 1

PUBLIC SERVICE PENSION SCHEMES

CHAPTER 2

JUDICIAL SCHEMES

Compensation

59 Power to pay compensation

- (1) The scheme manager for a judicial scheme may pay amounts by way of compensation in respect of compensatable losses incurred by members or, in the case of deceased members, their personal representatives.
- (2) Scheme regulations for a judicial scheme may make provision under which an employer in relation to the scheme is required to reimburse the scheme manager for amounts paid under subsection (1).
- (3) For the purposes of this section a loss incurred by a member, or by a member's personal representatives, is "compensatable" if and to the extent that—
 - (a) either of the following conditions is met, and
 - (b) the loss is of a description specified in Treasury directions.
- (4) The first condition is that the loss is attributable to, or is reasonably regarded as attributable to, a relevant breach of a non-discrimination rule.
- (5) The second condition is that the loss is attributable to the application of any provision of, or made under, this Chapter.

Status: This is the original version (as it was originally enacted).

- (6) In this section (subject to subsection (8)) “loss” includes a loss of any kind including, in particular, a Part 4 tax loss.
- (7) In this section “Part 4 tax loss”, in relation to a member, means a loss arising as a result of the member—
- (a) incurring a charge, or incurring an increased charge, under Part 4 of FA 2004, or
 - (b) not being entitled to a relief, or being entitled to less relief, under that Part of that Act.
- (8) In this section “loss” does not include an amount that is payable under this Chapter or under regulations made by virtue of this Chapter.
- (9) In this section “non-discrimination rule” means a rule that is, or at any time was, included in a judicial scheme by virtue of—
- (a) section 61 of EA 2010, or
 - (b) paragraph 2 of Schedule 1 to EEAR(NI) 2006.
- (10) For the purposes of this section a breach of a non-discrimination rule is “relevant” if it arises from the application of—
- (a) an exception to section 18(1) of PSPA 2013 made under section 18(5) to (7) of that Act, or
 - (b) an exception to section 18(1) of PSPA(NI) 2014 made under section 18(5) to (8) of that Act.
- (11) Subsection (1) does not confer power to pay amounts by way of compensation in respect of compensatable losses so far as—
- (a) any person has already received amounts by way of compensation in respect of them, or
 - (b) amounts that any person has paid the scheme have been reduced by amounts in respect of them,
- whether pursuant to an order of a court or tribunal or otherwise.

60 Remedial arrangements to pay voluntary contributions to judicial schemes

- (1) Scheme regulations for a judicial scheme may make provision so as to secure that a relevant member may enter into remedial voluntary contributions arrangements.
- (2) In subsection (1)—
- “relevant member”, in relation to a judicial scheme, means a member (other than a deceased member) who has remediable service in a judicial office which, after the end of the election period, is pensionable service under the scheme;
- “remedial voluntary contributions arrangements” means arrangements—
- (a) which are entered into by a member after the end of the election period, and
 - (b) under which the member pays voluntary contributions to the scheme.
- (3) Provision by virtue of subsection (1) may permit a member (“M”) to enter into arrangements only if the scheme manager is satisfied that it is more likely than not that, but for a relevant breach of a non-discrimination rule, M would, during the period

of M’s remediable service in the judicial office, have entered into the same or similar arrangements.

- (4) The provision that may be made by virtue of subsection (1) includes, in particular, provision under which liabilities to pay voluntary contributions that would otherwise arise under the arrangements are reduced by tax relief amounts.
- (5) In subsection (4) “tax relief amounts” means amounts determined by reference to the tax relief under section 188 of FA 2004 (relief for members’ contributions) that would have been available in respect of the amounts owed if they were paid in a different tax year.
- (6) Provision by virtue of subsection (1) may not permit a member (“M”) to enter into arrangements after—
 - (a) the end of the period of one year beginning with the day on which a statement under section 64 (information statements) is sent in respect of M, or
 - (b) such later time as the scheme manager considers reasonable in all the circumstances.
- (7) Subsection (6) does not affect the continued operation after the time mentioned in that subsection of any arrangements entered into before that time.
- (8) In this section “non-discrimination rule” means a rule that is, or at any time was, included in a judicial scheme by virtue of—
 - (a) section 61 of EA 2010, or
 - (b) paragraph 2 of Schedule 1 to EEAR(NI) 2006.
- (9) For the purposes of this section a breach of a non-discrimination rule is “relevant” if it arises from the application of—
 - (a) an exception to section 18(1) of PSPA 2013 made under section 18(5) to (7) of that Act, or
 - (b) an exception to section 18(1) of PSPA(NI) 2014 made under section 18(5) to (8) of that Act.