EXPLANATORY MEMORANDUM TO

THE SUPERANNUATION (ADMISSION TO SCHEDULE 1 TO THE SUPERANNUATION ACT 1972) ORDER 2005

2005 No. 3171

1. This explanatory memorandum has been prepared by the Cabinet Office and is laid before Parliament by Command of Her Majesty. This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Description

2.1 This instrument adds employments and offices to Schedule 1 to the Superannuation Act 1972 ("the Act"), enabling people serving in those employments or offices to be members of the schemes made under section 1 of the Act. The Principal Civil Service Pension Scheme, the Civil Service Additional Voluntary Contribution Scheme, the Civil Service Compensation Scheme and the Civil Service Injury Benefits Scheme are schemes that have been made under section 1 of the Act and are collectively referred to below as "the PCSPS".

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative background

4.1 Section 1 of the Act gives to the Minister for the Civil Service powers to make, maintain and administer schemes to provide pensions, allowances or gratuities to civil servants and other persons whose employments or offices are listed in Schedule 1 to the Act. The Act further permits the Minister to add employments or offices to Schedule 1, conditional on the employment or office being paid out of moneys provided by Parliament, the Consolidated Fund, or the Scottish Consolidated Fund. An employment or office may also be removed from Schedule 1.

4.2 This Instrument adds a number of employments and the office of the Commissioner for Public Appointments in Scotland to Schedule 1 and removes employment by the Occupational Pensions Regulatory Authority (OPRA) and the Royal Fine Art Commission for Scotland. OPRA's functions have transferred to the Pensions Regulator under the Pensions Act 2004. The Royal Fine Art Commission for Scotland's functions have transferred to Architecture and Design Scotland, a Non- Departmental Public Body set up as a company limited by guarantee. In this instrument the Minister has exercised his powers retrospectively to add or remove an employment or office to or from Schedule 1.

5. Extent

5.1 This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

The Minister for the Civil Service has made the following statement regarding Human Rights:

The Superannuation (Admission to Schedule 1 to the Superannuation Act 1972) Order 2005 amends Schedule 1 to the Superannuation Act 1972. In my view, the provisions of this instrument are compatible with the Convention rights.

7. Policy background

7.1 The bodies added to Schedule 1 by this instrument wish to join the PCSPS rather than run their own pension arrangements. Membership of the PCSPS avoids the administration and associated costs of setting up separate arrangements, and makes available the economies of scale provided by the PCSPS. In all cases the bodies will be required to make contributions to the PCSPS at a level set to meet the full costs of the accruing superannuation liability associated with their staff. Civil Service Pensions Division ensures that admitted employments or offices are within the public sector and have suitable controls over pay to protect the Civil Superannuation Vote, from which pensions are paid.

7.2 There has been no public interest in these changes and they are not politically sensitive.

8. Impact

8.1 The outcome of this legislation is to effect a saving in administration to public sector bodies by enabling them to join existing pension arrangements and benefit from the support provided by the Scheme Managers, Civil Service Pensions Division.

9. Contact

Dominic Rowley (Head of Employers and Complaints Branch) at the Cabinet Office Civil Service Pensions can answer any queries regarding the instrument. Tel: 01256846570 or e-mail: dominic.rowley@cabinet-office.x.gsi.gov.uk

Employments and Other Bodies

Architecture and Design Scotland
China-Britain Business Council
The NHS Confederation (Employers) Company Limited
Health Protection Agency (Yr Asiantaeth Diogelu Iechyd)
Nuclear Decommissioning Authority
Partnerships for Schools Limited
Culture Northwest Limited
Culture North East Limited
Culture South West Limited
Yorkshire Culture Limited
Culture East Midlands Limited
Living East Limited
West Midlands Life Limited
Culture South East Limited
Wine Standards Board
Commissioner for Public Appointments in Scotland
Risk Management Authority
Joint Nature Conservation Committee
Health and Social Care Information Centre
JNCC Support Co.

Offices

The Commissioner for Public Appointments in Scotland

And the removal of:

Other Bodies

Occupational Pensions Regulatory Authority

Royal Commissions and other Commissions

Royal Fine Art Commission for Scotland