EXPLANATORY MEMORANDUM TO

THE CIVIL SERVICE (OTHER CROWN SERVANTS) PENSION SCHEME (AMENDMENT) REGULATIONS 2020

2020 No. 225

1. Introduction

1.1 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 To amend the Civil Service (Other Crown Servants) Pension Scheme Regulations 2016 (the "2016 Regulations") made under the Public Service Pensions Act 2013 (the "Act"). The amendments provide for the member contributions rates applicable in the scheme year ending 31st March 2020 to apply for the following scheme year and to continue to apply thereafter until amended, for those rates to be applied by reference to revalorised annualised rates of pensionable earnings bands ("pensionable earnings bands"), and for those pensionable earnings bands to be uprated annually by reference to the consumer prices index ("CPI").

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)

3.2 As the instrument is subject to negative resolution procedure, there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business at this stage.

4. Extent and Territorial Application

4.1 The territorial extent of this instrument is the United Kingdom.

4.2 The territorial application of this instrument is the United Kingdom.

5. European Convention on Human Rights

5.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

6. Legislative Context

6.1 The Act gives the Minister for the Civil Service powers to make and maintain a pension scheme for the Civil Service and certain other (mainly public service) employees.

6.2 The 2016 Regulations established a scheme for civil servants employed by the Secret Intelligence Service and the Security Service ("the Agencies"). The scheme is established by analogy to the Civil Service pension scheme established by the Public Service (Civil Servants and Others) Pensions Regulations 2014 (S.I. 2014/1964) with

some amendments and modifications. The scheme has been in operation since 1st April 2016.

7. Policy background

What is being done and why?

Employee contributions

7.1 The 2016 Regulations make provision for members' contribution rates up to and including the scheme year ending on 31st March 2020. In order to maintain the legislative basis for the collection of member contributions, these Regulations retain the existing member contributions rates and provide that these will apply for the scheme year 1st April 2020 to 31st March 2021 and subsequently, until such time as they are amended. The Regulations also insert revalorised pensionable earnings bands and provide for these bands to be uprated by reference to future increases in the CPI (Regulation 3).

8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union

8.1 This instrument does not relate to withdrawal from the European Union.

9. Consolidation

9.1 This instrument makes reasonably limited amendments to the 2016 Regulations and it is not considered appropriate to consolidate the 2016 Regulations at this time.

10. Consultation outcome

10.1 Where the responsible authority proposes to make scheme regulations containing provisions changing a protected element of the scheme within the protected period, section 22 of the Act requires the responsible authority to consult, with a view to reaching agreement, the persons, or representatives of those persons, who appear to the responsible authority likely to be affected by the regulations if they are made. A change to members' contribution rates is a change to one of the protected elements, as defined by section 22(5)(b) of the Act. Such consultation has taken place and was concluded on 14th February 2020. The relevant representatives indicated that they had no objections to the proposed amendments being implemented by these Regulations.

11. Guidance

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

12. Impact

12.1 There is no, or no significant, impact on business, charities, or voluntary bodies.

12.2 There is no, or no significant, impact on the public sector.

12.3 An Impact Assessment has not been prepared for this instrument.

13. Regulating small business

13.1 The legislation does not apply to activities that are undertaken by small businesses.

14. Monitoring & review

14.1 The Civil Service (Other Crown Servants) Pension Scheme Regulations 2016 are kept under review by the pension scheme manager.

15. Contact

15.1 Emily Clifton at the Cabinet Office (Telephone: 07548139957 or email: emily.clifton@cabinetoffice.gov.uk) can be contacted with any queries regarding the instrument.

15.2 Kerrie Cureton-Williams, Deputy Director for Civil Service & Royal Mail Pensions, at the Cabinet Office can confirm that this Explanatory Memorandum meets the required standard.

15.3 Lord Agnew, Minister of State at the Cabinet Office and Her Majesty's Treasury, can confirm that this Explanatory Memorandum meets the required standard.