



Important Choice for Public Servants – Your Pension

In 2015 most public service pension schemes were reformed. Following negotiations with trade unions, the coalition government agreed to allow those within 10 years of retirement to remain in their existing pension schemes when the reformed schemes were introduced. However, in 2018 the courts found this to be discriminatory against younger members of the judicial and firefighters' pension schemes.

As a result the government published a public consultation in July 2020 on options to remove this discrimination. Having considered all responses, the government has decided on its final approach.

Who is affected?

Members of the main public service pension schemes who were in service on or before 31 March 2012 and on or after 1 April 2015, including those with a qualifying break in service of less than 5 years. Judicial and local government pension schemes will receive different changes as a result of the unique arrangements in those schemes.

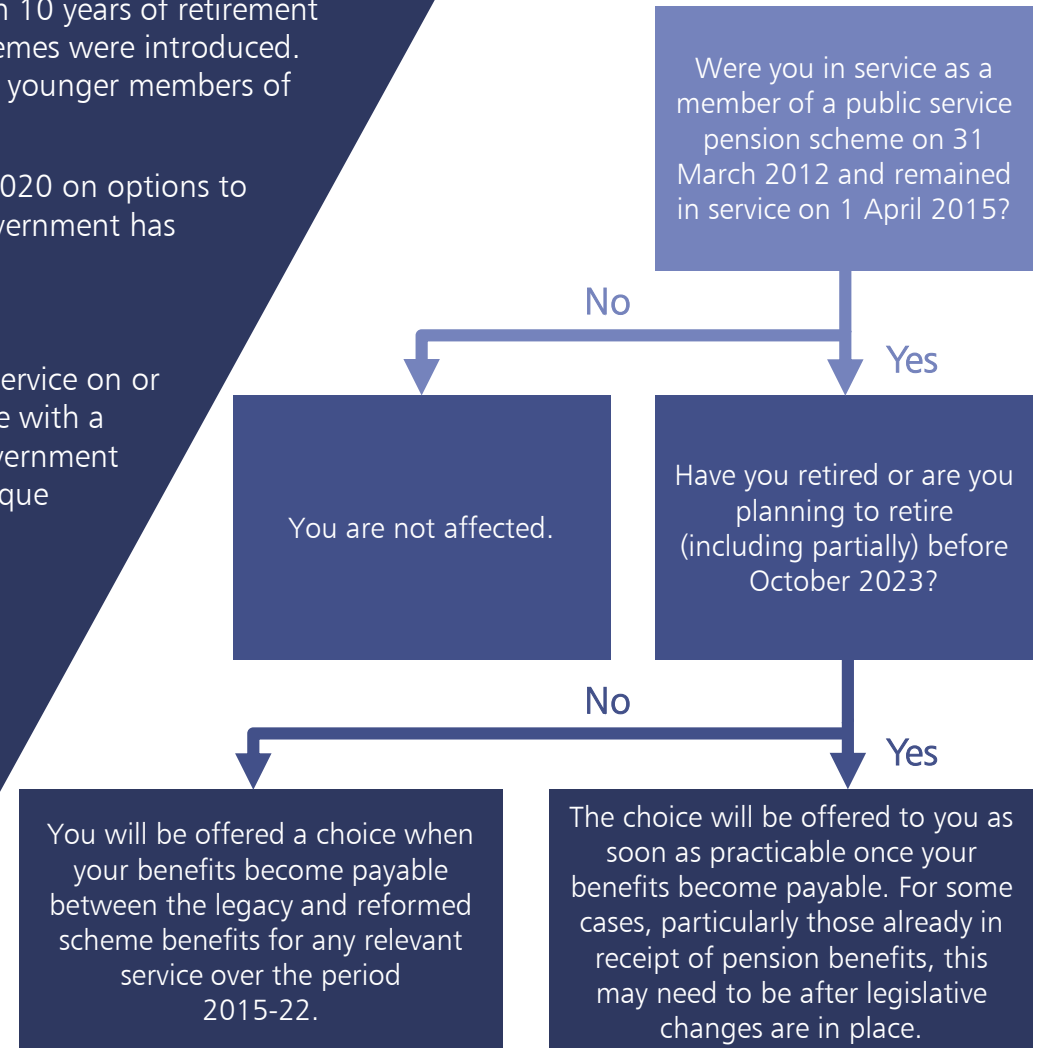
How are members affected?

To address the discrimination, eligible members will remain in, or be returned to, their old (legacy) schemes for service between 2015 and 2022. When benefits become payable members will receive a choice of whether they would rather receive the benefits of their reformed pension scheme for that period.

What next?

Eligible members do not have to do anything at this stage – they will be contacted by their pension scheme. These changes will take some time to be made as they require new legislation.

Are you affected?



Future Pension Provision

The total cost of public service pensions is currently more than **£40 billion every year**, most of which falls to the taxpayer.

The 2015 reforms to public service pensions increased fairness and affordability. The government believes these schemes provide good pension provision and continue to be more generous than most private sector pensions.

