

# Schedules

## Schedule 1

Regulation 5

### Remediable Service for the Armed Forces Pension Scheme 1975

#### “Schedule 4

#### Remediable Service

### Part 1

#### Introductory Provisions

#### Interpretation

**1.—(1)** In this Schedule—

“AFPS 1975” means the occupational pension scheme established by Schedules 1 and 3 to this instrument and—

- (a) “AFPS 1975 benefits” mean benefits payable under Schedules 1 and 3;
- (b) “AFPS 1975 service”, in relation to a member, means the member’s remediable service that is pensionable service under the AFPS 1975 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“AFRS 2010” means the Armed Forces Redundancy Scheme 2010 established by Part 2 of the Armed Forces (Redundancy, Resettlement and Gratuity Earnings Schemes)(No.2) Order 2010(1);

“AFRS 2020” means the Armed Forces Redundancy Scheme 2020 established by the Schedule to the Armed Forces Redundancy Scheme Order 2020;

“EDP 2015 Incapacity Scheme” means the scheme established by Part 4 of the EDP Regulations 2014, and “an EDP 2015 Incapacity award” means new scheme benefits under that scheme;

“EDP 2015 Scheme” means the scheme established by Part 2 of the EDP Regulations 2014, and “EDP 2015 benefits” means new scheme benefits(2) under that scheme;

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022(3);

“PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;

“armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;

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(1) [S.I. 2010/832](#).

(2) See section 34 of PSPJOA 2022 for the meaning of “new scheme benefits”.

(3) Published on 15 December 2022 and accessible online at <https://www.gov.uk/government/publications/public-service-pensions-and-judicial-offices-act-2022-treasury-directions>. A hard copy is available on written request to His Majesty’s Treasury, 1 Horse Guards Road, London, SW1A 2HQ.

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“Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;

“deferred choice decision” has the meaning given in paragraph 12(1);

“deferred choice decision-maker” means the person who may make a deferred choice decision under paragraph 12(2);

“end of the section 6 election period”, in relation to an immediate choice member, has the meaning given in section 7(2) of PSPJOA 2022;

“end of the section 10 election period”, in relation to a deferred choice member, means the end of the day determined in accordance with—

(a) where the member is the deferred choice decision-maker, paragraph 13(2)(b);

(b) where a person other than the member is the deferred choice decision-maker, paragraph 14(2)(b);

“immediate choice decision” has the meaning given in paragraph 8(1);

“immediate choice decision-maker” means the person who may make an immediate choice decision under paragraph 8(2);

“legacy scheme”, in relation to a remedy member’s remediable service, means the AFPS 1975 and—

(a) “legacy scheme benefits” means AFPS 1975 benefits;

(b) “legacy scheme service”, in relation to a remedy member, means the member’s AFPS 1975 service;

“member” means an active, deferred, deceased or pensioner member of a pension scheme;

“non-discrimination rule” has the meaning given in section 25(8) of PSPJOA 2022, and references to a relevant breach of a non-discrimination rule are to be read in accordance with section 25(9) of that Act;

“opted-out service election” has the meaning given in paragraph 6(1);

“reformed scheme” means the AFPS 2015, and “reformed scheme benefits” means new scheme benefits under that scheme;

“relevant amount” has the meaning given in section 26(3) of PSPJOA 2022;

“remediable service”, in relation to a remedy member, means the member’s remediable service(4) in an employment or office that is pensionable service under the Scheme (whether or not by virtue of section 2(1) of PSPJOA 2022);

“remedy member” means a member with remediable service;

“Scheme manager” means the Secretary of State;

“section 6 election” has the meaning given in paragraph 8(1)(a);

“section 10 election” has the meaning given in paragraph 12(1)(a).

(2) In this Schedule, a “deferred choice member” means a remedy member who—

(a) immediately before 1st October 2023 was not entitled to the present payment of a pension under this Scheme (whether or not that pension was abated) or the EDP 2015 Scheme, the amount of which was determined (to any extent) by reference to the member’s remediable service;

(b) on or after 1st October 2023, is an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020 in relation to that service.

(3) In this Schedule, an “immediate choice member” means a remedy member who, immediately before 1st October 2023, was—

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(4) See section 1 of PSPJOA 2022 for the meaning of “remediable service”.

- (a) entitled to the present payment of a pension under this Scheme (whether or not that pension was abated) or the EDP 2015 Scheme, the amount of which was determined by reference (to any extent) to the member's remediable service;
  - (b) a deceased member;
  - (c) an eligible person within the meaning of article 9 of the AFRS 2010 or paragraph 7 of the Schedule to the AFRS 2020 in relation to their remediable service.
- (4) A deferred choice member is a relevant member of the Scheme for the purposes of section 10 of PSPJOA 2022.
- (5) An immediate choice member is a relevant member of the Scheme for the purposes of section 6 of PSPJOA 2022.

2.—(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to members of the armed forces pension schemes.

- (2) A term used in this Schedule which—
- (a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and
  - (b) is not defined differently in this Schedule,
- has the meaning given in, or for the purposes of, that provision.

- (3) A term used in this Schedule which—
- (a) is defined in Schedules 1 or 3 to this instrument, the AFP Regulations 2014 or the EDP Regulations 2014 (“the relevant schemes”), and
  - (b) is not defined differently—
    - (i) in this Schedule, or
    - (ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,has, in relation to the relevant schemes, the meaning given in those schemes.

(4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.

3. For the purposes of this Scheme, section 14 of PSPJOA 2022 applies as if—
- (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
  - (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Remediable Service Statements

#### **Requirements relating to remediable service statements**

- 4.—(1) The Scheme manager must provide a remediable service statement in respect of a remedy member (“M”) in accordance with—
- (a) section 29 of PSPJOA 2022,
  - (b) any Treasury directions made under section 29(6) of that Act, and
  - (c) this paragraph.
- (2) The Scheme manager must provide a remediable service statement in respect of M—

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- (a) before the relevant date<sup>(5)</sup>,
  - (b) where M is, in relation to their remediable service, for the time being—
    - (i) an active member, at least once in each year ending with the anniversary of the relevant date;
    - (ii) a deferred member, within three months of receipt of a written request by the member<sup>(6)</sup>, where such request is received after the relevant date;
  - (c) where M is a deferred choice member, as soon as is reasonably practicable following receipt of notification—
    - (i) that M intends to claim benefits in relation to their remediable service, or
    - (ii) that M has died.
- (3) Where—
- (a) a remediable service statement has been provided to M under sub-paragraph (2)(a), and
  - (b) M dies before the end of the section 6 election period before making a decision under paragraph 8(1),
- the Scheme manager must provide a remediable service statement in respect of M as soon as reasonably practicable and, for the purposes of section 7(2)(a) of PSPJOA, the remediable service statement provided to M under sub-paragraph (2)(a) is treated as though it had never been provided.
- (4) The remediable service statement must be provided—
- (a) to M, or
  - (b) where M is deceased, to the person who is for the time being the eligible decision-maker in relation to M’s remediable service under Part 10 (unless the eligible decision-maker is the Scheme manager).
- (5) The remediable service statement must include—
- (a) where the Scheme manager has determined that any information to be provided in connection with M’s remediable service must be communicated in a particular form and manner, information about that form and manner;
  - (b) where M is an immediate choice member, information about the irrevocability of an immediate choice decision;
  - (c) where M is a deferred choice member, information about the revocability (or otherwise) of a deferred choice decision.
- (6) For further provision about—
- (a) what a remediable service statement must include, see—
    - (i) section 29(5) of PSPJOA 2022;
    - (ii) direction 20(1) of the PSP Directions 2022;
  - (b) when a remediable service statement must be combined with a benefit information statement provided under section 14 of the Public Service Pensions Act 2013, see direction 20(2) of the PSP Directions 2022.

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<sup>(5)</sup> See section 29(10) of PSPJOA 2022 for the meaning of “the relevant date”.

<sup>(6)</sup> In accordance with section 29(9) of PSPJOA 2022, only one request under regulation 4(2)(b)(ii) may be made during any period of 12 months.

## Part 3

### Decisions about the treatment of remediable service

#### Chapter 1

#### Opted-out Service

##### **Application and interpretation of Chapter 1**

5.—(1) This Chapter applies to and in respect of a member (“M”) with opted-out service in an employment or office in relation to the legacy scheme(7).

(2) In this Chapter—

“opted-out service decision-maker” means the person who may make an opted-out service election in accordance with paragraph 6(2);

“relevant opted-out service” means the service referred to in sub-paragraph (1).

##### **Election in relation to relevant opted-out service**

6.—(1) An election (an “opted-out service election”) may be made in relation to M’s relevant opted-out service in accordance with this Part and section 5 of PSPJOA 2022.

(2) An opted-out service election may be made—

(a) by M, or

(b) where M is deceased, by the eligible decision-maker specified in Part 10.

(3) Where a person other than the Scheme manager is the opted-out service decision-maker, an opted-out service election may only be made after the Scheme manager determines an application which is—

(a) made by or behalf of M,

(b) in a form and manner determined by the Scheme manager,

(c) received by the Scheme manager within twelve months of the date on which the Scheme manager notified M of their right to make the application, and

(d) accompanied by such information—

(i) which is within the person’s possession, or

(ii) which the person may reasonably be expected to obtain,

that the Scheme manager may by written notice require the person to provide in relation to the decision which caused the service in question to become opted-out service.

(4) As soon as is reasonably practicable after receipt of an application, the Scheme manager must—

(a) determine whether an opted-out service election may be made in relation to M, and

(b) notify the person who made the application whether such an opted-out service election may be made.

(5) Where the Scheme manager is the opted-out service decision-maker, the Scheme manager must, as soon as is reasonably practicable after determining that they are the opted-out service decision-maker, determine whether to make an opted-out service election in relation to M.

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(7) See section 36 of PSPJOA 2022 for the meaning of “opted-out service”.

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(6) The Scheme manager must refuse an application where the decision by virtue of which M's service became opted-out service was not made pursuant to a relevant breach of a non-discrimination rule<sup>(8)</sup>.

(7) An opted-out service election to be made by—

(a) a person other than the Scheme manager is made when the person confirms that an opted-out service election is to be made following receipt of the notification mentioned in subparagraph (4)(b);

(b) the Scheme manager is made at the time determined by the Scheme manager.

(8) See section 5(2) to (4) of PSPJOA 2022 about the effect, timing and irrevocability of an opted-out service election.

## Chapter 2

### Immediate choice decision for reformed scheme or legacy scheme benefits

#### **Application and interpretation of Chapter 2**

7. This Chapter applies in respect of the remediable service of an immediate choice member ("M").

#### **Immediate choice decision for reformed scheme or legacy scheme benefits**

8.—(1) A decision (an "immediate choice decision") may be made in accordance with this Chapter—

(a) to make an election (a "section 6 election") by virtue of section 6 of PSPJOA 2022 in relation to M's remediable service, or

(b) that no section 6 election is to be made in relation to that service.

(2) An immediate choice decision may be made—

(a) by M, or

(b) where M is deceased, by the eligible decision-maker specified in Part 10.

(3) An immediate choice decision made by—

(a) a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;

(b) the Scheme manager is made at the time determined by the Scheme manager.

(4) An immediate choice decision may only be made before the end of the section 6 election period<sup>(9)</sup>.

(5) An immediate choice decision is irrevocable.

(6) An immediate choice decision to make a section 6 election takes effect as a section 6 election (see sections 6(5) and (7), 7(1)(b) and 9 of PSPJOA 2022 about the effect of a section 6 election).

(7) Where—

(a) immediately before 1st October 2023, M had remediable service in the reformed scheme, and

(b) an immediate choice decision is made that no section 6 election is to be made in relation to M's remediable service,

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<sup>(8)</sup> See section 25(8) of PSPJOA 2022 for the meaning of "non-discrimination rule" and section 25(9) for the circumstances in which a breach of a non-discrimination rule is "relevant".

<sup>(9)</sup> See section 7(2) of PSPJOA 2022 for the meaning of "the end of the section 6 election period".

section 6(4) of PSPJOA 2022 does not apply in relation to M's reformed scheme service (and, accordingly, section 2(1) of PSPJOA 2022 has effect in relation to M's reformed scheme service for the purposes mentioned in section 2(3)(b) of that Act from the time the immediate choice decision is made).

(8) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 6 election is to be made as they have effect in relation to a section 6 election—

- (a) section 6(7) (section 6 election has effect in respect of all remediable service in the employment or office);
- (b) section 7(1)(b) (provision about when a section 6 election is to be treated as having taken effect);
- (c) section 9 (provision about persons with remediable service in more than one Chapter 1 legacy scheme).

#### **Immediate choice decision: additional requirements**

9.—(1) This paragraph applies where the immediate choice decision-maker (“D”) is a person other than the Scheme manager.

(2) An immediate choice decision may not be made unless a remediable service statement has been provided to D in accordance with paragraph 4(2)(a), or, where sub-paragraph (3) applies, in accordance with paragraph 4(3).

(3) Where—

- (a) a remediable service statement has been provided to M in accordance with paragraph 4(2)(a), and
- (b) M dies before making an immediate choice decision under paragraph 8,

the section 6 election period is treated as though it had never begun in relation to M.

(4) An immediate choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

- (a) information in D's possession, or
- (b) information which D can reasonably be expected to obtain.

#### **Immediate choice decision: deemed election**

10. Where—

- (a) the end of the section 6 election period in relation to M has passed, and
- (b) no immediate choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat an immediate choice election as having been made in relation to M's remediable service immediately before the end of the section 6 election period.

### **Chapter 3**

Deferred choice decision for reformed scheme or legacy scheme benefits

#### **Application and interpretation of Chapter 3**

11. This Chapter applies in respect of the remediable service of a deferred choice member (“M”).

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**Deferred choice decision for reformed scheme or legacy scheme benefits: general**

- 12.—(1) A decision (a “deferred choice decision”) may be made—
- (a) to make an election (a “section 10 election”) by virtue of section 10 of PSPJOA 2022 in relation to M’s remediable service, or
  - (b) that no section 10 election is to be made in relation to that service.
- (2) A deferred choice decision may be made—
- (a) by M, or
  - (b) where M is deceased, by the eligible decision-maker specified in Part 10.
- (3) A deferred choice decision—
- (a) to be made by a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
  - (b) to be made by the Scheme manager is made at a time determined by the Scheme manager.
- (4) A deferred choice decision may only be made before the end of the section 10 election period.
- (5) A deferred choice decision to make a section 10 election takes effect as a section 10 election (see sections 10(4) and (5), 11(3)(b), (4) and (7) and 13 of PSPJOA 2022 about the effect of a section 10 election).
- (6) Where the deferred choice decision is that no section 10 election is to be made, the benefits payable to or in respect of M, so far as they are determined by reference to M’s remediable service, are legacy scheme benefits.
- (7) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 10 election is to be made as they have effect in relation to a section 10 election—
- (a) section 10(5) (section 10 election has effect in respect of all remediable service in the employment or office);
  - (b) section 11(3)(b), (4) and (7) (provision about when a section 10 election take effect, and the effect of lapse or revocation of a section 10 election);
  - (c) section 13 (persons with remediable service in more than one Chapter 1 legacy scheme).

**Deferred choice decision to be made by M**

- 13.—(1) This paragraph applies where M is the deferred choice decision-maker.
- (2) A deferred choice decision may only be made during the period—
- (a) beginning on the date a remediable service statement is issued under paragraph 4(2)(c)(i), and
  - (b) ending—
    - (i) at the end of the day 6 months after the day the remediable service statement mentioned in paragraph (a) was issued, or
    - (ii) subject to sub-paragraph (4), at the end of such other day as the Scheme manager considers reasonable in all the circumstances.
- (3) The end of the period during which a deferred choice decision may be made must not be more than the earlier of—
- (a) one year before the day on which it is reasonably expected that legacy scheme benefits would become payable to or in respect of M, or
  - (b) one year before the day on which it is reasonably expected that, if a section 10 election were made, reformed scheme benefits would become payable to or in respect of M.



- (4) A deferred choice decision made by M may be revoked—
  - (a) at any time before the cancellation deadline, and
  - (b) by M communicating to the Scheme manager notice of the revocation in a form and manner determined by the Scheme manager.
- (5) Where the Scheme manager receives, before the cancellation deadline, notice that M has died—
  - (a) any deferred choice decision made by M lapses, and
  - (b) any period that has begun (whether or not it has also ended) in accordance with sub-paragraph (2) is to be treated as if it had never begun (or ended).
- (6) In sub-paragraphs (4) and (5), “the cancellation deadline” means—
  - (a) the beginning of the day one calendar month before the day (“the payment day”) on which the first payment under the Scheme is due to be made in relation to M’s remediable service, or
  - (b) such later time before the payment day as the Scheme manager considers reasonable in all the circumstances.

**Deferred choice decision to be made by a person other than M**

- 14.—(1) This paragraph applies where a person other than M is the deferred choice decision-maker.
- (2) A deferred choice decision may only be made during the period—
    - (a) beginning on the date a remediable service statement is issued under paragraph 4(2)(c)(ii), and
    - (b) ending—
      - (i) at the end of the day 6 months after that date;
      - (ii) except where the Scheme manager is the deferred choice decision-maker, at such later time as the Scheme manager considers reasonable in all the circumstances;
      - (iii) if earlier than the time which applies under sub-paragraph (i) or (ii), immediately after a deferred choice decision is made.
  - (3) A deferred choice decision made by a person other than M is irrevocable.

**Deferred choice election: deemed section 10 election**

15. Where—
- (a) the end of the section 10 election period in relation to M has passed, and
  - (b) no deferred choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat a section 10 election as having been made in relation to M’s remediable service immediately before the end of the section 10 election period.

**Deferred choice decision: additional requirements**

16. Where the deferred choice decision-maker (“D”) is a person other than the Scheme manager, a deferred choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—
- (a) information in D’s possession, or

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- (b) information which D can reasonably be expected to obtain.

## Part 4

### Provision about divorce and dissolution arrangements

#### Chapter 1

##### Pension Credit and Debit Members

##### *Section 1*

##### *Application and Interpretation of Chapter 1*

#### **Application and interpretation of Chapter 1**

17.—(1) This Chapter applies in relation to—

- (a) a pension credit member (“C”),
- (b) the corresponding pension debit member (“D”), and
- (c) the pension sharing order by virtue of which C became a pension credit member in relation to D’s remediable service (the “relevant pension sharing order”).

(2) In this Chapter—

“appropriate amount” means an amount calculated for the purposes of section 29(1) of WRPA 1999;

“cash equivalent” means an amount calculated in accordance with regulations made under section 30 of WRPA 1999;

“corresponding pension debit member” means a member of this Scheme with remediable service (whether or not by virtue of section 2(1) of PSPJOA 2022) whose benefits, or future benefits, under the Scheme are subject to a pension debit<sup>(10)</sup>;

“legacy remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in this Scheme immediately before the transfer day;

“pension credit account” means a pension credit member account in this Scheme or the reformed scheme by virtue of the relevant pension sharing order;

“pension credit member” means a member of this Scheme who has rights under the Scheme—

- (a) which are attributable (directly or indirectly) to a pension credit,
- (b) which arise by virtue of a pension sharing order with a transfer day on or after 1st April 2015, and
- (c) the value of which was determined (to any extent) by reference to the value of benefits payable in respect of the remediable service of another member;

“pension information” means information provided by the Scheme manager under regulations 2, 3 or 4 of the Pensions on Divorce etc. (Provision of Information) Regulations 2000<sup>(11)</sup>;

<sup>(10)</sup> See section 19(7) of PSPJOA 2022 for the meanings of “pension debit” and “pension credit”.

<sup>(11)</sup> S.I. 2000/1048. Regulation 2 was amended by S.I. 2005/2877 and 2016/289. Regulation 3 was amended by S.I. 2005/2877, 2008/1050 and 2016/289. Regulation 4 was amended by S.I. 2000/2691, S.I. 2008/1050 and S.I. 2016/289.

“pension sharing order” means the order or provision by virtue of which section 29 of WRPA 1999 applies in relation to a pension credit member and the corresponding pension debit member;

“reformed remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in the reformed scheme immediately before the transfer day;

“remediable relevant benefits” means the benefits or future benefits described in section 29(4) and (5) of WRPA 1999 to which D is entitled by virtue of remediable shareable rights;

“remediable shareable rights” means D’s shareable rights secured by virtue of D’s remediable service during the period beginning on 1st April 2015 and ending on the earlier of—

- (a) the day before the transfer day, or
- (b) the last day of D’s remediable service;

“shareable rights” has the meaning given in section 27(2) of WRPA 1999;

“transfer day” means the day on which the relevant pension sharing order takes effect;

“valuation day” has the meaning given in section 29(7) of WRPA 1999.

(3) In this Chapter, where the Scheme manager is required to determine an amount, this must be done—

- (a) as soon as reasonably practicable, and
- (b) with regard to the advice of the Scheme actuary.

(4) In this Chapter, a reference to benefits secured in “this Scheme” or the “legacy scheme”, means benefits secured under the rules in Schedules 1 and 3 to this Scheme.

## *Section 2*

### *Pension sharing orders: information sharing before 1st October 2023*

#### **Application and interpretation of Section 2**

**18.** This Section applies where the most recent pension information in respect of D’s remediable service was provided by the Scheme manager before 1st October 2023.

#### **Information before 1st October 2023: unprotected member, AFPS 1975 only**

**19.—**(1) This paragraph applies where—

- (a) D was a transition member with continuity of service on or before 31st March 2022, and
- (b) the relevant pension sharing order applies only to shareable rights under this Scheme, or to shareable rights under this Scheme and any other Chapter 1 legacy schemes.

(2) For the purposes of determining the pension debit under section 29(1)(a) of WRPA 1999 or the pension credit under section 29(1)(b) of WRPA 1999, D’s shareable rights do not include any rights secured by pensionable service on or after 1st April 2015.

#### **Information and transfer day before 1st October 2023: protected members**

**20.—**(1) This paragraph applies—

- (a) where D was a full protection member of this Scheme before 1st April 2022,
- (b) where the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and

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- (c) whether or not C has a pension credit account in the reformed scheme under the relevant pension sharing order.
- (2) The Scheme manager must determine—
  - (a) the initial appropriate amount;
  - (b) the remediable appropriate amount.
- (3) The “initial appropriate amount” means the appropriate amount determined for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights in this Scheme.
- (4) The remediable appropriate amount is the greater of—
  - (a) the initial appropriate amount;
  - (b) the reformed remediable appropriate amount.
- (5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.
- (6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—
  - (a) the initial appropriate amount,
  - (b) the reformed remediable appropriate amount,
  - (c) the remediable appropriate amount,
  - (d) the remediable credit adjustment, if any, and
  - (e) where paragraph 23(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 23(5) and the consequences of making, or not making, such a request.
- (7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this Scheme.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—
  - (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this Scheme immediately before the transfer day;
  - (b) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent, on the valuation day, of the remediable relevant benefits as if they had been secured in the reformed scheme.

**Information and transfer day before 1st October 2023: unprotected members**

- 21.—(1) This paragraph applies where—
- (a) D was a transition member with continuity of service before 1st April 2022,
  - (b) the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
  - (c) C has a pension credit account in the reformed scheme under the relevant pension sharing order.
- (2) The Scheme manager must determine—
- (a) the initial appropriate amount;
  - (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined, on the valuation day, for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights on the transfer day in the reformed scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the legacy remediable appropriate amount;
- (b) the initial appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the legacy remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 23(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 23(5) and the consequences of making, or not making, such a request.

(7) In determining the legacy remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage value specified in the relevant pension sharing order in relation to the reformed scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent of D’s shareable rights under the reformed scheme on the valuation day;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in this Scheme.

### **Information before 1st October 2023: transfer day after 1st October**

**22.**—(1) This paragraph applies—

- (a) where the transfer day in relation to a relevant pension sharing order is on or after 1st October 2023, and
- (b) whether or not the relevant pension sharing order also makes provision in relation to the reformed scheme for an appropriate amount to be transferred to C.

(2) The Scheme manager must determine the remediable appropriate amount.

(3) The remediable appropriate amount is the greater of the following amounts—

- (a) the legacy remediable appropriate amount;
- (b) the reformed remediable appropriate amount.

(4) The Scheme manager must transfer the legacy remediable appropriate amount to C’s pension credit account in this Scheme.

(5) Where the remediable appropriate amount is greater than the legacy remediable appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

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(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the legacy remediable appropriate amount,
- (b) the reformed remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 23(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 23(5) and the consequences of making, or not making, such a request.

(7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is—

- (a) where the relevant pension sharing order specifies a percentage value in relation to this Scheme only, that percentage value;
- (b) where the relevant pension sharing order specifies different percentage values in relation to this Scheme and the reformed scheme, the percentage value that is specified for the pension Scheme under which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the “implied percentage”) that the initial appropriate amount represented of the cash equivalent of D’s shareable rights on the valuation day—
  - (i) as if they had been secured in this Scheme, where D was a full protection member before 1st April 2022, or
  - (ii) as if they had been secured in the reformed scheme, where D was a transition member with continuity of service before 1st April 2022;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in this Scheme on the valuation day;
- (c) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in the reformed scheme on the valuation day.

**Information provided before 1st October 2023: applying a remediable credit adjustment**

**23.—**(1) This paragraph applies where C’s pension credit account is subject to a remediable credit adjustment in accordance with paragraphs 20(5), 21(5) or 22(5).

(2) The Scheme manager must adjust C’s pension credit account by an amount equal to the remediable credit adjustment.

(3) An adjustment made under sub-paragraph (2) has effect as if it had been made on the transfer day.

(4) Where C has a pension credit in the reformed scheme by virtue of the relevant pension sharing order, C may request that the value of the remediable credit adjustment is instead credited to C’s pension credit account in the reformed scheme.

(5) A request under sub-paragraph (4) must—

- (a) be made by C in writing to the Scheme manager,

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- (b) be in a form determined by the Scheme manager,
  - (c) unambiguously identify C's pension credit account in the reformed pension scheme, and
  - (d) be received by the Scheme manager by—
    - (i) the end of the day twelve months after the date on which the statement required by paragraphs 20(6), 21(6) or 22(6) was sent to C, or
    - (ii) the end of such later day that the Scheme manager considers reasonable in all the circumstances.
- (6) A request made in accordance with sub-paragraph (5) is irrevocable.
- (7) Section 14(3) to (6) of PSPJOA 2022 applies in relation to C as it applies in relation to a member described in section 14(1) as if—
- (a) a reference to D's remediable service in an employment or office were a reference to C's pension credit;
  - (b) a reference to the effect, if any, of sections 2(1) and 6(4) were a reference to the effect, if any, of this paragraph;
  - (c) the term "operative time" means the time at which the adjustment mentioned in sub-paragraph (2) is made (disregarding sub-paragraph (3)).

**Information provided before 1st October 2023: immediate choice – pension debit information**

- 24.—(1) This paragraph applies where D is an immediate choice member of this Scheme where—
- (a) D's remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
  - (b) an immediate choice decision has not been made or treated as made in relation to D's remediable service under this Schedule, and
  - (c) paragraph 19 does not apply.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").
- (3) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: immediate choice – pension debit adjustment**

- 25.—(1) This paragraph applies where—

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- (a) D was an immediate choice member to whom paragraph 24 applied, and
  - (b) an immediate choice decision is subsequently made in relation to D's remediable service.
- (2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under paragraph 8(1)(a) of this Schedule.
- (3) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the legacy remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under paragraph 8(1)(b) of this Schedule.

**Information provided before 1st October 2023: deferred choice – pension debit**

- 26.—(1) This paragraph applies where D is a deferred choice member of this Scheme where—
- (a) D's remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
  - (b) a deferred choice decision has not been made or treated as made in relation to D's remediable service under this Schedule, and
  - (c) paragraph 19 does not apply.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").
- (3) The Scheme manager must adjust D's pension account so that it is subject to a debit of the legacy remediable reduction amount in respect of D's remediable relevant benefits.
- (4) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: deferred choice member – pension debit adjustment**

- 27.—(1) This paragraph applies where—
- (a) D was a deferred choice member to whom paragraph 26 applied, and
  - (b) a deferred choice decision is subsequently made in relation to D's remediable service.
- (2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount determined under paragraph 26 where a deferred choice decision is made or treated as having been made in relation to D's remediable service under paragraph 12(1)(a) of this Schedule.



(3) An adjustment under sub-paragraph (2) above takes effect as if it had been made on the transfer day.

### Section 3

#### *Information provided on or after 1st October 2023*

#### **Application and interpretation of Section 3**

**28.** This Section applies where, on or after 1st October 2023, the Scheme manager provides pension information in respect of D's remediable service.

#### **Information provided on or after 1st October 2023: pension information**

**29.**—(1) This paragraph applies where no immediate choice decision or deferred choice decision has been made in relation to D's remediable service before the Scheme manager provided the pension information.

(2) For the purpose of providing the pension information, the Scheme manager must determine—

- (a) the cash equivalent of D's remediable rights as if those remediable rights were secured in this Scheme, and
- (b) the cash equivalent of those rights as if they were secured in the reformed scheme.

(3) The value of D's remediable rights for the purposes of section 23 of WRPA 1999 is the greater of those rights.

#### **Information provided on or after 1st October 2023: calculation of pension credits**

**30.**—(1) This paragraph applies where the Scheme manager must determine the appropriate amount for the purposes of section 29 of WRPA 1999.

(2) For the purpose of calculating the appropriate amount, the Scheme manager must determine—

- (a) the cash equivalent of D's remediable relevant benefits on the valuation day as if those remediable relevant benefits were in this Scheme ("the legacy scheme cash equivalent"), and
- (b) the cash equivalent of those benefits on the valuation day as if they were in the reformed scheme ("the reformed scheme cash equivalent").

(3) For the purpose of calculating the pension credit, the Scheme manager must use the greater of—

- (a) the legacy scheme cash equivalent;
- (b) the reformed scheme cash equivalent.

#### **Information provided on or after 1st October 2023: pension debit**

**31.**—(1) This paragraph applies where—

- (a) where the Scheme manager must determine the appropriate amount for the purposes of section 29(1)(a) of WRPA 1999, and
- (b) no immediate choice decision under paragraph 8(1)(a) or deferred choice decision under paragraph 12(1)(a) has yet been made or treated as being made in relation to D's remediable service under this Schedule.

(2) The Scheme manager must determine the appropriate amount in relation to D's remediable relevant benefits—

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- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) Where D is a deferred choice member, the Scheme manager must adjust D’s remediable relevant benefits by the legacy remediable reduction amount.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.

**Information provided on or after 1st October 2023: pension debit adjustment**

**32.**—(1) This paragraph applies where—

- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order, and
  - (b) an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) is made or treated as being made in relation to D’s remediable service under this Schedule.
- (2) The Scheme manager must determine the appropriate amount for the purposes of section 29(1)(a) of WRPA 1999 in relation to D’s remediable relevant benefits as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day.
- (3) The Scheme manager must adjust D’s pension account to reflect the appropriate amount determined under sub-paragraph (2) in respect of D’s remediable relevant benefits.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.
- (5) For the purposes of sub-paragraph (2), the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured in the reformed scheme on the transfer day,
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

Chapter 2

Arrangements on divorce, annulment or dissolution other than a pension sharing order

**Arrangements other than a pension sharing order: calculating the value of pension benefits**

**33.**—(1) This paragraph applies where—

- (a) the value of the remediable rights of a member (“M”) must be determined for the purpose of proceedings connected to M’s divorce, annulment or the dissolution of M’s civil partnership,
- (b) the divorce, annulment or dissolution is to take effect—
  - (i) on or after 1st October 2023, and
  - (ii) before the earlier of—
    - (aa) a decision taking effect in relation to M’s remediable service, or
    - (bb) the end of the relevant election period, and
- (c) the value of M’s remediable rights is not to be subject to a pension sharing order.

(2) The value of M’s remediable rights for the purpose of the proceedings is the greater of those rights valued by the Scheme manager, having regard to the advice of the Scheme actuary, as if they were—

- (a) secured in M’s legacy scheme, or
- (b) secured in the reformed scheme.

(3) In this paragraph—

“decision” means an immediate choice decision or a deferred choice decision;

“pension sharing order” means an order or provision which attracts section 29 of WRPA 1999 in relation to M’s remediable rights;

“relevant election period” means, where M is—

- (a) a deferred choice member, the section 10 election period in relation to M;
- (b) an immediate choice pensioner member, the section 6 election period in relation to M;

“remediable rights” means the rights secured by virtue of M’s remediable service.

## Part 5

### Voluntary Contributions

#### Chapter 1

#### Application

#### **Application of this Part**

**34.** This Part applies to a remedy member (“M”) who—

- (a) is not a deceased member, and
- (b) was, immediately before 1st April 2022, not a full protection member of the AFPS 1975 within the meaning of Part 2 of Schedule 3 to this instrument.

#### Chapter 2

#### Remedial arrangements to pay voluntary contributions to the legacy scheme

#### **Remedial arrangements: purchase of additional reckonable service**

**35.—**(1) M may enter into a remedial voluntary contributions arrangement to pay contributions for additional reckonable service in accordance with rule C.1 (purchase of additional reckonable service by periodic contributions) of Schedule 1 to this instrument.

(2) M may only enter into such an arrangement—

- (a) if the Scheme manager is satisfied that it is more likely than not that, but for a relevant breach of a non-discrimination rule, M would, during the period of M’s remediable service, have entered into the same or a similar arrangement,
- (b) before—
  - (i) the end of the period of one year beginning with the day on which a remediable service statement is first provided to M, or
  - (ii) such later time as the Scheme manager considers reasonable in all the circumstances, and

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- (c) after an application made in accordance with paragraph 37 is approved by the Scheme manager.

**Remedial arrangements: enhanced benefits**

**36.**—(1) M may enter into a remedial voluntary contributions arrangement to pay contributions for additional benefits in accordance with rules C.4 (purchase of right to have benefits calculated on enhanced basis) or C.6 (purchase of increased pension for surviving spouse or civil partner) of Schedule 1 to this instrument.

(2) M may only enter into such arrangements—

- (a) in respect of a period of M’s remediable service,
- (b) if the Scheme manager is satisfied that it is more likely than not that, but for a relevant breach of a non-discrimination rule, M would, during the period of M’s remediable service, have entered into the same or a similar arrangement,
- (c) before—
  - (i) the end of the period of one year beginning with the day on which a remediable service statement is first provided to M, or
  - (ii) such later time as the Scheme manager considers reasonable in all the circumstances,
- (d) after an application made in accordance with paragraph 37 is approved by the Scheme manager.

**Remedial arrangements: general**

**37.**—(1) An application is made in accordance with this paragraph where—

- (a) it is in writing in a form and manner determined by the Scheme manager,
- (b) it is accompanied by any information the Scheme manager reasonably requires to be provided for the purposes of—
  - (i) determining the matters mentioned in paragraph 35(2)(a) or 36(2)(b);
  - (ii) complying with any requirements of the relevant rules in Part C of Schedule 1 to this instrument, and
- (c) it is received by the Scheme manager—
  - (i) before the end of the period of twelve months beginning with the day on which a remediable service statement is first provided to M, or
  - (ii) such later time as the Scheme manager considers reasonable in all the circumstances.

(2) The Scheme manager may treat an approved application made in accordance with subparagraph (1) as if it were a notice under rule C.11 of Schedule 1 to this instrument.

(3) Where M enters into a remedial voluntary contributions arrangement, M owes to the Scheme manager an amount equal to—

- (a) the aggregate of the voluntary contributions which M would have owed had M entered into the remedial voluntary contributions arrangement at the time M would have entered into the same or a similar arrangement but for a relevant breach of a non-discrimination rule, less
- (b) tax relief amounts calculated in accordance with direction 12(2) to (7) of the PSP Directions 2022.

(4) Where a determination is made in accordance with direction 12(6) of the PSP Directions 2022, the following apply—

- (a) direction 12(8) (provision of explanation);
- (b) direction 12(9) and (10) (appeals).

(5) A remedial voluntary contributions arrangement entered into under this Chapter does not breach the rule on maximum contributions in rule C.10 of Schedule 1 where the remedial voluntary contributions due under that arrangement in respect of any tax year would not have breached that rule had the remedial voluntary contributions been paid in that tax year.

## Chapter 3

### Secondment/Loan

#### **Purchase of additional reckonable service in respect of period on loan**

**38.**—(1) This paragraph applies where, in relation to a remedy member’s (“M”) remediable service, both an option under rule C.3 (purchase of additional reckonable service in respect of a period on loan) of Schedule 1 to this instrument and an option to preserve an entitlement to earned pension under regulation 97 of the AFP Regulations 2014 (members seconded to NATO or the UN etc) were exercised, and—

- (a) both options were exercised on or before 30th September 2023,
- (b) the lump sum payable under rule C.3 has been paid to the Scheme, and
- (c) any contribution under rule C.3(5), calculated as at the date the option was exercised, is paid.

(2) Any entitlement to earned pension benefits in relation to M’s remediable service preserved by the exercise of the option under regulation 97 of the AFP Regulations 2014 is extinguished, and that period of remediable service is treated as additional reckonable service under rule C.3 of Schedule 1.

(3) No liability for an additional contribution from the member or the Service or body funding the arrangement with the other organisation arises as a result of the coming into force of section 2(1) of PSPJOA 2022.

(4) Additional reckonable service under rule C.3, whether or not by virtue of this Schedule, is treated as remediable service within the meaning of section 1 of PSPJOA 2022, (and Chapter 1 of Part 1 of that Act, together with this Schedule, apply accordingly).

## Part 6

### Transfers

#### Chapter 1

##### General

#### **Interpretation of Part 6**

**39.**—(1) In this Part—

“public sector transfer arrangements” has the meaning given in rule A.1(3) of Schedule 1;

“receiving scheme”, in relation to a remediable value, means the scheme to which the remediable value was, or is to be, paid;

“reformed public service pension scheme” means—

- (a) a Chapter 1 scheme;
- (b) a judicial scheme within the meaning of section 70(1) of PSPJOA 2022;

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- (c) a local government scheme within the meaning of section 86(1) of PSPJOA 2022;
- “remediable benefits” means the benefits payable to or in respect of a remedy member in relation to that member’s remediable service;
- “remediable club transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 in accordance with the public sector transfer arrangements, in so far as the transfer value relates to the member’s remediable rights;
- “remediable rights”, in relation to a member, means the member’s rights to benefits under a reformed public service pension scheme secured by virtue of the member’s remediable service;
- “remediable transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 which is not a remediable club transfer value;
- “remediable value” means a remediable club transfer value or a remediable transfer value;
- “sending scheme”, in relation to a remediable value, means the scheme which paid, or is to pay, the remediable value.

(2) Where a provision of this Part requires the Scheme manager to calculate a club transfer value or a transfer value (including a remediable club transfer value or a remediable transfer value) in relation to rights secured in a pension scheme, that value is to be calculated in accordance with—

- (a) the provisions of the pension scheme which apply to the calculation of values of that type, and
- (b) the guidance and tables provided or the purpose of calculating such values that were, or are, in use on the date used for the original calculation.

(3) For the purposes of this Part, any rule or condition in Part F of Schedule 1 or the public sector transfer arrangements relating to the time within which a transfer value payment must be made or accepted that would otherwise prevent any payments being made or accepted under this Part, is treated as complied with or met.

### **Transferred out remediable service statements**

**40.** Where a remedy member has transferred any rights in respect of remediable service out of this Scheme, the Scheme manager must provide a transferred out remediable service statement in accordance with direction 6(2) to (4) of the PSP Directions 2022 (and direction 6(4) applies as if the reference to “any provision made by virtue of section 29(1) of PSPJOA 2022” were a reference to paragraph 4).

## Chapter 2

### Transfers on a cash equivalent basis

#### Section 4

#### *Transfers before 1st October 2023*

### **Transfers out before 1st October 2023**

**41.—**(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable transfer value before 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if they were secured in—

- (a) this Scheme;

(b) the reformed scheme.

(3) The Scheme manager must notify the receiving scheme of the results of the calculation mentioned in sub-paragraph (2).

(4) Where—

(a) the greater of the amounts calculated under sub-paragraph (2) (“*x*”) is greater than

(b) the amount of the remediable transfer value (“*y*”) paid before 1st October 2023,

the Scheme manager must take reasonable steps to pay the receiving scheme an amount (“the remediable amount”) equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable transfer value.

(6) Where—

(a) paragraph (4) applies, and

(b) the Scheme manager, having taken reasonable steps, is unable to make the payment required by that paragraph,

the Scheme manager owes *M* or, where *M* is deceased, *M*’s personal representatives an amount by way of compensation equal to  $x - y$  (“the compensatable amount”) reduced in accordance with paragraph (7).

(7) Where, if the remediable amount was paid immediately after the requirement to pay it arose, the payment—

(a) would be a payment described in regulation 6 of the Registered Pension Schemes (Authorised Payments) Regulations 2009(12) (“the 2009 Regulations”) as if regulation 6(1)(a) of those Regulations were omitted, the remediable amount is to be reduced by the amount equal to the income tax that would be chargeable on it as if regulation 3(b) of the 2009 Regulations applied to it;

(b) would not be a payment so described, the remediable amount is to be reduced by an amount equal to the income tax that would be charged on the amount if it were taxed as pension income under Part 9 of the Income Tax (Earnings and Pensions) Act 2003(13).

### **Transfers in before 1st April 2022**

**42.**—(1) This paragraph applies in relation to each remediable transfer value in respect of a member (“*M*”) which was accepted by the Scheme manager during the remedy period.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must determine *M*’s remediable benefits as if the remediable transfer value together with any payment accepted under sub-paragraph (3) were applied in respect of rights in—

(a) this Scheme;

(b) the reformed scheme.

(3) Where the sending scheme was a reformed public service pension scheme, the Scheme manager may accept an additional payment representing an adjustment—

(a) in respect of the remediable rights to which the remediable transfer value relates, and

(b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(4) A payment accepted under sub-paragraph (3) is to be used for the purpose of determining *M*’s remediable benefits on the same terms as the remediable transfer value.

