

LORDS AMENDMENTS TO THE
PUBLIC SERVICE PENSIONS BILL

[The page and line references are to HL Bill 67, the bill as first printed for the Lords.]

Clause 1

- 1 Page 1, line 4, leave out “in public service” and insert “specified in subsection (2)”
- 2 Page 1, leave out line 5 and insert “Those persons are – ”
- 3 Page 1, line 8, after “workers” insert “for England, Wales and Scotland”
- 4 Page 1, line 9, after “teachers” insert “for England, Wales and Scotland”
- 5 Page 1, line 10, after “workers” insert “for England, Wales and Scotland”
- 6 Page 1, line 11, after “workers” insert “for England, Wales and Scotland”
- 7 Page 1, line 12, after “forces” insert “for England, Wales and Scotland”

Clause 2

- 8 Page 1, line 19, leave out “in public service” and insert “specified in section 1(2)”

Clause 3

- 9 Page 2, line 6, at end insert “in relation to the scheme or any provision of this Act”
- 10 Page 2, line 10, leave out paragraph (b)
- 11 Page 2, line 12, at end insert “(but see section (*Procedure for retrospective provision*))”
- 12 Page 2, line 13, at end insert –
 “() The consequential provision referred to in subsection (2)(b) includes consequential provision amending any primary legislation passed before or in the same session as this Act (as well as consequential provision amending any secondary legislation).”
- 13 Page 2, leave out lines 22 to 29

Clause 5

- 14 Page 3, line 9, at end insert “(or each scheme manager)”
- 15 Page 3, line 30, at end insert –
 “() requiring the board to include employer representatives and member representatives in equal numbers.”
- 16 Page 3, line 35, at end insert –
 “() In subsection (4)(c) –
 (a) “employer representatives” means persons appointed to the board for the purpose of representing employers for the scheme and any connected scheme;
 (b) “member representatives” means persons appointed to the board for the purpose of representing members of the scheme and any connected scheme.”
- 17 Page 3, line 39, leave out subsection (7)

After Clause 6

- 18 Insert the following new Clause –

“Scheme advisory board

- (1) Scheme regulations for a scheme under section 1 which is a defined benefits scheme must provide for the establishment of a board with responsibility for providing advice to the responsible authority, at the authority’s request, on the desirability of changes to the scheme.
- (2) Where, by virtue of section 4(5), there is more than one scheme manager for a scheme mentioned in subsection (1) (and accordingly there is more than one pension board for the scheme), the regulations may also provide for the board to provide advice (on request or otherwise) to the scheme managers or the scheme’s pension boards in relation to the effective and efficient administration and management of –
 - (a) the scheme and any statutory pension scheme that is connected with it, or
 - (b) any pension fund of the scheme and any connected scheme.
- (3) A person to whom advice is given by virtue of subsection (1) or (2) must have regard to the advice.
- (4) The regulations must include provision –
 - (a) requiring the responsible authority –
 - (i) to be satisfied that a person to be appointed as a member of the board does not have a conflict of interest, and
 - (ii) to be satisfied from time to time that none of the members of the board has a conflict of interest;
 - (b) requiring a member of the board, or a person proposed to be appointed as a member of the board, to provide the responsible authority with such information as the authority reasonably requires for the purposes of provision under paragraph (a).
- (5) In subsection (4)(a) “conflict of interest”, in relation to a person, means a financial or other interest which is likely to prejudice the person’s exercise

of functions as a member of the board (but does not include a financial or other interest arising merely by virtue of membership of the scheme or any connected scheme).

- (6) In this Act, a board established under this section is called a “scheme advisory board”.

Clause 8

- 19 Page 5, line 13, leave out “the negative Commons procedure” and insert “ –
(a) the affirmative Commons procedure, if the order specifies a percentage decrease for the purposes of subsection (2), and
(b) the negative Commons procedure, in any other case.”

Clause 9

- 20 Page 6, line 9, leave out from “1995” to end of line 13

Clause 12

- 21 Page 8, line 20, leave out subsection (8)

Before Clause 13

- 22 Insert the following new Clause –

“Information about benefits

- (1) Scheme regulations must require the scheme manager for a scheme under section 1 which is a defined benefits scheme to provide benefit information statements to each person in pensionable service under the scheme in accordance with this section.
- (2) A benefit information statement must include –
 - (a) a description of the benefits earned by the person in respect of his or her pensionable service, and
 - (b) such other information as Treasury directions may specify.
- (3) The information included in a benefit information statement must comply with such requirements as Treasury directions may specify.
- (4) A benefit information statement must be provided –
 - (a) no later than the relevant date, and
 - (b) at least once in each year ending with the anniversary of that date.
- (5) The relevant date is the last day of the period of 17 months beginning with the day on which scheme regulations establishing the scheme come into force.
- (6) A benefit information statement must be provided in such manner as Treasury directions may specify.”