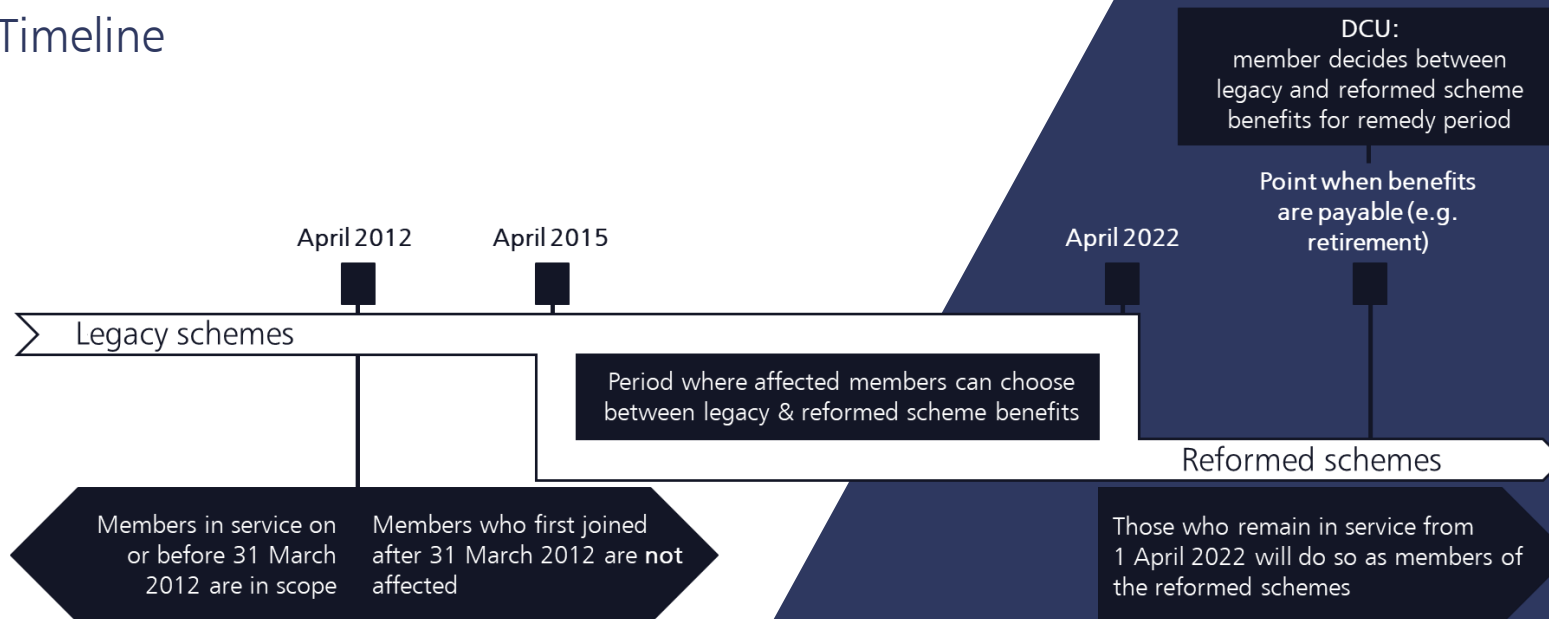
From 1 April 2022 all public servants who continue in service will only be eligible to do so as members of their reformed 2015 pension scheme, regardless of their age, therefore providing equality of treatment. Changes to the judicial and local government pension schemes are detailed separately.

Further Information

This leaflet does not provide a detailed explanation of individual members' legal entitlements. These will be provided for in statute, which would override anything in this leaflet where there were differences between the leaflet and statute.

Please refer to your pension scheme's website for more information about your pension.

Timeline



Member FAQs

Who is in scope of the policy?

Scheme members who were serving on or before 31 March 2012 and still serving on or after 1 April 2015 will be in scope of these proposals.

This includes those members who are currently active, deferred or retired, and those with a qualifying break in service of less than 5 years.

You do not need to put in a legal claim to be eligible for these changes.

Why are members who joined after 31 March 2012 not in scope?

The Court of Appeal's ruling identified unlawful discrimination between older and younger members in service on 31 March 2012. It is therefore these groups that the government are now equalising treatment between.

What do I need to do?

Eligible members do not have to do anything at this stage – they will be contacted by their pension scheme to notify them of the changes. In due course members will remain in, or be returned to, the old (legacy) schemes for service between 2015 and 2022. At the point benefits become payable members will be able to choose to instead receive new scheme benefits for that period. Where affected reformed scheme members retire before implementation, a choice between benefits will be offered as soon as practicable. For some cases this may need to be after legislative changes are in place.

Why are these changes necessary?

The government is committed to removing the discrimination for all those affected. Not all members are better off in the legacy schemes, so it is important that individuals can choose which scheme benefits they want to receive.

Will those protected by transitional protection also receive a choice between the new and old schemes?

Yes, members who originally received transitional protection will also be provided with a choice of which scheme benefits they would prefer to receive for the remedy period.

What's happening after the remedy period?

The remedy period ends on 31 March 2022. After that all active members will be members of their 2015 scheme.

How will this affect those who have retired or will retire before October 2023?

All affected members will be given a choice between old and new scheme benefits for service between 2015 and their retirement date.

Where affected reformed scheme members retire before October 2023, the choice will be offered as soon as practicable. For some cases, particularly those who are already in receipt of benefits, this may need to be after legislative changes are in place.