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(12) S.I. 2009/1171. Regulation 6 was amended by section 42(6)(a) of the Finance Act 2014 (c. 26).

(13) 2003 c. 1.

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## Section 5

### *Transfers on or after 1st October 2023*

#### **Application of Section 5**

- 43.** This Section applies in respect of a member (“M”) who is—
- (a) a deferred choice member, and no pension benefits have become payable in relation to M’s remediable service under the AFPS 1975, or
  - (b) an immediate choice member, where—
    - (i) the end of the section 6 election period has not passed in relation to M, and
    - (ii) no immediate choice decision under paragraph 8 of this Schedule has been made in relation to M’s remediable service.

#### **Transfers out on or after 1st October 2023**

- 44.**—(1) This paragraph applies to a remediable transfer value to be paid in relation to M by the Scheme manager on or after 1st October 2023.
- (2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if those rights had been in—
- (a) this Scheme;
  - (b) the reformed scheme.
- (3) The amount of the remediable transfer value is the greater of the amounts calculated under sub-paragraph (2).

## Chapter 3

### Transfers on a club basis

## Section 6

### *Club transfers before 1st October 2023*

#### **Club transfers out before 1st October 2023**

- 45.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable club transfer value before 1st October 2023.
- (2) The Scheme manager must calculate the following amounts—
- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in this Scheme;
  - (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.
- (3) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).
- (4) Where the receiving scheme is a local government scheme (within the meaning of section 86(1) of PSPJOA 2022), and—
- (a) the greater of the amounts calculated under sub-paragraph (2) (“ $x$ ”) is greater than
  - (b) the amount of the remediable transfer value (“ $y$ ”),
- the Scheme manager must pay the receiving scheme an amount equal to  $x - y$ .



(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable club transfer value.

## Section 7

### Club transfers on or after 1st October 2023

#### Application of Section 7

**46.** This Section applies in respect of a deferred choice member (“M”) where no pension benefits have become payable in relation to M’s remediable service under the AFPS 1975.

#### Club transfers out on or after 1st October 2023

**47.—**(1) This paragraph applies in relation to a remediable club transfer value to be paid by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in the legacy scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The amount of the remediable club transfer value is the greater of the amounts calculated under sub-paragraph (2).

(4) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

## Chapter 4

### Transfers to and from the AFPS 2015

#### Transfers out before 1st October 2023: AFPS 2015

**48.—**(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme paid a remediable transfer value in respect of a remedy member (“M”) before 1st October 2023, and
- (b) M’s remediable service is pensionable service under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, paid by the reformed scheme, and
- (b) is treated as being, and as always having been, paid by this Scheme.

(3) In particular, paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) for all other purposes.

(4) Paragraph 41 applies to a remediable transfer value which is treated as paid from this Scheme under this paragraph.

#### Transfers in before 1st April 2022: AFPS 2015

**49.—**(1) This paragraph applies where—

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- (a) the Scheme manager for the reformed scheme accepted a remediable transfer value in respect of a remedy member (“M”) during the period of M’s remediable service, and
  - (b) M’s remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.
- (2) The remediable transfer value in sub-paragraph (1)(a)—
- (a) is not, and is treated as never having been, accepted into the reformed scheme, and
  - (b) is treated as being, and as always having been, accepted into this Scheme.
- (3) Paragraph (1) has effect—
- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
  - (b) subject to paragraph 50, for all other purposes.
- (4) Paragraph 42 applies to a remediable transfer value which is treated as accepted into this Scheme under this paragraph.

## Chapter 5

### Treatment of transferred in remediable rights

#### **Treatment of rights secured by virtue of transferred in remediable rights**

**50.**—(1) This paragraph applies where the Scheme manager has accepted a remediable value in relation to a remedy member (“M”).

(2) Sub-paragraph (3) applies where the Scheme manager has accepted payments to which paragraph 49 applies.

(3) The Scheme manager must confer rights to benefits under Part F of Schedule 1 in relation to the remediable value that are equivalent to the rights that would have been secured if the remediable value had been transferred into this Scheme in the same relevant pension year in which the remedy period transfer value was accepted by the scheme manager of the reformed scheme.

(4) Sub-paragraph (5) applies where—

- (a) the benefits payable to or in respect of M’s remediable service are reformed scheme benefits by virtue of an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) (including, in either case, a deemed election), and
- (b) the rights to benefits payable in relation to M’s remediable value would otherwise be legacy scheme benefits.

(5) Where this paragraph applies, the Scheme manager must—

- (a) have regard to the advice of the Scheme actuary where the remediable value is a remediable transfer value under paragraphs 42 or 49, together with any payment accepted under paragraph 42(3);
- (b) vary the value of those rights so that they are of an equivalent value to rights M would have secured under the reformed scheme if the remediable value had been transferred into that Scheme in the same relevant pension year that the remediable value was accepted.

(6) In this Chapter, “relevant pension year” has the meaning given by direction 5(16)(c)(i) of the PSP Directions 2022.

### **Benefits already paid in relation to transferred in remediable rights**

**51.**—(1) Sub-paragraph (2) applies in relation to any benefits (“the paid benefits”) that the reformed scheme has at any time paid to a person (“P”) so far as—

- (a) they are calculated by reference to a remediable value, and
  - (b) they are benefits that, as a result of paragraph 49(2)(a), P was not entitled to receive from the reformed scheme.
- (2) The paid benefits are to be treated for all purposes—
- (a) as not having been paid to P by the reformed scheme, but
  - (b) as having been paid to P instead by this Scheme.

### **Pension benefits and lump sum benefits in relation to a remediable value**

**52.**—(1) This paragraph applies in relation to any benefits that have been paid in relation to a remediable value accepted in relation to an immediate choice member (“M”).

- (2) Where, at the operative time—
- (a) the aggregate of benefits that (after taking into account the effect, if any, of paragraph 51) have been paid under the legacy scheme to any person (“the beneficiary”) in respect of the remediable value, exceeds
  - (b) the aggregate of the benefits to which (after taking into account the effect, if any, of paragraphs 49 and 50 in relation to the rights) the beneficiary is entitled under the Scheme in respect of the remediable value,

the beneficiary must pay an amount equal to the difference to the Scheme.

- (3) Where, at the operative time—
- (a) the amount mentioned in sub-paragraph (2)(a), is less than
  - (b) the amount mention in sub-paragraph (2)(b),

the Scheme manager must pay an amount equal to the difference to the beneficiary.

- (4) In this paragraph, “the operative time” means—
- (a) if an immediate choice decision is made in relation to M’s remediable service, the time that the decision is made;
  - (b) otherwise, the end of the section 6 election period in relation to M.

## **Part 7**

### **Provision about special cases**

#### **Chapter 1**

#### **Child pensions in payment**

### **Protection of the amount of pension payable to an eligible child**

**53.**—(1) This paragraph applies where—

- (a) a child pension is in payment to an eligible child (“E”) in respect of the remediable service of a deceased member (“M”),

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- (b) the eligible decision-maker specified in Part 10 makes an immediate choice decision or a deferred choice decision which would (disregarding this paragraph) result in a decrease in the rate of child pension payable to E in respect of M's remediable service,
  - (c) the eligible decision-maker does not live in the same household as E.
- (2) Where this paragraph applies—
- (a) E does not owe the Scheme manager a liability under section 14(3) of PSPJOA 2022 in respect of the child pension, and
  - (b) the rate of child pension continues to be the rate that was payable before the decision was made.
- (3) For the purposes of this paragraph, a child's pension means—
- (a) a pension under rule E.12 of Schedule 1;
  - (b) a pension under regulation 72 of the AFP Regulations 2014.

## Chapter 2

### Ill-health retirement

#### **Full Protection Member: determining entitlement to ill-health pension under the reformed scheme**

**54.**—(1) This paragraph applies in relation to an immediate choice member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022 was—

- (a) a full protection member of the AFPS 1975 Scheme within the meaning of Part 2 of Schedule 3 to this instrument, and
- (b) medically discharged with an entitlement to an ill-health pension under rule D.1(1)(b) of Schedule 1 to this instrument.

(2) The Scheme manager must, as soon as reasonably practicable, determine whether M would have met the criteria for an ill-health pension under regulations 51 or 52 of the AFP Regulations 2014 at the time M was discharged (“the IHP decision”).

(3) No remediable service statement may be provided to or in respect of M's remediable service until such time as the IHP decision has been made.

(4) Where a remediable service statement has been provided under paragraph 4(2)(a) before the IHP decision has been finally determined, the section 6 election period may be extended until such time after the IHP decision is finally determined as the Scheme manager considers reasonable in all the circumstances.

(5) The IHP decision is finally determined when any route to appeal such determinations has been exhausted (including where no application for appeal or review has been received by the Scheme manager by the end of the section 6 election period).

#### **Early payment of preserved pension in case of ill-health**

**55.**—(1) This paragraph applies to a remedy member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022—

- (a) was in remediable service under the AFPS 1975, and
- (b) became entitled to a pension under rule D.18 of Schedule 1 or paragraph 18 of Schedule 3 to this instrument, in respect of that remediable service.

(2) The Scheme manager must, as soon as reasonably practicable after 1st October 2023, determine whether M would have met the criteria for an ill-health pension (“the IHP decision”)—

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- (a) under regulation 56 of the AFP Regulations 2014 at the time M became entitled to the pension under rule D.18, or
  - (b) under rule D.18 of Schedule 1 at the time M became entitled to the pension under paragraph 18 of Schedule 3 to this instrument.
- (3) No remediable service statement may be provided to or in respect of M’s remediable service until such time as the IHP decision has been made.
- (4) Where a remediable service statement has been provided under paragraph 4(2)(a) before the IHP decision has been finally determined, the section 6 election period may be extended until such time after the IHP decision is finally determined as the Scheme manager considers reasonable in all the circumstances.
- (5) The IHP decision is finally determined when any route to appeal such determinations has been exhausted (including where no application for appeal or review has been received by the Scheme manager by the end of the section 6 election period).

### Chapter 3

#### Schedule 3 (Transitional Provision for the AFPS 1975)

#### **Application of Chapter 3**

**56.** This Chapter applies where a section 6 election under paragraph 8(1)(a) or a section 10 election under paragraph 12(1)(a) is made in relation to a remedy member’s (“M”) remediable service under the AFPS 1975.

#### **Calculation of Benefits for remediable service: election for new Scheme benefits**

**57.—**(1) For the purposes of calculating the benefits due to, or in respect of, M in relation to their remediable service, M is treated as though they were a transition member with continuity of service within the meaning of paragraph 2 of Schedule 3.

(2) For these purposes—

- (a) M’s transition date is taken to be 1st April 2015;
- (b) the date on which M joined the AFPS 2015 is taken to be 1st April 2015;
- (c) references to M’s pensionable service in the AFPS 2015 include M’s period of remediable service in the AFPS 1975;
- (d) references to M’s reckonable service in the AFPS 1975 mean M’s reckonable service up to the end of 31st March 2015;
- (e) where M died before 1st April 2022, references in the opening words of paragraphs 33, 34, 35 and 36 of Schedule 3 to M dying as a member of the AFPS 2015 include a case where M died as a member of the AFPS 1975 (whether or not by virtue of section 2(1) of PSPJOA 2022).

### Chapter 4

#### Nomination

#### **Death Lump Sum Nomination**

**58.** Where—

- (a) M had made a nomination in relation to remediable service in the AFPS 2015 under regulation 84 of the AFP Regulations 2014,
- (b) that nomination would be valid if M was a member of the AFPS 2015, and

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(c) an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) is made in relation to M’s remediable service,  
the nomination has effect in relation to benefits payable in relation to M’s remediable service.

## Chapter 5

### Abatement

#### **Abatement**

**59.**—(1) This paragraph applies—

- (a) where an immediate choice decision or deferred choice decision is made in a case where the remedy member (“M”) is, or has been, in further pensionable service,
- (b) as a result of that decision, the amount of M’s pension in respect of their remediable service has changed, and
- (c) M’s pension is abated under Part H of Schedule 1 to this instrument.

(2) The Scheme manager must re-calculate the abatement of M’s pension with effect from the date on which M entered into the further pensionable service.

(3) The pension which is reduced as a result of abatement does not include any amounts attributable to an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a).

## Chapter 6

### Scheme Pays

#### **Payment of annual allowance tax charge and provision of information**

**60.** Where a remedy member is unable to give an effective notice to the Scheme manager under section 237B(3) of FA 2004(14) in relation to an in-scope tax year (within the meaning of direction 7(7) of the PSP Directions 2022) because the time limit in section 237BA(2) has passed, direction 7(2) to (6) of the PSP Directions 2022 applies in relation to the remedy member.

## Part 8

### EDP 2015 Regulations

#### **Election for new Scheme benefits: EDP 2015**

**61.**—(1) This paragraph applies where an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) is made in relation to a remedy member’s (“M”) remediable service in the AFPS 1975.

- (2) The new scheme benefits that may be payable in relation to M’s remediable service are—
  - (a) reformed scheme benefits;
  - (b) EDP 2015 benefits;
  - (c) an EDP 2015 Incapacity award.
- (3) Chapter 3 of Part 7 of this Schedule applies for the purposes of calculating benefits.

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(14) In accordance with section 110(1) of PSPJOA 2022, “FA 2004” means the Finance Act 2004 (c. 12). Section 237B was inserted by paragraph 15 of Schedule 17 to the Finance Act 2011 (c. 11).

## Part 9

### Liabilities and payment

#### Chapter 1

##### Application of Part 9

#### **Application of Chapters 1, 2 and 3**

**62.** Chapters 1, 2 and 3 apply in relation to a relevant amount<sup>(15)</sup> owed in respect of the remediable service of a remedy member.

#### Chapter 2

##### Interest, compensation and netting off

#### **Interest**

**63.**—(1) The Scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the Scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

#### **Indirect compensation**

**64.**—(1) This paragraph applies where pursuant to an application under paragraph 65, the Scheme manager determines that an immediate choice member (“M”) has incurred a compensatable loss<sup>(16)</sup> that is a Part 4 tax loss<sup>(17)</sup> (a “relevant loss”).

(2) M is not to be paid an amount under section 23 of PSPJOA 2022 by way of compensation in respect of the relevant loss.

(3) Instead, the amount of benefit payable under the Scheme is to be increased to reflect the amount of the relevant loss in such manner as determined by the Scheme manager in accordance with direction 10(2) to (4) of the PSP Directions 2022.

#### **Applications for compensation or indirect compensation**

**65.**—(1) This paragraph applies in relation to—

- (a) the payment of a relevant amount by way of compensation under section 23(1) of PSPJOA 2022;
- (b) the increase of benefits by way of indirect compensation under paragraph 64.

(2) The relevant amount is not payable, or (as the case may be) the benefits are not to be increased, except where—

<sup>(15)</sup> See section 26(3) of PSPJOA 2022 for the meaning of “relevant amounts”.

<sup>(16)</sup> See section 23 of PSPJOA 2022 and direction 11 of the PSP Directions 2022 for the meaning of “compensatable loss”.

<sup>(17)</sup> See section 23(9) of PSPJOA 2022 for the meaning of “Part 4 tax loss”.

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- (a) an application is made in accordance with direction 18(1) and (2) of the PSP Directions 2022,
  - (b) the application is accompanied by such information that the Scheme manager may by written notice require the person making the application (“P”) to provide in relation to the proposed compensation which is—
    - (i) information within P’s possession, or
    - (ii) information which P may reasonably be expected to obtain, and
  - (c) the Scheme manager makes a determination in accordance with direction 18(3) of those Directions.
- (3) The following apply in relation to a determination under direction 18(3) of the PSP Directions 2022—
- (a) direction 18(4) (provision of explanation);
  - (b) direction 18(5) and (6) (appeals).

#### **Netting off**

**66.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and
- (b) the Scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 63.

(2) The Scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the Scheme to P.

(3) For the purposes of this paragraph, an amount owed by P under the rules of a relevant injury and compensation scheme is treated as a relevant amount owed by P to this Scheme, where P’s liability arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

### **Chapter 3**

#### **Reduction and waiver of liabilities**

##### **Power to reduce or waive amounts owed by a person to the Scheme manager**

**67.**—(1) The Scheme manager may reduce or waive an amount owed by a person to the Scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the Scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of PSP Directions 2022 (and the reference in direction 4(1)(c) to “any Scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 69).



## Chapter 4

### Payment of net liabilities

#### **Application of Chapter 4**

**68.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 63 to 67 (a “net liability”).

#### **Payment of amounts owed to the Scheme manager**

- 69.**—(1) This paragraph applies where a person (“P”) owes a net liability to the Scheme manager.
- (2) The Scheme manager must send notice in writing to P setting out—
- (a) how the net liability has been calculated,
  - (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 67,
  - (c) when and how the net liability must be paid, and
  - (d) the consequences of not paying the net liability.
- (3) Where—
- (a) the Scheme manager has sent a notice under sub-paragraph (2), and
  - (b) the amount of the net liability is subsequently adjusted,
- the Scheme manager must send another notice in writing to P under sub-paragraph (2).
- (4) P must pay the amount of the net liability to the Scheme manager—
- (a) before the end of the period of six months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the Scheme manager may agree that the net liability is to be paid in part or in full—
- (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the Scheme manager may agree to vary an agreement under sub-paragraph (5).
- (7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the Scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the Scheme manager for the purpose of discharging P’s liability.

#### **Payment of amounts owed to a person**

- 70.**—(1) This paragraph applies where the Scheme manager owes a net liability to a person (“P”).
- (2) The Scheme manager must pay the amount of the net liability to P—
- (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
  - (b) where the Scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.
- (3) Before paying the amount of a net liability owed to P, the Scheme manager may, by written notice given as soon as reasonably practicable after the Scheme manager determines the amount

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of the net liability, require P to provide information in relation to the payment of the net liability which is—

- (a) information within P’s possession, or
- (b) information which P may reasonably be expected to obtain.

## Part 10

### Eligible decision-makers for deceased members

#### **Application and Interpretation of this Part**

**71.**—(1) This Part applies where a remedy member (“M”) has died and an eligible decision-maker is required to make a decision or election under this Schedule.

(2) In this Part—

“adult” means—

- (a) in England and Wales, and Northern Ireland, a person over the age of 18;
- (b) in Scotland, a person over the age of 16;

“beneficiary” means a person who has become entitled to receive any death benefit;

“child”, except in the term “eligible child”, means—

- (a) in England and Wales, and Northern Ireland, a person under the age of 18;
- (b) in Scotland, a person under the age of 16;

“death benefit” means a benefit payable under Part E of Schedule 1 or Part 6 of the AFP Regulations 2014 in relation to the death of a member;

“guardian” means a person with parental responsibility for a child, and where there is more than one person with parental responsibility for a child, the person with whom the child usually resides;

“personal representative” means the person or persons named in the—

- (a) Grant of Probate, or
- (b) Grant of Letters of Administration, or
- (c) Confirmation

issued in respect of M’s estate;

“surviving adult” means—

- (a) a surviving spouse;
- (b) a surviving civil partner;
- (c) a person eligible for a pension under rule E.1(13) of Schedule 1;
- (d) a surviving adult dependant within the meaning of regulation 67 of the AFP Regulations 2014.

(3) In this Part, a reference to—

- (a) a beneficiary is a reference to a beneficiary of death benefits in relation to M’s remediable service;
- (b) an eligible child is a reference to an eligible child of M;
- (c) a surviving adult is a reference to a surviving adult in relation to M.

**Sole beneficiary: an adult**

72. Where a person is—
- (a) the sole beneficiary, and
  - (b) an adult,

the eligible decision-maker is that person.

**Sole beneficiary: a child**

73. Where a person (“C”) is—
- (a) the sole beneficiary, and
  - (b) a child

the eligible decision-maker is C’s guardian.

**Sole beneficiary: M’s estate**

74. Where M’s estate is the sole beneficiary, the eligible decision-maker is—
- (a) M’s personal representative;
  - (b) where M has no personal representative, the Scheme manager.

**Sole beneficiary: a body**

75. Where a body (corporate or unincorporate) is the sole beneficiary, the eligible decision-maker is—
- (a) M’s personal representative, or
  - (b) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: including a surviving adult**

76. Where—
- (a) two or more adults are the only beneficiaries, and
  - (b) one of those adults is a surviving adult (“A”),

the eligible decision-maker is A.

**Multiple beneficiaries: including adult eligible children**

- 77.—(1) Where—
- (a) two or more adults are the only beneficiaries,
  - (b) none of those adults is a surviving adult, and
  - (c) two or more of those adults are eligible children,

the eligible decision-maker is determined in accordance with sub-paragraph (2).

- (2) The eligible decision-maker is—
- (a) the person agreed upon by the adult eligible children, or
  - (b) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager.

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**Multiple beneficiaries: nominated individuals only**

78.—(1) Where—

- (a) two or more adults (the “nominated adults”) are beneficiaries of a lump sum death benefit, and
- (b) none of the following are beneficiaries—
  - (i) a surviving adult, or
  - (ii) an eligible child (whether or not an adult),the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) The eligible decision-maker is—

- (a) M’s personal representative,
- (b) where M has no personal representative, the person agreed upon by the nominated adults, or
- (c) where—
  - (i) M has no personal representative, and
  - (ii) no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager,the Scheme manager.

**Multiple beneficiaries: non-adult eligible children**

79. Where the only beneficiaries are children, two or more of whom are eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the eligible children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: nominated children only**

80. Where the only beneficiaries of lump sum death benefits are two or more children who are not eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: one or more adults and one or more children**

81.—(1) Where the beneficiaries include one or more adults and one or more children—

- (a) M’s personal representative is the eligible decision-maker;
- (b) where M has no personal representative, and—
  - (i) one of the beneficiaries is a surviving adult, that surviving adult is the eligible decision-maker;
  - (ii) none of the beneficiaries is a surviving adult and—

- (aa) one or more of the beneficiaries is an eligible child, or
  - (bb) none of the beneficiaries is a surviving adult or an eligible child,
- the eligible decision-maker is determined in accordance with sub-paragraph (2).
- (2) Where sub-paragraph (1)(b)(ii) applies, and—
- (a) all relevant children are under 18 and—
    - (i) have, or had, the same guardian, the eligible decision-maker is that guardian;
    - (ii) do not, or did not, have the same guardian, the eligible decision-maker is the Scheme manager;
  - (b) all relevant children are 18 or over, the eligible decision-maker is—
    - (i) the person agreed upon by those relevant children, or
    - (ii) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager;
  - (c) one or more relevant children are under 18 and one or more of the relevant children are 18 or over, the eligible decision-maker is the person agreed upon by—
    - (i) the relevant children who are 18 or over, and
    - (ii) the guardian (or guardians) of the relevant children who are under 18.
- (3) In sub-paragraph (2), a relevant child is—
- (a) where sub-paragraph (1)(b)(ii)(aa) applies, an eligible child;
  - (b) where sub-paragraph (1)(b)(ii)(bb) applies, a person who—
    - (i) has never married or formed a civil partnership, and
    - (ii) meets any of conditions A, B or C as set out in regulation 73 of the AFP Regulations 2014.

#### **Other cases**

**82.** In any case not covered by paragraphs 72 to 81, the eligible decision-maker is the Scheme manager.”

Schedule 2

Regulation 10

Remediable Service for the Armed Forces Pension Scheme 2005

“Schedule 3

Article 6

Remediable Service

## **Part 1**

### **Introductory Provisions**

#### **Interpretation**

**1.—(1)** In this Schedule—

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“AFPS 2005” means the occupational pension Scheme established by Schedules 1 and 2 to this instrument and—

- (a) “AFPS 2005 benefits” means Scheme benefits under Schedules 1 and 2;
- (b) “AFPS 2005 service”, in relation to a member, means the member’s remediable service that is pensionable service under the AFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022;

“AFRS 2006” means the Armed Forces Redundancy Scheme 2006 established by the Armed Forces Redundancy Scheme Order 2006(18);

“AFRS 2020” means the Armed Forces Redundancy Scheme 2020 established under the Schedule to the Armed Forces Redundancy Scheme Order 2020;

“EDP 2005 Order” means the Armed Forces Early Departure Payments Scheme Order 2005(19);

“EDP 2005 Scheme” means the Scheme established in articles 8 to 13 of the EDP 2005 Order;

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022;

“PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;

“AFPS 1975 re-joiner” means a remedy member to whom paragraph 18 applies;

“armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;

“Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;

“deferred choice decision” has the meaning given in paragraph 13(1);

“deferred choice decision-maker” means the person who may make a deferred choice decision under paragraph 13(2);

“end of the section 6 election period”, in relation to an immediate choice member, has the meaning given in section 7(2) of PSPJOA 2022;

“end of the section 10 election period”, in relation to a deferred choice member, means the end of the day determined in accordance with—

- (a) where the member is the deferred choice decision-maker, paragraph 14(2)(b);
- (b) where a person other than the member is the deferred choice decision-maker, paragraph 15(2)(b);

“immediate choice decision” has the meaning given in paragraph 9(1);

“immediate choice decision-maker” means the person who may make an immediate choice decision under paragraph 9(2);

“legacy scheme”, in relation to a remedy member’s remediable service, means the AFPS 2005, and—

- (a) “legacy scheme benefits” means AFPS 2005 benefits;
- (b) “legacy scheme service”, in relation to a remedy member, means AFPS 2005 service;

“member” means an active, deferred, deceased or pensioner member of a pension scheme;

“non-discrimination rule” has the meaning given in section 25(8) of PSPJOA 2022, and references to a relevant breach of a non-discrimination rule are to be read in accordance with section 25(9) of that Act;

“opted-out service election” has the meaning given in paragraph 7(1);

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(18) S.I. 2006/55.

(19) S.I. 2005/437.

“reformed scheme” means the AFPS 2015, and “reformed scheme benefits” means new scheme benefits under that Scheme;

“relevant amount” has the meaning given in section 26(3) of PSPJOA 2022;

“remediable service”, in relation to a remedy member, means the member’s remediable service in an employment or office that is pensionable service under the AFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“remedy member” means a member with remediable service;

“remedy period” means the period beginning with 1st April 2015 and ending with 31st March 2022;

“Scheme manager” has the meaning given in rule A.1(4) of Schedule 1 and, for the purposes of this Schedule, references to the Scheme manager include the Scheme administrator;

“Scheme manager” means the Secretary of State;

“section 6 election” has the meaning given in paragraph 9(1)(a);

“section 10 election” has the meaning given in paragraph 13(1)(a).

(2) In this Schedule, a “deferred choice member” means a remedy member who—

(a) immediately before 1st October 2023 was not entitled to the present payment of a pension under this Scheme (whether or not that pension was abated), the amount of which was determined (to any extent) by reference to the member’s remediable service;

(b) on or after 1st October 2023, is an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020 in relation to that service.

(3) In this Schedule, an “immediate choice member” means a remedy member who, immediately before 1st October 2023, was—

(a) entitled to the present payment of a pension under this Scheme (whether or not that pension was abated), the amount of which was determined (to any extent) by reference to the member’s remediable service;

(b) a deceased member;

(c) an eligible person within the meaning of article 4 of the AFRS 2006 or paragraph 7 of the Schedule to the AFRS 2020 in relation to that service.

(4) A deferred choice member is a relevant member of the Scheme for the purposes of section 10 of PSPJOA 2022.

(5) An immediate choice member is a relevant member of the Scheme for the purposes of section 6 of PSPJOA 2022.

**2.—**(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to the armed forces pension Schemes.

(2) A term used in this Schedule which—

(a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and

(b) is not defined differently in this Schedule,

has the meaning given in, or for the purposes of, that provision.

(3) A term used in this Schedule which—

(a) is defined in Schedules 1 or 2 to this instrument or the AFP Regulations 2014 (“the relevant Schemes”), and

(b) is not defined differently—

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- (i) in this Schedule, or
  - (ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,
- has, in relation to the relevant Schemes, the meaning given in those Schemes.
- (4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.
- 3.—**(1) For the purposes of sections 9(1)(b) and 13(1)(b) of PSPJOA 2022, the other Chapter 1 legacy scheme is the EDP 2005 Scheme, and—
- (a) where the member makes an immediate choice decision under this Schedule, that decision has effect in relation to any benefits payable under the EDP 2005 Scheme in relation to the member’s remediable service;
  - (b) where the member makes a deferred choice decision under this Schedule, that decision has effect in relation to any benefits payable under the EDP 2005 Scheme in relation to the member’s remediable service.
- (2) In this Schedule, a reference to—
- (a) an immediate choice member of the EDP 2005 Scheme means an immediate choice member within the meaning of paragraph 1(2)(b) of the Schedule to the EDP 2005 Order;
  - (b) a deferred choice member of the EDP 2005 Scheme means a deferred choice member within the meaning of paragraph 1(2)(a) of the Schedule to the EDP 2005 Order;
  - (c) an immediate choice decision under the Schedule to the EDP 2005 Order is a reference to an immediate choice decision under paragraph 7(1) of the Schedule to the EDP 2005 Order;
  - (d) a deferred choice decision under the Schedule to the EDP 2005 Order is a reference to a deferred choice decision under paragraph 10(1) of the Schedule to the EDP 2005 Order.
- 4.** For the purposes of this Scheme, section 14 of PSPJOA 2022 applies as if—
- (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
  - (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Remediable Service Statements

#### **Requirements relating to remediable service statements**

- 5.—**(1) The Scheme manager must provide a remediable service statement in respect of remedy member (“M”) in accordance with—
- (a) section 29 of PSPJOA 2022,
  - (b) any Treasury directions made under section 29(6) of that Act, and
  - (c) this paragraph.
- (2) The Scheme manager must provide a remediable service statement in respect of M—
- (a) before the relevant date;
  - (b) where M is, in relation to their remediable service, for the time being—
    - (i) an active member, at least once in each year ending with the anniversary of the relevant date;



- (ii) a deferred member, within three months of receipt of a written request by the member, where such request is received after the relevant date;
- (c) where M is a deferred choice member, as soon as is reasonably practicable following receipt of notification—
  - (i) that M intends to claim benefits in relation to their remediable service, or
  - (ii) that M has died.
- (3) Where—
  - (a) a remediable service statement has been provided to M under sub-paragraph (2)(a), and
  - (b) M dies before the end of the section 6 election period before making a decision under paragraph 9(1),the Scheme manager must provide a remediable service statement in respect of M as soon as reasonably practicable and, for the purposes of section 7(2)(a) of PSPJOA, the remediable service statement provided to M under sub-paragraph (2)(a) is treated as though it had never been provided.
- (4) The remediable service statement must be provided—
  - (a) to M, or
  - (b) where M is deceased, to the person who is for the time being the eligible decision-maker in relation to M’s remediable service under Part 10 (unless the eligible decision-maker is the Scheme manager).
- (5) The remediable service statement must include—
  - (a) information about the form and manner in which required information must be communicated to the Scheme manager;
  - (b) where M is an immediate choice member, information about the irrevocability of an immediate choice decision;
  - (c) where M is a deferred choice member, information about the revocability (or otherwise) of a deferred choice decision.
- (6) For further provision about—
  - (a) what a remediable service statement must include, see—
    - (i) section 29(5) of PSPJOA 2022;
    - (ii) direction 20(1) of the PSP Directions 2022;
  - (b) when a remediable service statement must be combined with a benefit information statement provided under section 14 of the Public Service Pensions Act 2013, see direction 20(2) of the PSP Directions 2022.

## Part 3

### Decisions about the treatment of remediable service

#### Chapter 1

#### Opted-out Service

#### **Application and interpretation of Chapter 1**

**6.—(1)** This Chapter applies to and in respect of a member (“M”) with opted-out service in an employment or office in relation to the legacy scheme.

(2) In this Chapter—

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“opted-out service decision-maker” means the person who may make an opted-out service election in accordance with paragraph 7(2);

“relevant opted-out service” means the service referred to in sub-paragraph (1).

#### **Election in relation to relevant opted-out service**

7.—(1) An election (an “opted-out service election”) may be made in relation to M’s relevant opted-out service in accordance with this Part and section 5 of PSPJOA 2022.

(2) An opted-out service election may be made—

(a) by M, or

(b) where M is deceased, by the eligible decision-maker specified in Part 10.

(3) Where a person other than the Scheme manager is the opted-out service decision-maker, an opted-out service election may only be made after the Scheme manager determines an application which is—

(a) made by, or in relation to, M,

(b) in a form and manner determined by the Scheme manager,

(c) received by the Scheme manager within twelve months of the date on which the Scheme manager notified M of their right to make the application, and

(d) accompanied by such information—

(i) which is within the person’s possession, or

(ii) which the person may reasonably be expected to obtain,

that the Scheme manager may by written notice require the person to provide in relation to the decision which caused the service in question to become opted-out service.

(4) As soon as is reasonably practicable after receipt of an application, the Scheme manager must—

(a) determine whether an opted-out service election may be made in relation to M’s opted out service, and

(b) notify the person who made the application whether such an opted-out service election may be made.

(5) Where the Scheme manager is the opted-out service decision-maker, the Scheme manager must, as soon as is reasonably practicable after determining that they are the opted-out service decision-maker, determine whether to make an opted-out service election in relation to M.

(6) The Scheme manager must refuse an application where the decision by virtue of which M’s service became opted-out service was not made pursuant to a relevant breach of a non-discrimination rule.

(7) An opted-out service election to be made by—

(a) a person other than the Scheme manager is made when the person confirms that an opted-out service election is to be made following receipt of the notification mentioned in sub-paragraph (4)(b);

(b) the Scheme manager is made at the time determined by the Scheme manager.

(8) See section 5(2) to (4) of PSPJOA 2022 about the effect, timing and irrevocability of an opted-out service election.

## Chapter 2

### Immediate choice decision for reformed scheme or legacy scheme benefits

#### Application of Chapter 2

8. This Chapter applies in respect of the remediable service of an immediate choice member (“M”) who has not already made an immediate choice decision or a deferred choice decision under the Schedule to the EDP 2005 Order in relation to that service.

#### Immediate choice decision for reformed scheme or legacy scheme benefits: general

9.—(1) A decision (an “immediate choice decision”) may be made in accordance with this Chapter—

- (a) to make an election (a “section 6 election”) by virtue of section 6 of PSPJOA 2022 in relation to M’s remediable service, or
  - (b) that no section 6 election is to be made in relation to that service.
- (2) An immediate choice decision may be made—
- (a) by M, or
  - (b) where M is deceased, by the eligible decision-maker specified in Part 10.
- (3) An immediate choice decision made by—
- (a) a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
  - (b) the Scheme manager is made at the time determined by the Scheme manager.
- (4) An immediate choice decision may only be made before the end of the section 6 election period<sup>(20)</sup>.
- (5) An immediate choice decision is irrevocable.
- (6) An immediate choice decision to make a section 6 election takes effect as a section 6 election (see sections 6(5) and (7), 7(1)(b) and 9 of PSPJOA 2022 about the effect of a section 6 election).
- (7) Where—
- (a) immediately before 1st October 2023, M has remediable service in the reformed scheme (“reformed scheme service”), and
  - (b) an immediate choice decision is made that no section 6 election is to be made in relation to M’s remediable service,
- section 6(4) of PSPJOA 2022 does not apply in relation to M’s reformed scheme service (and, accordingly, section 2(1) of PSPJOA 2022 has effect in relation to M’s reformed scheme service for the purposes mentioned in section 2(3)(b) of that Act from the time the immediate choice decision is made).
- (8) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 6 election is to be made as they have effect in relation to a section 6 election—
- (a) section 6(7) (section 6 election has effect in respect of all remediable service in the employment or office);
  - (b) section 7(1)(b) (provision about when a section 6 election is to be treated as having taken effect);

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<sup>(20)</sup> See section 7(2) of PSPJOA 2022 for the meaning of “the end of the section 6 election period”.

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- (c) section 9 (provision about persons with remediable service in more than one Chapter 1 legacy scheme).

**Immediate choice decision: additional requirements**

**10.**—(1) This paragraph applies where the immediate choice decision-maker (“D”) is a person other than the Scheme manager.

(2) An immediate choice decision may not be made unless a remediable service statement has been provided to D in accordance with paragraph 5(2)(a), or, where paragraph (3) applies, in accordance with paragraph 5(3).

(3) Where—

- (a) a remediable service statement has been provided to M in accordance with paragraph 5(2)(a), and

- (b) M dies before making an immediate choice decision under paragraph 9,

the section 6 election period is treated as though it had never begun in relation to M.

(4) An immediate choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

- (a) information in D’s possession, or

- (b) information which D can reasonably be expected to obtain.

**Immediate choice decision: deemed election**

**11.** Where—

- (a) the end of the section 6 election period in relation to M has passed, and

- (b) no immediate choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat an immediate choice election as having been made in relation to M’s remediable service immediately before the end of the section 6 election period.

Chapter 3

Deferred choice decision for reformed scheme or legacy scheme benefits

**Application of Chapter 3**

**12.** This Chapter applies in respect of the remediable service of a deferred choice member (“M”) who has not already made—

- (a) an immediate choice decision under Chapter 2,

- (b) an immediate choice decision under the Schedule to the EDP 2005 Order, or

- (c) a deferred choice decision under the Schedule to the EDP 2005 Order

in relation to that service.

**Deferred choice decision for reformed scheme or legacy scheme benefits: general**

**13.**—(1) A decision (a “deferred choice decision”) may be made—

- (a) to make an election (a “section 10 election”) by virtue of section 10 of PSPJOA 2022 in relation to M’s remediable service, or

- (b) that no section 10 election is to be made in relation to that service.

- (2) A deferred choice decision may be made—
  - (a) by M, or
  - (b) where M is deceased, by the eligible decision-maker specified in Part 10.
- (3) A deferred choice decision—
  - (a) to be made by a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
  - (b) to be made by the Scheme manager is made at a time determined by the Scheme manager.
- (4) A deferred choice decision may only be made before the end of the section 10 election period.
- (5) A deferred choice decision to make a section 10 election takes effect as a section 10 election (see sections 10(4) and (5), 11(3)(b), (4) and (7) and 13 of PSPJOA 2022 about the effect of a section 10 election).
- (6) Where the deferred choice decision is that no section 10 election is to be made, the benefits payable to or in respect of M, so far as they are determined by reference to M's remediable service, are legacy scheme benefits.
- (7) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 10 election is to be made as they have effect in relation to a section 10 election—
  - (a) section 10(5) (section 10 election has effect in respect of all remediable service in the employment or office);
  - (b) section 11(3)(b), (4) and (7) (provision about when a section 10 election take effect, and the effect of lapse or revocation of a section 10 election);
  - (c) section 13 (persons with remediable service in more than one Chapter 1 legacy scheme).

#### **Deferred choice decision to be made by M**

- 14.**—(1) This paragraph applies where M is the deferred choice decision-maker.
- (2) A deferred choice decision may only be made during the period—
    - (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c) (i), and
    - (b) ending—
      - (i) at the end of the day 6 months after the day the remediable service statement mentioned in paragraph (a) was issued, or
      - (ii) subject to sub-paragraph (4), at the end of such other day as the Scheme manager considers reasonable in all the circumstances.
  - (3) The end of the period during which a deferred choice decision may be made must not be more than one year before the day on which it is reasonably expected that legacy scheme benefits would become payable to or in respect of M.
  - (4) A deferred choice decision made by M may be revoked—
    - (a) at any time before the cancellation deadline, and
    - (b) by M communicating to the Scheme manager notice of the revocation in a form and manner determined by the Scheme manager.
  - (5) Where the Scheme manager receives, before the cancellation deadline, notice that M has died—
    - (a) any deferred choice decision made by M lapses, and
    - (b) any period that has begun (whether or not it has also ended) in accordance with sub-paragraph (2) is to be treated as if it had never begun (or ended).

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- (6) In sub-paragraphs (4) and (5), “the cancellation deadline” means—
- (a) the beginning of the day one calendar month before the day (“the payment day”) on which the first payment under the Scheme is due to be made in relation to M’s remediable service, or
  - (b) such later time before the payment day as the Scheme manager considers reasonable in all the circumstances.

**Deferred choice decision to be made by a person other than M**

15.—(1) This paragraph applies where a person other than M is the deferred choice decision-maker.

- (2) A deferred choice decision may only be made during the period—
- (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c)(ii), and
  - (b) ending—
    - (i) at the end of the day 6 months after that date,
    - (ii) except where the Scheme manager is the deferred choice decision-maker, at such later time as the Scheme manager considers reasonable in all the circumstances, or
    - (iii) immediately after a deferred choice decision is made, if earlier than the time which applies under sub-paragraph (i) or (ii).
- (3) A deferred choice decision made by a person other than M is irrevocable.

**Deferred choice election: deemed section 10 election**

16. Where—

- (a) the end of the section 10 election period in relation to M has passed, and
- (b) no deferred choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat a section 10 election as having been made in relation to M’s remediable service immediately before the end of the section 10 election period.

**Deferred choice decision: additional requirements**

17. Where the deferred choice decision-maker (“D”) is a person other than the Scheme manager, a deferred choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

- (a) information in D’s possession, or
- (b) information which D can reasonably be expected to obtain.

## Part 4

### Provision about AFPS 1975 Re-joiners

**Application and Interpretation of this Part**

18.—(1) This Part applies to or in respect of a remedy member (“R”)—

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- (a) who has at least one previous period of pensionable service in the AFPS 1975 (“earlier service”) which ended before or during the remedy period,
  - (b) who entered into further pensionable service, which was remediable service, under the AFPS 2015 (“re-joiner service”) during the remedy period,
  - (c) where, in relation to that re-joiner service met the criteria to be a transition member with continuity of service in relation to the earlier period of service under paragraph 2 of Schedule 3 to the AFPS 1975 at the point the pension under paragraph (d) came into payment,
  - (d) where, immediately before 1st October 2023, a pension under paragraphs 15 to 17, 23 to 36 or 39 to 42A of Schedule 3 of the AFPS 1975 was in payment in respect of R’s re-joiner service, and
  - (e) where the relevant Chapter 1 legacy scheme under which R’s re-joiner service is pensionable is this Scheme.
- (2) References in this Part to R’s earlier service are to the qualifying and reckonable service under the AFPS 1975 in respect of which the pension in paragraph (1)(d) is payable.

