

# **THE PRINCIPAL CIVIL SERVICE PENSION SCHEME (AMENDMENT) SCHEME 2014**

**Laid before Parliament on [ ] March 2014 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<sup>(a)</sup> and now vested in him<sup>(b)</sup>, after consultation with persons appearing to the Minister to represent persons likely to be affected by it, makes the following scheme, which forms 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 2014.

(2) This scheme comes into operation on 13th March 2014.

(3) The amendments listed in Schedule 1 to this scheme have effect from 13th March 2014.

(4) The amendments listed in Schedule 2 to this scheme have effect from 1st April 2014.

(5) The amendments listed in Schedule 3 to this scheme have effect from 9th October 2013.

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

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

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<sup>(a)</sup> 1972 c.11. Section 1 was amended (and section 1A inserted) by the Public Service Pensions Act 2013, Schedule 9 paragraph 3. These provisions came into force on the day on which the Public Service Pensions Act 2013 was passed (section 41(1)(a) of that Act).

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

**SCHEDULE 1**  
*(with effect from 13th March 2014)*

**2002 Section**

**New Rule E.1B**

Insert after rule E.1A—

**“E.1B Marriage of a same sex couple**

- (1) In this Section of the Scheme —
  - (a) a reference to civil partnership is to be read as including a reference to marriage of a same sex couple,
  - (b) a reference to civil partners is to be read as including a reference to a married same sex couple,
  - (c) a reference to a civil partner is to be read as including a reference to a person who is married to a person of the same sex, and
  - (d) a reference to a surviving civil partner is to be read as including a reference to a survivor of a marriage of a same sex couple.
- (2) Where paragraph (1) requires a reference to be read in a particular way, any related reference (such as a reference to a civil partnership that has ended or a reference to a person whose civil partnership has ended) is to be read accordingly.
- (3) For the purposes of paragraphs (1) and (2) it does not matter how a reference is expressed.
- (4) Paragraphs 1 and 2 of Schedule 3 to the Marriage (Same Sex Couples) Act 2013 do not apply to the interpretation of this Section of the Scheme.
- (5) Section 11(1) and (2) of, and paragraph 3 of Schedule 3 to, the Marriage (Same Sex Couples) Act 2013 have effect subject to paragraphs (1) to (4).”.

## **1972 Section**

### **Section 4**

#### **Part 8**

Insert after rule 4.76—

“4.76A For the purposes of rule 4.76 it does not matter whether the civil servant or the civil servant’s surviving civil partner is a man or a woman but a surviving civil partner is only entitled to pension and other benefits payable under the rules of this scheme as they apply to them as either a widow or a widower (and not as both).

4.76B Where rule 4.76 requires a reference to be read in a particular way, any related reference (such as a reference to a civil partnership that has ended or a reference to a person whose civil partnership has ended) is to be read accordingly.

4.76C For the purpose of rules 4.76, 4.76A and 4.76B it does not matter how a reference is expressed.”.

#### **New Part 9 of Section 4**

Insert after Part 8—

#### **“Part 9: Marriage of a same sex couple**

4.81 In this scheme —

- (i) a reference to civil partnership is to be read as including a reference to marriage of a same sex couple,
- (ii) a reference to civil partners is to be read as including a reference to a married same sex couple,
- (iii) a reference to a civil partner is to be read as including a reference to a person who is married to a person of the same sex, and
- (iv) a reference to a surviving civil partner is to be read as including a reference to a survivor of a marriage of a same sex couple.

4.82 Where rule 4.81 requires a reference to be read in a particular way, any related reference (such as a reference to a civil partnership that has ended or a reference to a person whose civil partnership has ended) is to be read accordingly.

4.83 For the purposes of rules 4.81 and 4.82 it does not matter how a reference is expressed.

- 4.84 Paragraphs 1 and 2 of Schedule 3 to the Marriage (Same Sex Couples) Act 2013 do not apply to the interpretation of this scheme.
- 4.85 Section 11(1) and (2) of, and paragraph 3 of Schedule 3 to, the Marriage (Same Sex Couples) Act 2013 have effect subject to rules 4.81 to 4.84.”.

