

PRINCIPAL CIVIL SERVICE PENSION SCHEME (AMENDMENT) SCHEME 2013

Laid before Parliament on [] 2013 under section 2(11) of the Superannuation Act 1972

The Minister for the Civil Service, in exercise of the powers conferred by sections 1, 2(4) and 2(9) of the Superannuation Act 1972^(a) and now vested in him^(b), after consultation with persons appearing to the Minister to represent persons likely to be affected by it, makes the following scheme, which shall form part of the Principal Civil Service Pension Scheme within the meaning of section 2 of that Act:

1.—(1) This scheme may be cited as the Principal Civil Service Pension Scheme (Amendment) Scheme 2013.

(2) This scheme comes into operation on 1st April 2013.

(3) The amendments listed in Schedule 1 to this scheme have effect from 1st April 2013.

(4) Subject to sub-paragraph (5), the amendments listed in Schedule 2 to this scheme have effect from 1st April 2012.

(5) The amendment, in paragraph 2 of Schedule 2 to this scheme, to rule C.13 of the 2002 Section which inserts new rule C.13(2)(b) has effect from 1st October 2002.

2. The Principal Civil Service Pension Scheme 1974, which was laid before Parliament on 19th November 1974 and was subsequently amended, shall have effect subject to the amendments listed in the Schedules to this scheme.

**Authorised on behalf of
the Minister for the Civil Service**

^(a) 1972 c.11.

^(b) See article 2(1)(c) of S.I. 1981/1670 and article 3 of S.I. 1995/269.

SCHEDULE 1

2002 Section

Rule C.2

(1) Paragraph (2A) is amended as follows.

(2) For sub-paragraph (a) substitute—

“(a)

(i) The further contribution rate applicable to the scheme year from 1st April 2012 to 31st March 2013 is the percentage rate set out in the table in sub-paragraph (f) which is applicable to the member’s annual rate of permanent pensionable earnings including any assumed pay as at the relevant date.

(ii) The further contribution rate applicable to the scheme year from 1st April 2013 to 31st March 2014 is the percentage rate set out in the table in sub-paragraph (g) which is applicable to the member’s annual rate of permanent pensionable earnings including any assumed pay as at the relevant date.”.

(3) For sub-paragraph (c) substitute—

“(c)

(i) The relevant date for the purposes of sub-paragraph (a)(i) is 31st March 2012 or such date after 31st March 2012 but before 31st March 2013 as is the member’s first day of service in an employment in respect of which the member is receiving pensionable earnings or assumed pay.

(ii) The relevant date for the purposes of sub-paragraph (a)(ii) is 31st March 2013 or such later date as is the member’s first day of service in an employment in respect of which the member is receiving pensionable earnings or assumed pay.”.

(4) In sub-paragraph (e)(ii) for “(a)” substitute “(a)(i)”.

(5) Insert after sub-paragraph (e)—

“(ea) Where –

(i) the level of a member’s annual permanent pensionable earnings including any assumed pay changes during the scheme year 1st April 2013 to 31st March 2014; and

(ii) the change is such that a percentage rate for further contributions in the table in sub-paragraph (g) which is

different to the further contribution rate which applies under sub-paragraph (a)(ii) is applicable to this new level,

then in the circumstances and with effect from such date as the Minister may determine, the member's further contribution rate shall be at that different percentage rate for further contributions.”.

(6) Insert after sub-paragraph (f)–

“(g)

Table

Full time equivalent annual rate of permanent pensionable earnings including assumed pay	Applicable percentage rate for further contributions
Up to £15,000	Nil
£15,001 to £21,000	1.2%
£21,001 to £30,000	2.38%
£30,001 to £50,000	3.17%
£50,001 to £60,000	3.96%
£60,001 and over	4.75%

”.

1972 Section

Rule 2A.2

(1) Rule 2A.2 is amended as follows.

(2) For paragraph (ii) substitute—

“(ii)

- (a) The further contribution rate applicable to the scheme year from 1st April 2012 to 31st March 2013 is the percentage rate set out in the table in paragraph (vii) which is applicable to the civil servant’s annual rate of pensionable earnings for further contribution purposes including any assumed pay as at the relevant date.
- (b) The further contribution rate applicable to the scheme year from 1st April 2013 to 31st March 2014 is the percentage rate set out in the table in paragraph (viii) which is applicable to the civil servant’s annual rate of pensionable earnings for further contribution purposes including any assumed pay as at the relevant date.”.

(3) For paragraph (iv) substitute—

“(iv)

- (a) The relevant date for the purposes of paragraph (ii)(a) is 31st March 2012 or such date after 31st March 2012 but before 31st March 2013 as is the civil servant’s first day of service in an employment in respect of which the civil servant is receiving pensionable earnings for further contribution purposes or assumed pay.
- (b) The relevant date for the purposes of paragraph (ii)(b) is 31st March 2013 or such later date as is the civil servant’s first day of service in an employment in respect of which the civil servant is receiving pensionable earnings for further contribution purposes or assumed pay.”.

(4) In paragraph (vi)(b) for “(ii)” substitute “(ii)(a)”.