#### **Effect of a section 6 election**

**19.**—(1) This paragraph applies where an immediate choice decision under paragraph 9(1)(a) (a section 6 election) is made in respect of R’s remediable service.

(2) For the purposes of calculating the benefits payable to, or in respect of, R in relation to R’s re-joiner service—

- (a) R is treated as though they were a transition member with continuity of service within the meaning of paragraph 2 of Schedule 3 to the AFPS 1975, and
- (b) Chapter 3 of Part 7 of Schedule 4 to the AFPS 1975 (remediable service) applies for the purposes of determining benefits payable in respect of R’s re-joiner service.

(3) The section 6 election is treated as a notice under rule G.4(2) of Schedule 1 to aggregate R’s earlier service under the AFPS 1975 with R’s remediable service in this Scheme.

(4) Where a pension is payable to R under this paragraph and R dies, the provisions of this Part apply in relation to any benefits that may be payable following R’s death.

## **Part 5**

### **Provision about divorce and dissolution arrangements**

#### **Chapter 1**

#### **Pension Credit and Debit Members**

##### *Section 1*

##### *Application and Interpretation of Chapter 1*

#### **Application and interpretation of Chapter 1**

**20.**—(1) This Chapter applies in relation to—

- (a) a pension credit member (“C”),
- (b) the corresponding pension debit member (“D”), and

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(c) the pension sharing order by virtue of which C became a pension credit member in relation to D's remediable service (the "relevant pension sharing order").

(2) In this Chapter—

"appropriate amount" means an amount calculated for the purposes of section 29(1) of WRPA 1999;

"cash equivalent" means an amount calculated in accordance with regulations made under section 30 of WRPA 1999;

"corresponding pension debit member" means a member of this Scheme with remediable service (whether or not by virtue of section 2(1) of PSPJOA 2022) whose benefits, or future benefits, under the Scheme are subject to a pension debit;

"legacy remediable appropriate amount" means the appropriate amount in relation to D's remediable relevant benefits, determined as if those remediable relevant benefits had been secured in this Scheme immediately before the transfer day;

"pension credit account" means a pension credit member account in this Scheme or the reformed scheme by virtue of the relevant pension sharing order;

"pension credit member" means a member of this Scheme who has rights under the Scheme—

- (a) which are attributable (directly or indirectly) to a pension credit,
- (b) which arise by virtue of a pension sharing order with a transfer day on or after 1st April 2015, and
- (c) the value of which was determined (to any extent) by reference to the value of benefits payable in respect of the remediable service of another member;

"pension information" means information provided by the Scheme manager under regulations 2, 3 or 4 of the Pensions on Divorce etc. (Provision of Information) Regulations 2000;

"pension sharing order" means the order or provision by virtue of which section 29 of WRPA 1999 applies in relation to a pension credit member and the corresponding pension debit member;

"reformed remediable appropriate amount" means the appropriate amount in relation to D's remediable relevant benefits, determined as if those remediable relevant benefits had been secured in the reformed scheme immediately before the transfer day;

"remediable relevant benefits" means the benefits or future benefits described in section 29(4) and (5) of WRPA 1999 to which D is entitled by virtue of remediable shareable rights;

"remediable shareable rights" means D's shareable rights secured by virtue of D's remediable service during the period beginning on 1st April 2015 and ending on the earlier of—

- (a) the day before the transfer day, or
- (b) the last day of D's remediable service;

"shareable rights" has the meaning given in section 27(2) of WRPA 1999;

"transfer day" means the day on which the relevant pension sharing order takes effect;

"valuation day" has the meaning given in section 29(7) of WRPA 1999.

(3) In this Chapter, where the Scheme manager is required to determine an amount, this must be done—

- (a) as soon as reasonably practicable, and
- (b) with regard to the advice of the Scheme actuary.

(4) In this Chapter, a reference to benefits secured in "this Scheme" or the "legacy scheme", means benefits secured under the rules in Schedules 1 and 2 to this instrument.



## Section 2

### *Pension sharing orders: information provided before 1st October 2023*

#### **Application and interpretation of Section 2**

**21.** This Section applies where the most recent pension information in respect of D’s remediable service was provided by the Scheme manager before 1st October 2023.

#### **Information before 1st October 2023: unprotected member, AFPS 2005 only**

**22.**—(1) This paragraph applies where—

- (a) D was a transition member with continuity of service on or before 31st March 2022, and
- (b) the relevant pension sharing order applies only to shareable rights under this Scheme, or to shareable rights under this Scheme and any other Chapter 1 legacy schemes.

(2) For the purposes of determining the pension debit under section 29(1)(a) of WRPA 1999 or the pension credit under section 29(1)(b) of WRPA 1999, D’s shareable rights do not include any rights secured by pensionable service on or after 1st April 2015.

#### **Information and transfer day before 1st October 2023: protected members**

**23.**—(1) This paragraph applies—

- (a) where D was a full protection member of this Scheme before 1st April 2022,
- (b) where the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
- (c) whether or not C has a pension credit account in the reformed scheme under the relevant pension sharing order.

(2) The Scheme manager must determine—

- (a) the initial appropriate amount;
- (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights in this Scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the initial appropriate amount;
- (b) the reformed remediable appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the reformed remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 26(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 26(5) and the consequences of making, or not making, such a request.

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(7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this Scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this Scheme immediately before the transfer day;
- (b) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent, on the valuation day, of the remediable relevant benefits as if they had been secured in the reformed scheme.

**Information and transfer day before 1st October 2023: unprotected members**

24.—(1) This paragraph applies where—

- (a) D was a transition member with continuity of service before 1st April 2022,
- (b) the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
- (c) C has a pension credit account in the reformed scheme under the relevant pension sharing order.

(2) The Scheme manager must determine—

- (a) the initial appropriate amount;
- (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined, on the valuation day, for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights on the transfer day in the reformed scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the legacy remediable appropriate amount;
- (b) the initial appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the legacy remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 26(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 26(5) and the consequences of making, or not making, such a request.

(7) In determining the legacy remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage value specified in the relevant pension sharing order in relation to the reformed scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

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- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent of D’s shareable rights under the reformed scheme on the valuation day;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in this Scheme.

**Information before 1st October 2023: transfer day after 1st October**

25.—(1) This paragraph applies—

- (a) where the transfer day in relation to a relevant pension sharing order is on or after 1st October 2023, and
  - (b) whether or not the relevant pension sharing order also makes provision in relation to the reformed scheme for an appropriate amount to be transferred to C.
- (2) The Scheme manager must determine the remediable appropriate amount.
- (3) The remediable appropriate amount is the greater of the following amounts—
- (a) the legacy remediable appropriate amount;
  - (b) the reformed remediable appropriate amount.
- (4) The Scheme manager must transfer the legacy remediable appropriate amount to C’s pension credit account in this Scheme.
- (5) Where the remediable appropriate amount is greater than the legacy remediable appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.
- (6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—
- (a) the legacy remediable appropriate amount,
  - (b) the reformed remediable appropriate amount,
  - (c) the remediable appropriate amount,
  - (d) the remediable credit adjustment, if any, and
  - (e) where paragraph 26(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 26(5) and the consequences of making, or not making, such a request.
- (7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is—
- (a) where the relevant pension sharing order specifies a percentage value in relation to this Scheme only, that percentage value;
  - (b) where the relevant pension sharing order specifies different percentage values in relation to this Scheme and the reformed scheme, the percentage value that is specified for the pension Scheme under which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—
- (a) calculate the percentage (the “implied percentage”) that the initial appropriate amount represented of the cash equivalent of D’s shareable rights on the valuation day—
    - (i) as if they had been secured in this Scheme, where D was a full protection member before 1st April 2022, or

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- (ii) as if they had been secured in the reformed scheme, where D was a transition member with continuity of service before 1st April 2022;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in this Scheme on the valuation day;
- (c) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in the reformed scheme on the valuation day.

**Information provided before 1st October 2023: applying a remediable credit adjustment**

**26.**—(1) This paragraph applies where C’s pension credit account is subject to a remediable credit adjustment in accordance with paragraphs 23(5), 24(5) or 25(5).

(2) The Scheme manager must adjust C’s pension credit account by an amount equal to the remediable credit adjustment.

(3) An adjustment made under sub-paragraph (2) has effect as if it had been made on the transfer day.

(4) Where C has a pension credit in the reformed scheme by virtue of the relevant pension sharing order, C may request that the value of the remediable credit adjustment is instead credited to C’s pension credit account in the reformed scheme.

(5) A request under sub-paragraph (4) must—

- (a) be made by C in writing to the Scheme manager,
- (b) be in a form determined by the Scheme manager,
- (c) unambiguously identify C’s pension credit account in the reformed pension scheme, and
- (d) be received by the Scheme manager by—
  - (i) the end of the day twelve months after the date on which the statement required by paragraphs 23(6), 24(6) or 25(6) was sent to C, or
  - (ii) the end of such later day that the Scheme manager considers reasonable in all the circumstances.

(6) A request made in accordance with sub-paragraph (5) is irrevocable.

(7) Section 14(3) to (6) of PSPJOA 2022 applies in relation to C as it applies in relation to a member described in section 14(1) as if—

- (a) a reference to D’s remediable service in an employment or office were a reference to C’s pension credit;
- (b) a reference to the effect, if any, of sections 2(1) and 6(4) were a reference to the effect, if any, of this paragraph;
- (c) the term “operative time” means the time at which the adjustment mentioned in sub-paragraph (2) is made (disregarding sub-paragraph (3)).

**Information provided before 1st October 2023: immediate choice – pension debit information**

**27.**—(1) This paragraph applies where D is an immediate choice member of this Scheme or of the EDP 2005 Scheme where—

- (a) D’s remediable relevant benefits under this Scheme are subject to a pension debit by virtue of a relevant pension sharing order,

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- (b) an immediate choice decision has not been made or treated as made under this Schedule or the Schedule to the EDP 2005 Order in relation to D's remediable service, and
  - (c) paragraph 22 does not apply.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").
- (3) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: immediate choice – pension debit adjustment**

- 28.**—(1) This paragraph applies where—
- (a) D was an immediate choice member to whom paragraph 27 applied, and
  - (b) an immediate choice decision is subsequently made or treated as made under this Schedule or the Schedule to the EDP 2005 Order in relation to D's remediable service.
- (2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under—
- (a) paragraph 9(1)(a) of this Schedule, or
  - (b) paragraph 7(1)(a) of the Schedule to the EDP 2005 Order.
- (3) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the legacy remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under—
- (a) paragraph 9(1)(b) of this Schedule, or
  - (b) paragraph 7(1)(b) of the Schedule to the EDP 2005 Order.

**Information provided before 1st October 2023: deferred choice – pension debit**

- 29.**—(1) This paragraph applies where D is a deferred choice member of this Scheme where—
- (a) D's remediable relevant benefits under this Scheme are subject to a pension debit by virtue of a relevant pension sharing order,
  - (b) a deferred choice decision has not been made or treated as made under this Schedule or the Schedule to the EDP 2005 Order in relation to D's remediable service, and
  - (c) paragraph 22 does not apply.

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- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").
- (3) The Scheme manager must adjust D's pension account so that it is subject to a debit of the legacy remediable reduction amount in respect of D's remediable relevant benefits.
- (4) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: deferred choice member – pension debit adjustment**

- 30.**—(1) This paragraph applies where—
- (a) D was a deferred choice member to whom paragraph 29 applied, and
  - (b) a deferred choice decision is subsequently made or treated as made under this Schedule or the Schedule to the EDP 2005 Order in relation to D's remediable service.
- (2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount determined under paragraph 29 where a deferred choice decision is made or treated as having been made in relation to D's remediable service under—
- (a) paragraph 13(1)(a) of this Schedule;
  - (b) paragraph 10(1)(a) of the Schedule to the EDP 2005 Order.
- (3) An adjustment under sub-paragraph (2) above takes effect as if it had been made on the transfer day.

*Section 3*

*Information provided on or after 1st October 2023*

**Application and interpretation of Section 3**

- 31.** This Section applies where, on or after 1st October 2023, the Scheme manager provides pension information in respect of D's remediable service.

**Information provided on or after 1st October 2023: pension information**

- 32.**—(1) This paragraph applies where no immediate choice decision or deferred choice decision under the provisions of this Schedule or the Schedule to the EDP 2005 Order has been made in relation to D's remediable service before the Scheme manager provided the pension information.

- (2) For the purpose of providing the pension information, the Scheme manager must determine—
  - (a) the cash equivalent of D’s remediable rights as if those remediable rights were secured in this Scheme, and
  - (b) the cash equivalent of those rights as if they were secured in the reformed scheme.
- (3) The value of D’s remediable rights for the purposes of section 23 of WRPA 1999 is the greater of those rights.

**Information provided on or after 1st October 2023: calculation of pension credits**

**33.**—(1) This paragraph applies where the Scheme manager must determine an appropriate amount for the purposes of section 29 of WRPA 1999.

- (2) For the purpose of calculating the appropriate amount, the Scheme manager must determine—
  - (a) the cash equivalent of D’s remediable relevant benefits on the valuation day as if those remediable relevant benefits were in this Scheme (“the legacy scheme cash equivalent”), and
  - (b) the cash equivalent of those benefits on the valuation day as if they were in the reformed scheme (“the reformed scheme cash equivalent”).
- (3) For the purpose of calculating the pension credit, the Scheme manager must use the greater of—
  - (a) the legacy scheme cash equivalent;
  - (b) the reformed scheme cash equivalent.

**Information provided on or after 1st October 2023: pension debit**

**34.**—(1) This paragraph applies where—

- (a) where an appropriate amount must be determined for the purposes of section 29(1)(a) of WRPA 1999, and
  - (b) no immediate choice decision under paragraph 9(1)(a) or deferred choice decision under paragraph 13(1)(a) has been made or treated as being made in relation to D’s remediable service under this Schedule or similar provisions in the Schedule to the EDP 2005 Order.
- (2) The Scheme manager must determine the appropriate amount in relation to D’s remediable relevant benefits—
  - (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) Where D is a deferred choice member, the Scheme manager must adjust D’s remediable relevant benefits by the legacy remediable reduction amount.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.

**Information provided on or after 1st October 2023: pension debit adjustment**

**35.**—(1) This paragraph applies where—

- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order, and

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- (b) an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) is made or treated as being made under this Schedule or the relevant provisions of the Schedule to the EDP 2005 Order in relation to D's remediable service.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day.
- (3) The Scheme manager must adjust D's pension account to reflect the appropriate amount determined under sub-paragraph (2) in respect of D's remediable relevant benefits.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.
- (5) For the purposes of sub-paragraph (2), the Scheme manager must have regard to—
  - (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured in the reformed scheme on the transfer day,
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

## Chapter 2

Arrangements on divorce, annulment or dissolution other than a pension sharing order

### **Arrangements other than a pension sharing order: calculating the value of pension benefits**

- 36.**—(1) This paragraph applies where—
- (a) the value of the remediable rights of a member (“M”) must be determined for the purpose of proceedings connected to M's divorce, annulment or the dissolution of M's civil partnership,
  - (b) the divorce, annulment or dissolution is to take effect—
    - (i) on or after 1st October 2023, and
    - (ii) before the earlier of—
      - (aa) a decision taking effect in relation to M's remediable service, or
      - (bb) the end of the relevant election period, and
  - (c) the value of M's remediable rights is not to be subject to a pension sharing order.
- (2) The value of M's remediable rights for the purpose of the proceedings is the greater of those rights valued by the Scheme manager, having regard to the advice of the Scheme actuary, as if they were—
- (a) secured in M's legacy scheme, or
  - (b) secured in the reformed scheme.
- (3) In this paragraph—
- “decision” means an immediate choice decision or a deferred choice decision;
  - “pension sharing order” means an order or provision which attracts section 29 of WRPA 1999 in relation to M's remediable rights;
  - “relevant election period” means, where M is—
    - (a) a deferred choice member, the section 10 election period in relation to M;
    - (b) an immediate choice pensioner member, the section 6 election period in relation to M;
  - “remediable rights” means the rights secured by virtue of M's remediable service.



## Part 6

### Voluntary Contributions

#### Chapter 1

##### General

#### **Application of this Part**

- 37.** This Part applies to a remedy member (“M”) who—
- (a) is not a deceased member, and
  - (b) was, immediately before 1st April 2022, not a full protection member of the AFPS 2005 within the meaning of Part 2 of Schedule 2.

#### Chapter 2

##### Remedial arrangements to pay voluntary contributions to the legacy scheme

#### **Remedial arrangements: additional reckonable service**

**38.**—(1) M may enter into a remedial voluntary contributions arrangement to pay contributions for additional reckonable service in accordance with rule C.1 (member’s option to pay contributions to increase service) of Schedule 1.

- (2) M may only enter into such an arrangement—
- (a) if the Scheme manager is satisfied that it is more likely than not that, but for a relevant breach of a non-discrimination rule, M would, during the period of M’s remediable service, have entered into the same or a similar arrangement,
  - (b) before—
    - (i) the end of the period of one year beginning with the day on which a remediable service statement is first provided to M, or
    - (ii) such later time as the Scheme manager considers reasonable in all the circumstances, and
  - (c) after an application made in accordance with paragraph 39 is approved by the Scheme manager.
- (3) Additional reckonable service purchased under rule C.1 (whether or not by virtue of this paragraph) is not remediable service under section 1 of PSPJOA 2022.

#### **Remedial arrangements: general**

- 39.**—(1) An application is made in accordance with this paragraph where—
- (a) it is in writing in a form and manner determined by the Scheme manager,
  - (b) it is accompanied by any information the Scheme manager reasonably requires to be provided for the purposes of—
    - (i) determining the matters mentioned in paragraph 38(2)(a);
    - (ii) complying with any requirements of the relevant rules in Part C of Schedule 1, and
  - (c) it is received by the Scheme manager—
    - (i) before the end of the period of 12 months beginning with the day on which a remediable service statement is first provided to M, or
    - (ii) such later time as the Scheme manager considers reasonable in all the circumstances.

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(2) The Scheme manager may treat an approved application made in accordance with subparagraph (1) as if it were a notice under rule C.1(2) of Schedule 1.

(3) Where M enters into a remedial voluntary contributions arrangement, M owes to the Scheme manager an amount equal to—

(a) the aggregate of the voluntary contributions which M would have owed had M entered into the remedial voluntary contributions arrangement at the time M would have entered into the same or a similar arrangement but for a relevant breach of a non-discrimination rule, less

(b) tax relief amounts calculated in accordance with direction 12(2) to (7) of the PSP Directions 2022.

(4) Where a determination is made in accordance with direction 12(6) of the PSP Directions 2022, the following apply—

(a) direction 12(8) (provision of explanation);

(b) direction 12(9) and (10) (appeals).

(5) A remedial voluntary contributions arrangement entered into under this Chapter does not breach rule C.1(6) of Schedule 1 where the remedial voluntary contributions due under that arrangement in respect of any tax year would not have breached that rule had the remedial voluntary contributions been paid in that tax year.

### Chapter 3

#### Secondment/Loan

##### **Purchase of additional reckonable service in respect of period on loan**

**40.**—(1) This paragraph applies where M has exercised both an option under rule C.6 (purchase of added years for members seconded to NATO or the UN etc) of Schedule 1 to this instrument and an option to preserve an entitlement to earned pension under regulation 97 of the AFP Regulations 2014 (members seconded to NATO or the UN etc) and—

(a) both options were exercised on or before 30th September 2023,

(b) the lump sum payable under C.6 is paid by M to the Scheme, and

(c) any contribution under rule C6(4), calculated as at the date the option was exercised, is paid.

(2) Any entitlement to earned pension benefits in relation to M's remediable service preserved by the exercise of the option under regulation 97 of the AFP Regulations 2014 is extinguished, and that period of remediable service is treated as additional reckonable service under rule C.6 of Schedule 1.

(3) No liability for an additional contribution from the member or the Secretary of State arises as a result of the coming into force of section 2(1) of the 2022 Act.

(4) Additional reckonable service under rule C.6 (whether or not by virtue of this Schedule) is treated as remediable service within the meaning of section 1 of PSPJOA 2022 (and Chapter 1 of Part 1 of that Act, together with the provisions of this Schedule, apply accordingly).

## Part 7

### Transfers

#### Chapter 1

##### General

#### **Interpretation of Part 7**

**41.—(1)** In this Part—

“public sector transfer arrangements” has the meaning given in rule A.1(4) of Schedule 1;

“receiving scheme”, in relation to a remediable value, means the scheme to which the remediable value was, or is to be, paid;

“reformed public service pension scheme” means—

- (a) a Chapter 1 scheme;
- (b) a judicial scheme within the meaning of section 70(1) of PSPJOA 2022;
- (c) a local government scheme within the meaning of section 86(1) of PSPJOA 2022;

“remediable benefits” means the benefits payable to or in respect of a remedy member in relation to that member’s remediable service;

“remediable club transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 in accordance with the public sector transfer arrangements, in so far as the transfer value relates to the member’s remediable rights;

“remediable rights”, in relation to a member, means the member’s rights to benefits under a reformed public service pension Scheme secured by virtue of the member’s remediable service;

“remediable transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 which is not a remediable club transfer value;

“remediable value” means a remediable club transfer value or a remediable transfer value;

“sending scheme”, in relation to a remediable value, means the scheme which paid, or is to pay, the remediable value.

(2) Where a provision of this Part requires the Scheme manager to calculate a club transfer value or a transfer value (including a remediable club transfer value or a remediable transfer value) in relation to rights secured in a pension scheme, that value is to be calculated in accordance with—

- (a) the provisions of the pension scheme which apply to the calculation of values of that type, and
- (b) the guidance and tables provided for the purpose of calculating such values that were, or are, in use on the date used for the original calculation.

(3) For the purposes of this Part, any rule or condition in Part F of Schedule 1 or the public sector transfer arrangements relating to the time within which a transfer value payment must be made or accepted that would otherwise prevent any payments being made or accepted under this Part, is treated as complied with or met.

#### **Transferred out remediable service statements**

**42.** Where a remedy member has transferred any rights in respect of remediable service out of the Scheme, the Scheme manager must provide a transferred out remediable service statement in accordance with direction 6(2) to (4) of the PSP Directions 2022 (and direction 6(4) applies as if

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the reference to “any provision made by virtue of section 29(1) of PSPJOA 2022” were a reference to paragraph 5).

## Chapter 2

### Transfers on a cash equivalent basis

#### Section 4

#### *Transfers before 1st October 2023*

#### **Transfers out before 1st October 2023**

**43.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable transfer value before 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if they were secured in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The Scheme manager must notify the receiving scheme of the results of the calculation mentioned in sub-paragraph (2).

(4) Where—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“x”) is greater than
- (b) the amount of the remediable transfer value (“y”) paid before 1st October 2023,

the Scheme manager must take reasonable steps to pay the receiving scheme an amount (“the remediable amount”) equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable transfer value.

(6) Where—

- (a) paragraph (4) applies, and
- (b) the scheme manager, having taken reasonable steps, is unable to make the payment required by that paragraph,

the scheme manager owes M or, where M is deceased, M’s personal representatives an amount by way of compensation equal to  $x - y$  (“the compensatable amount”) reduced in accordance with paragraph (7).

(7) Where, if the remediable amount was paid immediately after the requirement to pay it arose, the payment—

- (a) would be a payment described in regulation 6 of the Registered Pension Schemes (Authorised Payments) Regulations 2009<sup>(21)</sup> (“the 2009 Regulations”) as if regulation 6(1)(a) of those Regulations were omitted, the remediable amount is to be reduced by the amount equal to the income tax that would be chargeable on it as if regulation 3(b) of the 2009 Regulations applied to it;
- (b) would not be a payment so described, the remediable amount is to be reduced by an amount equal to the income tax that would be charged on the amount if it were taxed as pension income under Part 9 of the Income Tax (Earnings and Pensions) Act 2003.

(21) S.I. 2009/1171. Regulation 6 was amended by section 42(6)(a) of the Finance Act 2014 (c. 26).

### **Transfers in before 1st April 2022**

**44.**—(1) This paragraph applies in relation to each remediable transfer value in respect of a member (“M”) which was accepted by the Scheme manager during the remedy period.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must determine M’s remediable benefits as if the remediable transfer value together with any payment accepted under sub-paragraph (3) were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) Where the sending scheme was a reformed public service pension scheme, the Scheme manager may accept an additional payment representing an adjustment—

- (a) in respect of the remediable rights to which the remediable transfer value relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(4) A payment accepted under sub-paragraph (3) is to be used for the purpose of determining M’s remediable benefits on the same terms as the remediable transfer value.

### *Section 5*

#### *Transfers on or after 1st October 2023*

### **Application of Section 5**

**45.** This Section applies in respect of a member (“M”) who is—

- (a) a deferred choice member, and no pension benefits have become payable in relation to M’s remediable service under the AFPS 2005, or
- (b) an immediate choice member, where—
  - (i) the end of the section 6 election period has not passed in relation to M, and
  - (ii) no immediate choice decision under this Schedule or the Schedule to the EDP 2005 Order has been made in relation to M’s remediable service.

### **Transfers out on or after 1st October 2023**

**46.**—(1) This paragraph applies to a remediable transfer value to be paid in relation to M by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if those rights had been in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The amount of the remediable transfer value is the greater of the amounts calculated under sub-paragraph (2).

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## Chapter 3

### Transfers on a club basis

#### Section 6

#### *Club transfers before 1st October 2023*

##### **Club transfers out before 1st October 2023**

**47.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable club transfer value before 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in this Scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

(4) Where the receiving scheme is a local government scheme (within the meaning of section 86(1) of PSPJOA 2022), and—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“ $x$ ”) is greater than
- (b) the amount of the remediable transfer value (“ $y$ ”),

the Scheme manager must pay the receiving scheme an amount equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable club transfer value.

##### **Club transfers in before 1st October 2023**

**48.**—(1) This paragraph applies in relation to each remediable club transfer value in respect of a member (“M”) which was accepted by the Scheme manager before 1st October 2023.

(2) The Scheme manager may accept an adjustment in the value of a remediable club transfer value—

- (a) in respect of the remediable rights to which the remediable club transfer value relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(3) An adjustment accepted under sub-paragraph (2) is to be used for the purpose of determining M’s remediable benefits on the same terms as the remediable club transfer value mentioned in sub-paragraph (1).

(4) The Scheme manager must determine M’s remediable benefits as if the remediable club transfer value together with any adjustment accepted under sub-paragraph (2) were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

## Section 7

### Club transfers on or after 1st October 2023

#### Application of Section 7

49. This Section applies in respect of a deferred choice member (“M”) where no pension benefits have become payable in relation to M’s remediable service under the AFPS 2005.

#### Club transfers out on or after 1st October 2023

50.—(1) This paragraph applies in relation to a remediable club transfer value to be paid by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in the legacy scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The amount of the remediable club transfer value is the greater of the amounts calculated under sub-paragraph (2).

(4) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

#### Club transfers in on or after 1st October 2023

51.—(1) This paragraph applies in relation to a remediable club transfer value which is accepted by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must determine M’s remediable benefits as if the remediable club transfer value were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

## Chapter 4

### Transfers to and from the AFPS 2015

#### Transfers out before 1st October 2023: AFPS 2015

52.—(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme paid a remediable transfer value in respect of a remedy member (“M”) before 1st October 2023, and
- (b) M’s remediable service is pensionable service under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, paid by the reformed scheme, and
- (b) is treated as being, and as always having been, paid by this Scheme.

(3) In particular, paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) for all other purposes.

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(4) Paragraph 43 applies to a remediable transfer value which is treated as paid from this Scheme under this paragraph.

**Transfers in before 1st October 2023: AFPS 2015**

53.—(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme accepted a remediable transfer value in respect of a remedy member (“M”) during the period of M’s remediable service, and
- (b) M’s remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, accepted into the reformed scheme, and
- (b) is treated as being, and as always having been, accepted into this Scheme.

(3) Paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) subject to paragraph 55, for all other purposes.

(4) Paragraph 44 applies to a remediable transfer value which is treated as accepted into this Scheme under this paragraph.

**Club Transfers in before 1st October 2023: AFPS 2015**

54.—(1) This paragraph applies where, before 1st October 2023—

- (a) the Scheme manager for the reformed scheme accepted a remediable club transfer value in respect of a remedy member (“M”), and
- (b) M’s remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable club transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, accepted into the reformed scheme, and
- (b) is treated as being, and as always having been, accepted into this Scheme.

(3) Paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) subject to paragraph 55, for all other purposes.

(4) Paragraph 48 applies to a remediable club transfer value which is treated as accepted into this Scheme under this paragraph.

Chapter 5

Treatment of transferred in remediable rights

**Treatment of rights secured by virtue of transferred in remediable rights**

55.—(1) This paragraph applies where the Scheme manager has accepted a remediable value in relation to a remedy member (“M”).

(2) Sub-paragraph (3) applies where the Scheme manager has accepted payments to which paragraphs 53 or 54 apply.



(3) The Scheme manager must confer rights to benefits under Part F of Schedule 1 in relation to the remediable value that are equivalent to the rights that would have been secured if the remediable value had been transferred into this Scheme in the same relevant pension year in which the remedy period transfer value was accepted by the Scheme manager of the reformed scheme.

(4) Sub-paragraph (5) applies where—

- (a) the benefits payable to or in respect of M's remediable service are reformed scheme benefits by virtue of an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) (including, in either case, a deemed election), and
- (b) the rights to benefits payable in relation to M's remediable value would otherwise be legacy scheme benefits.

(5) Where this paragraph applies, the Scheme manager must—

- (a) have regard to the advice of the Scheme actuary where the remediable value is a remediable transfer value under paragraphs 44 or 53, together with any payment accepted under paragraph 44(3);
- (b) vary the value of those rights so that they are of an equivalent value to rights M would have secured under the reformed scheme if the remediable value had been transferred into that Scheme in the same relevant pension year that the remediable value was accepted.

(6) In this Chapter—

- (a) "relevant pension year" has the meaning given by direction 5(16)(c)(i) of the PSP Directions 2022.

#### **Benefits already paid in relation to transferred in remediable rights**

**56.**—(1) Sub-paragraph (2) applies in relation to any benefits ("the paid benefits") that the reformed scheme has at any time paid to a person ("P") so far as—

- (a) they are calculated by reference to a remediable value, and
- (b) they are benefits that, as a result of paragraphs 53(2)(a) or 54(2)(a), P was not entitled to receive from the reformed scheme.

(2) The paid benefits are to be treated for all purposes—

- (a) as not having been paid to P by the reformed scheme, but
- (b) as having been paid to P instead by this Scheme.

#### **Pension benefits and lump sum benefits in relation to a remediable value**

**57.**—(1) This paragraph applies in relation to any benefits that have been paid in relation to a remediable value accepted in relation to an immediate choice member ("M").

(2) Where, at the operative time—

- (a) the aggregate of benefits that (after taking into account the effect, if any, of paragraph 56) have been paid under the legacy scheme to any person ("the beneficiary") in respect of the remediable value, exceeds
- (b) the aggregate of the benefits to which (after taking into account the effect, if any, of paragraphs 53, 54 and 55 in relation to the rights) the beneficiary is entitled under the Scheme in respect of the remediable value,

the beneficiary must pay an amount equal to the difference to the Scheme.

(3) Where, at the operative time—

- (a) the amount mentioned in sub-paragraph (2)(a), is less than

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- (b) the amount mention in sub-paragraph (2)(b),  
the Scheme manager must pay an amount equal to the difference to the beneficiary.
- (4) In this paragraph, “the operative time” means—
  - (a) if an immediate choice decision is made in relation to M’s remediable service, the time that the decision is made;
  - (b) otherwise, the end of the section 6 election period in relation to M.

## Part 8

### Provision about special cases

#### Chapter 1

##### Child pensions in payment

#### **Protection of the amount of pension payable to an eligible child**

- 58.**—(1) This paragraph applies where—
- (a) a child pension is in payment to an eligible child (“E”) in respect of the remediable service of a deceased member (“M”),
  - (b) the eligible decision-maker specified in Part 10 makes an immediate choice decision or a deferred choice decision under the provisions of this Schedule or the Schedule to the EDP 2005 Order which would (disregarding this paragraph) result in a decrease in the rate of child pension payable to E in respect of M’s remediable service, and
  - (c) the eligible decision-maker does not live in the same household as E.
- (2) Where this paragraph applies—
- (a) E does not owe the Scheme manager a liability under section 14(3) of PSPJOA 2022 in respect of the child pension, and
  - (b) the rate of child pension continues to be the rate that was payable before the decision was made.
- (3) For the purposes of this paragraph—
- (a) a child’s pension means—
    - (i) a pension under rule E.8 of Schedule 1;
    - (ii) a pension under regulation 72 of the AFP Regulations 2014.

#### Chapter 2

##### Application of Schedule 2 (Transitional Provision for the AFPS 2005)

#### **Calculation of Benefits for remediable service: election for new Scheme benefits**

- 59.**—(1) This paragraph applies where a section 6 election or a section 10 election is made or treated as made in relation to a remedy member’s (“M”) remediable service under the provisions of this Schedule or the Schedule to the EDP 2005 Order.
- (2) For the purposes of calculating the benefits due to, or in respect of, M in relation to their remediable service, M is treated though they were a transition member with continuity of service within the meaning of paragraph 2 of Schedule 2.
- (3) For these purposes—

- (a) M's transition date is taken to be 1st April 2015;
- (b) the date on which M joined the AFPS 2015 is taken to be 1st April 2015, or if later, the date on which M first entered remediable service after that date;
- (c) references to M's pensionable service in the AFPS 2015 include M's period of remediable service in the AFPS 2005;
- (d) references to M's reckonable service in the AFPS 2005 mean M's reckonable service up to the end of 31st March 2015;
- (e) where M died before 1st April 2022, references in the opening words of paragraphs 34, 35, 36 and 37 to M dying as a member of the AFPS 2015 include a case where M died as a member in pensionable service under the AFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022).

### Chapter 3

#### Abatement

##### **Abatement**

**60.**—(1) This paragraph applies—

- (a) where an immediate choice decision or deferred choice decision is made in a case where the remedy member (“M”) is, or has been, re-engaged in new service within the meaning of rule H.1 of Schedule 1,
- (b) as a result of that decision, the amount of M's pension in respect of their remediable service has changed, and
- (c) M's pension is abated under Part H of Schedule 1.

(2) The Scheme manager must—

- (a) re-calculate the member's old service pension, with effect from the date on which the member entered into the new service, and
- (b) re-calculate the reduction amount under rule H.2.

(3) The pension which is reduced as a result of abatement does not include any amounts attributable to an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a).

### Chapter 4

#### Death Benefits Nomination

##### **Nomination for Death Lump Sum Benefits**

**61.** Where a remedy member (“M”)—

- (a) had made a nomination under regulation 84 of the AFP Regulations 2014 before 1st October 2023, and
- (b) M did not subsequently make a nomination under rule E.21 of Schedule 1,

the nomination under regulation 84 of the AFP Regulations 2014 has effect as a nomination under rule E.21 of Schedule 1.

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## Chapter 5

### Medical and Dental Officers: AFPS 2005 Bonus Scheme

#### **MODO Bonus Scheme: effect of election for new Scheme benefits**

**62.**—(1) Where a remedy member (“M”)—

- (a) makes an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a), and
- (b) had made a claim under the MODO Bonus Scheme in relation to a period which included their remediable service,

M must repay that proportion of any bonus payment which relates to M’s remediable service (“the overpaid bonus”) to the Scheme manager.

(2) The overpaid bonus is a relevant amount for the purposes of section 26(1)(b) of PSPJOA 2022 and Part 9 of this Schedule applies accordingly.

(3) In this paragraph—

“2014 DIN” means the Defence Information Notice, reference 2014DIN01-143 setting out the terms on which the MODO Bonus Scheme was closed to members who transitioned to the AFPS 2015, and the basis on which accrued rights to the bonus for service before the transition date would be calculated;

“MODO Bonus Scheme” means the scheme set out in the directed letter of 30th March 2006, entitled “Medical and Dental Officer (MO/DO) Bonuses”, setting out details of a bonus scheme for medical and dental officers who were, or were eligible to be, in pensionable service under the AFPS 2005, and amended by the 2014 DIN.

## Chapter 6

### Scheme Pays

#### **Payment of annual allowance tax charge and provision of information**

**63.** Where a remedy member is unable to give an effective notice to the Scheme manager under section 237B(3) of FA 2004 in relation to an in-scope tax year (within the meaning of direction 7(7) of the PSP Directions 2022) because the time limit in section 237BA(2) has passed, direction 7(2) to (6) of the PSP Directions 2022 applies in relation to the remedy member.

## Part 9

### Liabilities and payment

#### Chapter 1

##### Application of Part 9

#### **Application of Chapters 1, 2 and 3**

**64.** Chapters 1, 2 and 3 apply in relation to a relevant amount owed in respect of the remediable service of a remedy member.

## Chapter 2

### Interest, compensation and netting off

#### Interest

**65.**—(1) The Scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the Scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

#### Indirect compensation

**66.**—(1) This paragraph applies where pursuant to an application under paragraph 67, the Scheme manager determines that an immediate choice member (“M”) has incurred a compensatable loss that is a Part 4 tax loss (a “relevant loss”),

(2) M is not to be paid an amount under section 23 of PSPJOA 2022 by way of compensation in respect of the relevant loss.

(3) Instead, the amount of benefit payable under the Scheme is to be increased to reflect the amount of the relevant loss in such manner as determined by the Scheme manager in accordance with direction 10(2) to (4) of the PSP Directions 2022.

#### Applications for compensation or indirect compensation

**67.**—(1) This paragraph applies in relation to—

- (a) the payment of a relevant amount by way of compensation under section 23(1) of PSPJOA 2022;
- (b) the increase of benefits by way of indirect compensation under paragraph 66.

(2) The relevant amount is not payable, or (as the case may be) the benefits are not to be increased, except where—

- (a) an application is made in accordance with direction 18(1) and (2) of the PSP Directions 2022,
- (b) the application is accompanied by such information that the Scheme manager may by written notice require the person making the application (“P”) to provide in relation to the proposed compensation which is—
  - (i) information within P’s possession, or
  - (ii) information which P may reasonably be expected to obtain, and
- (c) the Scheme manager makes a determination in accordance with direction 18(3) of those Directions.

(3) The following apply in relation to a determination under direction 18(3) of the PSP Directions 2022—

- (a) direction 18(4) (provision of explanation);

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- (b) direction 18(5) and (6) (appeals).

### **Netting off**

**68.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and
- (b) the Scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 65.

(2) The Scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the Scheme to P.

(3) For the purposes of this paragraph, an amount owed by P under the rules of a relevant injury and compensation Scheme is treated as a relevant amount owed by P to this Scheme, where P’s liability arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

## Chapter 3

### Reduction and waiver of liabilities

#### **Power to reduce or waive amounts owed by a person to the Scheme manager**

**69.**—(1) The Scheme manager may reduce or waive an amount owed by a person to the Scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the Scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of PSP Directions 2022 (and the reference in direction 4(1)(c) to “any Scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 71).

## Chapter 4

### Payment of net liabilities

#### **Application of Chapter 4**

**70.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 65 to 69 (a “net liability”).

#### **Payment of amounts owed to the Scheme manager**

**71.**—(1) This paragraph applies where a person (“P”) owes a net liability to the Scheme manager.

(2) The Scheme manager must send notice in writing to P setting out—

- (a) how the net liability has been calculated,

- (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 69,
  - (c) when and how the net liability must be paid, and
  - (d) the consequences of not paying the net liability.
- (3) Where—
- (a) the Scheme manager has sent a notice under sub-paragraph (2), and
  - (b) the amount of the net liability is subsequently adjusted,
- the Scheme manager must send another notice in writing to P under sub-paragraph (2).
- (4) P must pay the amount of the net liability to the Scheme manager—
- (a) before the end of the period of six months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the Scheme manager may agree that the net liability is to be paid in part or in full—
- (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the Scheme manager may agree to vary an agreement under sub-paragraph (5).
- (7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the Scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the Scheme manager for the purpose of discharging P's liability.

#### **Payment of amounts owed to a person**

- 72.**—(1) This paragraph applies where the Scheme manager owes a net liability to a person (“P”).
- (2) The Scheme manager must pay the amount of the net liability to P—
- (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
  - (b) where the Scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.
- (3) Before paying the amount of a net liability owed to P, the Scheme manager may, by written notice given as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, require P to provide information in relation to the payment of the net liability which is—
- (a) information within P's possession, or
  - (b) information which P may reasonably be expected to obtain.

## **Part 10**

### **Eligible decision-makers for deceased members**

#### **Application and Interpretation of this Part**

- 73.**—(1) This Part applies where a remedy member (“M”) has died and an eligible decision-maker is required to make a decision or election under this Schedule.

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(2) In this Part—

“adult” means—

- (a) in England and Wales, and Northern Ireland, a person over the age of 18;
- (b) in Scotland, a person over the age of 16;

“beneficiary” means a person who has become entitled to receive any death benefit;

“child”, except in the term “eligible child”, means—

- (a) in England and Wales, and Northern Ireland, a person under the age of 18;
- (b) in Scotland, a person under the age of 16;

“death benefit” means a benefit payable under Part E of Schedule 1 or Part 6 of the AFP Regulations 2014 in relation to the death of a member;

“guardian” means a person with parental responsibility for a child, and where there is more than one person with parental responsibility for a child, the person with whom the child usually resides;

“personal representative” means the person or persons named in the—

- (a) Grant of Probate, or
- (b) Grant of Letters of Administration, or
- (c) Confirmation

issued in respect of M’s estate;

“surviving adult” means—

- (a) a surviving spouse,
- (b) a surviving civil partner, or
- (c) a surviving adult dependant within the meaning of regulation 67 of the AFP Regulations 2014.