Clause 14

- 23 Page 9, line 5, leave out from “State” to end of line 8

Clause 15

- 24 Page 9, line 15, leave out “Part 1 of”
- 25 Page 9, line 18, leave out “that Part of”
- 26 Page 9, line 19, leave out subsection (3)
- 27 Page 9, line 25, leave out “subsections (2) and (3)” and insert “subsection (2)”

Clause 16

- 28 Page 10, line 2, leave out “1 April” and insert “31 March”
- 29 Page 10, line 4, leave out “5 April” and insert “31 March”
- 30 Page 10, line 28, leave out from “Wales” to end of line 30

Clause 18

- 31 Page 10, line 41, leave out “which are closed under section 16” and insert “to which section 16(1) applies”

Clause 20

- 32 Page 11, line 16, leave out from “period” to end of line 20
- 33 Page 11, line 28, leave out “In the case referred to in subsection (1)(a),”
- 34 Page 11, line 35, at end insert “or the Lord Chancellor”
- 35 Page 11, line 40, leave out paragraph (d)
- 36 Page 11, line 42, leave out from second “period” to end of line 43 and insert “beginning with the coming into force of this section and ending with 31 March 2040;”

After Clause 20

- 37 Insert the following new Clause—

“Procedure for retrospective provision

- (1) Where the responsible authority proposes to make scheme regulations containing retrospective provision which appears to the authority to have significant adverse effects in relation to the pension payable to or in respect of members of the scheme, the authority must first obtain the consent of the persons referred to in subsection (3).
- (2) Where the responsible authority proposes to make scheme regulations containing retrospective provision which appears to the authority—
 - (a) not to have significant adverse effects as specified in subsection (1), but
 - (b) to have significant adverse effects in any other way in relation to members of the scheme (for example, in relation to injury or compensation benefits),
 the authority must first consult the persons specified in subsection (3) with a view to reaching agreement with them.

- (3) The persons referred to in subsections (1) and (2) are the persons (or representatives of the persons) who appear to the responsible authority to be likely to be affected by the provision if it were made.
- (4) The responsible authority must, in a case falling within subsection (1) or (2), lay a report before the appropriate legislature (as defined in section 20).
- (5) In a case falling within subsection (1) or (2) there is no requirement to consult under section 19(1)."

Clause 21

- 38 Page 12, line 13, leave out paragraph (b) and insert—
 - “(b) section (*Procedure for retrospective provision*)(1) or (2) (procedure for retrospective provision having significant adverse effects) applies.”
- 39 Page 12, line 15, at end insert “, or
 - (c) they are scheme regulations for a scheme relating to the judiciary, unless the pension board for that scheme has stated that it considers the regulations to be minor or wholly beneficial.”

Clause 22

- 40 Page 12, line 24, leave out “in public service” and insert “specified in section 1(2)”
- 41 Page 12, line 26, leave out “that section” and insert “section 1”
- 42 Page 12, line 28, leave out “in public service” and insert “specified in section 1(2)”
- 43 Page 12, line 30, leave out “not in public service” and insert “, not being persons specified in section 1(2),”
- 44 Page 12, line 32, leave out “not in public service” and insert “(other than persons specified in section 1(2))”
- 45 Page 12, line 36, leave out subsections (6) and (7) and insert—
 - “(6) By virtue of a determination under subsection (5) the scheme regulations then apply to the persons to whom the determination relates as they apply to other persons to or in respect of whom pensions and other benefits are provided under the scheme (or such class of other persons as may be specified in the determination).
 - (7) Subsection (6) is subject to—
 - (a) any special provision made in the scheme regulations, and
 - (b) a direction under subsection (7A).
 - (7A) Scheme regulations made under subsection (2) or (3) in relation to any persons may include provision authorising the responsible authority by direction to modify provisions of the regulations in their application to those persons for the purpose of—
 - (a) securing appropriate protection against additional costs to the scheme that might result from the application of the scheme regulations to those persons,
 - (b) obtaining information about those persons, their employers and other relevant persons, or
 - (c) taking appropriate account of—

- (i) the arrangements under which those persons are employed, and
- (ii) the organisational structures of their employers.”

46 Page 13, line 4, at end insert –

“() Where, by virtue of section 4(5), there is more than one scheme manager for a scheme under section 1, the responsible authority may delegate its functions under subsection (5) or (8) to the scheme managers, subject to such conditions as the responsible authority considers appropriate.”