## **2007 Section**

### **New Rule F.1A**

Insert after rule F.1—

#### **“F.1A Marriage of a same sex couple**

- (1) In this Section —
  - (a) a reference to civil partnership is to be read as including a reference to marriage of a same sex couple,
  - (b) a reference to civil partners is to be read as including a reference to a married same sex couple,
  - (c) a reference to a civil partner is to be read as including a reference to a person who is married to a person of the same sex, and
  - (d) a reference to a surviving civil partner is to be read as including a reference to a survivor of a marriage of a same sex couple.
- (2) Where paragraph (1) requires a reference to be read in a particular way, any related reference (such as a reference to a civil partnership that has ended or a reference to a person whose civil partnership has ended) is to be read accordingly.
- (3) For the purposes of paragraphs (1) and (2) it does not matter how a reference is expressed.
- (4) Paragraphs 1 and 2 of Schedule 3 to the Marriage (Same Sex Couples) Act 2013 do not apply to the interpretation of this Section.
- (5) Section 11(1) and (2) of, and paragraph 3 of Schedule 3 to, the Marriage (Same Sex Couples) Act 2013 have effect subject to paragraphs (1) to (4).”.

**SCHEDULE 2**  
*(with effect from 1st April 2014)*

**2002 Section**

**Rule C.2**

- (1) Paragraph (2A) is amended as follows.
- (2) After sub-paragraph (a)(ii) insert—

“

  - (iii) The further contribution rate applicable to each scheme year after the scheme year ending on 31st March 2014 is the percentage rate set out in the table in sub-paragraph (h) which is applicable to the member’s annual rate of permanent pensionable earnings including any assumed pay as at the relevant date.”.
- (3) In sub-paragraph (c)(ii) for “such later date” substitute “such date after 31st March 2013 but before 31st March 2014”.
- (4) After sub-paragraph (c)(ii) insert—

“

  - (iii) The relevant date for each scheme year for the purposes of sub-paragraph (a)(iii) is the last day (31st March) of the preceding scheme year or such later date during the scheme year 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.”.
- (5) After sub-paragraph (ea) insert—

“(eb) Where –

  - (i) the level of a member’s annual permanent pensionable earnings including any assumed pay changes during any scheme year after that ending on 31st March 2014; and
  - (ii) the change is such that a percentage rate for further contributions in the table in sub-paragraph (h) which is different to the further contribution rate which applies under sub-paragraph (a)(iii) 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) After sub-paragraph (g) insert—

“(h)

**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	1.5%
£21,001 to £30,000	2.98%
£30,001 to £50,000	3.77%
£50,001 to £60,000	4.56%
£60,001 and over	5.35%

”.

## 1972 Section

### Rule 2A.2

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

(2) After paragraph (ii)(b) insert—

“

- (c) The further contribution rate applicable to each scheme year after the scheme year ending on 31st March 2014 is the percentage rate set out in the table in paragraph (ix) 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) In paragraph (iv)(b) for “such later date” substitute “such date after 31st March 2013 but before 31st March 2014”.

(4) After paragraph (iv)(b) insert—

“

- (c) The relevant date for each scheme year for the purposes of paragraph (ii)(c) is the last day (31st March) of the preceding scheme year or such later date during the scheme year 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.”.

(5) After paragraph (via) insert—

“(vib) Where –

- (i) the level of a civil servant’s annual pensionable earnings for further contribution purposes including any assumed pay changes during any scheme year after that ending on 31st March 2014; and
- (ii) the change is such that a percentage rate for further contributions in the table in paragraph (ix) which is different to the further contribution rate which applies under paragraph (ii)(c) is applicable to this new level,

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

(6) After paragraph (viii) insert—

“(ix)



**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	1.5%
£21,001 to £30,000	2.98%
£30,001 to £50,000	3.77%
£50,001 to £60,000	4.56%
£60,001 and over	5.35%

”.