(3) In this Part, a reference to—

- (a) a beneficiary is a reference to a beneficiary of death benefits in relation to M’s remediable service;
- (b) an eligible child is a reference to an eligible child of M;
- (c) a surviving adult is a reference to a surviving adult in relation to M.

**Sole beneficiary: an adult**

**74.** Where a person is—

- (a) the sole beneficiary, and
- (b) an adult,

the eligible decision-maker is that person.

**Sole beneficiary: a child**

**75.** Where a person (“C”) is—

- (a) the sole beneficiary, and
- (b) a child

the eligible decision-maker is C’s guardian.



**Sole beneficiary: M's estate**

76. Where M's estate is the sole beneficiary, the eligible decision-maker is—
- (a) M's personal representative;
  - (b) where M has no personal representative, the Scheme manager.

**Sole beneficiary: a body**

77. Where a body (corporate or unincorporate) is the sole beneficiary, the eligible decision-maker is—
- (a) M's personal representative, or
  - (b) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: including a surviving adult**

78. Where—
- (a) two or more adults are the only beneficiaries, and
  - (b) one of those adults is a surviving adult ("A"),
- the eligible decision-maker is A.

**Multiple beneficiaries: including adult eligible children**

- 79.—(1) Where—
- (a) two or more adults are the only beneficiaries,
  - (b) none of those adults is a surviving adult, and
  - (c) two or more of those adults are eligible children,
- the eligible decision-maker is determined in accordance with sub-paragraph (2).
- (2) The eligible decision-maker is—
- (a) the person agreed upon by the adult eligible children, or
  - (b) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager.

**Multiple beneficiaries: nominated individuals only**

- 80.—(1) Where—
- (a) two or more adults (the "nominated adults") are beneficiaries of a lump sum death benefit, and
  - (b) none of the following are beneficiaries—
    - (i) a surviving adult, or
    - (ii) an eligible child (whether or not an adult),
- the eligible decision-maker is determined in accordance with sub-paragraph (2).
- (2) The eligible decision-maker is—
- (a) M's personal representative;
  - (b) where M has no personal representative, the person agreed upon by the nominated adults;
  - (c) where—

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- (i) M has no personal representative, and
  - (ii) no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager,
- the Scheme manager.

**Multiple beneficiaries: non-adult eligible children**

**81.** Where the only beneficiaries are children, two or more of which are eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the eligible children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: nominated children only**

**82.** Where the only beneficiaries of lump sum death benefits are two or more children who are not eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: one or more adults and one or more children**

**83.—**(1) Where the beneficiaries include one or more adults and one or more children—

- (a) M’s personal representative is the eligible decision-maker;
- (b) where M has no personal representative, and—
  - (i) one of the beneficiaries is a surviving adult, that surviving adult is the eligible decision-maker;
  - (ii) none of the beneficiaries is a surviving adult and—
    - (aa) one or more of the beneficiaries is an eligible child, or
    - (bb) none of the beneficiaries is a surviving adult or an eligible child,the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) Where sub-paragraph (1)(b)(ii) applies, and—

- (a) all relevant children are under 18 and—
  - (i) have, or had, the same guardian, the eligible decision-maker is that guardian;
  - (ii) do not, or did not, have the same guardian, the eligible decision-maker is the Scheme manager;
- (b) all relevant children are 18 or over, the eligible decision-maker is—
  - (i) the person agreed upon by those relevant children, or
  - (ii) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager;

- (c) one or more relevant children are under 18 and one or more of the relevant children are 18 or over, the eligible decision-maker is the person agreed upon by—
  - (i) the relevant children who are 18 or over, and
  - (ii) the guardian (or guardians) of the relevant children who are under 18.
- (3) In sub-paragraph (2), a relevant child is—
  - (a) where sub-paragraph (1)(b)(ii)(aa) applies, an eligible child;
  - (b) where sub-paragraph (1)(b)(ii)(bb) applies, a person who—
    - (i) has never married or formed a civil partnership, and
    - (ii) meets any of conditions A, B or C as set out in regulation 73 of the AFP Regulations 2014.

#### **Other cases**

84. In any case not covered by paragraphs 74 to 83, the eligible decision-maker is the Scheme manager.”

Schedule 3

Regulation 15

Remediable Service for the Armed Forces Early Departure Payments Scheme 2005

“Schedule

Article 2(3)

Remediable Service

## **Part 1**

### **Introductory Provisions**

#### **Interpretation**

1.—(1) In this Schedule—

“AFPS 2005” means the occupational pension scheme arrangements for members of the regular forces set out in Schedules 1, 2 and 3 to the Armed Forces Pension Scheme Order 2005~~(22)~~ and—

- (a) “AFPS 2005 benefits” means scheme benefits under Schedules 1 and 2;
- (b) “AFPS 2005 service”, in relation to a member, means the member’s remediable service that is pensionable service under the AFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022;

“AFRS 2006” means the Armed Forces Redundancy Scheme 2006 established by the Armed Forces Redundancy Scheme Order 2006;

“AFRS 2020” means the Armed Forces Redundancy Scheme 2020 established under the Schedule to the Armed Forces Redundancy Scheme Order 2020;

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022;

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(22) S.I. 2005/438; relevant amending instruments are S.I. 2015/568 and 2022/323.

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- “PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;
- “an armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;
- “Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;
- “deferred choice decision” has the meaning given in paragraph 10(1);
- “end of the section 6 election period”, in relation to an immediate choice member, has the meaning given in section 7(2) of PSPJOA 2022;
- “end of the section 10 election period”, in relation to a deferred choice member, means the end of the day determined in accordance with paragraph 11(1)(b);
- “immediate choice decision” has the meaning given in paragraph 7(1);
- “legacy scheme”, in relation to a remedy member’s remediable service, means the Scheme established under the Armed Forces Early Departure Scheme Order 2005, and—
- (a) “legacy scheme benefits” means benefits payable under articles 8 to 13 of that Scheme;
  - (b) “legacy scheme service”, in relation to a remedy member, means the person’s remediable service in an employment or office that is relevant service under this instrument (whether or not by virtue of section 2(1) of PSPJOA 2022);
- “reformed EDP Scheme” means the Scheme established under Part 2 of the Armed Forces Early Departure Payments Scheme Order 2015, and “reformed EDP Scheme benefits” means new scheme benefits under that scheme;
- “reformed scheme” means the AFPS 2015, and “reformed scheme benefits” means new scheme benefits under that scheme;
- “relevant amount” has the meaning given in section 26(3) of PSPJOA 2022;
- “remediable service”, in relation to a remedy member, means the member’s remediable service in an employment or office that is pensionable service under the AFPS 2005 or relevant service for the purposes of this Scheme (whether or not by virtue of section 2(1) of PSPJOA 2022);
- “remedy member” means a person with remediable service;
- “remedy period” means the period beginning with 1st April 2015 and ending with 31st March 2022;
- “Scheme manager” means the Secretary of State;
- “section 6 election” has the meaning given in paragraph 7(1)(a);
- “section 10 election” has the meaning given in paragraph 10(1)(a).
- (2) In this Schedule, a “deferred choice member” means a remedy member who—
- (a) immediately before 1st October 2023, was not entitled to the present payment of a pension under this Scheme (whether or not that pension was abated), the amount of which was determined (to any extent) by reference to the member’s remediable service;
  - (b) on or after 1st October 2023, is an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020 in relation to that service.
- (3) In this Schedule, an “immediate choice member” means a remedy member who, immediately before 1st October 2023, was—
- (a) entitled to a pension under this Scheme (whether or not that pension was abated), the amount of which was determined by reference (to any extent) to the member’s remediable service;
  - (b) an eligible person within the meaning of article 4 of the AFRS 2006 or paragraph 7 of the Schedule to the AFRS 2020 in relation to that service.

(4) A deferred choice member is a relevant member of the Scheme for the purposes of section 10 of PSPJOA 2022.

(5) An immediate choice member is a relevant member of the Scheme for the purposes of section 6 of PSPJOA 2022.

**2.—**(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to members of the armed forces pension schemes.

(2) A term used in this Schedule which—

- (a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and
- (b) is not defined differently in this Schedule,

has the meaning given in, or for the purposes of, that provision.

(3) A term used in this Schedule which—

- (a) is defined in this instrument or the AFP Regulations 2014 (“the relevant schemes”), and
- (b) is not defined differently—

(i) in this Schedule, or

(ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,

has, in relation to the relevant schemes, the meaning given in those schemes.

(4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.

**3.** For the purposes of sections 9 and 13 of PSPJOA 2022, the other Chapter 1 legacy scheme mentioned in sections 9(1)(b) and 13(1)(b) respectively is the AFPS 2005, and—

- (a) where the member makes an immediate choice decision under this Schedule, that decision also has effect as a deferred choice decision in relation to the member’s remediable service under the AFPS 2005<sup>(23)</sup>;
- (b) where the member makes a deferred choice decision under this Schedule, that decision also has effect as a deferred choice decision in relation to the member’s remediable service under the AFPS 2005<sup>(24)</sup>.

**4.** For the purposes of this Scheme, section 14 of PSPJOA 2022 applies as if—

- (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
- (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Remediable Service Statements

#### Requirements relating to remediable service statements

**5.—**(1) The Scheme manager must provide a remediable service statement to a remedy member (“M”) in accordance with—

- (a) section 29 of PSPJOA 2022,

<sup>(23)</sup> See section 9(3) PSPJOA 2022.

<sup>(24)</sup> See section 13(2) of PSPJOA 2022.

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- (b) any Treasury directions made under section 29(6) of that Act, and
  - (c) this paragraph.
- (2) The Scheme manager must provide a remediable service statement in respect of M—
- (a) before the relevant date,
  - (b) where M is, in relation to their remediable service, for the time being an active member of the AFPS 2005, at least once in each year ending with the anniversary of the relevant date;
  - (c) where M is a deferred choice member of the AFPS 2005, as soon as is reasonably practicable following receipt of notification of the date on which M will leave relevant service.
- (3) The remediable service statement must be provided to M.
- (4) The remediable service statement must include—
- (a) information about the form and manner in which required information must be communicated to the Scheme manager;
  - (b) where M is an immediate choice member, information about the irrevocability of an immediate choice decision;
  - (c) where M is a deferred choice member, information about the revocability (or otherwise) of a deferred choice decision.
- (5) For further provision about—
- (a) what a remediable service statement must include, see—
    - (i) section 29(5) of PSPJOA 2022;
    - (ii) direction 20(1) of the PSP Directions 2022;
  - (b) when a remediable service statement must be combined with a benefit information statement provided under section 14 of the Public Service Pensions Act 2013, see direction 20(2) of the PSP Directions 2022.

## Part 3

### Decisions about the treatment of remediable service

#### Chapter 1

##### Immediate choice decision for reformed scheme or legacy scheme benefits

#### **Application of Chapter 1**

**6.** This Chapter applies in respect of the remediable service of an immediate choice member (“M”).

#### **Immediate choice decision for reformed scheme or legacy scheme benefits: general**

**7.—(1)** A decision (an “immediate choice decision”) may be made in accordance with this Chapter—

- (a) to make an election (a “section 6 election”) by virtue of section 6 of PSPJOA 2022 in relation to M’s remediable service, or
  - (b) that no section 6 election is to be made in relation to that service.
- (2) An immediate choice decision may only be made by M.

(3) An immediate choice decision is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager.

(4) An immediate choice decision may only be made before the end of the section 6 election period.

(5) An immediate choice decision is irrevocable.

(6) An immediate choice decision to make a section 6 election takes effect as a section 6 election (see sections 6(5) and (7), 7(1)(b) and 9 of PSPJOA 2022 about the effect of a section 6 election).

(7) Where—

(a) immediately before 1st October 2023, M had remediable service in the reformed scheme (“the reformed scheme service”), and

(b) an immediate choice decision is made that no section 6 election is to be made in relation to M’s remediable service,

section 6(4) of PSPJOA 2022 does not apply in relation to M’s reformed scheme service (and, accordingly, section 2(1) of PSPJOA 2022 has effect in relation to M’s reformed scheme service for the purposes mentioned in section 2(3)(b) of that Act from the time the immediate choice decision is made).

(8) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 6 election is to be made as they have effect in relation to a section 6 election—

(a) section 6(7) (section 6 election has effect in respect of all remediable service in the employment or office);

(b) section 7(1)(b) (provision about when a section 6 election is to be treated as having taken effect);

(c) section 9 (provision about persons with remediable service in more than one Chapter 1 legacy scheme).

#### **Immediate choice decision: deemed election**

8. Where—

(a) the end of the section 6 election period in relation to M has passed,

(b) no immediate choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat an immediate choice election as having been made in relation to M’s remediable service immediately before the end of the section 6 election period.

## Chapter 2

### Deferred choice decision for reformed scheme or legacy scheme benefits

#### **Application of Chapter 2**

9. This Chapter applies in respect of the remediable service of a deferred choice member (“M”).

#### **Deferred choice decision for reformed scheme or legacy scheme benefits: general**

10.—(1) A decision (a “deferred choice decision”) may be made—

(a) to make an election (a “section 10 election”) by virtue of section 10 of PSPJOA 2022 in relation to M’s remediable service, or

(b) that no section 10 election is to be made in relation to that service.

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- (2) A deferred choice decision may only be made by M.
- (3) A deferred choice decision is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager.
- (4) A deferred choice decision may only be made before the end of the section 10 election period.
- (5) A deferred choice decision to make a section 10 election takes effect as a section 10 election (see sections 10(4) and (5), 11(3)(b), (4) and (7) and 13 of PSPJOA 2022 about the effect of a section 10 election).
- (6) Where the deferred choice decision is that no section 10 election is to be made, the benefits payable to or in respect of M, so far as they are determined by reference to M's remediable service, are legacy scheme benefits.
- (7) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 10 election is to be made as they have effect in relation to a section 10 election—
  - (a) section 10(5) (section 10 election has effect in respect of all remediable service in the employment or office);
  - (b) section 11(3)(b), (4) and (7) (provision about when a section 10 election take effect, and the effect of lapse or revocation of a section 10 election);
  - (c) section 13 (persons with remediable service in more than one Chapter 1 legacy scheme).

**Deferred choice decision: process**

- 11.**—(1) A deferred choice decision may only be made during the period—
- (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c), and
  - (b) ending—
    - (i) at the end of the day 6 months after the day the remediable service statement mentioned in paragraph (a) was issued;
    - (ii) subject to sub-paragraph (3), at the end of such other day as the Scheme manager considers reasonable in all the circumstances.
- (2) The end of the period during which a deferred choice decision may be made must not be more than one year before the day on which it is reasonably expected that legacy scheme benefits would become payable to or in respect of M.
- (3) A deferred choice decision made by M may be revoked—
- (a) at any time before the cancellation deadline, and
  - (b) by M communicating to the Scheme manager notice of the revocation in a form and manner determined by the Scheme manager.
- (4) Where the Scheme manager receives, before the cancellation deadline, notice that M has died—
- (a) any deferred choice decision made by M lapses, and
  - (b) Schedule 3 to the AFPS 2005 applies.
- (5) In sub-paragraphs (3) and (4), “the cancellation deadline” means—
- (a) the beginning of the day one calendar month before the day (“the payment day”) on which the first payment under the Scheme is due to be made in relation to M's remediable service, or
  - (b) such later time before the payment day as the Scheme manager considers reasonable in all the circumstances.



### **Deferred choice decision: deemed section 10 election**

#### **12. Where—**

- (a) the end of the section 10 election period in relation to M has passed,
- (b) no deferred choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat a section 10 election as having been made in relation to M's remediable service immediately before the end of the section 10 election period.

## **Part 4**

### **Provision about special cases**

#### **Chapter 1**

##### **Election for New Scheme Benefits: Calculation**

### **Application of Chapter 3**

**13.** This Chapter applies where an immediate choice decision under paragraph 7(1)(a) or a deferred choice decision under paragraph 10(1)(a) is made in relation to a remedy member's ("M") remediable service.

### **Calculation of Benefits for remediable service: election for new Scheme benefits**

**14.—(1)** For the purposes of calculating the benefits due to M in relation to their remediable service, M is treated though they were a person with dual entitlement.

#### **(2) For these purposes—**

- (a) M's transition date is taken to be 1st April 2015;
- (b) references to M's relevant service under the EDP 2005 mean M's relevant service up to the end of 31st March 2015.

## **Part 5**

### **Liabilities and payment**

#### **Chapter 1**

##### **Application of Part 5**

### **Application of Chapters 1, 2 and 3**

**15.** Chapters 1, 2 and 3 apply in relation to a relevant amount owed in respect of the remediable service of a remedy member.

## Chapter 2

### Interest, compensation and netting off

#### **Interest**

**16.**—(1) The Scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the Scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

#### **Netting off**

**17.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and
- (b) the Scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 16.

(2) The Scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the Scheme to P.

(3) For the purposes of this paragraph, an amount owed by P under the rules of a relevant injury and compensation Scheme is treated as a relevant amount owed by P to this Scheme, where P’s liability arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

## Chapter 3

### Reduction and waiver of liabilities

#### **Power to reduce or waive amounts owed by a person to the Scheme manager**

**18.**—(1) The Scheme manager may reduce or waive an amount owed by a person to the Scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the Scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of the PSP Directions 2022 (and the reference in direction 4(1)(c) to “any Scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 20).

## Chapter 4

### Payment of net liabilities

#### **Application of Chapter 4**

**19.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 16 to 18 (a “net liability”).

#### **Payment of amounts owed to the Scheme manager**

- 20.**—(1) This paragraph applies where a person (“P”) owes a net liability to the Scheme manager.
- (2) The Scheme manager must send notice in writing to P setting out—
- (a) how the net liability has been calculated,
  - (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 18,
  - (c) when and how the net liability must be paid, and
  - (d) the consequences of not paying the net liability.
- (3) Where—
- (a) the Scheme manager has sent a notice under sub-paragraph (2), and
  - (b) the amount of the net liability is subsequently adjusted,
- the Scheme manager must send another notice in writing to P under sub-paragraph (2).
- (4) P must pay the amount of the net liability to the Scheme manager—
- (a) before the end of the period of six months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the Scheme manager may agree that the net liability is to be paid in part or in full—
- (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the Scheme manager may agree to vary an agreement under sub-paragraph (5).
- (7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the Scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the Scheme manager for the purpose of discharging P’s liability.

#### **Payment of amounts owed to a person**

- 21.**—(1) This paragraph applies where the Scheme manager owes a net liability to a person (“P”).
- (2) The Scheme manager must pay the amount of the net liability to P—
- (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
  - (b) where the Scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.
- (3) Before paying the amount of a net liability owed to P, the Scheme manager may, by written notice given as soon as reasonably practicable after the Scheme manager determines the amount

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of the net liability, require P to provide information in relation to the payment of the net liability which is—

- (a) information within P’s possession, or
- (b) information which P may reasonably be expected to obtain.”

Schedule 4

Regulation 20

Remediable Service for the Reserve Forces Pension Scheme 2005

“Schedule 4

Regulation 4

Remediable Service

## Part 1

### Introductory Provisions

#### Interpretation

1.—(1) In this Schedule—

“AFRS 2020” means the Armed Forces Redundancy Scheme 2020 established by the Armed Forces Redundancy Scheme Order 2020;

“EDP Regulations 2014” means the Armed Forces Early Departure Payments Scheme Regulations 2014<sup>(25)</sup>;

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022;

“PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;

“RFPS 2005” means the occupational pension scheme established by Schedules 1 and 3 to this instrument and—

(a) “RFPS 2005 benefits” means Scheme benefits under Schedules 1 and 3;

(b) “RFPS 2005 service”, in relation to a member, means the member’s remediable service that is pensionable service under the RFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;

“Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;

“deferred choice decision” has the meaning given in paragraph 12(1);

“deferred choice decision-maker” means the person who may make a deferred choice decision under paragraph 12(2);

“end of the section 6 election period”, in relation to an immediate choice member, has the meaning given in section 7(2) of PSPJOA 2022;

“end of the section 10 election period”, in relation to a deferred choice member, means the end of the day determined in accordance with—

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(25) S.I. 2014/2328.

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- (a) where the member is the deferred choice decision-maker, paragraph 13(2)(b);
- (b) where a person other than the member is the deferred choice decision-maker, paragraph 14(2)(b);

“immediate choice decision” has the meaning given in paragraph 8(1);

“immediate choice decision-maker” means the person who may make an immediate choice decision under paragraph 8(2);

the “legacy scheme”, in relation to a remedy member’s remediable service, means the RFPS 2005, and—

- (a) “legacy scheme benefits” means RFPS 2005 benefits;
- (b) “legacy scheme service”, in relation to a remedy member, means RFPS 2005 service;

“member” means an active, deferred, deceased or pensioner member of a pension scheme;

“non-discrimination rule” has the meaning given in section 25(8) of PSPJOA 2022, and references to a relevant breach of a non-discrimination rule are to be read in accordance with section 25(9) of that Act;

“opted-out service election” has the meaning given in paragraph 6(1);

the “reformed scheme” means the AFPS 2015, and “reformed scheme benefits” means new scheme benefits under that scheme;

“relevant amount” has the meaning given in section 26(30) of PSPJOA 2022;

“remediable service”, in relation to a remedy member, means all the member’s periods of remediable service in an employment or office that are pensionable service under the RFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“remedy member” means a member with remediable service;

“remedy period” means the period beginning with 1st April 2015 and ending with 31st March 2022;

“section 6 election” has the meaning given in paragraph 8(1)(a);

“section 10 election” has the meaning given in paragraph 12(1)(a).

(2) In this Schedule, a “deferred choice member” means a remedy member who—

- (a) immediately before 1st October 2023 was not entitled to the present payment of a pension under this Scheme (whether or not that pension was abated), the amount of which was determined (to any extent) by reference to the member’s remediable service;
- (b) on or after 1st October 2023, in relation to that remediable service, is—
  - (i) entitled to an award under Part 4 of the EDP Regulations 2014;
  - (ii) an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020.

(3) In this Schedule, an “immediate choice member” means a remedy member who, immediately before 1st October 2023, was—

- (a) entitled to a pension under this Scheme (whether or not that pension was abated), the amount of which was determined by reference (to any extent) to the member’s remediable service;
- (b) a deceased member;
- (c) entitled to an award under Part 4 of the EDP Regulations 2014;
- (d) an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020.

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(4) A deferred choice member is a relevant member of the Scheme for the purposes of section 10 of PSPJOA 2022.

(5) An immediate choice member is a relevant member of the Scheme for the purposes of section 6 of PSPJOA 2022.

2.—(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to members of the armed forces pension Schemes.

(2) A term used in this Schedule which—

- (a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and
- (b) is not defined differently in this Schedule,

has the meaning given in, or for the purposes of, that provision.

(3) A term used in this Schedule which—

- (a) is defined in Schedules 1 or 3 to this instrument, the AFP Regulations 2014 or the EDP Regulations 2014 (“the relevant schemes”), and
- (b) is not defined differently—

(i) in this Schedule, or

(ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,

has, in relation to the relevant schemes, the meaning given in those schemes.

(4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.

3. For the purposes of this Scheme, section 14 of PSPJOA 2022 applies as if—

- (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
- (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Remediable Service Statements

#### Requirements relating to remediable service statements

4.—(1) The Scheme manager must provide a remediable service statement in respect of remedy member (“M”) in accordance with—

- (a) section 29 of PSPJOA 2022,
- (b) any Treasury directions made under section 29(6) of that Act, and
- (c) this paragraph.

(2) The Scheme manager must provide a remediable service statement in respect of M—

- (a) before the relevant date,
- (b) where M is, in relation to their remediable service, for the time being—
  - (i) an active member, at least once in each year ending with the anniversary of the relevant date;
  - (ii) a deferred member, within three months of receipt of a written request by the member, where such request is received after the relevant date;

- (c) where M is a deferred choice member, as soon as is reasonably practicable following receipt of notification—
  - (i) that M intends to claim benefits in relation to their remediable service, or
  - (ii) that M has died.

(3) Where—

- (a) a remediable service statement has been provided to M under sub-paragraph (2)(a), and
- (b) M dies before the end of the section 6 election period before making a decision under paragraph 8(1),

the Scheme manager must provide a remediable service statement in respect of M as soon as reasonably practicable and, for the purposes of section 7(2)(a) of PSPJOA, the remediable service statement provided to M under sub-paragraph (2)(a) is treated as though it had never been provided.

(4) The remediable service statement must be provided—

- (a) to M, or
- (b) where M is deceased, to the person who is for the time being the eligible decision-maker in relation to M's remediable service under Part 9 (unless the eligible decision-maker is the Scheme manager).

(5) The remediable service statement must include—

- (a) information about the form and manner in which required information must be communicated to the Scheme manager;
- (b) where M is an immediate choice member, information about the irrevocability of an immediate choice decision;
- (c) where M is a deferred choice member, information about the revocability (or otherwise) of a deferred choice decision.

(6) For further provision about—

- (a) what a remediable service statement must include, see—
  - (i) section 29(5) of PSPJOA 2022;
  - (ii) direction 20(1) of the PSP Directions 2022;
- (b) when a remediable service statement must be combined with a benefit information statement provided under section 14 of the Public Service Pensions Act 2013, see direction 20(2) of the PSP Directions 2022.

## Part 3

### Decisions about the treatment of remediable service

#### Chapter 1

#### Opted-out Service

##### **Application and interpretation of Chapter 1**

**5.—(1)** This Chapter applies to and in respect of a member (“M”) with opted-out service in an employment or office in relation to the legacy scheme.

(2) In this Chapter—

“opted-out service decision-maker” means the person who may make an opted-out service election in accordance with paragraph 6(2);

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“relevant opted-out service” means the service referred to in sub-paragraph (1).

**Election in relation to relevant opted-out service**

6.—(1) An election (an “opted-out service election”) may be made in relation to M’s relevant opted-out service in accordance with this Part and section 5 of PSPJOA 2022.

(2) An opted-out service election may be made—

- (a) by M, or
- (b) where M is deceased, by the eligible decision-maker specified in Part 9.

(3) Where a person other than the Scheme manager is the opted-out service decision-maker, an opted-out service election may only be made after the Scheme manager determines an application which is—

- (a) made by, or in relation to, M,
- (b) in a form and manner determined by the Scheme manager,
- (c) received by the Scheme manager within twelve months of the date on which the Scheme manager notified M of their right to make the application, and
- (d) accompanied by such information—
  - (i) which is within the person’s possession, or
  - (ii) which the person may reasonably be expected to obtain,

that the Scheme manager may by written notice require the person to provide in relation to the decision which caused the service in question to become opted-out service.

(4) As soon as is reasonably practicable after receipt of an application, the Scheme manager must—

- (a) determine whether an opted-out service election may be made in relation to M’s opted out service, and
- (b) notify the person who made the application whether such an opted-out service election may be made.

(5) Where the Scheme manager is the opted-out service decision-maker, the Scheme manager must, as soon as is reasonably practicable after determining that they are the opted-out service decision-maker, determine whether to make an opted-out service election in relation to M.

(6) The Scheme manager must refuse an application where the decision by virtue of which M’s service became opted-out service was not made pursuant to a relevant breach of a non-discrimination rule.

(7) An opted-out service election to be made by—

- (a) a person other than the Scheme manager is made when the person confirms that an opted-out service election is to be made following receipt of the notification mentioned in sub-paragraph (4)(b);
- (b) the Scheme manager is made at the time determined by the Scheme manager.

(8) See section 5(2) to (4) of PSPJOA 2022 about the effect, timing and irrevocability of an opted-out service election.



## Chapter 2

### Immediate choice decision for reformed scheme or legacy scheme benefits

#### **Application of Chapter 2**

7.—(1) This Chapter applies in respect of the remediable service of an immediate choice member (“M”).

(2) An immediate choice decision under this Chapter applies to all of M’s periods of remediable service in this Scheme.

#### **Immediate choice decision for reformed scheme or legacy scheme benefits: general**

8.—(1) A decision (an “immediate choice decision”) may be made in accordance with this Chapter—

- (a) to make an election (a “section 6 election”) by virtue of section 6 of PSPJOA 2022 in relation to M’s remediable service, or
- (b) that no section 6 election is to be made in relation to that service.

(2) An immediate choice decision may be made—

- (a) by M, or
- (b) where M is deceased, by the eligible decision-maker specified in Part 9.

(3) An immediate choice decision made by—

- (a) a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
- (b) the Scheme manager is made at the time determined by the Scheme manager.

(4) An immediate choice decision may only be made before the end of the section 6 election period.

(5) An immediate choice decision is irrevocable.

(6) An immediate choice decision to make a section 6 election takes effect as a section 6 election (see sections 6(5) and (7) and 7(1)(b) of PSPJOA 2022 about the effect of a section 6 election).

(7) Where—

- (a) immediately before 1st October 2023, M has remediable service in the reformed scheme (“AFPS 2015 service,”), and
- (b) an immediate choice decision is made that no section 6 election is to be made in relation to M’s remediable service,

section 6(4) of PSPJOA 2022 does not apply in relation to M’s AFPS 2015 service (and, accordingly, section 2(1) of PSPJOA 2022 has effect in relation to M’s AFPS 2015 service for the purposes mentioned in section 2(3)(b) of that Act from the time the immediate choice decision is made).

(8) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 6 election is to be made as they have effect in relation to a section 6 election—

- (a) section 6(7) (section 6 election has effect in respect of all remediable service in the employment or office);
- (b) section 7(1)(b) (provision about when a section 6 election is to be treated as having taken effect).

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#### **Immediate choice decision: additional requirements**

9.—(1) This paragraph applies where the immediate choice decision-maker (“D”) is a person other than the Scheme manager.

(2) An immediate choice decision may not be made unless a remediable service statement has been provided to D in accordance with paragraph 4(2)(a), or, where sub-paragraph (3) applies, in accordance with paragraph 4(3).

(3) Where—

(a) a remediable service statement has been provided to M in accordance with paragraph 4(2)(a), and

(b) M dies before making an immediate choice decision under paragraph 8, the section 6 election period is treated as though it had never begun in relation to M.

(4) An immediate choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

(a) information in D’s possession, or

(b) information which D can reasonably be expected to obtain.

#### **Immediate choice decision: deemed election**

10. Where—

(a) the end of the section 6 election period in relation to M has passed,

(b) no immediate choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat an immediate choice election as having been made in relation to M’s remediable service immediately before the end of the section 6 election period.

### Chapter 3

#### Deferred choice decision for reformed scheme or legacy scheme benefits

#### **Application of Chapter 3**

11.—(1) This Chapter applies in respect of the remediable service of a deferred choice member (“M”).

(2) A deferred choice decision under this Chapter applies to all of M’s periods of remediable service in this Scheme.

#### **Deferred choice decision for reformed scheme or legacy scheme benefits: general**

12.—(1) A decision (a “deferred choice decision”) may be made—

(a) to make an election (a “section 10 election”) by virtue of section 10 of PSPJOA 2022 in relation to M’s remediable service, or

(b) that no section 10 election is to be made in relation to that service.

(2) A deferred choice decision may be made—

(a) by M, or

(b) where M is deceased, by the eligible decision-maker specified in Part 9.

(3) A deferred choice decision—

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- (a) to be made by a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
- (b) to be made by the Scheme manager is made at a time determined by the Scheme manager.
- (4) A deferred choice decision may only be made before the end of the section 10 election period.
- (5) A deferred choice decision to make a section 10 election takes effect as a section 10 election (see sections 10(4) and (5) and 11(3)(b), (4) and (7) of PSPJOA 2022 about the effect of a section 10 election).
- (6) Where the deferred choice decision is that no section 10 election is to be made, the benefits payable to or in respect of M, so far as they are determined by reference to M's remediable service, are legacy scheme benefits.
- (7) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 10 election is to be made as they have effect in relation to a section 10 election—
  - (a) section 10(5) (section 10 election has effect in respect of all remediable service in the employment or office);
  - (b) section 11(3)(b), (4) and (7) (provision about when a section 10 election take effect, and the effect of lapse or revocation of a section 10 election).

#### **Deferred choice decision to be made by M**

- 13.**—(1) This paragraph applies where M is the deferred choice decision-maker.
- (2) A deferred choice decision may only be made during the period—
    - (a) beginning on the date a remediable service statement is issued under paragraph 4(2)(c)(i), and
    - (b) ending—
      - (i) at the end of the day 6 months after the day the remediable service statement mentioned in paragraph (a) was issued;
      - (ii) subject to sub-paragraph (4), at the end of such other day as the Scheme manager considers reasonable in all the circumstances.
  - (3) The end of the period during which a deferred choice decision may be made must not be more than the earlier of—
    - (a) one year before the day on which it is reasonably expected that legacy scheme benefits would become payable to or in respect of M, or
    - (b) one year before the day on which it is reasonably expected that, if a section 10 election were made, reformed scheme benefits would become payable to or in respect of M.
  - (4) A deferred choice decision made by M may be revoked—
    - (a) at any time before the cancellation deadline, and
    - (b) by M communicating to the Scheme manager notice of the revocation in a form and manner determined by the Scheme manager.
  - (5) Where the Scheme manager receives, before the cancellation deadline, notice that M has died—
    - (a) any deferred choice decision made by M lapses, and
    - (b) any period that has begun (whether or not it has also ended) in accordance with sub-paragraph (2) is to be treated as if it had never begun (or ended).
  - (6) In sub-paragraphs (4) and (5), “the cancellation deadline” means—

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- (a) the beginning of the day one calendar month before the day (“the payment day”) on which the first payment under the Scheme is due to be made in relation to M’s remediable service, or
- (b) such later time before the payment day as the Scheme manager considers reasonable in all the circumstances.

**Deferred choice decision to be made by a person other than M**

**14.**—(1) This paragraph applies where a person other than M is the deferred choice decision-maker.

- (2) A deferred choice decision may only be made during the period—
  - (a) beginning on the date a remediable service statement is issued under paragraph 4(2)(c)(ii), and
  - (b) ending—
    - (i) at the end of the day 6 months after that date;
    - (ii) except where the Scheme manager is the deferred choice decision-maker, at such later time as the Scheme manager considers reasonable in all the circumstances;
    - (iii) if earlier than the time which applies under sub-paragraph (i) or (ii), immediately after a deferred choice decision is made.
- (3) A deferred choice decision made by a person other than M is irrevocable.

**Deferred choice election: deemed section 10 election**

**15.** Where—

- (a) the end of the section 10 election period in relation to M has passed,
- (b) no deferred choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat a section 10 election as having been made in relation to M’s remediable service immediately before the end of the section 10 election period.

**Deferred choice decision: additional requirements**

**16.** Where the deferred choice decision-maker (“D”) is a person other than the Scheme manager, a deferred choice decision is to be treated as having been made only if D provides any information specified in a written request from the Scheme manager that is—

- (a) information in D’s possession, or
- (b) information which D can reasonably be expected to obtain.

## Part 4

### Provision about divorce and dissolution arrangements

#### Chapter 1

##### Pension Credit and Debit Members

###### *Section 1*

###### *Application and Interpretation of Chapter 1*

###### **Application and interpretation of Chapter 1**

17.—(1) This Chapter applies in relation to—

- (a) a pension credit member (“C”),
- (b) the corresponding pension debit member (“D”), and
- (c) the pension sharing order by virtue of which C became a pension credit member in relation to D’s remediable service (the “relevant pension sharing order”).

(2) In this Chapter—

“appropriate amount” means an amount calculated for the purposes of section 29(1) of WRPA 1999;

“cash equivalent” means an amount calculated in accordance with regulations made under section 30 of WRPA 1999;

“corresponding pension debit member” means a member of this Scheme with remediable service (whether or not by virtue of section 2(1) of PSPJOA 2022) whose benefits, or future benefits, under the Scheme are subject to a pension debit;

“legacy remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in this Scheme immediately before the transfer day;

“pension credit account” means a pension credit member account in this Scheme or the reformed scheme by virtue of the relevant pension sharing order;

“pension credit member” means a member of this Scheme who has rights under the Scheme—

- (a) which are attributable (directly or indirectly) to a pension credit,
- (b) which arise by virtue of a pension sharing order with a transfer day on or after 1st April 2015, and
- (c) the value of which was determined (to any extent) by reference to the value of benefits payable in respect of the remediable service of another member;

“pension information” means information provided by the Scheme manager under regulations 2, 3 or 4 of the Pensions on Divorce etc. (Provision of Information) Regulations 2000;

“pension sharing order” means the order or provision by virtue of which section 29 of WRPA 1999 applies in relation to a pension credit member and the corresponding pension debit member;

“reformed remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in the reformed scheme immediately before the transfer day;

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“remediable relevant benefits” means the benefits or future benefits described in section 29(4) and (5) of WRPA 1999 to which D is entitled by virtue of remediable shareable rights;

“remediable shareable rights” means D’s shareable rights secured by virtue of D’s remediable service during the period beginning on 1st April 2015 and ending on the earlier of—

- (a) the day before the transfer day, or
- (b) the last day of D’s remediable service;

“shareable rights” has the meaning given in section 27(2) of WRPA 1999;

“transfer day” means the day on which the relevant pension sharing order takes effect;

“valuation day” has the meaning given in section 29(7) of WRPA 1999.

(3) In this Chapter, where the Scheme manager is required to determine an amount, this must be done—

- (a) as soon as reasonably practicable, and
- (b) with regard to the advice of the Scheme actuary.

(4) In this Chapter, a reference to benefits secured in “this Scheme” or the “legacy scheme”, means benefits secured under the rules in Schedules 1 and 3 to this instrument.

## *Section 2*

### *Pension sharing orders: information provided before 1st October 2023*

#### **Application and interpretation of Section 2**

**18.** This Section applies where the most recent pension information in respect of D’s remediable service was provided by the Scheme manager before 1st October 2023.

#### **Information before 1st October 2023: unprotected member, RFPS 2005 only**

**19.**—(1) This paragraph applies where—

- (a) D was a transition member with continuity of service on or before 31st March 2022, and
- (b) the relevant pension sharing order applies only to shareable rights under this Scheme, or to shareable rights under this Scheme and any other Chapter 1 legacy schemes.

(2) For the purposes of determining the pension debit under section 29(1)(a) of WRPA 1999 or the pension credit under section 29(1)(b) of WRPA 1999, D’s shareable rights do not include any rights secured by pensionable service on or after 1st April 2015.

#### **Information and transfer day before 1st October 2023: protected members**

**20.**—(1) This paragraph applies—

- (a) where D was a full protection member of this Scheme before 1st April 2022,
- (b) where the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
- (c) whether or not C has a pension credit account in the reformed scheme under the relevant pension sharing order.

(2) The Scheme manager must determine—

- (a) the initial appropriate amount;
- (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights in this Scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the initial appropriate amount;
- (b) the reformed remediable appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the reformed remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 23(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 23(5) and the consequences of making, or not making, such a request.

(7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this Scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this Scheme immediately before the transfer day;
- (b) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent, on the valuation day, of the remediable relevant benefits as if they had been secured in the reformed scheme.

### **Information and transfer day before 1st October 2023: unprotected members**

**21.**—(1) This paragraph applies where—

- (a) D was a transition member with continuity of service before 1st April 2022,
- (b) the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
- (c) C has a pension credit account in the reformed scheme under the relevant pension sharing order.

(2) The Scheme manager must determine—

- (a) the initial appropriate amount;
- (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined, on the valuation day, for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights on the transfer day in the reformed scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the legacy remediable appropriate amount;

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(b) the initial appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C's pension credit account is subject to an adjustment (a "remediable credit adjustment") equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the legacy remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 23(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 23(5) and the consequences of making, or not making, such a request.

(7) In determining the legacy remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage value specified in the relevant pension sharing order in relation to the reformed scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the "implied percentage") that the amount to be transferred represented of the cash equivalent of D's shareable rights under the reformed scheme on the valuation day;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in this Scheme.

**Information before 1st October 2023: transfer day after 1st October**

**22.—**(1) This paragraph applies—

- (a) where the transfer day in relation to a relevant pension sharing order is on or after 1st October 2023, and
- (b) whether or not the relevant pension sharing order also makes provision in relation to the reformed scheme for an appropriate amount to be transferred to C.

(2) The Scheme manager must determine the remediable appropriate amount.

(3) The remediable appropriate amount is the greater of the following amounts—

- (a) the legacy remediable appropriate amount;
- (b) the reformed remediable appropriate amount.

(4) The Scheme manager must transfer the legacy remediable appropriate amount to C's pension credit account in this Scheme.

(5) Where the remediable appropriate amount is greater than the legacy remediable appropriate amount, C's pension credit account is subject to an adjustment (a "remediable credit adjustment") equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the legacy remediable appropriate amount,
- (b) the reformed remediable appropriate amount,



- (c) the remediable appropriate amount,
  - (d) the remediable credit adjustment, if any, and
  - (e) where paragraph 23(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 23(5) and the consequences of making, or not making, such a request.
- (7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is—
- (a) where the relevant pension sharing order specifies a percentage value in relation to this Scheme only, that percentage value;
  - (b) where the relevant pension sharing order specifies different percentage values in relation to this Scheme and the reformed scheme, the percentage value that is specified for the pension Scheme under which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—
- (a) calculate the percentage (the “implied percentage”) that the initial appropriate amount represented of the cash equivalent of D’s shareable rights on the valuation day—
    - (i) as if they had been secured in this Scheme, where D was a full protection member before 1st April 2022, or
    - (ii) as if they had been secured in the reformed scheme, where D was a transition member with continuity of service before 1st April 2022;
  - (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in this Scheme on the valuation day;
  - (c) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in the reformed scheme on the valuation day.

#### **Information provided before 1st October 2023: applying a remediable credit adjustment**

**23.**—(1) This paragraph applies where C’s pension credit account is subject to a remediable credit adjustment in accordance with paragraphs 20(5), 21(5) or 22(5).

(2) The Scheme manager must adjust C’s pension credit account by an amount equal to the remediable credit adjustment.

(3) An adjustment made under sub-paragraph (2) has effect as if it had been made on the transfer day.

(4) Where C has a pension credit in the reformed scheme by virtue of the relevant pension sharing order, C may request that the value of the remediable credit adjustment is instead credited to C’s pension credit account in the reformed scheme.

