

EXPLANATORY MEMORANDUM TO
THE SUPERANNUATION (ADMISSION TO SCHEDULE 1 TO THE
SUPERANNUATION ACT 1972) ORDER 2015

2015 No. 919

1. This explanatory memorandum has been prepared by the Cabinet Office and is laid before Parliament by Command of Her Majesty.
2. **Purpose of the Instrument**
 - 2.1 This Order will come into force on 16 April 2015 and makes provision for adding employments and offices to Schedule 1 of the Superannuation Act 1972 (“the Act”), enabling people serving in those offices and employments to be members of the schemes made under section 1 of the Act. It also removes employments and an office from the same Schedule.
 - 2.2 The Principal Civil Service Pension Scheme, the Civil Service Additional Voluntary Contribution Scheme, the Civil Service Compensation Scheme and the Civil Service Injury Benefits Scheme are schemes that have been made under section 1 of the Act and are collectively referred to below as “the PCSPS”.
 - 2.3 This Order also corrects an error made by the Superannuation (Admission to Schedule 1 to the Superannuation Act 1972) Order 2003 (S.I. 2003/1073), which intended to add British Library staff into the list of people eligible to participate in the PCSPS, but did not have that effect.
3. **Matters of special interest to the Joint Committee on Statutory Instruments.**
 - 3.1 In accordance with Statutory Instrument Practice, the issue of whether the correction of defective drafting requires the free issue procedure has been considered. After consulting with the Registrar’s office, the conclusion is that this is not necessary for this minor and technical change, as the intention behind the defective drafting (now given effect by this Order) would have been made obvious by the Explanatory Note to the instrument that contained the defect.
4. **Legislative Context**
 - 4.1 Section 1 of the Act gives to the Minister for the Civil Service powers to make, maintain and administer schemes to provide pensions, allowances or gratuities to civil servants and other persons whose employments or offices are listed in Schedule 1 of the Act. The Act further permits the Minister to add employments or offices to Schedule

1, conditional on the employment or office being paid out of moneys provided by Parliament, the Consolidated Fund, or the Scottish Consolidated Fund.

- 4.2 The Instrument adds a number of employments and offices to Schedule 1; these are listed at Annex A of this memorandum. Details of the employments being removed are in Annex B.

5. Territorial Extent and Application

- 5.1 This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

- 6.1 The Minister for the Civil Service has made the following statement regarding human rights: “The Superannuation (Admission to Schedule 1 to the Superannuation Act 1972) Order 2015 amends Schedule 1 to the Superannuation Act 1972. In my view, the provisions of this instrument are compatible with the Convention rights.”

7. Policy background

- 7.1 The bodies added to Schedule 1 of the Act by this instrument wish to join the PCSPS rather than run their own pension arrangements. Membership of the PCSPS avoids the administration and associated costs of setting up separate arrangements and makes available economies of scale provided by the PCSPS. In all cases the bodies will be required to make contributions to the PCSPS at a level set to meet the full costs of the accruing superannuation liability associated with their staff. The Scheme Management Executive of the Cabinet Office ensure that admitted employments or offices are within the public sector and have suitable controls over pay to protect the Civil Superannuation Vote, from which pensions are paid.
- 7.2 The bodies removed from Schedule 1 of the Act by this instrument have either been abolished or have ceased to provide services as part of the public sector. Their continued membership of the PCSPS is therefore inappropriate.
- 7.3 The Superannuation (Admission to Schedule 1 to the Superannuation Act 1972) Order 2003 intended to enable British Library staff to be eligible for membership of the PCSPS by adding the “British Library” to Schedule 1 to the Act. However, British Library staff are not employed by the British Library (a national library established under section 1(1) of the British Library Act 1972 (c.54)) but by the British Library Board (a board established under section 1(2) of the British Library Act 1972). The correction is backdated to the date that the original provision came into force, and places British Library staff in the position that all parties expected them to be.

8. Consultation outcome

- 8.1 For those bodies and offices which are to be added to Schedule 1 and admitted to the PCSPS, consultations were carried out as part of negotiations with those bodies and their sponsoring Departments during the process of their applications to join the PCSPS.
- 8.2 For those bodies which are to be removed from Schedule 1, because they have been abolished, become obsolete, or have left the public sector, consultation took part during negotiations with the employer which led to such abolition or departure. Many of the staff of these bodies who moved elsewhere in the public sector have retained PCSPS membership.

9. Guidance

- 9.1 No guidance has been produced to accompany this instrument, the contents of which are self-explanatory.

10. Impact

- 9.1 No Impact Assessment has been prepared for this instrument as it has no impact on business, charities or voluntary bodies.
- 9.2 The outcome of this legislation is to effect a saving in administration for public sector bodies by enabling them to join existing pension arrangements and benefit from the support provided by the Scheme Managers, who are the Scheme Management Executive of the Cabinet Office.

11. Regulating small business

- 11.1 This instrument does not apply to small business.

12. Monitoring and review

- 12.1 Membership of the PCSPS and the need for amendments to Schedule 1 of the Act are subjects under constant review.

13. Contact

Sandie Woods at the Cabinet Office Tel: 01256 846123 or e-mail sandie.woods@cabinet-office.gov.uk can answer any queries regarding the instrument.