Clause 23

47 Page 13, line 9, leave out “persons to whom the scheme relates” and insert “ –

- (a) persons within the description of persons specified in section 1(2) for which the responsible authority may make the scheme, and
- (b) any other persons to whom the scheme relates by virtue of section 22.”

48 Page 13, line 9, at end insert –

“() Subsection (1) is subject to any provision made in the scheme regulations for the scheme that restricts or otherwise affects the power to make payments under that subsection.”

Clause 25

49 Page 13, line 16, leave out from “Wales” to end of line 18

50 Page 13, line 26, leave out “or (as the case may be) Northern Ireland”

Clause 26

51 Page 13, line 31, leave out from “1972” to “(schemes” in line 33 and insert “so as to extend access to schemes under section 1 of that Act”

Clause 27

52 Page 14, line 12, leave out “13 and” and insert “(*Information about benefits*) to”

53 Page 14, line 21, leave out from “Treasury” to end of line 28

54 Page 14, line 28, at end insert –

“() This section does not apply to a new public body pension scheme which relates to a devolved body or office.”

Clause 28

55 Page 15, line 2, leave out “the scheme” and insert “a scheme to which subsection (2) applies”

56 Page 15, line 10, leave out “the scheme” and insert “a scheme to which subsection (2) applies”

57 Page 15, line 14, leave out “this section” and insert “subsection (2)”

58 Page 15, line 22, at end insert –

“but may not add a devolved body or office.”

- 59 Page 15, line 30, leave out “which are closed under this section” and insert “to which subsection (2) applies”

Clause 29

- 60 Page 15, line 44, at end insert –
“() This section does not apply to a public body pension scheme which relates to a devolved body or office.”

Clause 31

- 61 Page 16, line 33, at end insert “Part 1 of”

Clause 32

- 62 Page 17, line 23, after “in” insert “Part 1 of”

Clause 33

- 63 Page 17, line 42, leave out “has the meaning” and insert “and “the affirmative Commons procedure” have the meanings”

- 64 Page 18, line 14, at end insert –
““devolved”: a body or office is “devolved” if or to the extent that provision about pensions payable to or in respect of members or staff of the body, or a holder of the office –
(a) would be within the legislative competence of the Northern Ireland Assembly were that provision contained in an Act of the Assembly, or
(b) is not a reserved matter within the meaning of the Scotland Act 1998;”

- 65 Page 18, leave out line 15

- 66 Page 18, line 44, at end insert –
““local authority” means –
(a) a local authority in England and Wales within the meaning of Part 1 of the Local Government and Housing Act 1989;
(b) a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994;”

- 67 Page 18, leave out line 49

- 68 Page 18, line 50, at end insert –
““pension board” has the meaning given by section 5(8);”

- 69 Page 19, line 22, at end insert –
““scheme advisory board” has the meaning given by section (*Scheme advisory board*)(6);”

Clause 34

- 70 Page 19, line 46, leave out paragraph (b)

- 71 Page 20, line 3, after “Service” insert “or the Lord Chancellor”
- 72 Page 20, line 10, leave out paragraph (c)
- 73 Page 20, line 22, leave out paragraph (c)
- 74 Page 20, line 24, at end insert –
- “() In this Act, the “affirmative Commons procedure”, in relation to a Treasury order, means that the order may not be made unless a draft of the instrument containing it has been laid before, and approved by resolution of, the House of Commons.”

Schedule 1

- 75 Page 22, line 6, after “State (” insert “not”
- 76 Page 22, leave out lines 9 to 31 and insert “holders of an office specified in an order made by –
- (a) the Secretary of State, in relation to an office with a jurisdiction exercised exclusively in relation to Scotland, or
- (b) the Lord Chancellor, in any other case.
- (2) An order under sub-paragraph (1) may only specify an office in or as regards Scotland or Northern Ireland if the office is not a devolved office.”
- 77 Page 23, line 20, leave out from “Service,” to end of line 21
- 78 Page 23, line 20, at end insert –
- “(c) the Defence Fire and Rescue Service”
- 79 Page 23, line 27, at end insert –
- “(c) includes members of the Ministry of Defence Police nominated under section 1 of the Ministry of Defence Police Act 1987”
- 80 Page 23, line 28, leave out paragraph (c)