(5) A request under sub-paragraph (4) must—

- (a) be made by C in writing to the Scheme manager,
- (b) be in a form determined by the Scheme manager,
- (c) unambiguously identify C’s pension credit account in the reformed pension scheme, and
- (d) be received by the Scheme manager by—

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- (i) the end of the day twelve months after the date on which the statement required by paragraphs 20(6), 21(6) or 22(6) was sent to C, or
  - (ii) the end of such later day that the Scheme manager considers reasonable in all the circumstances.
- (6) A request made in accordance with sub-paragraph (5) is irrevocable.
- (7) Section 14(3) to (6) of PSPJOA 2022 applies in relation to C as it applies in relation to a member described in section 14(1) as if—
- (a) a reference to D’s remediable service in an employment or office were a reference to C’s pension credit;
  - (b) a reference to the effect, if any, of sections 2(1) and 6(4) were a reference to the effect, if any, of this paragraph;
  - (c) the term “operative time” means the time at which the adjustment mentioned in sub-paragraph (2) is made (disregarding sub-paragraph (3)).

**Information provided before 1st October 2023: immediate choice – pension debit**

- 24.—(1) This paragraph applies where D is an immediate choice member of this Scheme where—
- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
  - (b) an immediate choice decision has not been made or treated as made in relation to D’s remediable service under this Schedule, and
  - (c) paragraph 19 does not apply.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D’s remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: immediate choice – pension debit adjustment on election**

- 25.—(1) This paragraph applies where—
- (a) D was an immediate choice member to whom paragraph 24 applied, and
  - (b) an immediate choice decision is subsequently made in relation to D’s remediable service.
- (2) The Scheme manager must adjust D’s pension account in respect of D’s remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount where an

immediate choice decision is made or treated as having been made in relation to D's remediable service under paragraph 8(1)(a) of this Schedule.

(3) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the legacy remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under paragraph 8(1)(b) of the Schedule.

**Information provided before 1st October 2023: deferred choice – pension debit**

26.—(1) This paragraph applies where D is a deferred choice member of this Scheme where—

- (a) D's remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
- (b) a deferred choice decision has not been made or treated as made in relation to D's remediable service under this Schedule, and
- (c) paragraph 19 does not apply.

(2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—

- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
- (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").

(3) The Scheme manager must adjust D's pension account so that it is subject to a debit of the legacy remediable reduction amount in respect of D's remediable relevant benefits.

(4) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—

- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
  - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
  - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
- (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
- (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: deferred choice member – pension debit adjustment on election**

27.—(1) This paragraph applies where—

- (a) D was a deferred choice member to whom paragraph 26 applied, and
- (b) a deferred choice decision is subsequently made in relation to D's remediable service.

(2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount determined under paragraph 26 where a deferred choice decision is made or treated as having been made in relation to D's remediable service under paragraph 12(1)(a) of this Schedule.

(3) An adjustment under sub-paragraph (2) above takes effect as if it had been made on the transfer day.

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### Section 3

#### Information provided on or after 1st October 2023

##### **Application and interpretation of Section 3**

**28.** This Section applies where, on or after 1st October 2023, the Scheme manager provides pension information in respect of D’s remediable service.

##### **Information provided on or after 1st October 2023: pension information**

**29.**—(1) This paragraph applies where no immediate choice decision or deferred choice decision has been made in relation to D’s remediable service before the Scheme manager provided the pension information.

(2) For the purpose of providing the pension information, the Scheme manager must determine—

- (a) the cash equivalent of D’s remediable rights as if those remediable rights were secured in this Scheme, and
- (b) the cash equivalent of those rights as if they were secured in the reformed scheme.

(3) The value of D’s remediable rights for the purposes of section 23 of WRPA 1999 is the greater of those rights.

##### **Information provided on or after 1st October 2023: calculation of pension credits**

**30.**—(1) This paragraph applies where the Scheme manager must determine an appropriate amount for the purposes of section 29 of WRPA 1999 must be determined.

(2) For the purpose of calculating the appropriate amount, the Scheme manager must determine—

- (a) the cash equivalent of D’s remediable relevant benefits on the valuation day as if those remediable relevant benefits were in this Scheme (“the legacy scheme cash equivalent”), and
- (b) the cash equivalent of those benefits on the valuation day as if they were in the reformed scheme (“the reformed scheme cash equivalent”).

(3) For the purpose of calculating the pension credit, the Scheme manager must use the greater of—

- (a) the legacy scheme cash equivalent;
- (b) the reformed scheme cash equivalent.

##### **Information provided on or after 1st October 2023: pension debit**

**31.**—(1) This paragraph applies where—

- (a) where the Scheme manager must determine an appropriate amount for the purposes of section 29(1)(a) of WRPA 1999 must be determined, and
- (b) no immediate choice decision under paragraph 8(1)(a) or deferred choice decision under paragraph 12(1)(a) has been made or treated as being made in relation to D’s remediable service under this Schedule.

(2) The Scheme manager must determine the appropriate amount in relation to D’s remediable relevant benefits—

- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and

- (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) Where D is a deferred choice member, the Scheme manager must adjust D’s remediable relevant benefits by the legacy remediable reduction amount.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.

**Information provided on or after 1st October 2023: pension debit adjustment on election**

**32.**—(1) This paragraph applies where—

- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order, and
- (b) an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) is made or treated as being made in relation to D’s remediable service under this Schedule.

(2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D’s remediable relevant benefits as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day.

(3) The Scheme manager must adjust D’s pension account to reflect the appropriate amount determined under sub-paragraph (2) in respect of D’s remediable relevant benefits.

(4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.

(5) For the purposes of sub-paragraph (2), the Scheme manager must have regard to—

- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured in the reformed scheme on the transfer day,
- (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order, and
- (c) the provisions of sections 29 and 31 of WRPA 1999.

Chapter 2

Arrangements on divorce, annulment or dissolution other than a pension sharing order

**Arrangements other than a pension sharing order: calculating the value of pension benefits**

**33.**—(1) This paragraph applies where—

- (a) the value of the remediable rights of a member (“M”) must be determined for the purpose of proceedings connected to M’s divorce, annulment or the dissolution of M’s civil partnership,
- (b) the divorce, annulment or dissolution is to take effect—
  - (i) on or after 1st October 2023, and
  - (ii) before the earlier of—
    - (aa) a decision taking effect in relation to M’s remediable service, or
    - (bb) the end of the relevant election period, and
- (c) the value of M’s remediable rights is not to be subject to a pension sharing order.

(2) The value of M’s remediable rights for the purpose of the proceedings is the greater of those rights valued by the Scheme manager, having regard to the advice of the Scheme actuary, as if they were—

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- (a) secured in M’s legacy scheme, or
  - (b) secured in the reformed scheme.
- (3) In this paragraph—
- “decision” means an immediate choice decision or a deferred choice decision;
  - “pension sharing order” means an order or provision which attracts section 29 of WRPA 1999 in relation to M’s remediable rights;
  - “relevant election period” means, where M is—
    - (a) a deferred choice member, the section 10 election period in relation to M;
    - (b) an immediate choice pensioner member, the section 6 election period in relation to M;
  - “remediable rights” means the rights secured by virtue of M’s remediable service.

## Part 5

### Voluntary Contributions

#### **Purchase of additional reckonable service in respect of period on secondment**

**34.**—(1) This paragraph applies where a remedy member (“M”) has exercised both an option under rule C.9 (secondment to NATO or the UN etc.) of Schedule 1 to this instrument and an option to preserve an entitlement to earned pension under regulation 97 of the AFP Regulations 2014 (members seconded to NATO or the UN etc) and—

- (a) both options were exercised on or before 30th September 2023,
- (b) the lump sum payable under rule C.9 is paid by M to the Scheme, and
- (c) any contribution under rule C.9(4), calculated as at the date the option was exercised, is paid.

(2) Any entitlement to earned pension benefits in relation to M’s remediable service preserved by the exercise of the option under regulation 97 of the AFP Regulations 2014 is extinguished, and that period of remediable service is treated as additional reckonable service under rule C.9 of Schedule 1.

(3) No liability for an additional contribution from the member or the Secretary of State arises as a result of the coming into force of section 2(1) of the 2022 Act.

(4) Additional reckonable service under rule C.9, whether or not by virtue of this Schedule, is treated as remediable service within the meaning of section 1 of PSPJOA 2022, (and Chapter 1 of Part 1 of that Act, together with this Schedule, apply accordingly).

## Part 6

### Transfers

#### Chapter 1

##### General

#### **Interpretation of Part 6**

**35.**—(1) In this Part—

“public sector transfer arrangements” has the meaning given in rule A.1(4) of Schedule 1;

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“receiving scheme”, in relation to a remediable value, means the scheme to which the remediable value was, or is to be, paid;

“reformed public service pension scheme” means—

- (a) a Chapter 1 scheme;
- (b) a judicial scheme within the meaning of section 70(1) of PSPJOA 2022;
- (c) a local government scheme within the meaning of section 86(1) of PSPJOA 2022;

“remediable benefits” means the benefits payable to or in respect of a remedy member in relation to that member’s remediable service;

“remediable club transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 in accordance with the public sector transfer arrangements, in so far as the transfer value relates to the member’s remediable rights;

“remediable rights”, in relation to a member, means the member’s rights to benefits under a reformed public service pension scheme secured by virtue of the member’s remediable service;

“remediable transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 which is not a remediable club transfer value;

“remediable value” means a remediable club transfer value or a remediable transfer value;

“sending scheme”, in relation to a remediable value, means the scheme which paid, or is to pay, the remediable value.

(2) Where a provision of this Part requires the Scheme manager to calculate a club transfer value or a transfer value (including a remediable club transfer value or a remediable transfer value) in relation to rights secured in a pension scheme, that value is to be calculated in accordance with—

- (a) the provisions of the pension scheme which apply to the calculation of values of that type, and
- (b) the guidance and tables provided for the purpose of calculating such values that were, or are, in use on the date used for the original calculation.

(3) For the purposes of this Part, any rule or condition in Part F of Schedule 1 or the public sector transfer arrangements relating to the time within which a transfer value payment must be made or accepted that would otherwise prevent any payments being made or accepted under this Part, is treated as complied with or met.

### **Transferred out remediable service statements**

**36.** Where a remedy member has transferred any rights in respect of remediable service out of this Scheme, the Scheme manager must provide a transferred out remediable service statement in accordance with direction 6(2) to (4) of the PSP Directions 2022 (and direction 6(4) applies as if the reference to “any provision made by virtue of section 29(1) of PSPJOA 2022” were a reference to paragraph 4).

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## Chapter 2

### Transfers on a cash equivalent basis

#### Section 4

#### *Transfers before 1st October 2023*

#### **Transfers out before 1st October 2023**

**37.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable transfer value before 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if they were secured in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The Scheme manager must notify the receiving scheme of the results of the calculation mentioned in sub-paragraph (2).

(4) Where—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“x”) is greater than
- (b) the amount of the remediable transfer value (“y”) paid before 1st October 2023,

the Scheme manager must take reasonable steps to pay the receiving scheme an amount (“the remediable amount”) equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable transfer value.

(6) Where—

- (a) paragraph (4) applies, and
- (b) the scheme manager, having taken reasonable steps, is unable to make the payment required by that paragraph,

the scheme manager owes M or, where M is deceased, M’s personal representatives an amount by way of compensation equal to  $x - y$  (“the compensatable amount”) reduced in accordance with paragraph (7).

(7) Where, if the remediable amount was paid immediately after the requirement to pay it arose, the payment—

- (a) would be a payment described in regulation 6 of the Registered Pension Schemes (Authorised Payments) Regulations 2009<sup>(26)</sup> (“the 2009 Regulations”) as if regulation 6(1)(a) of those Regulations were omitted, the remediable amount is to be reduced by the amount equal to the income tax that would be chargeable on it as if regulation 3(b) of the 2009 Regulations applied to it;
- (b) would not be a payment so described, the remediable amount is to be reduced by an amount equal to the income tax that would be charged on the amount if it were taxed as pension income under Part 9 of the Income Tax (Earnings and Pensions) Act 2003.

<sup>(26)</sup> S.I. 2009/1171. Regulation 6 was amended by section 42(6)(a) of the Finance Act 2014 (c. 26).



### **Transfers in before 1st April 2022**

**38.**—(1) This paragraph applies in relation to each remediable transfer value in respect of a member (“M”) which was accepted by the Scheme manager during the remedy period.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must determine M’s remediable benefits as if the remediable transfer value together with any payment accepted under sub-paragraph (3) were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) Where the sending scheme was a reformed public service pension scheme, the Scheme manager may accept an additional payment representing an adjustment—

- (a) in respect of the remediable rights to which the remediable transfer value relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(4) A payment accepted under sub-paragraph (3) is to be used for the purpose of determining M’s remediable benefits on the same terms as the remediable transfer value.

### *Section 5*

#### *Transfers on or after 1st October 2023*

### **Application of Section 5**

**39.** This Section applies in respect of a member (“M”) who is—

- (a) a deferred choice member, and no pension benefits have become payable in relation to M’s remediable service under the RFPS 2005, or
- (b) an immediate choice member, where—
  - (i) the end of the section 6 election period has not passed in relation to M, and
  - (ii) no immediate choice decision under paragraph 8(1) of this Schedule has been made in relation to M’s remediable service.

### **Transfers out on or after 1st October 2023**

**40.**—(1) This paragraph applies to a remediable transfer value to be paid in relation to M by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if those rights had been in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The amount of the remediable transfer value is the greater of the amounts calculated under sub-paragraph (2).

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## Chapter 3

### Transfers on a club basis

#### Section 6

#### *Club transfers before 1st October 2023*

##### **Club transfers out before 1st October 2023**

**41.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable club transfer value before 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in this Scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

(4) Where the receiving scheme is a local government scheme (within the meaning of section 86(1) of PSPJOA 2022), and—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“ $x$ ”) is greater than
- (b) the amount of the remediable transfer value (“ $y$ ”),

the Scheme manager must pay the receiving scheme an amount equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable club transfer value.

##### **Club transfers in before 1st October 2023**

**42.**—(1) This paragraph applies in relation to each remediable club transfer value in respect of a member (“M”) which was accepted by the Scheme manager before 1st October 2023.

(2) The Scheme manager may accept an adjustment in the value of a remediable club transfer value payment—

- (a) in respect of the remediable rights to which the remediable club transfer value relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(3) An adjustment accepted under sub-paragraph (2) is to be used for the purpose of determining M’s remediable benefits on the same terms as the remediable club transfer value mentioned in sub-paragraph (1).

(4) The Scheme manager must determine M’s remediable benefits as if the remediable club transfer value together with any adjustment accepted under sub-paragraph (2) were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

## Section 7

### Club transfers on or after 1st October 2023

#### Application of Section 7

43. This Section applies in respect of a deferred choice member (“M”) where no pension benefits have become payable in relation to M’s remediable service under the RFPS 2005.

#### Club transfers out on or after 1st October 2023

44.—(1) This paragraph applies in relation to a remediable club transfer value to be paid by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in the legacy scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The amount of the remediable club transfer value is the greater of the amounts calculated under sub-paragraph (2).

(4) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

#### Club transfers in on or after 1st October 2023

45.—(1) This paragraph applies in relation to a remediable club transfer value which is accepted by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must determine M’s remediable benefits as if the remediable club transfer value were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

## Chapter 4

### Transfers to and from the AFPS 2015

#### Transfers out before 1st October 2023: AFPS 2015

46.—(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme paid a remediable transfer value in respect of a remedy member (“M”) before 1st October 2023, and
- (b) M’s remediable service is pensionable service under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, paid by the reformed scheme, and
- (b) is treated as being, and as always having been, paid by this Scheme.

(3) In particular, paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) for all other purposes.

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(4) Paragraph 37 applies where a remediable transfer value is treated as paid from this Scheme under this paragraph.

**Transfers in before 1st October 2023: AFPS 2015**

47.—(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme accepted a remediable transfer value in respect of a remedy member (“M”) during the period of M’s remediable service, and
- (b) M’s remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, accepted into the reformed scheme, and
- (b) is treated as being, and as always having been, accepted into this Scheme.

(3) In particular, paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) subject to paragraph 49, for all other purposes.

(4) Paragraph 38 applies to a remediable transfer value which is treated as accepted into this Scheme under this paragraph.

**Club Transfers in before 1st October 2023: AFPS 2015**

48.—(1) This paragraph applies where, before 1st October 2023—

- (a) the Scheme manager for the reformed scheme accepted a remediable club transfer value in respect of a remedy member (“M”), and
- (b) M’s remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable club transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, accepted into the reformed scheme, and
- (b) is treated as being, and as always having been, accepted into this Scheme.

(3) Paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) subject to paragraph 49, for all other purposes.

(4) Paragraph 42 applies to a remediable club transfer value which is treated as accepted into this Scheme under this paragraph.

Chapter 5

Treatment of transferred in remediable rights

**Treatment of rights secured by virtue of transferred in remediable rights**

49.—(1) This paragraph applies where the Scheme manager has accepted a remediable value in relation to a remedy member (“M”).

(2) Sub-paragraph (3) applies where the Scheme manager has accepted payments to which paragraphs 47 or 48 apply.

(3) The Scheme manager must confer rights to benefits under Part F of Schedule 1 in relation to the remediable value that are equivalent to the rights that would have been secured if the remediable value had been transferred into this Scheme in the same relevant pension year in which the remedy period transfer value was accepted by the Scheme manager of the reformed scheme.

(4) Sub-paragraph (5) applies where—

- (a) the benefits payable to or in respect of M's remediable service are reformed scheme benefits by virtue of an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) (including, in either case, a deemed election), and
- (b) the rights to benefits payable in relation to M's remediable value would otherwise be legacy scheme benefits.

(5) Where this paragraph applies, the Scheme manager must—

- (a) have regard to the advice of the Scheme actuary where the remediable value is a remediable transfer value under paragraphs 38 or 47, together with any payment accepted under paragraph 38(3);
- (b) vary the value of those rights so that they are of an equivalent value to rights M would have secured under the reformed scheme if the remediable value had been transferred into that Scheme in the same relevant pension year that the remediable value was accepted.

(6) In this Chapter, "relevant pension year" has the meaning given by direction 5(16)(c)(i) of the PSP Directions 2022.

#### **Benefits already paid in relation to transferred in remediable rights**

**50.**—(1) Sub-paragraph (2) applies in relation to any benefits ("the paid benefits") that the reformed scheme has at any time paid to a person ("P") so far as—

- (a) they are calculated by reference to a remediable value, and
- (b) they are benefits that, as a result of paragraphs 47(2)(a) or 48(2)(a), P was not entitled to receive from the reformed scheme.

(2) The paid benefits are to be treated for all purposes—

- (a) as not having been paid to P by the reformed scheme, but
- (b) as having been paid to P instead by this Scheme.

#### **Pension benefits and lump sum benefits in relation to a remediable value**

**51.**—(1) This paragraph applies in relation to any benefits that have been paid in relation to a remediable value accepted in relation to an immediate choice member ("M").

(2) Where, at the operative time—

- (a) the aggregate of benefits that (after taking into account the effect, if any, of paragraph 50) have been paid under the legacy scheme to any person ("the beneficiary") in respect of the remediable value, exceeds
- (b) the aggregate of the benefits to which (after taking into account the effect, if any, of paragraphs 47, 48 and 49 in relation to the rights) the beneficiary is entitled under the Scheme in respect of the remediable value,

the beneficiary must pay an amount equal to the difference to the Scheme.

(3) Where, at the operative time—

- (a) the amount mentioned in sub-paragraph (2)(a), is less than
- (b) the amount mentioned in sub-paragraph (2)(b),

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the Scheme manager must pay an amount equal to the difference to the beneficiary.

- (4) In this paragraph, “the operative time” means—
- (a) if an immediate choice decision is made in relation to M’s remediable service, the time that the decision is made;
  - (b) otherwise, the end of the section 6 election period in relation to M.

## Part 7

### Provision about special cases

#### Chapter 1

##### Child pensions in payment

#### **Protection of the amount of pension payable to an eligible child**

- 52.**—(1) This paragraph applies where—
- (a) a child pension is in payment to an eligible child (“E”) in respect of the remediable service of a deceased member (“M”),
  - (b) the eligible decision-maker specified in Part 9 makes an immediate choice decision or a deferred choice decision which would (disregarding this paragraph) result in a decrease in the rate of child pension payable to E in respect of M’s remediable service,
  - (c) the eligible decision-maker does not live in the same household as E.
- (2) Where this paragraph applies—
- (a) E does not owe the Scheme manager a liability under section 14(3) of PSPJOA 2022 in respect of the child pension, and
  - (b) the rate of child pension continues to be the rate that was payable before the decision was made.
- (3) For the purposes of this paragraph, a child’s pension means—
- (a) a pension under rule E.8 of Schedule 1;
  - (b) a pension under regulation 72 of the AFP Regulations 2014.

#### Chapter 2

##### Application of Schedule 3 (Transitional Provision for the RFPS 2005)

#### **Application of Chapter 3**

**53.** This Chapter applies where an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a) is made in relation to a remedy member’s (“M”) remediable service under the RFPS 2005.

#### **Calculation of Benefits for remediable service: election for new scheme benefits**

**54.**—(1) For the purposes of calculating the benefits due to, or in respect of, M in relation to their remediable service, M is treated though they were a transition member with continuity of service within the meaning of paragraph 2 of Schedule 3.

- (2) For these purposes—
- (a) M’s transition date is taken to be 1st April 2015;

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- (b) the date on which M joined the AFPS 2015 is taken to be 1st April 2015, or if later, the date on which M first entered remediable service after that date;
- (c) references to M’s pensionable service in the AFPS 2015 include M’s period of remediable service in the RFPS 2005;
- (d) references to M’s reckonable service in the RFPS 2005 mean M’s reckonable service up to the end of 31st March 2015;
- (e) where M died before 1st April 2022, references in Part 4 of Schedule 3 to M dying as a member of the AFPS 2015 include a case where M died as a member of the RFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022).

### Chapter 3

#### Abatement

#### **Abatement**

**55.**—(1) This paragraph applies—

- (a) where an immediate choice decision or deferred choice decision is made in a case where the remedy member (“M”) is, or has been, re-engaged in new service within the meaning of rule H.1 of Schedule 1,
- (b) M’s old service pension is payable in relation to a period of service which includes remediable service,
- (c) as a result of the decision mentioned in paragraph (a), the amount of M’s old service pension in respect of their remediable service has changed, and
- (d) M’s pension is required to be abated under Part H of Schedule 1.

(2) The Scheme manager must re-calculate the reduction amount under rule H.2, with effect from the date on which the member entered into the new service.

(3) The pension which is abated does not include any amounts attributable to an immediate choice decision under paragraph 8(1)(a) or a deferred choice decision under paragraph 12(1)(a).

### Chapter 4

#### Nomination

#### **Death Lump Sum Nomination**

**56.** Where—

- (a) a remedy member (“M”) has made a nomination in relation to remediable service in the AFPS 2015 under regulation 84 of the AFP Regulations 2014, and
- (b) M did not make a nomination under the rule E.21 of Schedule 1 after the date on which M made the nomination under regulation 84,

that nomination has effect as a nomination under rule E.21 of Schedule 1.

### Chapter 5

#### Scheme Pays

#### **Payment of annual allowance tax charge and provision of information**

**57.** Where a remedy member is unable to give an effective notice to the Scheme manager under section 237B(3) of FA 2004 in relation to an in-scope tax year (within the meaning of direction 7(7)

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of the PSP Directions 2022) because the time limit in section 237BA(2) has passed, direction 7(2) to (6) of the PSP Directions 2022 applies in relation to the remedy member.

## Part 8

### Liabilities and payment

#### Chapter 1

#### Application of Part 8

#### **Application of Chapters 1, 2 and 3**

**58.** Chapters 1, 2 and 3 apply in relation to a relevant amount owed in respect of the remediable service of a remedy member.

#### Chapter 2

#### Interest, compensation and netting off

#### **Interest**

**59.**—(1) The Scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the Scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

#### **Indirect compensation**

**60.**—(1) This paragraph applies where pursuant to an application under paragraph 61, the Scheme manager determines that an immediate choice member (“M”) has incurred a compensatable loss that is a Part 4 tax loss (a “relevant loss”),

(2) M is not to be paid an amount under section 23 of PSPJOA 2022 by way of compensation in respect of the relevant loss.

(3) Instead, the amount of benefit payable under the Scheme is to be increased to reflect the amount of the relevant loss in such manner as determined by the Scheme manager in accordance with direction 10(2) to (4) of the PSP Directions 2022.

#### **Applications for compensation or indirect compensation**

**61.**—(1) This paragraph applies in relation to—

- (a) the payment of a relevant amount by way of compensation under section 23(1) of PSPJOA 2022;
- (b) the increase of benefits by way of indirect compensation under paragraph 60.



(2) The relevant amount is not payable, or (as the case may be) the benefits are not to be increased, except where—

- (a) an application is made in accordance with direction 18(1) and (2) of the PSP Directions 2022,
- (b) the application is accompanied by such information that the Scheme manager may by written notice require the person making the application (“P”) to provide in relation to the proposed compensation which is—
  - (i) information within P’s possession, or
  - (ii) information which P may reasonably be expected to obtain, and
- (c) the Scheme manager makes a determination in accordance with direction 18(3) of those Directions.

(3) The following apply in relation to a determination under direction 18(3) of the PSP Directions 2022—

- (a) direction 18(4) (provision of explanation);
- (b) direction 18(5) and (6) (appeals).

#### **Netting off**

**62.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and
- (b) the Scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 59.

(2) The Scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the Scheme to P.

(3) For the purposes of this paragraph, an amount owed by P under the rules of a relevant injury and compensation Scheme is treated as a relevant amount owed by P to this Scheme, where P’s liability arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

### **Chapter 3**

#### **Reduction and waiver of liabilities**

##### **Power to reduce or waive amounts owed by a person to the Scheme manager**

**63.**—(1) The Scheme manager may reduce or waive an amount owed by a person to the Scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the Scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of the PSP Directions 2022 (and the reference in direction 4(1)(c) to “any Scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 65).

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## Chapter 4

### Payment of net liabilities

#### **Application of Chapter 4**

**64.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 59 to 63 (a “net liability”).

#### **Payment of amounts owed to the Scheme manager**

- 65.**—(1) This paragraph applies where a person (“P”) owes a net liability to the Scheme manager.
- (2) The Scheme manager must send notice in writing to P setting out—
- (a) how the net liability has been calculated,
  - (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 63,
  - (c) when and how the net liability must be paid, and
  - (d) the consequences of not paying the net liability.
- (3) Where—
- (a) the Scheme manager has sent a notice under sub-paragraph (2), and
  - (b) the amount of the net liability is subsequently adjusted,
- the Scheme manager must send another notice in writing to P under sub-paragraph (2).
- (4) P must pay the amount of the net liability to the Scheme manager—
- (a) before the end of the period of six months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the Scheme manager may agree that the net liability is to be paid in part or in full—
- (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the Scheme manager may agree to vary an agreement under sub-paragraph (5).
- (7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the Scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the Scheme manager for the purpose of discharging P’s liability.

#### **Payment of amounts owed to a person**

- 66.**—(1) This paragraph applies where the Scheme manager owes a net liability to a person (“P”).
- (2) The Scheme manager must pay the amount of the net liability to P—
- (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
  - (b) where the Scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.
- (3) Before paying the amount of a net liability owed to P, the Scheme manager may, by written notice given as soon as reasonably practicable after the Scheme manager determines the amount

of the net liability, require P to provide information in relation to the payment of the net liability which is—

- (a) information within P’s possession, or
- (b) information which P may reasonably be expected to obtain.

## Part 9

### Eligible decision-makers for deceased members

#### Application and Interpretation of this Part

**67.**—(1) This Part applies where a remedy member (“M”) has died and an eligible decision-maker is required to make a decision or election under this Schedule.

(2) In this Part—

“adult” means—

- (a) in England and Wales, and Northern Ireland, a person over the age of 18;
- (b) in Scotland, a person over the age of 16;

“beneficiary” means a person who has become entitled to receive any death benefit;

“child”, except in the term “eligible child”, means—

- (a) in England and Wales, and Northern Ireland, a person under the age of 18;
- (b) in Scotland, a person under the age of 16;

“death benefit” means a benefit payable under Part E of Schedule 1 or Part 6 of the AFP Regulations 2014 in relation to the death of a member;

“guardian” means a person with parental responsibility for a child, and where there is more than one person with parental responsibility for a child, the person with whom the child usually resides;

“personal representative” means the person or persons named in the—

- (a) Grant of Probate, or
- (b) Grant of Letters of Administration, or
- (c) Confirmation

issued in respect of M’s estate;

“surviving adult” means—

- (a) a surviving spouse;
- (b) a surviving civil partner;
- (c) a surviving adult dependant within the meaning of regulation 67 of the AFP Regulations 2014.

(3) In this Part, a reference to—

- (a) a beneficiary is a reference to a beneficiary of death benefits in relation to M’s remediable service;
- (b) an eligible child is a reference to an eligible child of M;
- (c) a surviving adult is a reference to a surviving adult in relation to M.

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**Sole beneficiary: an adult**

68. Where a person is—
- (a) the sole beneficiary, and
  - (b) an adult,

the eligible decision-maker is that person.

**Sole beneficiary: a child**

69. Where a person (“C”) is—
- (a) the sole beneficiary, and
  - (b) a child,

the eligible decision-maker is C’s guardian.

**Sole beneficiary: M’s estate**

70. Where M’s estate is the sole beneficiary, the eligible decision-maker is—
- (a) M’s personal representative;
  - (b) where M has no personal representative, the Scheme manager.

**Sole beneficiary: a body**

71. Where a body (corporate or unincorporate) is the sole beneficiary, the eligible decision-maker is—
- (a) M’s personal representative, or
  - (b) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: including a surviving adult**

72. Where—
- (a) two or more adults are the only beneficiaries, and
  - (b) one of those adults is a surviving adult (“A”),

the eligible decision-maker is A.

**Multiple beneficiaries: including adult eligible children**

- 73.—(1) Where—
- (a) two or more adults are the only beneficiaries,
  - (b) none of those adults is a surviving adult, and
  - (c) two or more of those adults are eligible children,

the eligible decision-maker is determined in accordance with sub-paragraph (2).

- (2) The eligible decision-maker is—
- (a) the person agreed upon by the adult eligible children, or
  - (b) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager.

**Multiple beneficiaries: nominated individuals only**

74.—(1) Where—

- (a) two or more adults (the “nominated adults”) are beneficiaries of a lump sum death benefit, and
- (b) none of the following are beneficiaries—
  - (i) a surviving adult, or
  - (ii) an eligible child (whether or not an adult),

the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) The eligible decision-maker is—

- (a) M’s personal representative;
- (b) where M has no personal representative, the person agreed upon by the nominated adults;
- (c) where—
  - (i) M has no personal representative, and
  - (ii) no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager,

the Scheme manager.

**Multiple beneficiaries: non-adult eligible children**

75. Where the only beneficiaries are children, two or more of which are eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the eligible children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: nominated children only**

76. Where the only beneficiaries of lump sum death benefits are two or more children who are not eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: one or more adults and one or more children**

77.—(1) Where the beneficiaries include one or more adults and one or more children—

- (a) M’s personal representative is the eligible decision-maker;
- (b) where M has no personal representative, and—
  - (i) one of the beneficiaries is a surviving adult, that surviving adult is the eligible decision-maker;
  - (ii) none of the beneficiaries is a surviving adult and—

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- (aa) one or more of the beneficiaries is an eligible child, or
  - (bb) none of the beneficiaries is a surviving adult or an eligible child,
- the eligible decision-maker is determined in accordance with sub-paragraph (2).
- (2) Where sub-paragraph (1)(b)(ii) applies, and—
- (a) all relevant children are under 18 and—
    - (i) have, or had, the same guardian, the eligible decision-maker is that guardian;
    - (ii) do not, or did not, have the same guardian, the eligible decision-maker is the Scheme manager;
  - (b) all relevant children are 18 or over, the eligible decision-maker is—
    - (i) the person agreed upon by those relevant children, or
    - (ii) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager;
  - (c) one or more relevant children are under 18 and one or more of the relevant children are 18 or over, the eligible decision-maker is the person agreed upon by—
    - (i) the relevant children who are 18 or over, and
    - (ii) the guardian (or guardians) of the relevant children who are under 18.
- (3) In sub-paragraph (2), a relevant child is—
- (a) where sub-paragraph (1)(b)(ii)(aa) applies, an eligible child;
  - (b) where sub-paragraph (1)(b)(ii)(bb) applies, a person who—
    - (i) has never married or formed a civil partnership, and
    - (ii) meets any of conditions A, B or C as set out in regulation 73 of the AFP Regulations 2014.

#### **Other cases**

78. In any case not covered by paragraphs 68 to 77, the eligible decision-maker is the Scheme manager.”

Schedule 5

Regulation 25

Remediable Service for the Reserve Forces (Full-Time Reserve Service) Pension Scheme 1997

“Schedule 3

Regulation 4

Remediable Service

## **Part 1**

### **Introductory Provisions**

#### **Interpretation**

1. In this Schedule—

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“AFRS 2020” means the Armed Forces Redundancy Scheme 2020 established under the Schedule to the Armed Forces Redundancy Scheme Order 2020;

“EDP Regulations 2014” means the Armed Forces Early Departure Payment Scheme Regulations 2014;

“FTRS 1997” means the occupational pension scheme established by Schedules 1 and 2 to this instrument, and—

- (a) “FTRS 1997” benefits means Scheme benefits under Schedules 1 and 2;
- (b) “FTRS 1997 service”, in relation to a member, means the member’s remediable service which is pensionable service under the FTRS 1997 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022;

“PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022

“armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;

“Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;

“deferred choice decision” has the meaning given in paragraph 13(1);

“deferred choice decision-maker” means the person who may make a deferred choice decision under paragraph 13(2);

“end of the section 6 election period”, in relation to an immediate choice member, has the meaning given in section 7(2) of PSPJOA 2022;

“end of the section 10 election period”, in relation to a deferred choice member, means the end of the day determined in accordance with—

- (a) where the member is the deferred choice decision-maker, paragraph 14(2)(b);
- (b) where a person other than the member is the deferred choice decision-maker, paragraph 15(2)(b);

“immediate choice decision” has the meaning given in paragraph 9(1);

“immediate choice decision-maker” means the person who may make an immediate choice decision under paragraph 9(2);

“legacy scheme”, in relation to a remedy member’s remediable service, means the FTRS 1997, and—

- (a) “legacy scheme benefits” means FTRS 1997 benefits;
- (b) “legacy scheme service”, in relation to a remedy member, means the member’s FTRS 1997 service;

“member” means an active, deferred, deceased or pensioner member of a pension scheme;

“non-discrimination rule” has the meaning given in section 25(8) of PSPJOA 2022, and references to a relevant breach of a non-discrimination rule are to be read in accordance with section 25(9) of that Act;

“opted-out service election” has the meaning given in paragraph 7(1);

“reformed scheme” means the AFPS 2015, and “reformed scheme benefits” means new scheme benefits under that scheme;

“relevant amount” has the meaning given in section 26(3) of PSPJOA 2022;

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“remediable service”, in relation to a remedy member, means the member’s remediable service in an employment or office that is pensionable service under the FTRS 1997 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“remedy member” means a member with remediable service;

“Scheme manager” means the Secretary of State;

“section 6 election” has the meaning given in paragraph 9(1)(a);

“section 10 election” has the meaning given in paragraph 13(1)(a).

**2.—**(1) In this Schedule, a “deferred choice member” means a remedy member who—

(a) immediately before 1st October 2023 was not entitled to the present payment of a pension under this Scheme (whether or not that pension was abated), the amount of which was determined (to any extent) by reference to the member’s remediable service;

(b) on or after 1st October 2023, in relation to that remediable service, is—

(i) entitled to an award under Part 4 of the EDP Regulations 2014;

(ii) an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020.

(2) In this Schedule, an “immediate choice member” means a remedy member who, immediately before 1st October 2023, was—

(a) entitled to a pension under this Scheme (whether or not that pension was abated), the amount of which was determined by reference (to any extent) to the member’s remediable service;

(b) a deceased member;

(c) entitled to an award under Part 4 of the EDP Regulations 2014;

(d) an eligible person within the meaning of paragraph 7 of the Schedule to the AFRS 2020.

(3) A deferred choice member is a relevant member of the Scheme for the purposes of section 10 of PSPJOA 2022.

(4) An immediate choice member is a relevant member of the Scheme for the purposes of section 6 of PSPJOA 2022.

**3.—**(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to the armed forces pension schemes.

(2) A term used in this Schedule which—

(a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and

(b) is not defined differently in this Schedule,

has the meaning given in, or for the purposes of, that provision.

(3) A term used in this Schedule which—

(a) is defined in Schedules 1 or 2 to this instrument, the AFP Regulations 2014 or the EDP Regulations 2014 (“the relevant Schemes”), and

(b) is not defined differently—

(i) in this Schedule, or

(ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,

has, in relation to the relevant Schemes, the meaning given in those Schemes.



(4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.

4. For the purposes of this Scheme, section 14 of PSPJOA 2022 applies as if—
  - (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
  - (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Remediable Service Statements

#### Requirements relating to remediable service statements

5.—(1) The Scheme manager must provide a remediable service statement in respect of a remedy member (“M”) in accordance with—

- (a) section 29 of PSPJOA 2022,
  - (b) any Treasury directions made under section 29(6) of that Act, and
  - (c) this paragraph.
- (2) The Scheme manager must provide a remediable service statement in respect of M—
- (a) before the relevant date;
  - (b) where M is, in relation to their remediable service, for the time being—
    - (i) an active member, at least once in each year ending with the anniversary of the relevant date;
    - (ii) a deferred member, within three months of receipt of a written request by the member, where such request is received after the relevant date;
  - (c) where M is a deferred choice member, as soon as is reasonably practicable following receipt of notification—
    - (i) that M intends to claim benefits in relation to their remediable service, or
    - (ii) that M has died.
- (3) Where—
- (a) a remediable service statement has been provided to M under sub-paragraph (2)(a), and
  - (b) M dies before the end of the section 6 election period before making a decision under paragraph 9(1),

the Scheme manager must provide a remediable service statement in respect of M as soon as reasonably practicable and, for the purposes of section 7(2)(a) of PSPJOA, the remediable service statement provided to M under sub-paragraph (2)(a) is treated as though it had never been provided.

- (4) The remediable service statement must be provided—
  - (a) to M, or
  - (b) where M is deceased, to the person who is for the time being the eligible decision-maker in relation to M’s remediable service under Part 8 (unless the eligible decision-maker is the Scheme manager).
- (5) The remediable service statement must include—

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- (a) where the Scheme manager has determined that any information to be provided in connection with M's remediable service must be communicated in a particular form and manner, information about that form and manner;
  - (b) where M is an immediate choice member, information about the irrevocability of an immediate choice decision;
  - (c) where M is a deferred choice member, information about the revocability (or otherwise) of a deferred choice decision.
- (6) For further provision about—
- (a) what a remediable service statement must include, see—
    - (i) section 29(5) of PSPJOA 2022;
    - (ii) direction 20(1) of the PSP Directions 2022;
  - (b) when a remediable service statement must be combined with a benefit information statement provided under section 14 of the Public Service Pensions Act 2013, see direction 20(2) of the PSP Directions 2022.

## Part 3

### Decisions about the treatment of remediable service

#### Chapter 1

#### Opted-out Service

##### **Application and interpretation of Chapter 1**

6.—(1) This Chapter applies to and in respect of a member (“M”) with opted-out service in an employment or office in relation to the legacy scheme.

(2) In this Chapter—

“opted-out service decision-maker” means the person who may make an opted-out service election in accordance with paragraph 7(2);

“relevant opted-out service” means the service referred to in sub-paragraph (1).

##### **Election in relation to relevant opted-out service**

7.—(1) An election (an “opted-out service election”) may be made in relation to M's relevant opted-out service in accordance with this Part and section 5 of PSPJOA 2022.

(2) An opted-out service election may be made—

(a) by M, or

(b) where M is deceased, by the eligible decision-maker specified in Part 8.

(3) Where a person other than the Scheme manager is the opted-out service decision-maker, an opted-out service election may only be made after the Scheme manager determines an application which is—

(a) made by or behalf of M,

(b) in a form and manner determined by the Scheme manager,

(c) received by the Scheme manager within twelve months of the date on which the Scheme manager notified M of their right to make the application, and

(d) accompanied by such information—

- (i) which is within the person’s possession, or
  - (ii) which the person may reasonably be expected to obtain,
- that the Scheme manager may by written notice require the person to provide in relation to the decision which caused the service in question to become opted-out service.
- (4) As soon as is reasonably practicable after receipt of an application, the Scheme manager must—
- (a) determine whether an opted-out service election may be made in relation to M, and
  - (b) notify the person who made the application whether such an opted-out service election may be made.
- (5) Where the Scheme manager is the opted-out service decision-maker, the Scheme manager must, as soon as is reasonably practicable after determining that they are the opted-out service decision-maker, determine whether to make an opted-out service election in relation to M.
- (6) The Scheme manager must refuse an application where the decision by virtue of which M’s service became opted-out service was not made pursuant to a relevant breach of a non-discrimination rule.
- (7) An opted-out service election to be made by—
- (a) a person other than the Scheme manager is made when the person confirms that an opted-out service election is to be made following receipt of the notification mentioned in subparagraph (4)(b);
  - (b) the Scheme manager is made at the time determined by the Scheme manager.
- (8) See section 5(2) to (4) of PSPJOA 2022 about the effect, timing and irrevocability of an opted-out service election.