(5) Insert after paragraph (vi)—

“(via) Where –

- (a) the level of a civil servant’s annual pensionable earnings for further contribution purposes including any assumed pay changes during the scheme year from 1st April 2013 to 31st March 2014; and
- (b) the change is such that a percentage rate for further contributions in the table in paragraph (viii) which is different to the further contribution

rate which applies under paragraph (ii)(b) is applicable to this new level,

then in the circumstances and with effect from such date as the Minister may determine, the member's further contribution rate shall be at that different percentage rate for further contributions.”.

(6) Insert after paragraph (vii)–

“(viii)

Table

Full time equivalent annual rate of pensionable earnings for further contribution purposes including assumed pay	Applicable percentage rate for further contributions
Up to £15,000	Nil
£15,001 to £21,000	1.2%
£21,001 to £30,000	2.38%
£30,001 to £50,000	3.17%
£50,001 to £60,000	3.96%
£60,001 and over	4.75%

”.

2007 Section

Rule D.2

(1) Paragraph (1B) is amended as follows.

(2) For sub-paragraph (a) substitute—

“(a)

- (i) The further contribution rate applicable to the scheme year from 1st April 2012 to 31st March 2013 is the percentage rate set out in the table in sub-paragraph (f) which is applicable to the member’s annual rate of permanent pensionable earnings including any assumed pay as at the relevant date.
- (ii) The further contribution rate applicable to the scheme year from 1st April 2013 to 31st March 2014 is the percentage rate set out in the table in sub-paragraph (g) which is applicable to the member’s annual rate of permanent pensionable earnings including any assumed pay as at the relevant date.”

(3) For sub-paragraph (c) substitute—

“(c)

- (i) The relevant date for the purposes of sub-paragraph (a)(i) is 31st March 2012 or such date after 31st March 2012 but before 31st March 2013 as is the member’s first day of service in an employment in respect of which the member is receiving pensionable earnings or assumed pay.
- (ii) The relevant date for the purposes of sub-paragraph (a)(ii) is 31st March 2013 or such later date as is the member’s first day of service in an employment in respect of which the member is receiving pensionable earnings or assumed pay.”

(4) In sub-paragraph (e)(ii) for “(a)” substitute “(a)(i)”.

(5) Insert after sub-paragraph (e)—

“(ea) Where—

- (i) the level of a member’s annual permanent pensionable earnings including any assumed pay changes during the scheme year 1st April 2013 to 31st March 2014; and
- (ii) the change is such that a percentage rate for further contributions in the table in sub-paragraph (g) which is different to the further contribution rate which applies under sub-paragraph (a)(ii) is applicable to this new level,

then in the circumstances and with effect from such date as the Minister may determine, the member's further contribution rate shall be at that different percentage rate for further contributions.”.

(6) Insert after sub-paragraph (f)–

“(g)

Table

Full time equivalent annual rate of permanent pensionable earnings including assumed pay	Applicable percentage rate for further contributions
Up to £15,000	Nil
£15,001 to £21,000	1.2%
£21,001 to £30,000	2.38%
£30,001 to £50,000	3.17%
£50,001 to £60,000	3.96%
£60,001 and over	4.75%

”.

SCHEDULE 2

2002 Section

Rule C.13

1. Rule C.13 becomes C.13(1).
2. Insert after rule C.13(1)—
 - “(2) Paragraph 1 does not apply to
 - (a) that part of the contributions under this Part which are paid at the further contribution rate as provided for in rule C.2(2A);
 - (b) employers’ contributions under rule C.3.”.

1972 Section

Rule 7.4

In rule 7.4(ii) for “under the scheme” substitute “under section 4”.

EXPLANATORY NOTE

(This Explanatory Note does not form part of the Scheme)

Schedule 1 to this scheme amends the rules of the Principal Civil Service Pension Scheme (the “PCSPS”) with effect from 1st April 2013.

The amendments provide for increases in the contributions payable under the 2002 (known as “premium”), 1972 (known as “classic”) and 2007 (known as “nuvos”) Sections of the PCSPS. The increase relates to the scheme year from 1st April 2013 to 31st March 2014.

The increase takes effect as an additional percentage of salary (the “further contribution” rate). The table below sets out the new further contribution rate applicable for the scheme year from 1st April 2013 to 31st March 2014:

Full time equivalent annual rate of permanent pensionable earnings including assumed pay	Applicable percentage rate for further contributions
Up to £15,000	Nil
£15,001 to £21,000	1.2%
£21,001 to £30,000	2.38%
£30,001 to £50,000	3.17%
£50,001 to £60,000	3.96%
£60,001 and over	4.75%

The percentage rate is calculated by reference to the member’s full-time equivalent annual rate of permanent pensionable earnings including assumed pay, as at 31st March 2013 or such later date as is the member’s first day of service. Provision is made for where this rate changes during the course of the scheme year.

Schedule 2 to this scheme amends the rules, in the classic and premium Sections of the PCSPS, which provide limits on the contributions that can be made. The amendments ensure that the further contributions are not taken into account for the purposes of these limits. These amendments have effect from 1st April 2012, when the further contribution rate was introduced. Schedule 2 also amends the premium Section of the PCSPS to ensure that employer contributions are not taken into account for the purpose of these limits. This amendment has effect from 1st October 2002 when the premium Section was introduced. Section 2(4) of the Superannuation Act 1972 allows provisions of the scheme to have effect from a date earlier than the date on which the scheme is made.