Schedule 2

- 81 Page 24, line 9, leave out from “servants” to end of line 11
- 82 Page 24, line 13, leave out sub-paragraph (2) and insert –
- “1A (1) Scheme regulations for the judiciary may be made by the Lord Chancellor.
- (2) Before making scheme regulations in relation to an office with a jurisdiction exercised exclusively in relation to Scotland, the Lord Chancellor must consult the Secretary of State.”
- 83 Page 24, line 18, leave out sub-paragraphs (3) and (4)
- 84 Page 24, line 28, leave out paragraph (c)
- 85 Page 24, line 33, leave out paragraph (c)
- 86 Page 24, line 38, leave out paragraph (c)
- 87 Page 25, line 6, leave out paragraph (d)
- 88 Page 25, line 11, leave out paragraph (c)

Schedule 4

- 89 Page 27, line 15, after “information)” insert “, (*Information about benefits*) (information about benefits)”
- 90 Page 30, line 27, at end insert –
“() the discharge of duties imposed under section (*Information about benefits*) of that Act (information about benefits);”
- 91 Page 31, line 7, after “information)” insert “, (*Information about benefits*) (information about benefits)”
- 92 Page 32, leave out lines 28 and 29
- 93 Page 32, line 31, leave out from “Act)” to end of line 33
- 94 Page 33, line 5, leave out from beginning to end of line 2 on page 39

Schedule 5

- 95 Page 39, line 8, leave out paragraph 2
- 96 Page 39, line 20, at end insert –
“7A A scheme under paragraph 7A of Schedule 10 to the Rent Act 1977.
Exception: injury benefits and compensation benefits”
- 97 Page 39, line 28, at end insert –
“*Exception: benefits payable to or in respect of a holder of a devolved office.*”
- 98 Page 40, line 7, leave out paragraph 18
- 99 Page 40, line 13, leave out paragraph 20
- 100 Page 40, line 19, leave out paragraph 22
- 101 Page 40, line 24, leave out paragraph 24
- 102 Page 40, line 33, leave out paragraph 27
- 103 Page 40, line 35, at end insert –
“27A A scheme under section 48 of the Police and Fire Reform (Scotland) Act 2012.
Exception: injury benefits and compensation benefits.”

Schedule 6

- 104 Page 41, line 25, leave out paragraph 2
- 105 Page 41, line 28, at end insert –
“2A A scheme under paragraph 7A of Schedule 10 to the Rent Act 1977.
Specified benefits: injury benefits and compensation benefits”
- 106 Page 41, line 35, leave out paragraph 6
- 107 Page 42, line 5, leave out paragraph 8
- 108 Page 42, line 11, leave out paragraph 10

- 109 Page 42, line 15, leave out paragraph 11
- 110 Page 42, line 23, leave out paragraph 14
- 111 Page 42, line 25, at end insert –
 “14A A scheme under section 48 of the Police and Fire Reform (Scotland) Act 2012.
 Specified benefits: injury benefits and compensation benefits.”
- 112 Page 43, line 11, leave out paragraph 23

Schedule 7

- 113 Page 43, line 17, leave out from “scheme” to “(the” in line 18 and insert “to which section 16(1) applies or a scheme to which section 28(2) applies”
- 114 Page 43, leave out lines 34 and 35 and insert –
 “(ii) such earnings as scheme regulations for the new scheme may specify, being earnings derived by the person from the new scheme service, are to be regarded as derived from the old scheme service (subject to sub-paragraph (3)).
 (3) The amount of the earnings that are to be regarded as derived from the old scheme service must not be materially less than the amount of the earnings that would have been the person’s pensionable earnings derived from that service had the new scheme service been old scheme service.”
- 115 Page 43, line 38, leave out from “scheme” to “(“the” in line 39 and insert “to which section 16(1) applies or a scheme to which section 28(2) applies”
- 116 Page 44, line 7, leave out from “after” to “(“the” in line 8 and insert “the date referred to in section 16(1) or 28(2) to an existing scheme to which section 16(1) applies or a scheme to which section 28(2) applies”
- 117 Page 44, leave out lines 22 to 24 and insert –
 “(ii) such earnings as scheme regulations for the new scheme may specify, being earnings derived by the person from the new scheme service, are to be regarded as derived from the deemed transfer scheme service (subject to sub-paragraph (2A)).
 (2A) The amount of the earnings that are to be regarded as derived from the deemed transfer scheme service must not be materially less than the amount of the earnings that would have been the person’s pensionable earnings derived from that service had the new scheme service been deemed transfer scheme service.”
- 118 Page 44, line 46, at end insert –
 “*Final salary link not to apply again to a pension in payment*
 5 (1) Scheme regulations may provide that where a pension in payment under a scheme to which section 16(1) or 28(2) applies has been calculated by reference to this Schedule, the pension cannot be recalculated by reference to this Schedule where there is a subsequent period of pensionable public service (within the meaning of paragraph 3).