## Chapter 2

### Immediate choice decision for reformed scheme or legacy scheme benefits

#### **Application and interpretation of Chapter 2**

**8.** This Chapter applies in respect of the remediable service of an immediate choice member (“M”).

#### **Immediate choice decision for reformed scheme or legacy scheme benefits**

- 9.—(1)** A decision (an “immediate choice decision”) may be made in accordance with this Chapter—
- (a) to make an election (a “section 6 election”) by virtue of section 6 of PSPJOA 2022 in relation to M’s remediable service, or
  - (b) that no section 6 election is to be made in relation to that service.
- (2) An immediate choice decision may be made—
- (a) by M, or
  - (b) where M is deceased, by the eligible decision-maker specified in Part 8.
- (3) An immediate choice decision made by—
- (a) a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
  - (b) the Scheme manager is made at the time determined by the Scheme manager.

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(4) An immediate choice decision may only be made before the end of the section 6 election period.

(5) An immediate choice decision is irrevocable.

(6) An immediate choice decision to make a section 6 election takes effect as a section 6 election (see sections 6(5) and (7), 7(1)(b) and 9 of PSPJOA 2022 about the effect of a section 6 election).

(7) Where—

(a) immediately before 1st October 2023, M had remediable service in the AFPS 2015 (“AFPS 2015 service”), and

(b) an immediate choice decision is made that no section 6 election is to be made in relation to M’s remediable service,

section 6(4) of PSPJOA 2022 does not apply in relation to M’s AFPS 2015 service (and, accordingly, section 2(1) of PSPJOA 2022 has effect in relation to M’s AFPS 2015 service for the purposes mentioned in section 2(3)(b) of that Act from the time the immediate choice decision is made).

(8) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 6 election is to be made as they have effect in relation to a section 6 election—

(a) section 6(7) (section 6 election has effect in respect of all remediable service in the employment or office);

(b) section 7(1)(b) (provision about when a section 6 election is to be treated as having taken effect).

#### **Immediate choice decision: additional requirements**

**10.**—(1) This paragraph applies where the immediate choice decision-maker (“D”) is a person other than the Scheme manager.

(2) An immediate choice decision may not be made unless a remediable service statement has been provided to D in accordance with paragraph 5(2)(a), or, where paragraph (3) applies, in accordance with paragraph 5(3).

(3) Where—

(a) a remediable service statement has been provided to M in accordance with paragraph 5(2)(a), and

(b) M dies before making an immediate choice decision under paragraph 9,

the section 6 election period is treated as though it had never begun in relation to M.

(4) An immediate choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

(a) information in D’s possession, or

(b) information which D can reasonably be expected to obtain.

#### **Immediate choice decision: deemed election**

**11.** Where—

(a) the end of the section 6 election period in relation to M has passed, and

(b) no immediate choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat an immediate choice election as having been made in relation to M’s remediable service immediately before the end of the section 6 election period.

## Chapter 3

### Deferred choice decision for reformed scheme or legacy scheme benefits

#### **Application and interpretation of Chapter 3**

**12.** This Chapter applies in respect of the remediable service of a deferred choice member (“M”).

#### **Deferred choice decision for reformed scheme or legacy scheme benefits: general**

**13.—**(1) A decision (a “deferred choice decision”) may be made—

- (a) to make an election (a “section 10 election”) by virtue of section 10 of PSPJOA 2022 in relation to M’s remediable service, or
- (b) that no section 10 election is to be made in relation to that service.

(2) A deferred choice decision may be made—

- (a) by M, or
- (b) where M is deceased, by the eligible decision-maker specified in Part 8.

(3) A deferred choice decision—

- (a) to be made by a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
- (b) to be made by the Scheme manager is made at a time determined by the Scheme manager.

(4) A deferred choice decision may only be made before the end of the section 10 election period.

(5) A deferred choice decision to make a section 10 election takes effect as a section 10 election (see sections 10(4) and (5), 11(3)(b), (4) and (7) and 13 of PSPJOA 2022 about the effect of a section 10 election).

(6) Where the deferred choice decision is that no section 10 election is to be made, the benefits payable to or in respect of M, so far as they are determined by reference to M’s remediable service, are legacy scheme benefits.

(7) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 10 election is to be made as they have effect in relation to a section 10 election—

- (a) section 10(5) (section 10 election has effect in respect of all remediable service in the employment or office);
- (b) section 11(3)(b), (4) and (7) (provision about when a section 10 election take effect, and the effect of lapse or revocation of a section 10 election).

#### **Deferred choice decision to be made by M**

**14.—**(1) This paragraph applies where M is the deferred choice decision-maker.

(2) A deferred choice decision may only be made during the period—

- (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c) (i), and
- (b) ending—
  - (i) at the end of the day 6 months after the day the remediable service statement mentioned in paragraph (a) was issued;
  - (ii) subject to sub-paragraph (4), at the end of such other day as the Scheme manager considers reasonable in all the circumstances.

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- (3) The end of the period during which a deferred choice decision may be made must not be more than the earlier of—
- (a) one year before the day on which it is reasonably expected that legacy scheme benefits would become payable to or in respect of M, or
  - (b) one year before the day on which it is reasonably expected that, if a section 10 election were made, reformed scheme benefits would become payable to or in respect of M.
- (4) A deferred choice decision made by M may be revoked—
- (a) at any time before the cancellation deadline, and
  - (b) by M communicating to the Scheme manager notice of the revocation in a form and manner determined by the Scheme manager.
- (5) Where the Scheme manager receives, before the cancellation deadline, notice that M has died—
- (a) any deferred choice decision made by M lapses, and
  - (b) any period that has begun (whether or not it has also ended) in accordance with sub-paragraph (2) is to be treated as if it had never begun (or ended).
- (6) In sub-paragraphs (4) and (5), “the cancellation deadline” means—
- (a) the beginning of the day one calendar month before the day (“the payment day”) on which the first payment under the Scheme is due to be made in relation to M’s remediable service, or
  - (b) such later time before the payment day as the Scheme manager considers reasonable in all the circumstances.

**Deferred choice decision to be made by a person other than M**

**15.—**(1) This paragraph applies where a person other than M is the deferred choice decision-maker.

- (2) A deferred choice decision may only be made during the period—
- (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c)(ii), and
  - (b) ending—
    - (i) at the end of the day 6 months after that date;
    - (ii) except where the Scheme manager is the deferred choice decision-maker, at such later time as the Scheme manager considers reasonable in all the circumstances;
    - (iii) if earlier than the time which applies under sub-paragraph (i) or (ii), immediately after a deferred choice decision is made.
- (3) A deferred choice decision made by a person other than M is irrevocable.

**Deferred choice election: deemed section 10 election**

**16.** Where—

- (a) the end of the section 10 election period in relation to M has passed, and
- (b) no deferred choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat a section 10 election as having been made in relation to M’s remediable service immediately before the end of the section 10 election period.

### **Deferred choice decision: additional requirements**

17. Where the deferred choice decision-maker (“D”) is a person other than the Scheme manager, a deferred choice decision is to be treated as having been made only if D provides any information specified in a written request from the Scheme manager that is—

- (a) information in D’s possession, or
- (b) information which D can reasonably be expected to obtain.

## **Part 4**

### **Provision about divorce and dissolution arrangements**

#### **Chapter 1**

##### **Pension Credit and Debit Members**

#### *Section 1*

#### *Application and Interpretation of Chapter 1*

### **Application and interpretation of Chapter 1**

18.—(1) This Chapter applies in relation to—

- (a) a pension credit member (“C”),
- (b) the corresponding pension debit member (“D”), and
- (c) the pension sharing order by virtue of which C became a pension credit member in relation to D’s remediable service (the “relevant pension sharing order”).

(2) In this Chapter—

“appropriate amount” means an amount calculated for the purposes of section 29(1) of WRPA 1999;

“cash equivalent” means an amount calculated in accordance with regulations made under section 30 of WRPA 1999;

“corresponding pension debit member” means a member of this Scheme with remediable service (whether or not by virtue of section 2(1) of PSPJOA 2022) whose benefits, or future benefits, under the Scheme are subject to a pension debit;

“legacy remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in this Scheme immediately before the transfer day;

“pension credit account” means a pension credit member account in this Scheme by virtue of the relevant pension sharing order;

“pension credit member” means a member of this Scheme who has rights under the Scheme—

- (a) which are attributable (directly or indirectly) to a pension credit,
- (b) which arise by virtue of a pension sharing order with a transfer day on or after 1st April 2015, and
- (c) the value of which was determined (to any extent) by reference to the value of benefits payable in respect of the remediable service of another member;

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“pension information” means information provided by the Scheme manager under regulations 2, 3 or 4 of the Pensions on Divorce etc. (Provision of Information) Regulations 2000;

“pension sharing order” means the order or provision by virtue of which section 29 of WRPA 1999 applies in relation to a pension credit member and the corresponding pension debit member;

“reformed remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in the reformed scheme immediately before the transfer day;

“remediable relevant benefits” means the benefits or future benefits described in section 29(4) and (5) of WRPA 1999 to which D is entitled by virtue of remediable shareable rights;

“remediable shareable rights” means D’s shareable rights secured by virtue of D’s remediable service during the period beginning on 1st April 2015 and ending on the earlier of—

- (a) the day before the transfer day, or
- (b) the last day of D’s remediable service;

“shareable rights” has the meaning given in section 27(2) of WRPA 1999;

“transfer day” means the day on which the relevant pension sharing order takes effect;

“valuation day” has the meaning given in section 29(7) of WRPA 1999.

(3) In this Chapter, where the Scheme manager is required to determine an amount, this must be done—

- (a) as soon as reasonably practicable, and
- (b) with regard to the advice of the Scheme actuary.

(4) In this Chapter, a reference to benefits secured in “this Scheme” or the “legacy scheme”, means benefits secured under the rules in Schedules 1 and 3 to this Scheme.

## *Section 2*

### *Pension sharing orders: information sharing before 1st October 2023*

#### **Application and interpretation of Section 2**

**19.** This Section applies where the most recent pension information in respect of D’s remediable service was provided by the Scheme manager before 1st October 2023.

#### **Information before 1st October 2023: unprotected member, FTRS 1997 only**

**20.—**(1) This paragraph applies where—

- (a) D was a transition member with continuity of service on or before 31st March 2022, and
- (b) the relevant pension sharing order applies only to shareable rights under this Scheme, or to shareable rights under this Scheme and any other Chapter 1 legacy schemes.

(2) For the purposes of determining the pension debit under section 29(1)(a) of WRPA 1999 or the pension credit under section 29(1)(b) of WRPA 1999, D’s shareable rights do not include any rights secured by pensionable service on or after 1st April 2015.

#### **Information and transfer day before 1st October 2023: protected members**

**21.—**(1) This paragraph applies—

- (a) where D was a full protection member of this Scheme before 1st April 2022,



- (b) where the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
  - (c) whether or not C has a pension credit account in the reformed scheme under the relevant pension sharing order.
- (2) The Scheme manager must determine—
- (a) the initial appropriate amount;
  - (b) the remediable appropriate amount.
- (3) The “initial appropriate amount” means the appropriate amount determined for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights in this Scheme.
- (4) The remediable appropriate amount is the greater of—
- (a) the initial appropriate amount;
  - (b) the reformed remediable appropriate amount.
- (5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.
- (6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—
- (a) the initial appropriate amount,
  - (b) the reformed remediable appropriate amount,
  - (c) the remediable appropriate amount,
  - (d) the remediable credit adjustment, if any, and
  - (e) where paragraph 24(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 24(5) and the consequences of making, or not making, such a request.
- (7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this Scheme.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—
- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this Scheme immediately before the transfer day;
  - (b) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent, on the valuation day, of the remediable relevant benefits as if they had been secured in the reformed scheme.

**Information and transfer day before 1st October 2023: unprotected members**

- 22.—(1) This paragraph applies where—
- (a) D was a transition member with continuity of service before 1st April 2022,
  - (b) the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
  - (c) C has a pension credit account in the reformed scheme under the relevant pension sharing order.
- (2) The Scheme manager must determine—

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- (a) the initial appropriate amount;
  - (b) the remediable appropriate amount.
- (3) The “initial appropriate amount” means the appropriate amount determined, on the valuation day, for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights on the transfer day in the reformed scheme.
- (4) The remediable appropriate amount is the greater of—
- (a) the legacy remediable appropriate amount;
  - (b) the initial appropriate amount.
- (5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.
- (6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—
- (a) the initial appropriate amount,
  - (b) the legacy remediable appropriate amount,
  - (c) the remediable appropriate amount,
  - (d) the remediable credit adjustment, if any, and
  - (e) where paragraph 24(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 24(5) and the consequences of making, or not making, such a request.
- (7) In determining the legacy remediable appropriate amount for the purposes of subparagraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage value specified in the relevant pension sharing order in relation to the reformed scheme.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—
- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent of D’s shareable rights under the reformed scheme on the valuation day;
  - (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in this Scheme.

**Information before 1st October 2023: transfer day after 1st October**

- 23.—**(1) This paragraph applies—
- (a) where the transfer day in relation to a relevant pension sharing order is on or after 1st October 2023, and
  - (b) whether or not the relevant pension sharing order also makes provision in relation to the reformed scheme for an appropriate amount to be transferred to C.
- (2) The Scheme manager must determine the remediable appropriate amount.
- (3) The remediable appropriate amount is the greater of the following amounts—
- (a) the legacy remediable appropriate amount;
  - (b) the reformed remediable appropriate amount.
- (4) The Scheme manager must transfer the legacy remediable appropriate amount to C’s pension credit account in this Scheme.

(5) Where the remediable appropriate amount is greater than the legacy remediable appropriate amount, C's pension credit account is subject to an adjustment (a "remediable credit adjustment") equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the legacy remediable appropriate amount,
- (b) the reformed remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 24(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 24(5) and the consequences of making, or not making, such a request.

(7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is—

- (a) where the relevant pension sharing order specifies a percentage value in relation to this Scheme only, that percentage value;
- (b) where the relevant pension sharing order specifies different percentage values in relation to this Scheme and the reformed scheme, the percentage value that is specified for the pension Scheme under which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the "implied percentage") that the initial appropriate amount represented of the cash equivalent of D's shareable rights on the valuation day—
  - (i) as if they had been secured in this Scheme, where D was a full protection member before 1st April 2022, or
  - (ii) as if they had been secured in the reformed scheme, where D was a transition member with continuity of service before 1st April 2022;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in this Scheme on the valuation day;
- (c) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in the reformed scheme on the valuation day.

#### **Information provided before 1st October 2023: applying a remediable credit adjustment**

**24.—**(1) This paragraph applies where C's pension credit account is subject to a remediable credit adjustment in accordance with paragraphs 21(5), 22(5) or 23(5).

(2) The Scheme manager must adjust C's pension credit account by an amount equal to the remediable credit adjustment.

(3) An adjustment made under sub-paragraph (2) has effect as if it had been made on the transfer day.

(4) Where C has a pension credit in the reformed scheme by virtue of the relevant pension sharing order, C may request that the value of the remediable credit adjustment is instead credited to C's pension credit account in the reformed scheme.

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- (5) A request under sub-paragraph (4) must—
  - (a) be made by C in writing to the Scheme manager,
  - (b) be in a form determined by the Scheme manager,
  - (c) unambiguously identify C’s pension credit account in the reformed pension scheme, and
  - (d) be received by the Scheme manager by—
    - (i) the end of the day twelve months after the date on which the statement required by paragraphs 21(6), 22(6) or 23(6) was sent to C, or
    - (ii) the end of such later day that the Scheme manager considers reasonable in all the circumstances.
- (6) A request made in accordance with sub-paragraph (5) is irrevocable.
- (7) Section 14(3) to (6) of PSPJOA 2022 applies in relation to C as it applies in relation to a member described in section 14(1) as if—
  - (a) a reference to D’s remediable service in an employment or office were a reference to C’s pension credit;
  - (b) a reference to the effect, if any, of sections 2(1) and 6(4) were a reference to the effect, if any, of this paragraph;
  - (c) the term “operative time” means the time at which the adjustment mentioned in sub-paragraph (2) is made (disregarding sub-paragraph (3)).

**Information provided before 1st October 2023: immediate choice – pension debit**

- 25.—**(1) This paragraph applies where D is an immediate choice member of this Scheme where—
- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
  - (b) an immediate choice decision has not been made or treated as made in relation to D’s remediable service under this Schedule, and
  - (c) paragraph 20 does not apply.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D’s remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: immediate choice – pension debit adjustment on election**

26.—(1) This paragraph applies where—

- (a) D was an immediate choice member to whom paragraph 25 applied, and
- (b) an immediate choice decision is subsequently made in relation to D’s remediable service.

(2) The Scheme manager must adjust D’s pension account in respect of D’s remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D’s remediable service under paragraph 9(1)(a) of this Schedule.

(3) The Scheme manager must adjust D’s pension account in respect of D’s remediable relevant benefits so that it is subject to a debit of the legacy remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D’s remediable service under paragraph 9(1)(b) of this Schedule.

**Information provided before 1st October 2023: deferred choice – pension debit**

27.—(1) This paragraph applies where D is a deferred choice member of this Scheme where—

- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
- (b) a deferred choice decision has not been made or treated as made in relation to D’s remediable service under this Schedule, and
- (c) paragraph 20 does not apply.

(2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D’s remediable relevant benefits—

- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and
- (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).

(3) The Scheme manager must adjust D’s pension account so that it is subject to a debit of the legacy remediable reduction amount in respect of D’s remediable relevant benefits.

(4) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—

- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
  - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
  - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
- (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
- (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: deferred choice member – pension debit adjustment on election**

28.—(1) This paragraph applies where—

- (a) D was a deferred choice member to whom paragraph 27 applied, and
- (b) a deferred choice decision is subsequently made in relation to D’s remediable service.

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(2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount determined under paragraph 27 where a deferred choice decision is made or treated as having been made in relation to D's remediable service under paragraph 13(1)(a) of this Schedule.

(3) An adjustment under sub-paragraph (2) above takes effect as if it had been made on the transfer day.

### *Section 3*

#### *Information provided on or after 1st October 2023*

#### **Application and interpretation of Section 3**

**29.** This Section applies where, on or after 1st October 2023, the Scheme manager provides pension information in respect of D's remediable service.

#### **Information provided on or after 1st October 2023: pension information**

**30.—**(1) This paragraph applies where no immediate choice decision or deferred choice decision has been made in relation to D's remediable service before the Scheme manager provided the pension information.

(2) For the purpose of providing the pension information, the Scheme manager must determine—

- (a) the cash equivalent of D's remediable rights as if those remediable rights were secured in this Scheme, and
- (b) the cash equivalent of those rights as if they were secured in the reformed scheme.

(3) The value of D's remediable rights for the purposes of section 23 of WRPA 1999 is the greater of those rights.

#### **Information provided on or after 1st October 2023: calculation of pension credits**

**31.—**(1) This paragraph applies where the Scheme manager must determine an appropriate amount for the purposes of section 29 of WRPA 1999.

(2) For the purpose of calculating the appropriate amount, the Scheme manager must determine—

- (a) the cash equivalent of D's remediable relevant benefits on the valuation day as if those remediable relevant benefits were in this Scheme ("the legacy scheme cash equivalent"), and
- (b) the cash equivalent of those benefits on the valuation day as if they were in the reformed scheme ("the reformed scheme cash equivalent").

(3) For the purpose of calculating the pension credit, the Scheme manager must use the greater of—

- (a) the legacy scheme cash equivalent;
- (b) the reformed scheme cash equivalent.

#### **Information provided on or after 1st October 2023: pension debit**

**32.—**(1) This paragraph applies where—

- (a) the Scheme manager must determine an appropriate amount for the purposes of section 29(1)(a) of WRPA 1999, and

- (b) no immediate choice decision under paragraph 9(1)(a) or deferred choice decision under paragraph 13(1)(a) has been made or treated as being made in relation to D's remediable service under this Schedule.
- (2) The Scheme manager must determine the appropriate amount in relation to D's remediable relevant benefits—
  - (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").
- (3) Where D is a deferred choice member, the Scheme manager must adjust D's remediable relevant benefits by the legacy remediable reduction amount.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.

**Information provided on or after 1st October 2023: pension debit adjustment on election**

- 33.**—(1) This paragraph applies where—
- (a) D's remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order, and
  - (b) an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) is made or treated as being made in relation to D's remediable service under this Schedule.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day.
- (3) The Scheme manager must adjust D's pension account to reflect the appropriate amount determined under sub-paragraph (2) in respect of D's remediable relevant benefits.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.
- (5) For the purposes of sub-paragraph (2), the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured in the reformed scheme on the transfer day,
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

Chapter 2

Arrangements on divorce, annulment or dissolution other than a pension sharing order

**Arrangements other than a pension sharing order: calculating the value of pension benefits**

- 34.**—(1) This paragraph applies where—
- (a) the value of the remediable rights of a member ("M") must be determined for the purpose of proceedings connected to M's divorce, annulment or the dissolution of M's civil partnership,
  - (b) the divorce, annulment or dissolution is to take effect—
    - (i) on or after 1st October 2023, and

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(ii) before the earlier of—

(aa) a decision taking effect in relation to M’s remediable service, or

(bb) the end of the relevant election period, and

(c) the value of M’s remediable rights is not to be subject to a pension sharing order.

(2) The value of M’s remediable rights for the purpose of the proceedings is the greater of those rights valued by the Scheme manager, having regard to the advice of the Scheme actuary, as if they were—

(a) secured in M’s legacy scheme, or

(b) secured in the reformed scheme.

(3) In this paragraph—

“decision” means an immediate choice decision or a deferred choice decision;

“pension sharing order” means an order or provision which attracts section 29 of WRPA 1999 in relation to M’s remediable rights;

“relevant election period” means, where M is—

(a) a deferred choice member, the section 10 election period in relation to M;

(b) an immediate choice pensioner member, the section 6 election period in relation to M;

“remediable rights” means the rights secured by virtue of M’s remediable service.

## Part 5

### Transfers

#### Chapter 1

##### General

### Interpretation of Part 5

**35.**—(1) In this Part—

“public sector transfer arrangements” has the meaning given in rule A.1(2) of Schedule 1;

“receiving scheme”, in relation to a remediable value, means the scheme to which the remediable value was, or is to be, paid;

“reformed public service pension scheme” means—

(a) a Chapter 1 scheme<sup>(27)</sup>;

(b) a judicial scheme within the meaning of section 70(1) of PSPJOA 2022;

(c) a local government scheme within the meaning of section 86(1) of PSPJOA 2022;

“remediable benefits” means the benefits payable to or in respect of a remedy member in relation to that member’s remediable service;

“remediable club transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 in accordance with the public sector transfer arrangements, in so far as the transfer value relates to the member’s remediable rights;

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(27) See section 33 of PSPJOA 2022 for the meaning of “Chapter 1 scheme”.



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“remediable rights”, in relation to a member, means the member’s rights to benefits under a reformed public service pension scheme secured by virtue of the member’s remediable service;

“remediable transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part F of Schedule 1 which is not a remediable club transfer value;

“remediable value” means a remediable club transfer value or a remediable transfer value;

“sending scheme”, in relation to a remediable value, means the scheme which paid, or is to pay, the remediable value.

(2) Where a provision of this Part requires the Scheme manager to calculate a club transfer value or a transfer value (including a remediable club transfer value or a remediable transfer value) in relation to rights secured in a pension scheme, that value is to be calculated in accordance with—

- (a) the provisions of the pension scheme which apply to the calculation of values of that type, and
- (b) the guidance and tables for the purpose of calculating such values that were, or are, in use on the date used for the original calculation.

(3) For the purposes of this Part, any rule or condition in Part F of Schedule 1 or the public sector transfer arrangements relating to the time within which a transfer value payment must be made or accepted that would otherwise prevent any payments being made or accepted under this Part, is treated as complied with or met.

### **Transferred out remediable service statements**

**36.** Where a remedy member has transferred any rights in respect of remediable service out of the Scheme, the Scheme manager must provide a transferred out remediable service statement in accordance with direction 6(2) to (4) of the PSP Directions 2022 (and direction 6(4) applies as if the reference to “any provision made by virtue of section 29(1) of PSPJOA 2022” were a reference to paragraph 5).

## Chapter 2

### Transfers on a cash equivalent basis

#### Section 4

#### *Transfers before 1st October 2023*

### **Transfers out before 1st October 2023**

**37.—**(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable transfer value before 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if they were secured in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The Scheme manager must notify the receiving scheme of the results of the calculation mentioned in sub-paragraph (2).

(4) Where—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“x”) is greater than
- (b) the amount of the remediable transfer value (“y”) paid before 1st October 2023,

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the Scheme manager must take reasonable steps to pay the receiving scheme an amount (“the remediable amount”) equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable transfer value.

(6) Where—

- (a) paragraph (4) applies, and
- (b) the scheme manager, having taken reasonable steps, is unable to make the payment required by that paragraph,

the scheme manager owes M or, where M is deceased, M’s personal representatives an amount by way of compensation equal to  $x - y$  (“the compensatable amount”) reduced in accordance with paragraph (7).

(7) Where, if the remediable amount was paid immediately after the requirement to pay it arose, the payment—

- (a) would be a payment described in regulation 6 of the Registered Pension Schemes (Authorised Payments) Regulations 2009<sup>(28)</sup> (“the 2009 Regulations”) as if regulation 6(1)(a) of those Regulations were omitted, the remediable amount is to be reduced by the amount equal to the income tax that would be chargeable on it as if regulation 3(b) of the 2009 Regulations applied to it;
- (b) would not be a payment so described, the remediable amount is to be reduced by an amount equal to the income tax that would be charged on the amount if it were taxed as pension income under Part 9 of the Income Tax (Earnings and Pensions) Act 2003.

### **Transfers in before 1st April 2022**

**38.**—(1) This paragraph applies in relation to each remediable transfer value in respect of a member (“M”) which was accepted by the Scheme manager during the remedy period.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must determine M’s remediable benefits as if the remediable transfer value together with any payment accepted under sub-paragraph (3) were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) Where the sending scheme was a reformed public service pension scheme, the Scheme manager may accept an additional payment representing an adjustment—

- (a) in respect of the remediable rights to which the remediable transfer value relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(4) A payment accepted under sub-paragraph (3) is to be used for the purpose of determining M’s remediable benefits on the same terms as the remediable transfer value.

## *Section 5*

### *Transfers on or after 1st October 2023*

#### **Application of Section 5**

**39.** This Section applies in respect of a member (“M”) who is—

<sup>(28)</sup> S.I. 2009/1171. Regulation 6 was amended by section 42(6)(a) of the Finance Act 2014 (c. 26).

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- (a) a deferred choice member, and no pension benefits have become payable in relation to M's remediable service under the FTRS 1997, or
- (b) an immediate choice member, where—
  - (i) the end of the section 6 election period has not passed in relation to M, and
  - (ii) no immediate choice decision under paragraph 9 of this Schedule has been made in relation to M's remediable service.

### **Transfers out on or after 1st October 2023**

**40.**—(1) This paragraph applies to a remediable transfer value to be paid in relation to M by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M's remediable rights as if those rights had been in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The amount of the remediable transfer value is the greater of the amounts calculated under sub-paragraph (2).

## Chapter 3

### Transfers on a club basis

#### Section 6

#### *Club transfers before 1st October 2023*

### **Club transfers out before 1st October 2023**

**41.**—(1) This paragraph applies in relation to a member ("M") in respect of whom the Scheme manager paid a remediable club transfer value before 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M's rights under the Scheme, in accordance with the public sector transfer arrangements, as if M's remediable rights had been secured in this Scheme;
- (b) the club transfer value of M's rights under the Scheme as if M's remediable rights had been secured in the reformed scheme.

(3) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

(4) Where the receiving scheme is a local government scheme (within the meaning of section 86(1) of PSPJOA 2022), and—

- (a) the greater of the amounts calculated under sub-paragraph (2) ("x") is greater than
- (b) the amount of the remediable transfer value ("y"),

the Scheme manager must pay the receiving scheme an amount equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable club transfer value.

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## Section 7

### Club transfers on or after 1st October 2023

#### Application of Section 7

**42.** This Section applies in respect of a deferred choice member (“M”) where no pension benefits have become payable in relation to M’s remediable service under the FTRS 1997.

#### Club transfers out on or after 1st October 2023

**43.**—(1) This paragraph applies in relation to a remediable club transfer value to be paid by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in the legacy scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The amount of the remediable club transfer value is the greater of the amounts calculated under sub-paragraph (2).

(4) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

## Chapter 4

### Transfers to and from the AFPS 2015

#### Transfers out before 1st October 2023: AFPS 2015

**44.**—(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme paid a remediable transfer value in respect of a remedy member (“M”) before 1st October 2023, and
- (b) M’s remediable service is pensionable service under this Scheme by virtue of section 2(1) of PSPJOA 2022.

(2) The remediable transfer value in sub-paragraph (1)(a)—

- (a) is not, and is treated as never having been, paid by the reformed scheme, and
- (b) is treated as being, and as always having been, paid by this Scheme.

(3) In particular, paragraph (1) has effect—

- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
- (b) for all other purposes.

(4) Paragraph 37 applies to a remediable transfer value which is treated as paid from this Scheme under this paragraph.

#### Transfers in before 1st October 2023: AFPS 2015

**45.**—(1) This paragraph applies where—

- (a) the Scheme manager for the reformed scheme accepted a remediable transfer value in respect of a remedy member (“M”) during the period of M’s remediable service, and

- (b) M's remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.
- (2) The remediable transfer value in sub-paragraph (1)(a)—
  - (a) is not, and is treated as never having been, accepted into the reformed scheme, and
  - (b) is treated as being, and as always having been, accepted into this Scheme.
- (3) Paragraph (1) has effect—
  - (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
  - (b) subject to paragraph 46, for all other purposes.
- (4) Paragraph 38 applies to a remediable transfer value which is treated as accepted into this Scheme under this paragraph.

## Chapter 5

### Treatment of transferred in remediable rights

#### **Treatment of rights secured by virtue of transferred in remediable rights**

**46.**—(1) This paragraph applies where the Scheme manager has accepted a remediable value in relation to a remedy member (“M”).

(2) Sub-paragraph (3) applies where the Scheme manager has accepted payments to which paragraph 45 applies.

(3) The Scheme manager must confer rights to benefits under Part F of Schedule 1 in relation to the remediable value that are equivalent to the rights that would have been secured if the remediable value had been transferred into this Scheme in the same relevant pension year in which the remedy period transfer value was accepted by the Scheme manager of the reformed scheme.

(4) Sub-paragraph (5) applies where—

- (a) the benefits payable to or in respect of M's remediable service are reformed scheme benefits by virtue of an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) (including, in either case, a deemed election), and
- (b) the rights to benefits payable in relation to M's remediable value would otherwise be legacy scheme benefits.

(5) Where this paragraph applies, the Scheme manager must—

- (a) have regard to the advice of the Scheme actuary where the remediable value is a remediable transfer value under paragraphs 38 or 45, together with any payment accepted under paragraph 38(3);
- (b) vary the value of those rights so that they are of an equivalent value to rights M would have secured under the reformed scheme if the remediable value had been transferred into that Scheme in the same relevant pension year that the remediable value was accepted.

(6) In this Chapter, “relevant pension year” has the meaning given by direction 5(16)(c)(i) of the PSP Directions 2022.

#### **Benefits already paid in relation to transferred in remediable rights**

**47.**—(1) Sub-paragraph (2) applies in relation to any benefits (“the paid benefits”) that the reformed scheme has at any time paid to a person (“P”) so far as—

- (a) they are calculated by reference to a remediable value, and

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- (b) they are benefits that, as a result of paragraph 45(2)(a), P was not entitled to receive from the reformed scheme.
- (2) The paid benefits are to be treated for all purposes—
  - (a) as not having been paid to P by the reformed scheme, but
  - (b) as having been paid to P instead by this Scheme.

#### **Pension benefits and lump sum benefits in relation to a remediable value**

**48.**—(1) This paragraph applies in relation to any benefits that have been paid in relation to a remediable value accepted in relation to an immediate choice member (“M”).

- (2) Where, at the operative time—
  - (a) the aggregate of benefits that (after taking into account the effect, if any, of paragraph 47) have been paid under the legacy scheme to any person (“the beneficiary”) in respect of the remediable value, exceeds
  - (b) the aggregate of the benefits to which (after taking into account the effect, if any, of paragraphs 45 and 46 in relation to the rights) the beneficiary is entitled under the Scheme in respect of the remediable value,

the beneficiary must pay an amount equal to the difference to the Scheme.

- (3) Where, at the operative time—
  - (a) the amount mentioned in sub-paragraph (2)(a), is less than
  - (b) the amount mention in sub-paragraph (2)(b),

the Scheme manager must pay an amount equal to the difference to the beneficiary.

- (4) In this paragraph, “the operative time” means—
  - (a) if an immediate choice decision is made in relation to M’s remediable service, the time that the decision is made;
  - (b) otherwise, the end of the section 6 election period in relation to M.

## **Part 6**

### **Provision about special cases**

#### **Chapter 1**

#### **Child pensions in payment**

#### **Protection of the amount of pension payable to an eligible child**

- 49.**—(1) This paragraph applies where—
  - (a) a child pension is in payment to an eligible child (“E”) in respect of the remediable service of a deceased member (“M”),
  - (b) the eligible decision-maker specified in Part 8 makes an immediate choice decision or a deferred choice decision which would (disregarding this paragraph) result in a decrease in the rate of child pension payable to E in respect of M’s remediable service,
  - (c) the eligible decision-maker does not live in the same household as E.
- (2) Where this paragraph applies—
  - (a) E does not owe the Scheme manager a liability under section 14(3) of PSPJOA 2022 in respect of the child pension, and

- (b) the rate of child pension continues to be the rate that was payable before the decision was made.
- (3) For the purposes of this paragraph, a child's pension means—
  - (a) a pension under rule D.7 of Schedule 1;
  - (b) a pension under regulation 72 of the AFP Regulations 2014.

## Chapter 2

### Ill-health retirement

#### **Full Protection Member: determining entitlement to ill-health pension under the reformed scheme**

**50.**—(1) This paragraph applies in relation to an immediate choice member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022 was—

- (a) a full protection member of the FTRS 1997 Scheme within the meaning of Part 2 of Schedule 2, and
- (b) medically discharged with an entitlement to an ill-health pension under rule C.4 of Schedule 1.

(2) The Scheme manager must, as soon as reasonably practicable, determine whether M would have met the criteria for an ill-health pension under regulations 51 or 52 of the AFP Regulations 2014 at the time M was discharged (“the IHP decision”).

(3) No remediable service statement may be provided to or in respect of M's remediable service until such time as the IHP decision has been made.

(4) Where a remediable service statement has been provided under paragraph 5(2)(a) before the IHP decision has been finally determined, the section 6 election period may be extended until such time after the IHP decision is finally determined as the Scheme manager considers reasonable in all the circumstances.

(5) The IHP decision is finally determined when any route to appeal such determinations has been exhausted (including where no application for appeal or review has been received by the Scheme manager by the end of the section 6 election period).

#### **Early payment of preserved pension in case of ill-health**

**51.**—(1) This paragraph applies to a remedy member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022—

- (a) was in remediable service under the FTRS 1997, and
- (b) became entitled to a pension under rule C.7 of Schedule 1 or paragraphs 23, 24, 27 or 28 of Schedule 2, in respect of that remediable service.

(2) The Scheme manager must, as soon as reasonably practicable after 1st October 2023, determine whether M would have met the criteria for an ill-health pension (“the IHP decision”)—

- (a) under regulation 56 of the AFP Regulations 2014 at the time M became entitled to the pension under rule C.7, or
- (b) under rule C.7 of Schedule 1 at the time M became entitled to the pension under paragraphs 23, 24, 27 or 28 of Schedule 2.

(3) No remediable service statement may be provided to or in respect of M's remediable service until such time as the IHP decision has been made.

(4) Where a remediable service statement has been provided under paragraph 5(2)(a) before the IHP decision has been finally determined, the section 6 election period may be extended until such

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time after the IHP decision is finally determined as the Scheme manager considers reasonable in all the circumstances.

(5) The IHP decision is finally determined when any route to appeal such determinations has been exhausted (including where no application for appeal or review has been received by the Scheme manager by the end of the section 6 election period).

### Chapter 3

#### Application of Schedule 2 (Transitional Provision for the FTRS 1997)

#### **Application of Chapter 3**

**52.** This Chapter applies where a section 6 election under paragraph 9(1)(a) or a section 10 election under paragraph 13(1)(a) is made in relation to a remedy member's ("M") remediable service.

#### **Calculation of Benefits for remediable service: election for new Scheme benefits**

**53.—**(1) For the purposes of calculating the benefits due to, or in respect of, M in relation to their remediable service, M is treated as though they were a transition member with continuity of service within the meaning of paragraph 2 of Schedule 2.

(2) For these purposes—

- (a) M's transition date is taken to be 1st April 2015;
- (b) the date on which M joined the AFPS 2015 is taken to be 1st April 2015;
- (c) references to M's pensionable service in the AFPS 2015 include M's period of remediable service in the FTRS 1997;
- (d) references to M's reckonable service in the FTRS 1997 mean M's reckonable service up to the end of 31st March 2015;
- (e) where M died before 1st April 2022, references in Part 4 of Schedule 2 to M dying as a member of the AFPS 2015 include a case where M died as a member of the FTRS 1997 (whether or not by virtue of section 2(1) of PSPJOA 2022).

### Chapter 4

#### Nomination

#### **Death Lump Sum Nomination**

**54.** Where—

- (a) M had made a nomination in relation to remediable service in the AFPS 2015 under regulation 84 of the AFP Regulations 2014,
- (b) that nomination would be valid if M was a member of the AFPS 2015, and
- (c) an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) is made in relation to M's remediable service,

the nomination has effect in relation to benefits payable in relation to M's remediable service.



## Chapter 5

### Abatement

#### **Abatement**

**55.**—(1) This paragraph applies—

- (a) where an immediate choice decision or deferred choice decision is made in a case where the remedy member (“M”) is, or has been, in further pensionable service,
- (b) as a result of that decision, the amount of M’s pension in respect of their remediable service has changed, and
- (c) M’s pension is abated under Part G of Schedule 1 to this instrument.

(2) The Scheme manager must re-calculate the abatement of M’s pension with effect from the date on which M entered into the further pensionable service.

(3) The pension which is reduced as a result of the abatement does not include any amounts attributable to an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a).

## Chapter 6

### Scheme Pays

#### **Payment of annual allowance tax charge and provision of information**

**56.** Where a remedy member is unable to give an effective notice to the Scheme manager under section 237B(3) of FA 2004 in relation to an in-scope tax year (within the meaning of direction 7(7) of the PSP Directions 2022) because the time limit in section 237BA(2) has passed, direction 7(2) to (6) of the PSP Directions 2022 applies in relation to the remedy member.

## Part 7

### Liabilities and payment

#### Chapter 1

##### Application of Part 7

#### **Application of Chapters 1, 2 and 3**

**57.** Chapters 1, 2 and 3 apply in relation to a relevant amount owed in respect of the remediable service of a remedy member.

#### Chapter 2

##### Interest, compensation and netting off

#### **Interest**

**58.**—(1) The Scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

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(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the Scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

### **Indirect compensation**

**59.**—(1) This paragraph applies where pursuant to an application under paragraph 60, the Scheme manager determines that an immediate choice member (“M”) has incurred a compensatable loss that is a Part 4 tax loss (a “relevant loss”).

(2) M is not to be paid an amount under section 23 of PSPJOA 2022 by way of compensation in respect of the relevant loss.

(3) Instead, the amount of benefit payable under the Scheme is to be increased to reflect the amount of the relevant loss in such manner as determined by the Scheme manager in accordance with direction 10(2) to (4) of the PSP Directions 2022.

### **Applications for compensation or indirect compensation**

**60.**—(1) This paragraph applies in relation to—

- (a) the payment of a relevant amount by way of compensation under section 23(1) of PSPJOA 2022;
- (b) the increase of benefits by way of indirect compensation under paragraph 59.

(2) The relevant amount is not payable, or (as the case may be) the benefits are not to be increased, except where—

- (a) an application is made in accordance with direction 18(1) and (2) of the PSP Directions 2022,
- (b) the application is accompanied by such information that the Scheme manager may by written notice require the person making the application (“P”) to provide in relation to the proposed compensation which is—
  - (i) information within P’s possession, or
  - (ii) information which P may reasonably be expected to obtain, and
- (c) the Scheme manager makes a determination in accordance with direction 18(3) of those Directions.

(3) The following apply in relation to a determination under direction 18(3) of the PSP Directions 2022—

- (a) direction 18(4) (provision of explanation);
- (b) direction 18(5) and (6) (appeals).

### **Netting off**

**61.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and

(b) the Scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 58.

(2) The Scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the Scheme to P.

(3) For the purposes of this paragraph, an amount owed by P under the rules of a relevant injury and compensation Scheme is treated as a relevant amount owed by P to this Scheme, where P's liability arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

### Chapter 3

#### Reduction and waiver of liabilities

##### **Power to reduce or waive amounts owed by a person to the Scheme manager**

**62.**—(1) The Scheme manager may reduce or waive an amount owed by a person to the Scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the Scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of the PSP Directions 2022 (and the reference in direction 4(1)(c) to “any Scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 64).

### Chapter 4

#### Payment of net liabilities

##### **Application of Chapter 4**

**63.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 58 to 62 (a “net liability”).

##### **Payment of amounts owed to the Scheme manager**

**64.**—(1) This paragraph applies where a person (“P”) owes a net liability to the Scheme manager.

(2) The Scheme manager must send notice in writing to P setting out—

- (a) how the net liability has been calculated,
- (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 62,
- (c) when and how the net liability must be paid, and
- (d) the consequences of not paying the net liability.

(3) Where—

- (a) the Scheme manager has sent a notice under sub-paragraph (2), and
- (b) the amount of the net liability is subsequently adjusted,

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the Scheme manager must send another notice in writing to P under sub-paragraph (2).

- (4) P must pay the amount of the net liability to the Scheme manager—
  - (a) before the end of the period of six months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the Scheme manager may agree that the net liability is to be paid in part or in full—
  - (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the Scheme manager may agree to vary an agreement under sub-paragraph (5).
- (7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the Scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the Scheme manager for the purpose of discharging P's liability.