## 2007 Section

### Rule D.2

- (1) Paragraph (1B) is amended as follows.
- (2) After sub-paragraph (a)(ii) insert—

“

  - (iii) The further contribution rate applicable to each scheme year after the scheme year ending on 31st March 2014 is the percentage rate set out in the table in sub-paragraph (h) which is applicable to the member’s annual rate of permanent pensionable earnings including any assumed pay as at the relevant date.”.
- (3) In sub-paragraph (c)(ii) for “such later date” substitute “such date after 31st March 2013 but before 31st March 2014”.
- (4) After sub-paragraph (c)(ii) insert—

“

  - (iii) The relevant date for each scheme year for the purposes of sub-paragraph (a)(iii) is the last day (31st March) of the preceding scheme year or such later date during the scheme year 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.”.
- (5) After sub-paragraph (ea) insert—

“(eb) Where—

  - (i) the level of a member’s annual permanent pensionable earnings including any assumed pay changes during any scheme year after that ending on 31st March 2014; and
  - (ii) the change is such that a percentage rate for further contributions in the table in sub-paragraph (h) which is different to the further contribution rate which applies under sub-paragraph (a)(iii) 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) After sub-paragraph (g) insert—

“(h)

**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	1.5%
£21,001 to £30,000	2.98%
£30,001 to £50,000	3.77%
£50,001 to £60,000	4.56%
£60,001 and over	5.35%

”.

**SCHEDULE 3**  
*(with effect from 9th October 2013)*

**2002 Section**

**Rule C.3**

In paragraph (2)—

- (a) insert “and” at the end of sub-paragraph (a);
- (b) omit “; and” at the end of sub-paragraph (b); and
- (c) omit sub-paragraph (c).

**1972 Section**

**Rule 15.2**

1. In paragraph (1)—

- (a) insert “and” at the end of sub-paragraph (a);
- (b) omit “; and” at the end of sub-paragraph (b); and
- (c) omit sub-paragraph (c).

2. Paragraph (3) becomes paragraph (2).

**2007 Section**

**Rule D.3**

In paragraph (4)—

- (a) insert “and” at the end of sub-paragraph (a);
- (b) omit “; and” at the end of sub-paragraph (b); and
- (c) omit sub-paragraph (c).

## EXPLANATORY NOTE

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

The Schedules to this scheme amend the rules of the Principal Civil Service Pension Scheme (the “PCSPS”).

The amendments in Schedule 1, which have effect from 13th March 2014, are made as a consequence of the introduction of the Marriage (Same Sex Couples) Act 2013 (c. 30) (“the 2013 Act”). They give effect to the policy, as provided for in the 2013 Act, that pension rights are extended to married same sex couples in the same way as they are currently available to civil partners. In particular, surviving same sex spouses will be entitled to survivor benefits in the same way as surviving civil partners. The amendments disapply the effect of the statutory gloss (set out in section 11(1) and (2) of, and paragraphs 1 to 3 of Schedule 3 to, the 2013 Act) as this provides that in the law of England and Wales, marriage has the same effect in relation to same sex couples as it has in relation to opposite sex couples which would not give the correct policy outcome. The statutory gloss in the 2013 Act is subject to contrary provision made by this scheme (paragraph 27 of Schedule 4 to the 2013 Act).

The amendments in Schedule 2 have effect from 1st April 2014. They 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 increases takes effect as an additional percentage of salary (the “further contribution” rate). The table below sets out the new further contribution rate applicable from 1st April 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	1.5%
£21,001 to £30,000	2.98%
£30,001 to £50,000	3.77%
£50,001 to £60,000	4.56%
£60,001 and over	5.35%

Schedule 3 to this scheme makes corrections to the amendments made to the PCSPS by the Principal Civil Service Pension Scheme (Amendment No.3) Scheme 2013 (“the 2013 Amendment Scheme”). This Schedule has effect from 9th October 2013, which is the date that the 2013 Amendment Scheme had effect. 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.