- (2) Provision made under sub-paragraph (1) may in particular be made by amending the scheme under which the pension is in payment.”

Schedule 8

119 Page 45, line 18, at end insert—

“3A After section 8 of the Pensions (Increase) Act 1971 there is inserted—

“8A Section 8(2): references to “service”

(1) In a case where—

- (a) paragraph 1 or 2 of Schedule 7 to the 2013 Act (final salary link for persons who remain in old scheme for past service) applies in relation to a person, and
- (b) the person’s final salary falls to be determined by reference to that paragraph,

references in section 8(2) above to the service in respect of which a pension is payable include the person’s new scheme service (within the meaning of Schedule 7 to the 2013 Act).

(2) In a case where—

- (a) a person is a member of a relevant old scheme by virtue of pensionable service for that scheme (“the relevant old scheme service”),
- (b) the person is also a member of a scheme under section 1 of the 2013 Act or a new public body pension scheme (“the new scheme”) by virtue of pensionable service for that scheme (“the new scheme service”),
- (c) the relevant old scheme service and the new scheme service are continuous, and
- (d) the person’s employer in relation to the relevant old scheme service is the person’s employer in relation to the new scheme service (or any other employer in relation to the new scheme),

references in section 8(2) above to the service in respect of which a pension is payable include the person’s new scheme service.

(3) In this section—

- (a) “relevant old scheme” means a career average revalued earnings scheme (within the meaning of the 2013 Act) to which section 16(1) or 28(2) of that Act applies (restriction of benefits under existing schemes);
- (b) “employer”, “new public body pension scheme” and “pensionable service” have the same meanings as in that Act.

(4) For the purposes of subsection (2)—

- (a) paragraphs 3 and 4 of Schedule 7 to the 2013 Act (continuity of employment etc) apply as they apply for the purposes of paragraphs 1(2) and 2(2) of that Schedule;
- (b) regulations under section 1 of the 2013 Act (in the case of a new scheme under that section) or rules (in the case of a new public body pension scheme) may provide that where a pension is in payment under a relevant old scheme, references in section 8(2) above to the service in

respect of which a pension is payable do not include any subsequent period of pensionable service in relation to a scheme under section 1 of the 2013 Act or a new public body pension scheme.

- (5) Provision made under subsection (4)(b) may in particular be made by amending the relevant old scheme.
- (6) In this section, “the 2013 Act” means the Public Service Pensions Act 2013.”

120 Page 47, leave out lines 4 to 39

121 Page 48, line 24, leave out from beginning to end of line 8 on page 49

122 Page 49, leave out lines 24 to 30

123 Page 50, line 5, at end insert –

“23A In section 11 of that Act (provision against pensions under two or more judicial pension schemes), at the end there is inserted –

“(5) This section does not prevent a scheme under section 1 of the Public Service Pensions Act 2013 having effect in relation to a person”.”

124 Page 50, line 27, leave out from beginning to end of line 7 on page 51

125 Page 52, leave out lines 1 to 12

126 Page 53, leave out line 3 and insert –

“Schedule 1, paragraph 2(1).
Schedule 2, paragraph 1A.”

127 Page 53, line 7, at end insert –

“Legal Aid, Sentencing and Punishment of Offenders Act 2012 (c. 10)

In Schedule 4 to the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (transfer of employees etc of Legal Services Commission), in paragraph 4 (pension schemes), after sub-paragraph (11) there is inserted –

“(11A) Where an individual –

- (a) was a member of a relevant LSC scheme immediately before the transfer day,
- (b) had been a member of that scheme immediately before 1 April 2012, and
- (c) becomes, on or after the transfer day, a member of a civil service scheme by virtue of employment in the civil service of the State,

the individual is to be regarded, for the purposes of section 16(5) of the Public Service Pensions Act 2013, as having been a member of the civil service scheme immediately before 1 April 2012.

(11B) In sub-paragraph (11A) –

- (a) “relevant LSC scheme” means a scheme made or treated as made under paragraph 10(1) of Schedule 1 to the Access to Justice Act 1999;

- (b) “civil service scheme” means a scheme under section 1 of the Superannuation Act 1972.””

Schedule 9

128 Page 54, line 15, leave out from beginning to end of line 12 on page 55

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*Ordered, by The House of Commons,
to be Printed, 27 February 2013.*

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PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS
LONDON – THE STATIONERY OFFICE LIMITED
Printed in the United Kingdom by
The Stationery Office Limited
£x.xx