#### **Payment of amounts owed to a person**

- 65.**—(1) This paragraph applies where the Scheme manager owes a net liability to a person (“P”).
- (2) The Scheme manager must pay the amount of the net liability to P—
    - (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
    - (b) where the Scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.
  - (3) Before paying the amount of a net liability owed to P, the Scheme manager may, by written notice given as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, require P to provide information in relation to the payment of the net liability which is—
    - (a) information within P's possession, or
    - (b) information which P may reasonably be expected to obtain.

## **Part 8**

### **Eligible decision-makers for deceased members**

#### **Application and Interpretation of this Part**

- 66.**—(1) This Part applies where a remedy member (“M”) has died and an eligible decision-maker is required to make a decision or election under this Schedule.
- (2) In this Part—
    - “adult” means—
      - (a) in England and Wales, and Northern Ireland, a person over the age of 18;
      - (b) in Scotland, a person over the age of 16;
    - “beneficiary” means a person who has become entitled to receive any death benefit;
    - “child”, except in the term “eligible child”, means—
      - (a) in England and Wales, and Northern Ireland, a person under the age of 18;

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(b) in Scotland, a person under the age of 16;

“death benefit” means a benefit payable under Part E of Schedule 1 or Part 6 of the AFP Regulations 2014 in relation to the death of a member;

“guardian” means a person with parental responsibility for a child, and where there is more than one person with parental responsibility for a child, the person with whom the child usually resides;

“personal representative” means the person or persons named in the—

- (a) Grant of Probate, or
- (b) Grant of Letters of Administration, or
- (c) Confirmation

issued in respect of M’s estate;

“surviving adult” means—

- (a) a surviving spouse;
- (b) a surviving civil partner;
- (c) a person eligible for a pension under rule D1(9) of Schedule 1;
- (d) a surviving adult dependant within the meaning of regulation 67 of the AFP Regulations 2014.

(3) In this Part, a reference to—

- (a) a beneficiary is a reference to a beneficiary of death benefits in relation to M’s remediable service;
- (b) an eligible child is a reference to an eligible child of M;
- (c) a surviving adult is a reference to a surviving adult in relation to M.

**Sole beneficiary: an adult**

67. Where a person is—

- (a) the sole beneficiary, and
- (b) an adult,

the eligible decision-maker is that person.

**Sole beneficiary: a child**

68. Where a person (“C”) is—

- (a) the sole beneficiary, and
- (b) a child,

the eligible decision-maker is C’s guardian.

**Sole beneficiary: M’s estate**

69. Where M’s estate is the sole beneficiary, the eligible decision-maker is—

- (a) M’s personal representative;
- (b) where M has no personal representative, the Scheme manager.

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**Sole beneficiary: a body**

70. Where a body (corporate or unincorporate) is the sole beneficiary, the eligible decision-maker is—

- (a) M's personal representative, or
- (b) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: including a surviving adult**

71. Where—

- (a) two or more adults are the only beneficiaries, and
- (b) one of those adults is a surviving adult ("A"),

the eligible decision-maker is A.

**Multiple beneficiaries: including adult eligible children**

72.—(1) Where—

- (a) two or more adults are the only beneficiaries,
- (b) none of those adults is a surviving adult, and
- (c) two or more of those adults are eligible children,

the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) The eligible decision-maker is—

- (a) the person agreed upon by the adult eligible children, or
- (b) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager.

**Multiple beneficiaries: nominated individuals only**

73.—(1) Where—

- (a) two or more adults (the "nominated adults") are beneficiaries of a lump sum death benefit, and
- (b) none of the following are beneficiaries—
  - (i) a surviving adult, or
  - (ii) an eligible child (whether or not an adult),

the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) The eligible decision-maker is—

- (a) M's personal representative;
- (b) where M has no personal representative, the person agreed upon by the nominated adults;
- (c) where—
  - (i) M has no personal representative, and
  - (ii) no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager,

the Scheme manager.

**Multiple beneficiaries: non-adult eligible children**

74. Where the only beneficiaries are children, two or more of whom are eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the eligible children, that person;
- (b) otherwise—
  - (i) M's personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: nominated children only**

75. Where the only beneficiaries of lump sum death benefits are two or more children who are not eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the children, that person;
- (b) otherwise—
  - (i) M's personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: one or more adults and one or more children**

76.—(1) Where the beneficiaries include one or more adults and one or more children—

- (a) M's personal representative is the eligible decision-maker;
- (b) where M has no personal representative, and—
  - (i) one of the beneficiaries is a surviving adult, that surviving adult is the eligible decision-maker;
  - (ii) none of the beneficiaries is a surviving adult and—
    - (aa) one or more of the beneficiaries is an eligible child, or
    - (bb) none of the beneficiaries is a surviving adult or an eligible child,the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) Where sub-paragraph (1)(b)(ii) applies, and—

- (a) all relevant children are under 18 and—
  - (i) have, or had, the same guardian, the eligible decision-maker is that guardian;
  - (ii) do not, or did not, have the same guardian, the eligible decision-maker is the Scheme manager;
- (b) all relevant children are 18 or over, the eligible decision-maker is—
  - (i) the person agreed upon by those relevant children, or
  - (ii) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager;
- (c) one or more relevant children are under 18 and one or more of the relevant children are 18 or over, the eligible decision-maker is the person agreed upon by—
  - (i) the relevant children who are 18 or over, and
  - (ii) the guardian (or guardians) of the relevant children who are under 18.

(3) In sub-paragraph (2), a relevant child is—

- (a) where sub-paragraph (1)(b)(ii)(aa) applies, an eligible child;

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- (b) where sub-paragraph (1)(b)(ii)(bb) applies, a person who—
- (i) has never married or formed a civil partnership, and
  - (ii) meets any of conditions A, B or C as set out in regulation 73 of the AFP Regulations 2014.

### **Other cases**

77. In any case not covered by paragraphs 67 to 76, the eligible decision-maker is the Scheme manager.”

Schedule 6

Regulation 30

Remediable Service for the Reserve Forces Non Regular Permanent Staff Pension 2011

“Schedule 4

Regulation 3B

Remediable Service

## **Part 1**

### **Introductory Provisions**

#### **Interpretation**

**1.** In this Schedule—

“EDP Regulations 2014” means the Armed Forces Early Departure Payments Scheme Regulations 2014;

“NRPS 2011” means the occupational pension scheme established by Schedules 1 and 3 to this instrument, and—

(a) “NRPS 2011 benefits” means Scheme benefits under Schedules 1 and 3;

(b) “NRPS 2011 service”, in relation to a member, means the member’s remediable service which is pensionable service under the NRPS 2011 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022;

“PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;

“armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;

“Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;

“deferred choice decision” has the meaning given in paragraph 13(1);

“deferred choice decision-maker” means the person who may make a deferred choice decision under paragraph 13(2);

“end of the section 6 election period”, in relation to an immediate choice member, has the meaning given in section 7(2) of PSPJOA 2022;



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“end of the section 10 election period”, in relation to a deferred choice member, means the end of the day determined in accordance with—

- (a) where the member is the deferred choice decision-maker, paragraph 14(2)(b);
- (b) where a person other than the member is the deferred choice decision-maker, paragraph 15(2)(b);

“immediate choice decision” has the meaning given in paragraph 9(1);

“immediate choice decision-maker” means the person who may make an immediate choice decision under paragraph 9(2);

“legacy scheme”, in relation to a remedy member’s remediable service, means the NRPS 2011, and—

- (a) “legacy scheme benefits” means NRPS 2011 benefits;
- (b) “legacy scheme service”, in relation to a remedy member, means the member’s NRPS 2011 service;

“member” means an active, deferred, deceased or pensioner member;

“non-discrimination rule” has the meaning given in section 25(8) of PSPJOA 2022, and references to a relevant breach of a non-discrimination rule are to be read in accordance with section 25(9) of that Act;

“opted-out service election” has the meaning given in paragraph 7(1);

the “reformed scheme” means the AFPS 2015, and “reformed scheme benefits” means new scheme benefits under that scheme;

“relevant amount” has the meaning given in section 26(3) of PSPJOA 2022;

“remediable service”, in relation to a remedy member, means the member’s remediable service in an employment or office that is pensionable service under the NRPS 2011 (whether or not by virtue of section 2(1) of PSPJOA 2022);

“remedy member” means a member with remediable service;

“Scheme manager” means the Secretary of State;

“section 6 election” has the meaning given in paragraph 9(1)(a);

“section 10 election” has the meaning given in paragraph 13(1)(a).

2.—(1) In this Schedule, a “deferred choice member” means a member with remediable service who—

- (a) immediately before 1st October 2023 was not entitled to the present payment of a pension under this Scheme (whether or not that pension was abated), the amount of which was determined (to any extent) by reference to the member’s remediable service;
- (b) on or after 1st October 2023, in relation to that remediable service, is entitled to an award under Part 4 of the EDP Regulations 2014.

(2) In this Schedule, an “immediate choice member” means a member with remediable service who, immediately before 1st October 2023, was—

- (a) entitled to a pension under this Scheme (whether or not that pension was abated), the amount of which was determined by reference (to any extent) to the member’s remediable service;
- (b) a deceased member;
- (c) entitled to an award under Part 4 of the EDP Regulations 2014.

(3) A deferred choice member is a relevant member of the Scheme for the purposes of section 10 of PSPJOA 2022.

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(4) An immediate choice member is a relevant member of the Scheme for the purposes of section 6 of PSPJOA 2022.

3.—(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to the armed forces pension Schemes.

(2) A term used in this Schedule which—

- (a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and
- (b) is not defined differently in this Schedule,

has the meaning given in, or for the purposes of, that provision.

(3) A term used in this Schedule which—

- (a) is defined in Schedules 1 or 3 to this instrument, the AFP Regulations 2014 or the EDP Regulations 2014 (“the relevant Schemes”), and
  - (b) is not defined differently—
    - (i) in this Schedule, or
    - (ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,
- has, in relation to the relevant Schemes, the meaning given in those Schemes.

(4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.

4. For the purposes of this Scheme, section 14 of PSPJOA 2022 applies as if—

- (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
- (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Remediable Service Statements

#### Requirements relating to remediable service statements

5.—(1) The Scheme manager must provide a remediable service statement in respect of a remedy member (“M”) in accordance with—

- (a) section 29 of PSPJOA 2022,
- (b) any Treasury directions made under section 29(6) of that Act, and
- (c) this paragraph.

(2) The Scheme manager must provide a remediable service statement in respect of M—

- (a) before the relevant date,
- (b) where M is, in relation to their remediable service, for the time being—
  - (i) an active member, at least once in each year ending with the anniversary of the relevant date;
  - (ii) a deferred member, within three months of receipt of a written request by the member, where such request is received after the relevant date;
- (c) where M is a deferred choice member, as soon as is reasonably practicable following receipt of notification—

- (i) that M intends to claim benefits in relation to their remediable service, or
  - (ii) that M has died.
- (3) Where—
- (a) a remediable service statement has been provided to M under sub-paragraph (2)(a), and
  - (b) M dies before the end of the section 6 election period before making a decision under paragraph 9(1),

the Scheme manager must provide a remediable service statement in respect of M as soon as reasonably practicable and, for the purposes of section 7(2)(a) of PSPJOA, the remediable service statement provided to M under sub-paragraph (2)(a) is treated as though it had never been provided.

- (4) The remediable service statement must be provided—
- (a) to M, or
  - (b) where M is deceased, to the person who is for the time being the eligible decision-maker in relation to M's remediable service under Part 8 (unless the eligible decision-maker is the Scheme manager).
- (5) The remediable service statement must include—
- (a) where the Scheme manager has determined that any information to be provided in connection with M's remediable service must be communicated in a particular form and manner, information about that form and manner;
  - (b) where M is an immediate choice member, information about the irrevocability of an immediate choice decision;
  - (c) where M is a deferred choice member, information about the revocability (or otherwise) of a deferred choice decision.
- (6) For further provision about—
- (a) what a remediable service statement must include, see—
    - (i) section 29(5) of PSPJOA 2022;
    - (ii) direction 20(1) of the PSP Directions 2022;
  - (b) when a remediable service statement must be combined with a benefit information statement provided under section 14 of the Public Service Pensions Act 2013, see direction 20(2) of the PSP Directions 2022.

## Part 3

### Decisions about the treatment of remediable service

#### Chapter 1

#### Opted-out Service

##### **Application and interpretation of Chapter 1**

**6.—(1)** This Chapter applies to and in respect of a member (“M”) with opted-out service in an employment or office in relation to the legacy scheme.

(2) In this Chapter—

“opted-out service decision-maker” means the person who may make an opted-out service election in accordance with paragraph 7(2);

“relevant opted-out service” means the service referred to in sub-paragraph (1).

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### **Election in relation to relevant opted-out service**

7.—(1) An election (an “opted-out service election”) may be made in relation to M’s relevant opted-out service in accordance with this Part and section 5 of PSPJOA 2022.

(2) An opted-out service election may be made—

(a) by M, or

(b) where M is deceased, by the eligible decision-maker specified in Part 8.

(3) Where a person other than the Scheme manager is the opted-out service decision-maker, an opted-out service election may only be made after the Scheme manager determines an application which is—

(a) made by or on behalf of M,

(b) in a form and manner determined by the Scheme manager,

(c) received by the Scheme manager within twelve months of the date on which the Scheme manager notified M of their right to make the application, and

(d) accompanied by such information—

(i) which is within the person’s possession, or

(ii) which the person may reasonably be expected to obtain,

that the Scheme manager may by written notice require the person to provide in relation to the decision which caused the service in question to become opted-out service.

(4) As soon as is reasonably practicable after receipt of an application, the Scheme manager must—

(a) determine whether an opted-out service election may be made in relation to M, and

(b) notify the person who made the application whether such an opted-out service election may be made.

(5) Where the Scheme manager is the opted-out service decision-maker, the Scheme manager must, as soon as is reasonably practicable after determining that they are the opted-out service decision-maker, determine whether to make an opted-out service election in relation to M.

(6) The Scheme manager must refuse an application where the decision by virtue of which M’s service became opted-out service was not made pursuant to a relevant breach of a non-discrimination rule.

(7) An opted-out service election to be made by—

(a) a person other than the Scheme manager is made when the person confirms that an opted-out service election is to be made following receipt of the notification mentioned in subparagraph (4)(b);

(b) the Scheme manager is made at the time determined by the Scheme manager.

(8) See section 5(2) to (4) of PSPJOA 2022 about the effect, timing and irrevocability of an opted-out service election.

## **Chapter 2**

### **Immediate choice decision for reformed scheme or legacy scheme benefits**

#### **Application and interpretation of Chapter 2**

8. This Chapter applies in respect of the remediable service of an immediate choice member (“M”).

### **Immediate choice decision for reformed scheme or legacy scheme benefits**

**9.—(1)** A decision (an “immediate choice decision”) may be made in accordance with this Chapter—

- (a) to make an election (a “section 6 election”) by virtue of section 6 of PSPJOA 2022 in relation to M’s remediable service, or
  - (b) that no section 6 election is to be made in relation to that service.
- (2) An immediate choice decision may be made—
- (a) by M, or
  - (b) where M is deceased, by the eligible decision-maker specified in Part 8.
- (3) An immediate choice decision made by—
- (a) a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
  - (b) the Scheme manager is made at the time determined by the Scheme manager.
- (4) An immediate choice decision may only be made before the end of the section 6 election period.
- (5) An immediate choice decision is irrevocable.
- (6) An immediate choice decision to make a section 6 election takes effect as a section 6 election (see sections 6(5) and (7), 7(1)(b) and 9 of PSPJOA 2022 about the effect of a section 6 election).
- (7) Where—
- (a) immediately before 1st October 2023, M had remediable service in the reformed scheme (“reformed scheme service”), and
  - (b) an immediate choice decision is made that no section 6 election is to be made in relation to M’s remediable service,

section 6(4) of PSPJOA 2022 does not apply in relation to M’s reformed scheme service (and, accordingly, section 2(1) of PSPJOA 2022 has effect in relation to M’s reformed scheme service for the purposes mentioned in section 2(3)(b) of that Act from the time the immediate choice decision is made).

(8) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 6 election is to be made as they have effect in relation to a section 6 election—

- (a) section 6(7) (section 6 election has effect in respect of all remediable service in the employment or office);
- (b) section 7(1)(b) (provision about when a section 6 election is to be treated as having taken effect).

### **Immediate choice decision: additional requirements**

**10.—(1)** This paragraph applies where the immediate choice decision-maker (“D”) is a person other than the Scheme manager.

(2) An immediate choice decision may not be made unless a remediable service statement has been provided to D in accordance with paragraph 5(2)(a) or where sub-paragraph (3) applies, in accordance with paragraph 5(3).

(3) Where—

- (a) a remediable service statement has been provided to M in accordance with paragraph 5(2)(a), and
- (b) M dies before making an immediate choice decision under paragraph 9,

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the section 6 election period is treated as though it had never begun in relation to M.

(4) An immediate choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

- (a) information in D’s possession, or
- (b) information which D can reasonably be expected to obtain.

**Immediate choice decision: deemed election**

11. Where—

- (a) the end of the section 6 election period in relation to M has passed, and
- (b) no immediate choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat an immediate choice election as having been made in relation to M’s remediable service immediately before the end of the section 6 election period.

Chapter 3

Deferred choice decision for reformed scheme or legacy scheme benefits

**Application and interpretation of Chapter 3**

12. This Chapter applies in respect of the remediable service of a deferred choice member (“M”).

**Deferred choice decision for reformed scheme or legacy scheme benefits: general**

13.—(1) A decision (a “deferred choice decision”) may be made—

- (a) to make an election (a “section 10 election”) by virtue of section 10 of PSPJOA 2022 in relation to M’s remediable service, or
- (b) that no section 10 election is to be made in relation to that service.

(2) A deferred choice decision may be made—

- (a) by M, or
- (b) where M is deceased, by the eligible decision-maker specified in Part 8.

(3) A deferred choice decision—

- (a) to be made by a person other than the Scheme manager is made when it is received by the Scheme manager in a form and manner determined by the Scheme manager;
- (b) to be made by the Scheme manager is made at a time determined by the Scheme manager.

(4) A deferred choice decision may only be made before the end of the section 10 election period.

(5) A deferred choice decision to make a section 10 election takes effect as a section 10 election (see sections 10(4) and (5), 11(3)(b), (4) and (7) and 13 of PSPJOA 2022 about the effect of a section 10 election).

(6) Where the deferred choice decision is that no section 10 election is to be made, the benefits payable to or in respect of M, so far as they are determined by reference to M’s remediable service, are legacy scheme benefits.

(7) The following provisions of PSPJOA 2022 have effect in relation to a decision that no section 10 election is to be made as they have effect in relation to a section 10 election—

- (a) section 10(5) (section 10 election has effect in respect of all remediable service in the employment or office);

- (b) section 11(3)(b), (4) and (7) (provision about when a section 10 election take effect, and the effect of lapse or revocation of a section 10 election).

**Deferred choice decision to be made by M**

- 14.**—(1) This paragraph applies where M is the deferred choice decision-maker.
- (2) A deferred choice decision may only be made during the period—
    - (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c) (i), and
    - (b) ending—
      - (i) at the end of the day 6 months after the day the remediable service statement mentioned in paragraph (a) was issued;
      - (ii) subject to sub-paragraph (4), at the end of such other day as the Scheme manager considers reasonable in all the circumstances.
  - (3) The end of the period during which a deferred choice decision may be made must not be more than the earlier of—
    - (a) one year before the day on which it is reasonably expected that legacy scheme benefits would become payable to or in respect of M, or
    - (b) one year before the day on which it is reasonably expected that, if a section 10 election were made, reformed scheme benefits would become payable to or in respect of M.
  - (4) A deferred choice decision made by M may be revoked—
    - (a) at any time before the cancellation deadline, and
    - (b) by M communicating to the Scheme manager notice of the revocation in a form and manner determined by the Scheme manager.
  - (5) Where the Scheme manager receives, before the cancellation deadline, notice that M has died—
    - (a) any deferred choice decision made by M lapses, and
    - (b) any period that has begun (whether or not it has also ended) in accordance with sub-paragraph (2) is to be treated as if it had never begun (or ended).
  - (6) In sub-paragraphs (4) and (5), “the cancellation deadline” means—
    - (a) the beginning of the day one calendar month before the day (“the payment day”) on which the first payment under the Scheme is due to be made in relation to M’s remediable service, or
    - (b) such later time before the payment day as the Scheme manager considers reasonable in all the circumstances.

**Deferred choice decision to be made by a person other than M**

- 15.**—(1) This paragraph applies where a person other than M is the deferred choice decision-maker.
- (2) A deferred choice decision may only be made during the period—
    - (a) beginning on the date a remediable service statement is issued under paragraph 5(2)(c) (ii), and
    - (b) ending—
      - (i) at the end of the day 6 months after that date;

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- (ii) except where the Scheme manager is the deferred choice decision-maker, at such later time as the Scheme manager considers reasonable in all the circumstances;
  - (iii) if earlier than the time which applies under sub-paragraph (i) or (ii), immediately after a deferred choice decision is made.
- (3) A deferred choice decision made by a person other than M is irrevocable.

**Deferred choice election: deemed section 10 election**

16. Where—

- (a) the end of the section 10 election period in relation to M has passed, and
- (b) no deferred choice decision has been made,

the Scheme manager may, if it seems reasonable in all the circumstances of the case, treat a section 10 election as having been made in relation to M's remediable service immediately before the end of the section 10 election period.

**Deferred choice decision: additional requirements**

17. Where the deferred choice decision-maker ("D") is a person other than the Scheme manager, a deferred choice decision is to be treated as having been made only if D provides the information specified in any written request from the Scheme manager that is—

- (a) information in D's possession, or
- (b) information which D can reasonably be expected to obtain.

## Part 4

### Provision about divorce and dissolution arrangements

#### Chapter 1

##### General

#### *Section 1*

#### *Application and Interpretation of Chapter 1*

**Application and interpretation of Chapter 1**

18.—(1) This Chapter applies in relation to—

- (a) a pension credit member ("C"),
- (b) the corresponding pension debit member ("D"), and
- (c) the pension sharing order by virtue of which C became a pension credit member in relation to D's remediable service (the "relevant pension sharing order").

(2) In this Chapter—

"appropriate amount" means an amount calculated for the purposes of section 29(1) of WRPA 1999;

"cash equivalent" means an amount calculated in accordance with regulations made under section 30 of WRPA 1999;



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“corresponding pension debit member” means a member of this Scheme with remediable service (whether or not by virtue of section 2(1) of PSPJOA 2022) whose benefits, or future benefits, under the Scheme are subject to a pension debit;

“legacy remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in this Scheme immediately before the transfer day;

“pension credit account” means a pension credit member account in this Scheme by virtue of the relevant pension sharing order;

“pension credit member” means a member of this Scheme who has rights under the Scheme—

- (a) which are attributable (directly or indirectly) to a pension credit,
- (b) which arise by virtue of a pension sharing order with a transfer day on or after 1st April 2015, and
- (c) the value of which was determined (to any extent) by reference to the value of benefits payable in respect of the remediable service of another member;

“pension information” means information provided by the Scheme manager under regulations 2, 3 or 4 of the Pensions on Divorce etc. (Provision of Information) Regulations 2000;

“pension sharing order” means the order or provision by virtue of which section 29 of WRPA 1999 applies in relation to a pension credit member and the corresponding pension debit member;

“reformed remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits, determined as if those remediable relevant benefits had been secured in the reformed scheme immediately before the transfer day;

“remediable relevant benefits” means the benefits or future benefits described in section 29(4) and (5) of WRPA 1999 to which D is entitled by virtue of remediable shareable rights;

“remediable shareable rights” means D’s shareable rights secured by virtue of D’s remediable service during the period beginning on 1st April 2015 and ending on the earlier of—

- (a) the day before the transfer day, or
- (b) the last day of D’s remediable service;

“shareable rights” has the meaning given in section 27(2) of WRPA 1999;

“transfer day” means the day on which the relevant pension sharing order takes effect;

“valuation day” has the meaning given in section 29(7) of WRPA 1999.

(3) In this Chapter, where the Scheme manager is required to determine an amount, this must be done—

- (a) as soon as reasonably practicable, and
- (b) with regard to the advice of the Scheme actuary.

(4) In this Chapter, a reference to benefits secured in “this Scheme” or the “legacy scheme”, means benefits secured under the rules in Schedules 1 and 3 to this Scheme.

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## Section 2

### *Pension sharing orders: information provided before 1st October 2023*

#### **Application and interpretation of Section 2**

**19.** This Section applies where the most recent pension information in respect of D’s remediable service was provided by the Scheme manager before 1st October 2023.

#### **Information before 1st October 2023: unprotected member, NRPS 2011 only**

**20.**—(1) This paragraph applies where—

- (a) D was a transition member with continuity of service on or before 31st March 2022, and
- (b) the relevant pension sharing order applies only to shareable rights under this Scheme, or to shareable rights under this Scheme and any other Chapter 1 legacy schemes.

(2) For the purposes of determining the pension debit under section 29(1)(a) of WRPA 1999 or the pension credit under section 29(1)(b) of WRPA 1999, D’s shareable rights do not include any rights secured by pensionable service on or after 1st April 2015.

#### **Information and transfer day before 1st October 2023: protected members**

**21.**—(1) This paragraph applies—

- (a) where D was a full protection member of this Scheme before 1st April 2022,
- (b) where the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
- (c) whether or not C has a pension credit account in the reformed scheme under the relevant pension sharing order.

(2) The Scheme manager must determine—

- (a) the initial appropriate amount;
- (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights in this Scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the initial appropriate amount;
- (b) the reformed remediable appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the reformed remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 24(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 24(5) and the consequences of making, or not making, such a request.

(7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this Scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this Scheme immediately before the transfer day;
- (b) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent, on the valuation day, of the remediable relevant benefits as if they had been secured in the reformed scheme.

### **Information and transfer day before 1st October 2023: unprotected members**

22.—(1) This paragraph applies where—

- (a) D was a transition member with continuity of service before 1st April 2022,
- (b) the transfer day in relation to a relevant pension sharing order was before 1st October 2023, and
- (c) C has a pension credit account in the reformed scheme under the relevant pension sharing order.

(2) The Scheme manager must determine—

- (a) the initial appropriate amount;
- (b) the remediable appropriate amount.

(3) The “initial appropriate amount” means the appropriate amount determined, on the valuation day, for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights on the transfer day in the reformed scheme.

(4) The remediable appropriate amount is the greater of—

- (a) the legacy remediable appropriate amount;
- (b) the initial appropriate amount.

(5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.

(6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the initial appropriate amount,
- (b) the legacy remediable appropriate amount,
- (c) the remediable appropriate amount,
- (d) the remediable credit adjustment, if any, and
- (e) where paragraph 24(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 24(5) and the consequences of making, or not making, such a request.

(7) In determining the legacy remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage value specified in the relevant pension sharing order in relation to the reformed scheme.

(8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—

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- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent of D’s shareable rights under the reformed scheme on the valuation day;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in this Scheme.

**Information before 1st October 2023: transfer day after 1st October**

**23.**—(1) This paragraph applies—

- (a) where the transfer day in relation to a relevant pension sharing order is on or after 1st October 2023 and
  - (b) whether or not the relevant pension sharing order also makes provision in relation to the reformed scheme for an appropriate amount to be transferred to C.
- (2) The Scheme manager must determine the remediable appropriate amount.
- (3) The remediable appropriate amount is the greater of the following amounts—
- (a) the legacy remediable appropriate amount;
  - (b) the reformed remediable appropriate amount.
- (4) The Scheme manager must transfer the legacy remediable appropriate amount to C’s pension credit account in this Scheme.
- (5) Where the remediable appropriate amount is greater than the legacy remediable appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.
- (6) The Scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—
- (a) the legacy remediable appropriate amount,
  - (b) the reformed remediable appropriate amount,
  - (c) the remediable appropriate amount,
  - (d) the remediable credit adjustment, if any, and
  - (e) where paragraph 24(4) applies in relation to C, an explanation of the request that may be made in accordance with paragraph 24(5) and the consequences of making, or not making, such a request.
- (7) In determining the remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is—
- (a) where the relevant pension sharing order specifies a percentage value in relation to this Scheme only, that percentage value;
  - (b) where the relevant pension sharing order specifies different percentage values in relation to this Scheme and the reformed scheme, the percentage value that is specified for the pension Scheme under which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the Scheme manager must—
- (a) calculate the percentage (the “implied percentage”) that the initial appropriate amount represented of the cash equivalent of D’s shareable rights on the valuation day—
    - (i) as if they had been secured in this Scheme, where D was a full protection member before 1st April 2022, or

- (ii) as if they had been secured in the reformed scheme, where D was a transition member with continuity of service before 1st April 2022;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in this Scheme on the valuation day;
- (c) determine the reformed remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits as if they had been secured in the reformed scheme on the valuation day.

#### **Information provided before 1st October 2023: applying a remediable credit adjustment**

**24.**—(1) This paragraph applies where C’s pension credit account is subject to a remediable credit adjustment in accordance with paragraphs 21(5), 22(5) or 23(5).

(2) The Scheme manager must adjust C’s pension credit account by an amount equal to the remediable credit adjustment.

(3) An adjustment made under sub-paragraph (2) has effect as if it had been made on the transfer day.

(4) Where C has a pension credit in the reformed scheme by virtue of the relevant pension sharing order, C may request that the value of the remediable credit adjustment is instead credited to C’s pension credit account in the reformed scheme.

(5) A request under sub-paragraph (4) must—

- (a) be made by C in writing to the Scheme manager,
- (b) be in a form determined by the Scheme manager,
- (c) unambiguously identify C’s pension credit account in the reformed pension scheme, and
- (d) be received by the Scheme manager by—

- (i) the end of the day twelve months after the date on which the statement required by paragraphs 21(6), 22(6) or 23(6) was sent to C, or
- (ii) the end of such later day that the Scheme manager considers reasonable in all the circumstances.

(6) A request made in accordance with sub-paragraph (5) is irrevocable.

(7) Section 14(3) to (6) of PSPJOA 2022 applies in relation to C as it applies in relation to a member described in section 14(1) as if—

- (a) a reference to D’s remediable service in an employment or office were a reference to C’s pension credit;
- (b) a reference to the effect, if any, of sections 2(1) and 6(4) were a reference to the effect, if any, of this paragraph;
- (c) the term “operative time” means the time at which the adjustment mentioned in sub-paragraph (2) is made (disregarding sub-paragraph (3)).

#### **Information provided before 1st October 2023: immediate choice – pension debit**

**25.**—(1) This paragraph applies where D is an immediate choice member of this Scheme, where—

- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,

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- (b) an immediate choice decision has not been made or treated as made in relation to D's remediable service under this Schedule, and
  - (c) paragraph 20 does not apply.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day ("reformed remediable reduction amount").
- (3) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: immediate choice – pension debit adjustment on election**

26.—(1) This paragraph applies where—

- (a) D was an immediate choice member to whom paragraph 25 applied, and
- (b) an immediate choice decision is subsequently made in relation to D's remediable service.

(2) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under paragraph 9(1)(a) of this Schedule.

(3) The Scheme manager must adjust D's pension account in respect of D's remediable relevant benefits so that it is subject to a debit of the legacy remediable reduction amount where an immediate choice decision is made or treated as having been made in relation to D's remediable service under paragraph 9(1)(b) of the Schedule.

**Information provided before 1st October 2023: deferred choice – pension debit**

27.—(1) This paragraph applies where D is a deferred choice member of this Scheme where—

- (a) D's remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order,
- (b) a deferred choice decision has not been made or treated as made in relation to D's remediable service under this Schedule, and
- (c) paragraph 20 does not apply.

(2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D's remediable relevant benefits—

- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day ("legacy remediable reduction amount"), and

- (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) The Scheme manager must adjust D’s pension account so that it is subject to a debit of the legacy remediable reduction amount in respect of D’s remediable relevant benefits.
- (4) For the purposes of sub-paragraph (2) the Scheme manager must have regard to—
  - (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured—
    - (i) in this Scheme on the transfer day, for sub-paragraph (2)(a);
    - (ii) in the reformed scheme on the transfer day, for sub-paragraph (2)(b),
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order in relation to the pension Scheme in which remediable relevant benefits were accrued, disregarding the effect of section 2(1) of PSPJOA 2022, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

**Information provided before 1st October 2023: deferred choice member – pension debit adjustment on election**

- 28.**—(1) This paragraph applies where—
- (a) D was a deferred choice member to whom paragraph 27 applied, and
  - (b) a deferred choice decision is subsequently made in relation to D’s remediable service.
- (2) The Scheme manager must adjust D’s pension account in respect of D’s remediable relevant benefits so that it is subject to a debit of the reformed remediable reduction amount determined under paragraph 27 where a deferred choice decision is made or treated as having been made in relation to D’s remediable service under paragraph 13(1)(a) of this Schedule.
- (3) An adjustment under sub-paragraph (2) above takes effect as if it had been made on the transfer day.

*Section 3*

*Information provided on or after 1st October 2023*

**Application and interpretation of Section 3**

- 29.** This Section applies where, on or after 1st October 2023, the Scheme manager provides pension information in respect of D’s remediable service.

**Information provided on or after 1st October 2023: pension information**

- 30.**—(1) This paragraph applies where no immediate choice decision or deferred choice decision has been made in relation to D’s remediable service before the Scheme manager provided the pension information.
- (2) For the purpose of providing the pension information, the Scheme manager must determine—
- (a) the cash equivalent of D’s remediable rights as if those remediable rights were secured in this Scheme, and
  - (b) the cash equivalent of those rights as if they were secured in the reformed scheme.
- (3) The value of D’s remediable rights for the purposes of section 23 WRPA 1999 is the greater of those rights.

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**Information provided on or after 1st October 2023: calculation of pension credits**

31.—(1) This paragraph applies where the Scheme manager must determine an appropriate amount for the purposes of section 29 of WRPA 1999.

- (2) For the purpose of calculating the appropriate amount, the Scheme manager must determine—
- (a) the cash equivalent of D’s remediable relevant benefits on the valuation day as if those remediable relevant benefits were in this Scheme (“the legacy scheme cash equivalent”), and
  - (b) the cash equivalent of those benefits on the valuation day as if they were in the reformed scheme (“the reformed scheme cash equivalent”).
- (3) For the purpose of calculating the pension credit, the Scheme manager must use the greater of—
- (a) the legacy scheme cash equivalent;
  - (b) the reformed scheme cash equivalent.

**Information provided on or after 1st October 2023: pension debit**

32.—(1) This paragraph applies where—

- (a) the Scheme manager must determine an appropriate amount for the purposes of section 29(1)(a) of WRPA 1999, and
  - (b) no immediate choice decision under paragraph 9(1)(a) or deferred choice decision under paragraph 13(1)(a) has been made or treated as being made in relation to D’s remediable service under this Schedule.
- (2) The Scheme manager must determine the appropriate amount in relation to D’s remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this Scheme on the transfer day (“legacy remediable reduction amount”), and
  - (b) as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day (“reformed remediable reduction amount”).
- (3) Where D is a deferred choice member, the Scheme manager must adjust D’s remediable relevant benefits by the legacy remediable reduction amount.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.

**Information provided on or after 1st October 2023: pension debit adjustment on election**

33.—(1) This paragraph applies where—

- (a) D’s remediable relevant benefits are subject to a pension debit by virtue of a relevant pension sharing order, and
  - (b) an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) is made or treated as being made in relation to D’s remediable service under this Schedule.
- (2) The Scheme manager must determine the appropriate amount under section 29(1)(a) of WRPA 1999 in relation to D’s remediable relevant benefits as if those remediable relevant benefits had been secured in the reformed scheme on the transfer day.
- (3) The Scheme manager must adjust D’s pension account to reflect the appropriate amount determined under sub-paragraph (2) in respect of D’s remediable relevant benefits.
- (4) An adjustment under sub-paragraph (3) takes effect as if it had been on the transfer day.



- (5) For the purposes of sub-paragraph (2), the Scheme manager must have regard to—
- (a) the remediable relevant benefits on the valuation day as if they had been remediable relevant benefits secured in the reformed scheme on the transfer day,
  - (b) the percentage value or the amount to be transferred specified in the relevant pension sharing order, and
  - (c) the provisions of sections 29 and 31 of WRPA 1999.

## Chapter 2

Arrangements on divorce, annulment or dissolution other than a pension sharing order

### **Arrangements other than a pension sharing order: calculating the value of pension benefits**

**34.**—(1) This paragraph applies where—

- (a) the value of the remediable rights of a member (“M”) must be determined for the purpose of proceedings connected to M’s divorce, annulment or the dissolution of M’s civil partnership,
- (b) the divorce, annulment or dissolution is to take effect—
  - (i) on or after 1st October 2023, and
  - (ii) before the earlier of—
    - (aa) a decision taking effect in relation to M’s remediable service, or
    - (bb) the end of the relevant election period, and
- (c) the value of M’s remediable rights is not to be subject to a pension sharing order.

(2) The value of M’s remediable rights for the purpose of the proceedings is the greater of those rights valued by the Scheme manager, having regard to the advice of the Scheme actuary, as if they were—

- (a) secured in M’s legacy scheme, or
- (b) secured in the reformed scheme.

(3) In this paragraph—

“decision” means an immediate choice decision or a deferred choice decision;

“pension sharing order” means an order or provision which attracts section 29 of WRPA 1999 in relation to M’s remediable rights;

“relevant election period” means, where M is—

- (a) a deferred choice member, the section 10 election period in relation to M;
- (b) an immediate choice pensioner member, the section 6 election period in relation to M;

“remediable rights” means the rights secured by virtue of M’s remediable service.

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## Part 5

### Transfers

#### Chapter 1

##### General

#### **Interpretation of Part 5**

**35.—(1)** In this Part—

“public sector transfer arrangements” has the meaning given in rule A.1(2) of Schedule 1;

“receiving scheme”, in relation to a remediable value, means the scheme to which the remediable value was, or is to be, paid;

“reformed public service pension scheme” means—

- (a) a Chapter 1 scheme;
- (b) a judicial scheme within the meaning of section 70(1) of PSPJOA 2022;
- (c) a local government scheme within the meaning of section 86(1) of PSPJOA 2022;

“remediable benefits” means the benefits payable to or in respect of a remedy member in relation to that member’s remediable service;

“remediable club transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part E of Schedule 1 in accordance with the public sector transfer arrangements, in so far as the transfer value relates to the member’s remediable rights;

“remediable rights”, in relation to a member, means the member’s rights to benefits under a reformed public service pension scheme secured by virtue of the member’s remediable service;

“remediable transfer value”, in relation to a member, means the payment or acceptance by the Scheme manager of a transfer value under Part E of Schedule 1 which is not a remediable club transfer value;

“remediable value” means a remediable club transfer value or a remediable transfer value;

“sending scheme”, in relation to a remediable value, means the scheme which paid, or is to pay, the remediable value.

(2) Where a provision of this Part requires the Scheme manager to calculate a club transfer value or a transfer value (including a remediable club transfer value or a remediable transfer value) in relation to rights secured in a pension scheme, that value is to be calculated in accordance with—

- (a) the provisions of the pension scheme which apply to the calculation of values of that type, and
- (b) the guidance and tables provided for the purpose of calculating such values that were, or are, in use on the date used for the original calculation.

(3) For the purposes of this Part, any rule or condition in Part E of Schedule 1 or the public sector transfer arrangements relating to the time within which a transfer value payment must be made or accepted that would otherwise prevent any payments being made or accepted under this Part, is treated as complied with or met.

#### **Transferred out remediable service statements**

**36.** Where a remedy member has transferred any rights in respect of remediable service out of this Scheme, the Scheme manager must provide a transferred out remediable service statement in accordance with direction 6(2) to (4) of the PSP Directions 2022 (and direction 6(4) applies as if

the reference to “any provision made by virtue of section 29(1) of PSPJOA 2022” were a reference to paragraph 5).

## Chapter 2

### Transfers on a cash equivalent basis

#### Section 4

##### *Transfers before 1st October 2023*

#### **Transfers out before 1st October 2023**

**37.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable transfer value before 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if they were secured in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The Scheme manager must notify the receiving scheme of the results of the calculation mentioned in sub-paragraph (2).

(4) Where—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“x”) is greater than
- (b) the amount of the remediable transfer value (“y”) paid before 1st October 2023,

the Scheme manager must take reasonable steps to pay the receiving scheme an amount (“the remediable amount”) equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable transfer value.

(6) Where—

- (a) paragraph (4) applies, and
- (b) the scheme manager, having taken reasonable steps, is unable to make the payment required by that paragraph,

the scheme manager owes M or, where M is deceased, M’s personal representatives an amount by way of compensation equal to  $x - y$  (“the compensatable amount”) reduced in accordance with paragraph (7).

(7) Where, if the remediable amount was paid immediately after the requirement to pay it arose, the payment—

- (a) would be a payment described in regulation 6 of the Registered Pension Schemes (Authorised Payments) Regulations 2009<sup>(29)</sup> (“the 2009 Regulations”) as if regulation 6(1)(a) of those Regulations were omitted, the remediable amount is to be reduced by the amount equal to the income tax that would be chargeable on it as if regulation 3(b) of the 2009 Regulations applied to it;
- (b) would not be a payment so described, the remediable amount is to be reduced by an amount equal to the income tax that would be charged on the amount if it were taxed as pension income under Part 9 of the Income Tax (Earnings and Pensions) Act 2003.

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<sup>(29)</sup> S.I. 2009/1171. Regulation 6 was amended by section 42(6)(a) of the Finance Act 2014 (c. 26).

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### **Transfers in before 1st April 2022**

**38.**—(1) This paragraph applies in relation to each remediable transfer value in respect of a member (“M”) which was accepted by the Scheme manager during the remedy period.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must determine M’s remediable benefits as if the remediable transfer value together with any payment accepted under sub-paragraph (3) were applied in respect of rights in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) Where the sending scheme was a reformed public service pension scheme, the Scheme manager may accept an additional payment representing an adjustment—

- (a) in respect of the remediable rights to which the remediable transfer value relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(4) A payment accepted under sub-paragraph (3) is to be used for the purpose of determining M’s remediable benefits on the same terms as the remediable transfer value.

### *Section 5*

#### *Transfers on or after 1st October 2023*

### **Application of Section 5**

**39.** This Section applies in respect of a member (“M”) who is—

- (a) a deferred choice member, and no pension benefits have become payable in relation to M’s remediable service under the NRPS 2011, or
- (b) an immediate choice member, where—
  - (i) the end of the section 6 election period has not passed in relation to M, and
  - (ii) no immediate choice decision under paragraph 9 of this Schedule has been made in relation to M’s remediable service.

### **Transfers out on or after 1st October 2023**

**40.**—(1) This paragraph applies to a remediable transfer value to be paid in relation to M by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the transfer value of M’s remediable rights as if those rights had been in—

- (a) this Scheme;
- (b) the reformed scheme.

(3) The amount of the remediable transfer value is the greater of the amounts calculated under sub-paragraph (2).

## Chapter 3

### Transfers on a club basis

#### Section 6

##### *Club transfers before 1st October 2023*

#### **Club transfers out before 1st October 2023**

**41.**—(1) This paragraph applies in relation to a member (“M”) in respect of whom the Scheme manager paid a remediable club transfer value before 1st October 2023.

(2) The Scheme manager, having regard to the advice of the Scheme actuary, must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in this Scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

(4) Where the receiving scheme is a local government scheme (within the meaning of section 86(1) of PSPJOA 2022), and—

- (a) the greater of the amounts calculated under sub-paragraph (2) (“*x*”) is greater than
- (b) the amount of the remediable transfer value (“*y*”),

the Scheme manager must pay the receiving scheme an amount equal to  $x - y$ .

(5) A payment made under sub-paragraph (4) is subject to the same conditions as the remediable club transfer value.

#### Section 7

##### *Club transfers on or after 1st October 2023*

#### **Application of Section 7**

**42.** This Section applies in respect of a deferred choice member (“M”) where no pension benefits have become payable in relation to M’s remediable service under this Scheme.

#### **Club transfers out on or after 1st October 2023**

**43.**—(1) This paragraph applies in relation to a remediable club transfer value to be paid by the Scheme manager on or after 1st October 2023.

(2) The Scheme manager must calculate the following amounts—

- (a) the transfer value of M’s rights under the Scheme, in accordance with the public sector transfer arrangements, as if M’s remediable rights had been secured in the legacy scheme;
- (b) the club transfer value of M’s rights under the Scheme as if M’s remediable rights had been secured in the reformed scheme.

(3) The amount of the remediable club transfer value is the greater of the amounts calculated under sub-paragraph (2).

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(4) The Scheme manager must provide to the receiving scheme the result of the calculations mentioned in sub-paragraph (2).

## Chapter 4

### Transfers to and from the AFPS 2015

#### **Transfers out before 1st October 2023: AFPS 2015**

- 44.**—(1) This paragraph applies where—
- (a) the Scheme manager for the reformed scheme paid a remediable transfer value in respect of a remedy member (“M”) before 1st October 2023, and
  - (b) M’s remediable service is pensionable service under this Scheme by virtue of section 2(1) of PSPJOA 2022.
- (2) The remediable transfer value in sub-paragraph (1)(a)—
- (a) is not, and is treated as never having been, paid by the reformed scheme, and
  - (b) is treated as being, and as always having been, paid by this Scheme.
- (3) In particular, paragraph (1) has effect—
- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
  - (b) for all other purposes.
- (4) Paragraph 37 applies to a remediable transfer value which is treated as paid from this Scheme under this paragraph.

#### **Transfers in before 1st October 2023: AFPS 2015**

- 45.**—(1) This paragraph applies where—
- (a) the Scheme manager for the reformed scheme accepted a remediable transfer value in respect of a remedy member (“M”) during the period of M’s remediable service, and
  - (b) M’s remediable service is pensionable under this Scheme by virtue of section 2(1) of PSPJOA 2022.
- (2) The remediable transfer value in sub-paragraph (1)(a)—
- (a) is not, and is treated as never having been, accepted into the reformed scheme, and
  - (b) is treated as being, and as always having been, accepted into this Scheme.
- (3) Paragraph (1) has effect—
- (a) for the purposes of determining which Scheme is (or at any time was) required to pay benefits to, or in respect of, the remediable transfer value in sub-paragraph (1)(a), and
  - (b) subject to paragraph 46, for all other purposes.
- (4) Paragraph 38 applies to a remediable transfer value which is treated as accepted into this Scheme under this paragraph.

## Chapter 5

### Treatment of transferred in remediable rights

#### **Treatment of rights secured by virtue of transferred in remediable rights**

- 46.**—(1) This paragraph applies where the Scheme manager has accepted a remediable value in relation to a remedy member (“M”).

(2) Sub-paragraph (3) applies where the Scheme manager has accepted payments to which paragraph 45 apply.

(3) The Scheme manager must confer rights to benefits under Part F of Schedule 1 in relation to the remediable value that are equivalent to the rights that would have been secured if the remediable value had been transferred into this Scheme in the same relevant pension year in which the remedy period transfer value was accepted by the Scheme manager of the reformed scheme.

(4) Sub-paragraph (5) applies where—

- (a) the benefits payable to or in respect of M's remediable service are reformed scheme benefits by virtue of an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) (including, in either case, a deemed election), and
- (b) the rights to benefits payable in relation to M's remediable value would otherwise be legacy scheme benefits.

(5) Where this paragraph applies, the Scheme manager must—

- (a) have regard to the advice of the Scheme actuary where the remediable value is a remediable transfer value under paragraphs 38 or 45, together with any payment accepted under paragraph 38(3);
- (b) vary the value of those rights so that they are of an equivalent value to rights M would have secured under the reformed scheme if the remediable value had been transferred into that Scheme in the same relevant pension year that the remediable value was accepted.

(6) In this Chapter, "relevant pension year" has the meaning given by direction 5(16)(c)(i) of the PSP Directions 2022.

#### **Benefits already paid in relation to transferred in remediable rights**

**47.**—(1) Sub-paragraph (2) applies in relation to any benefits ("the paid benefits") that the reformed scheme has at any time paid to a person ("P") so far as—

- (a) they are calculated by reference to a remediable value, and
- (b) they are benefits that, as a result of paragraphs 45(2)(a), P was not entitled to receive from the reformed scheme.

(2) The paid benefits are to be treated for all purposes—

- (a) as not having been paid to P by the reformed scheme, but
- (b) as having been paid to P instead by this Scheme.

#### **Pension benefits and lump sum benefits in relation to a remediable value**

**48.**—(1) This paragraph applies in relation to any benefits that have been paid in relation to a remediable value accepted in relation to an immediate choice member ("M").

(2) Where, at the operative time—

- (a) the aggregate of benefits that (after taking into account the effect, if any, of paragraph 47) have been paid under the legacy scheme to any person ("the beneficiary") in respect of the remediable value, exceeds
- (b) the aggregate of the benefits to which (after taking into account the effect, if any, of paragraphs 45 and 46 in relation to the rights) the beneficiary is entitled under the Scheme in respect of the remediable value,

the beneficiary must pay an amount equal to the difference to the Scheme.

(3) Where, at the operative time—

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(a) the amount mentioned in sub-paragraph (2)(a), is less than  
(b) the amount mention in sub-paragraph (2)(b),  
the Scheme manager must pay an amount equal to the difference to the beneficiary.

- (4) In this paragraph, “the operative time” means—
- (a) if an immediate choice decision is made in relation to M’s remediable service, the time that the decision is made;
  - (b) otherwise, the end of the section 6 election period in relation to M.

## Part 6

### Provision about special cases

#### Chapter 1

##### Child pensions in payment

#### **Protection of the amount of pension payable to an eligible child**

- 49.**—(1) This paragraph applies where—
- (a) a child pension is in payment to an eligible child (“E”) in respect of the remediable service of a deceased member (“M”),
  - (b) the eligible decision-maker specified in Part 8 makes an immediate choice decision or a deferred choice decision which would (disregarding this paragraph) result in a decrease in the rate of child pension payable to E in respect of M’s remediable service,
  - (c) the eligible decision-maker does not live in the same household as E.
- (2) Where this paragraph applies—
- (a) E does not owe the Scheme manager a liability under section 14(3) of PSPJOA 2022 in respect of the child pension, and
  - (b) the rate of child pension continues to be the rate that was payable before the decision was made.
- (3) For the purposes of this paragraph, a child’s pension means—
- (a) a pension under rule D.10 of Schedule 1;
  - (b) a pension under regulation 72 of the AFP Regulations 2014.

#### Chapter 2

##### Ill-health retirement

#### **Full Protection Member: determining entitlement to ill-health pension under the reformed scheme**

- 50.**—(1) This paragraph applies in relation to an immediate choice member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022 was—
- (a) a full protection member of the NRPS 2011 Scheme within the meaning of Part 2 of Schedule 3, and
  - (b) medically discharged with an entitlement to an ill-health pension under rule C.6 of Schedule 1.



(2) The Scheme manager must, as soon as reasonably practicable, determine whether M would have met the criteria for an ill-health pension under regulations 51 or 52 of the AFP Regulations 2014 at the time M was discharged (“the IHP decision”).

(3) No remediable service statement may be provided to or in respect of M’s remediable service until such time as the IHP decision has been made.

(4) Where a remediable service statement has been provided under paragraph 5(2)(a) before the IHP decision has been finally determined, the section 6 election period may be extended until such time after the IHP decision is finally determined as the Scheme manager considers reasonable in all the circumstances.

(5) The IHP decision is finally determined when any route to appeal such determinations has been exhausted (including where no application for appeal or review has been received by the Scheme manager by the end of the section 6 election period).

### **Early payment of preserved pension in case of ill-health**

**51.**—(1) This paragraph applies to a remedy member (“M”) who, during the period beginning on 1st April 2015 and ending on 31st March 2022—

- (a) was in remediable service under the NRPS 2011, and
- (b) became entitled to a pension under rule C.7 of Schedule 1 or paragraph 14 of Schedule 3, in respect of that remediable service.

(2) The Scheme manager must, as soon as reasonably practicable after 1st October 2023, determine whether M would have met the criteria for an ill-health pension (“the IHP decision”)—

- (a) under regulation 56 of the AFP Regulations 2014 at the time M became entitled to the pension under rule C.7, or
- (b) under rule C.7 of Schedule 1 at the time M became entitled to the pension under paragraph 14 of Schedule 3.

(3) No remediable service statement may be provided to or in respect of M’s remediable service until such time as the IHP decision has been made.

(4) Where a remediable service statement has been provided under paragraph 5(2)(a) before the IHP decision has been finally determined, the section 6 election period may be extended until such time after the IHP decision is finally determined as the Scheme manager considers reasonable in all the circumstances.

(5) The IHP decision is finally determined when any route to appeal such determinations has been exhausted (including where no application for appeal or review has been received by the Scheme manager by the end of the section 6 election period).

## **Chapter 3**

### **Application of Schedule 3 (Transitional Provision)**

#### **Application of Chapter 3**

**52.** This Chapter applies where a section 6 election under paragraph 9(1)(a) or a section 10 election under paragraph 13(1)(a) is made in relation to a remedy member’s (“M”) remediable service.

#### **Calculation of Benefits for remediable service: election for new Scheme benefits**

**53.**—(1) For the purposes of calculating the benefits due to, or in respect of, M in relation to their remediable service, M is treated as though they were a transition member with continuity of service within the meaning of paragraph 2 of Schedule 3.

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(2) For these purposes—

- (a) M's transition date is taken to be 1st April 2015;
- (b) the date on which M joined the AFPS 2015 is taken to be 1st April 2015;
- (c) references to M's pensionable service in the AFPS 2015 include M's period of remediable service in the NRPS 2011;
- (d) references to M's reckonable service in the NRPS 2011 mean M's reckonable service up to the end of 31st March 2015;
- (e) where M died before 1st April 2022, references in Part 4 of Schedule 2 to M dying as a member of the AFPS 2015 include a case where M died as a member of the NRPS 2011 (whether or not by virtue of section 2(1) of PSPJOA 2022).

## Chapter 4

### Nomination

#### *Death Lump Sum Nomination*

54. Where—

- (a) M had made a nomination in relation to remediable service in the AFPS 2015 under regulation 84 of the AFP Regulations 2014,
- (b) that nomination would be valid if M was a member of the AFPS 2015, and
- (c) an immediate choice decision under paragraph 9(1)(a) or a deferred choice decision under paragraph 13(1)(a) is made in relation to M's remediable service,

the nomination has effect in relation to benefits payable in relation to M's remediable service.

## Chapter 5

### Scheme Pays

#### *Payment of annual allowance tax charge and provision of information*

55. Where a remedy member is unable to give an effective notice to the Scheme manager under section 237B(3) of FA 2004 in relation to an in-scope tax year (within the meaning of direction 7(7) of the PSP Directions 2022) because the time limit in section 237BA(2) has passed, direction 7(2) to (6) of the PSP Directions 2022 applies in relation to the remedy member.

## Part 7

### Liabilities and payment

#### Chapter 1

#### Application of Part 7

#### *Application of Chapters 1, 2 and 3*

56. Chapters 1, 2 and 3 apply in relation to a relevant amount owed in respect of the remediable service of a remedy member.

## Chapter 2

### Interest, compensation and netting off

#### Interest

**57.**—(1) The Scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the Scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

#### Indirect compensation

**58.**—(1) This paragraph applies where pursuant to an application under paragraph 59, the Scheme manager determines that an immediate choice member (“M”) has incurred a compensatable loss that is a Part 4 tax loss (a “relevant loss”).

(2) M is not to be paid an amount under section 23 of PSPJOA 2022 by way of compensation in respect of the relevant loss.

(3) Instead, the amount of benefit payable under the Scheme is to be increased to reflect the amount of the relevant loss in such manner as determined by the Scheme manager in accordance with direction 10(2) to (4) of the PSP Directions 2022.

#### Applications for compensation or indirect compensation

**59.**—(1) This paragraph applies in relation to—

- (a) the payment of a relevant amount by way of compensation under section 23(1) of PSPJOA 2022;
- (b) the increase of benefits by way of indirect compensation under paragraph 58.

(2) The relevant amount is not payable, or (as the case may be) the benefits are not to be increased, except where—

- (a) an application is made in accordance with direction 18(1) and (2) of the PSP Directions 2022,
- (b) the application is accompanied by such information that the Scheme manager may by written notice require the person making the application (“P”) to provide in relation to the proposed compensation which is—
  - (i) information within P’s possession, or
  - (ii) information which P may reasonably be expected to obtain, and
- (c) the Scheme manager makes a determination in accordance with direction 18(3) of those Directions.

(3) The following apply in relation to a determination under direction 18(3) of the PSP Directions 2022—

- (a) direction 18(4) (provision of explanation);

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- (b) direction 18(5) and (6) (appeals).

### **Netting off**

**60.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and
- (b) the Scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 57.

(2) The Scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the Scheme to P.

(3) For the purposes of this paragraph, any amounts owed by P under the rules of a relevant injury and compensation Scheme are treated as a relevant amount owed by P to this Scheme, where those amounts arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

## Chapter 3

### Reduction and waiver of liabilities

#### **Power to reduce or waive amounts owed by a person to the Scheme manager**

**61.**—(1) The Scheme manager may reduce or waive an amount owed by a person to the Scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the Scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of the PSP Directions 2022 (and the reference in direction 4(1)(c) to “any Scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 63).

## Chapter 4

### Payment of net liabilities

#### **Application of Chapter 4**

**62.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 57 to 61 (a “net liability”).

#### **Payment of amounts owed to the Scheme manager**

**63.**—(1) This paragraph applies where a person (“P”) owes a net liability to the Scheme manager.

(2) The Scheme manager must send notice in writing to P setting out—

- (a) how the net liability has been calculated,

- (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 61,
  - (c) when and how the net liability must be paid, and
  - (d) the consequences of not paying the net liability.
- (3) Where—
- (a) the Scheme manager has sent a notice under sub-paragraph (2), and
  - (b) the amount of the net liability is subsequently adjusted,
- the Scheme manager must send another notice in writing to P under sub-paragraph (2).
- (4) P must pay the amount of the net liability to the Scheme manager—
- (a) before the end of the period of six months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the Scheme manager may agree that the net liability is to be paid in part or in full—
- (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the Scheme manager may agree to vary an agreement under sub-paragraph (5).
- (7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the Scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the Scheme manager for the purpose of discharging P's liability.

#### **Payment of amounts owed to a person**

- 64.**—(1) This paragraph applies where the Scheme manager owes a net liability to a person (“P”).
- (2) The Scheme manager must pay the amount of the net liability to P—
- (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
  - (b) where the Scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.
- (3) Before paying the amount of a net liability owed to P, the Scheme manager may, by written notice given as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, require P to provide information in relation to the payment of the net liability which is—
- (a) information within P's possession, or
  - (b) information which P may reasonably be expected to obtain.

## **Part 8**

### **Eligible decision-makers for deceased members**

#### **Application and Interpretation of this Part**

- 65.**—(1) This Part applies where a remedy member (“M”) has died and an eligible decision-maker is required to make a decision or election under this Schedule.

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(2) In this Part—

“adult” means—

- (a) in England and Wales, and Northern Ireland, a person over the age of 18;
- (b) in Scotland, a person over the age of 16;

“beneficiary” means a person who has become entitled to receive any death benefit;

“child”, except in the term “eligible child”, means—

- (a) in England and Wales, and Northern Ireland, a person under the age of 18;
- (b) in Scotland, a person under the age of 16;

“death benefit” means a benefit payable under Part E of Schedule 1 or Part 6 of the AFP Regulations 2014 in relation to the death of a member;

“guardian” means a person with parental responsibility for a child, and where there is more than one person with parental responsibility for a child, the person with whom the child usually resides;

“personal representative” means the person or persons named in the—

- (a) Grant of Probate, or
- (b) Grant of Letters of Administration, or
- (c) Confirmation

issued in respect of M’s estate;

“surviving adult” means—

- (a) a surviving spouse;
- (b) a surviving civil partner;
- (c) a person eligible for a pension under rule D3(7) of Schedule 1;
- (d) a surviving adult dependant within the meaning of regulation 67 of the AFP Regulations 2014.

(3) In this Part, a reference to—

- (a) a beneficiary is a reference to a beneficiary of death benefits in relation to M’s remediable service;
- (b) an eligible child is a reference to an eligible child of M;
- (c) a surviving adult is a reference to a surviving adult in relation to M.

**Sole beneficiary: an adult**

**66.** Where a person is—

- (a) the sole beneficiary, and
- (b) an adult,

the eligible decision-maker is that person.

**Sole beneficiary: a child**

**67.** Where a person (“C”) is—

- (a) the sole beneficiary, and
- (b) a child,

the eligible decision-maker is C’s guardian.

**Sole beneficiary: M's estate**

68. Where M's estate is the sole beneficiary, the eligible decision-maker is—
- (a) M's personal representative;
  - (b) where M has no personal representative, the Scheme manager.

**Sole beneficiary: a body**

69. Where a body (corporate or unincorporate) is the sole beneficiary, the eligible decision-maker is—
- (a) M's personal representative, or
  - (b) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: including a surviving adult**

70. Where—
- (a) two or more adults are the only beneficiaries, and
  - (b) one of those adults is a surviving adult ("A"),
- the eligible decision-maker is A.

**Multiple beneficiaries: including adult eligible children**

- 71.—(1) Where—
- (a) two or more adults are the only beneficiaries,
  - (b) none of those adults is a surviving adult, and
  - (c) two or more of those adults are eligible children,
- the eligible decision-maker is determined in accordance with sub-paragraph (2).
- (2) The eligible decision-maker is—
- (a) the person agreed upon by the adult eligible children, or
  - (b) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager.

**Multiple beneficiaries: nominated individuals only**

- 72.—(1) Where—
- (a) two or more adults (the "nominated adults") are beneficiaries of a lump sum death benefit, and
  - (b) none of the following are beneficiaries—
    - (i) a surviving adult, or
    - (ii) an eligible child (whether or not an adult),
- the eligible decision-maker is determined in accordance with sub-paragraph (2).
- (2) The eligible decision-maker is—
- (a) M's personal representative;
  - (b) where M has no personal representative, the person agreed upon by the nominated adults;
  - (c) where—

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- (i) M has no personal representative, and
  - (ii) no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager,
- the Scheme manager.

**Multiple beneficiaries: non-adult eligible children**

73. Where the only beneficiaries are children, two or more of whom are eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the eligible children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: nominated children only**

74. Where the only beneficiaries of lump sum death benefits are two or more children who are not eligible children, the eligible decision-maker is—

- (a) where one person has parental responsibility for all the children, that person;
- (b) otherwise—
  - (i) M’s personal representative, or
  - (ii) where M has no personal representative, the Scheme manager.

**Multiple beneficiaries: one or more adults and one or more children**

75.—(1) Where the beneficiaries include one or more adults and one or more children—

- (a) M’s personal representative is the eligible decision-maker;
- (b) where M has no personal representative, and—
  - (i) one of the beneficiaries is a surviving adult, that surviving adult is the eligible decision-maker;
  - (ii) none of the beneficiaries is a surviving adult and—
    - (aa) one or more of the beneficiaries is an eligible child, or
    - (bb) none of the beneficiaries is a surviving adult or an eligible child,the eligible decision-maker is determined in accordance with sub-paragraph (2).

(2) Where sub-paragraph (1)(b)(ii) applies, and—

- (a) all relevant children are under 18 and—
  - (i) have, or had, the same guardian, the eligible decision-maker is that guardian;
  - (ii) do not, or did not, have the same guardian, the eligible decision-maker is the Scheme manager;
- (b) all relevant children are 18 or over, the eligible decision-maker is—
  - (i) the person agreed upon by those relevant children, or
  - (ii) the Scheme manager, where no decision about whether to make an election has been received by the Scheme manager by the day by which an election must, in accordance with this Schedule, be received by the Scheme manager;



- (c) one or more relevant children are under 18 and one or more of the relevant children are 18 or over, the eligible decision-maker is the person agreed upon by—
  - (i) the relevant children who are 18 or over, and
  - (ii) the guardian (or guardians) of the relevant children who are under 18.
- (3) In sub-paragraph (2), a relevant child is—
  - (a) where sub-paragraph (1)(b)(ii)(aa) applies, an eligible child;
  - (b) where sub-paragraph (1)(b)(ii)(bb) applies, a person who—
    - (i) has never married or formed a civil partnership, and
    - (ii) meets any of conditions A, B or C as set out in regulation 73 of the AFP Regulations 2014.

#### **Other cases**

76. In any case not covered by paragraphs 66 to 75, the eligible decision-maker is the Scheme manager.”

Schedule 7

Regulation 35

Remediable Service for the Armed Forces Pension Scheme 2015

“Schedule

Regulation 2(2)

Remediable Service

## **Part 1**

### **Introductory Provisions**

#### **Interpretation**

##### **1. In this Schedule—**

“AFPS 1975” means the occupational pension scheme arrangements known as the Armed Forces Pension Scheme 1975 and set out in—

- (a) the Naval and Marine Pensions (Armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Order 2010,
- (b) the Army Pensions (Armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Warrant 2010, and
- (c) the Air Force (Armed Forces Pension Scheme 1975 and Attributable Benefits Scheme) Order 2010 (“the AFPS 1975 instruments”);

“AFPS 2005” means the occupational pension scheme established by the Armed Forces Pension Scheme Order 2005;

“AFRS 2020” means the Armed Forces Redundancy Scheme 2020 established by the Armed Forces Redundancy Scheme Order 2020;

“EDP 2005” means the occupational pension scheme established by the Armed Forces Early Departure Payments Order 2005;

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“EDP 2015” means the arrangements established by the Armed Forces Early Departure Payments Regulations 2014;

“FTRS 1997” means the occupational pension scheme established by the Reserve Forces (Full-Time Reserve Service Pension Scheme 1997) Regulations 2010;

“NRPS 2011” means the occupational pension scheme established by the Reserve Forces Non Regular Permanent Staff (Pension and Attributable Benefits Schemes) Regulations 2011;

“PSP Directions 2022” means the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022;

“PSPJOA 2022” means the Public Service Pensions and Judicial Offices Act 2022;

“RFPS 2005” means the occupational pension scheme established by the Reserve Forces Pension Scheme Regulations 2005;

“armed forces pension scheme” means any Chapter 1 scheme under which service in the regular forces or the reserve forces is pensionable;

“Chapter 1 scheme” has the meaning given in section 33(1) of PSPJOA 2022;

“member” means an active, deferred, deceased or pensioner member of a pension scheme;

“relevant amount” has the meaning given in section 26(3) of PSPJOA 2022;

“remediable service”, in relation to a remedy member, means the member’s remediable service in an employment or office that is pensionable service under a Chapter 1 scheme for the armed forces and the reserve forces (whether or not by virtue of section 2(1) of PSPJOA 2022);

“remedy member” means a member with remediable service;

“section 6 election” means an election made in accordance with regulations made under section 6(1) of PSPJOA 2022 in relation to an armed forces pension scheme;

“section 10 election” means an election made in accordance with regulations made under section 10(1) of PSPJOA 2022 in relation to an armed forces pension scheme.

2.—(1) For the purposes of this Schedule, a reference in PSPJOA 2022 to section 2(1) of that Act coming into force is to be understood as a reference to that section coming into force in relation to the armed forces pension schemes.

(2) A term used in this Schedule which—

(a) is defined in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022, and

(b) is not defined differently in this Schedule,

has the meaning given in, or for the purposes of, that provision.

(3) A term used in this Schedule which—

(a) is defined in this scheme or an armed forces pension scheme (“the relevant schemes”), and

(b) is not defined differently—

(i) in this Schedule, or

(ii) in, or for the purposes of, a provision in Chapter 1 of Part 1 of PSPJOA 2022,

has, in relation to the relevant schemes, the meaning given in those schemes.

(4) In this Schedule, a reference to a provision of the PSP Directions 2022 is a reference to that provision as amended from time to time.

3. For the purposes of this scheme, section 14 of PSPJOA 2022 applies as if—
  - (a) in section 14(2) the words “immediately before the coming into force of section 2(1)” were omitted;
  - (b) in section 14(7)(b) the words “or section 10” were inserted after “section 6”.

## Part 2

### Added Pension

#### Chapter 1

#### Added Pension

##### **Extinguishing rights to added pension**

4.—(1) This paragraph applies in relation to a remediable added pension payment made by a remedy member (“M”).

(2) The scheme manager must, as soon as reasonably practicable after 1st October 2023, and having regard to the advice of the scheme actuary, determine the “compensatable amount”, being an amount by way of compensation which is equal to—

- (a) the aggregate of all of M’s remediable added pension payments, less
- (b) an amount in respect of the value of tax relief in accordance with directions 5(5) to (9) of the PSP Directions 2022.

(3) The scheme manager owes the compensatable amount to M or, where M is deceased, to M’s personal representatives.

(4) The rights to benefits under the scheme that would otherwise have been secured by the remediable added pension payment are extinguished.

(5) Where a person has received any pension benefits under this scheme by virtue of rights secured by a remediable added pension payment, that person owes to the scheme manager an amount equal to the aggregate of all such pension benefits.

(6) Where a determination is made in accordance with direction 5(8) of the PSP Directions 2022, the following apply—

- (a) direction 5(10) (provision of explanation);
- (b) directions 5(11) and (12) (appeals).

(7) In this regulation, “remediable added pension payment” means a periodical payment or lump sum payment for added pension made under an arrangement pursuant to Chapter 1 of Part 7 of this scheme (contributions to purchase added pension) which commenced during the period of M’s remediable service.

##### **Member’s option to make additional lump sum contribution for added pension**

5.—(1) This paragraph applies where a remedy member (“M”) is an active member of this scheme who, before 31st March 2025—

- (a) is entitled to receive a compensatable amount under paragraph 4, and
- (b) has exercised an option to purchase added pension under Chapter 1 of Part 7 in a relevant scheme year.

(2) M may opt to make a second lump sum contribution under regulation 92 to increase—

- (a) the benefits payable to the member under Part 5 (retirement benefits) of this scheme;

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- (b) the benefits payable under Part 5 and Part 6 (death benefits).
- (3) Where M exercises an option under this paragraph, the restrictions in regulations 91(9) and 92(4) are disregarded.
- (4) The option under this paragraph may not be exercised after 31st March 2025.
- (5) In this paragraph, a relevant scheme year is—
  - (a) the scheme year beginning with 1st April 2023;
  - (b) the scheme year beginning with 1st April 2024.

## Chapter 2

### Secondment to NATO or the UN etc

#### **Secondment to NATO, UN etc**

- 6.—(1) This Chapter applies to a remedy member (“M”) who—
- (a) has remediable service in the AFPS 1975, the AFPS 2005 or the RFPS 2005 (whether or not by virtue of section 2(1) of PSPJOA 2022),
  - (b) has exercised an option under rule C.3 of the AFPS 1975, rule C.6 of the AFPS 2005, or rule C.9 of the RFPS 2005, and regulation 97 of this instrument, where—
    - (i) the options were exercised on or before 30th September 2023,
    - (ii) a lump sum has been paid by M in accordance with the relevant scheme rules, and
    - (iii) any contribution required by the relevant rules, calculated as at the date the option was exercised, has been paid.
- (2) The lump sum, and any contribution, referred to in paragraph (1)(b)—
- (a) is not, and is treated as never having been paid to this scheme, and
  - (b) is treated as being, and as always having been, paid to the relevant legacy scheme.
- (3) The earned pension benefits in relation to remediable service in this scheme which were preserved by the arrangement under regulation 97 are extinguished.

## Part 3

### Provision about divorce and dissolution arrangements

#### Chapter 1

##### Pension Credit and Debit members

##### *Section 1*

##### *Application and Interpretation of Chapter 1*

#### **Application and Interpretation**

- 7.—(1) This Chapter applies in relation to—
- (a) a pension credit member (“C”),
  - (b) the corresponding pension debit member (“D”), and
  - (c) the pension sharing order by virtue of which C became a pension credit member in relation to D’s remediable service (the “relevant pension sharing order”).

(2) In this Chapter—

“appropriate amount” means the amount calculated for the purposes of section 29(1) of WRPA 1999;

“cash equivalent” means an amount calculated in accordance with regulations made under section 30 of WRPA 1999;

“pension credit account” means a pension credit member account in this scheme or a relevant legacy pension scheme;

“pension credit member” means a member of this scheme who has rights under the scheme—

- (a) which are attributable (directly or indirectly) to a pension credit,
- (b) which arise by virtue of a pension sharing order with a transfer day on or after 1st April 2015, and
- (c) the value of which is determined (to any extent) by reference to the value of benefits payable in respect of the remediable service of another member;

“pension debit member” means a member of this scheme with remediable service (whether or not by virtue of section 2(1) of PSPJOA 2022) whose benefits, or future benefits, under the AFPS 2015 fall to be reduced under section 31 of WRPA 1999 (reduction of benefit);

“pension information” means information provided by the scheme manager under regulations 2, 3 or 4 of the Pensions on Divorce etc. (Provision of Information) Regulations 2000;

“pension sharing order” means the order or provision by virtue of which section 29 of WRPA 1999 applies in relation to a pension credit member and the corresponding pension debit member;

“relevant legacy pension scheme” means the AFPS 1975, the AFPS 2005, the RFPS 2005, the FTRS 1997 and the NRPS 2011 pension schemes;

“remediable relevant benefits” means the benefits or future benefits described in section 29(4) and (5) of WRPA 1999 to which D is entitled by virtue of remediable shareable rights;

“remediable shareable rights” means D’s shareable rights secured by virtue of D’s remediable service during the period beginning on 1st April 2015 and ending on the earlier of—

- (a) the day before the transfer day, or
- (b) the last day of D’s remediable service;

“shareable rights” has the meaning in section 27(2) of WRPA 1999;

“transfer day” means the day on which the relevant pension sharing order takes effect;

“valuation day” has the meaning given in section 29(7) of WRPA 1999.

(3) In this Chapter, where the scheme manager is required to determine an amount, this must be done—

- (a) as soon as reasonably practicable;
- (b) having regard to the advice of the scheme actuary.

(4) In this Chapter, a reference to benefits secured in “this scheme” or the “reformed scheme”, means benefits secured under the rules of this scheme, disregarding the provisions of this Schedule.

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## Section 2

### *Pension sharing orders: information provided before 1st October 2023*

#### **Application and Interpretation of Section 2**

**8.**—(1) This Section applies where the most recent pension information in respect of a member’s remediable service was provided by the scheme manager before 1st October 2023.

(2) In this Section—

“legacy remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits determined as if those remediable relevant benefits had been secured in the relevant legacy scheme immediately before the transfer day;

“reformed remediable appropriate amount” means the appropriate amount in relation to D’s remediable relevant benefits determined as if those remediable relevant benefits had been secured in this scheme immediately before the transfer day;

“relevant request” means a request under—

- (a) paragraph 23 of Schedule 4 (Remediable Service) to the AFPS 1975 instruments;
- (b) paragraph 26 of Schedule 3 (Remediable Service) to the Armed Forces Pension Scheme Order 2005;
- (c) paragraph 23 of Schedule 3 (Remediable Service) to the Reserve Forces Pension Scheme Regulations 2005;
- (d) paragraph 24 of Schedule 3 (Remediable Service) to the Reserve Forces (Full-Time Reserve Service Pension Scheme 1997) Regulations 2010;
- (e) paragraph 24 of Schedule 4 (Remediable Service) to the Reserve Forces Non Regular Permanent Staff (Pension and Attributable Benefits Schemes) Regulations 2011.

#### **Information before 1st October 2023: legacy scheme adjustment**

**9.**—(1) This paragraph applies where, in relation to a relevant pension sharing order—

- (a) C has a pension credit account in this scheme and in a relevant legacy pension scheme, and
- (b) C has made a relevant request under the rules of the relevant legacy pension scheme.

(2) Where C makes a relevant request, the scheme manager must accept an amount in respect of D’s remediable relevant benefits (a “remediable credit adjustment”) from the scheme manager of the relevant legacy pension scheme and credit this to C’s pension credit account in this scheme.

(3) An adjustment under sub-paragraph (2) takes effect as if it had been made on the transfer day.

(4) The scheme manager must, as soon as reasonably practicable, send a notice in writing to C, specifying—

- (a) the amount of the remediable credit adjustment received;
- (b) details of the benefits credited to C’s pension credit account.

#### **Information before 1st October 2023: AFPS 2015 only, transfer day before 1st October 2023**

**10.**—(1) This paragraph applies, in relation to a relevant pension sharing order—

- (a) where the transfer day was on or before 30th September 2023,
- (b) whether or not the valuation day has occurred before 30th September 2023, and

- (c) where C does not have a pension credit account in the relevant legacy pension scheme.
- (2) The scheme manager must determine—
  - (a) the initial appropriate amount;
  - (b) the remediable appropriate amount.
- (3) The “initial appropriate amount” is the appropriate amount determined on the valuation day for the purposes of section 29(2) or (3) of WRPA 1999 in relation to D’s remediable shareable rights in this scheme immediately before the transfer day.
- (4) The remediable appropriate amount is the greater of the following amounts—
  - (a) the initial appropriate amount;
  - (b) the legacy remediable appropriate amount.
- (5) Where the remediable appropriate amount is greater than the initial appropriate amount, C’s pension credit account is subject to an adjustment (a “remediable credit adjustment”) equal to the difference.
- (6) The scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—
  - (a) the initial appropriate amount;
  - (b) the legacy remediable appropriate amount;
  - (c) any remediable credit adjustment.
- (7) In determining the legacy remediable appropriate amount for the purposes of subparagraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this scheme.
- (8) Where the relevant pension sharing order specifies an amount to be transferred, the scheme manager must—
  - (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this scheme immediately before the transfer day;
  - (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in the relevant legacy scheme immediately before the transfer day.

**Information provided before 1st October 2023: AFPS 2015 only, transfer day after 1st October 2023**

- 11.**—(1) This paragraph applies where, in relation to a relevant pension sharing order—
- (a) the transfer day is on or after 1st October 2023, and
  - (b) C does not have a pension credit account in the relevant legacy pension scheme.
- (2) The scheme manager must determine the appropriate amount under section 29(1)(b) of WRPA 1999 in relation to D’s remediable relevant benefits—
- (a) as if those remediable relevant benefits had been secured in this scheme immediately before the transfer day (“reformed remediable appropriate amount”);
  - (b) as if those remediable relevant benefits had been secured in the relevant legacy pension scheme immediately before the transfer day (“legacy remediable appropriate amount”).
- (3) The appropriate amount in relation to D’s remediable relevant benefits (“the remediable appropriate amount”) is the greater of the legacy remediable appropriate amount or the reformed remediable appropriate amount.

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(4) The scheme manager must, as soon as reasonably practicable, provide C with a statement setting out—

- (a) the legacy remediable appropriate amount;
- (b) the reformed remediable appropriate amount.

(5) In determining the legacy remediable appropriate amount for the purposes of sub-paragraph (4), the percentage value for the purposes of section 29(2) WRPA 1999 is the percentage specified in the relevant pension sharing order in relation to this scheme.

(6) Where the relevant pension sharing order specifies an amount to be transferred, the scheme manager must—

- (a) calculate the percentage (the “implied percentage”) that the amount to be transferred represented of the cash equivalent, on the valuation day, of all D’s shareable rights under this scheme immediately before the transfer day;
- (b) determine the legacy remediable appropriate amount for the purposes of section 29(3) of WRPA 1999 by applying the implied percentage to the cash equivalent of the remediable relevant benefits on the valuation day as if they had been secured in the relevant legacy scheme immediately before the transfer day.

#### **Information provided before 1st October 2023: applying a remediable credit adjustment**

**12.**—(1) This paragraph applies where C’s pension credit account is subject to a remediable credit adjustment.

(2) The scheme manager must adjust C’s pension credit account in this scheme by an amount equal to the remediable credit adjustment.

(3) An adjustment made under sub-paragraph (2) has effect as if it had been made on the transfer day.

(4) Section 14(3) to (6) of PSPJOA 2022 applies in relation to C as it applies in relation to a member described in section 14(1) as if—

- (a) a reference to D’s remediable service in an employment or office were a reference to C’s pension credit;
- (b) a reference to the effect, if any, of sections 2(1) and 6(4) were a reference to the effect, if any, of this paragraph;
- (c) the term “operative time” means the time at which the adjustment mentioned in sub-paragraph (2) is made (disregarding sub-paragraph (3)).

## **Part 4**

### **Transfers**

#### **Chapter 1**

##### **General**

#### **Application and Interpretation**

**13.**—(1) In this Part—

“receiving scheme”, in relation to a remediable value, means the scheme to which the remediable value was, or is to be, paid;



“reformed public service pension scheme” means—

- (a) a Chapter 1 scheme within the meaning of section 33 of PSPJOA 2022;
- (b) a judicial scheme within the meaning of section 70(1) of PSPJOA 2022;
- (c) a local government scheme within the meaning of section 86(1) of PSPJOA 2022;

“relevant legacy pension scheme” means, in relation to a remediable transfer value, the armed forces pension scheme under which M’s remediable service is pensionable by virtue of section 2(1) of PSPJOA 2022;

“remediable benefits” means the benefits payable to or in respect of a remedy member in relation to that member’s remediable service;

“remediable club transfer value”, in relation to a member, means the payment or acceptance by the scheme manager of a transfer value under Part 8 of the scheme in accordance with the club transfer arrangements, in so far as the transfer value relates to the member’s remediable rights;

“remediable rights”, in relation to a member, means the member’s rights to benefits under a reformed public service pension Scheme secured by virtue of the member’s remediable service;

“remediable transfer value”, in relation to a member, means the payment or acceptance by the scheme manager of a transfer value payment under Part 8 during the period 1st April 2015 to 31st March 2022, other than a remediable club transfer value;

“remediable value” means a remediable club transfer value or a remediable transfer value;

“sending scheme”, in relation to a remediable value, means the scheme which paid, or is to pay, the remediable value.

(2) Where a provision of this Part requires the scheme manager to calculate a club transfer value or a transfer value (including a remediable club transfer value or a remediable transfer value) in relation to rights secured in a pension scheme, that value is to be calculated in accordance with—

- (a) the provisions of the pension scheme which apply to the calculation of values of that type, and
- (b) the guidance and tables for the purpose of calculating such values that were, or are, in use on the date used for the original calculation.

(3) For the purposes of this Part, any rule or condition in Part 8 of the scheme or the club transfer arrangements relating to the time within which a transfer value payment must be made or accepted that would otherwise prevent any payments being made or accepted under this Part, that rule or condition is treated as complied with or met.

## Chapter 2

### Transfers on a cash equivalent basis

#### **Transfers out before 1st October 2023**

**14.—(1)** This paragraph applies in relation to a member (“M”) in respect of whom the scheme manager paid a remediable transfer value before 1st October 2023.

(2) The remediable transfer value payment—

- (a) is not, and is treated as never having been, paid by this scheme, and
- (b) is treated as being, and as always having been, paid by the relevant legacy pension scheme.

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(3) The scheme manager must notify the scheme manager of the relevant legacy scheme of the remediable transfer value paid before 1st October 2023.

#### **Transfers in before 1st April 2022**

**15.**—(1) This paragraph applies in relation to each remediable transfer value in respect of a remedy member (“M”) which was accepted by the scheme manager before 1st April 2022.

(2) The remediable transfer value—

- (a) is not, and is treated as never having been, accepted into this scheme, and
- (b) is treated as being, and as always having been, accepted into the relevant legacy pension scheme.

(3) M’s pension account under Part 4 of this scheme is adjusted accordingly.

(4) The scheme manager must, as soon as reasonably practicable, provide M with a statement setting out—

- (a) the remediable transfer value treated as having been paid to M’s relevant legacy pension scheme;
- (b) the corresponding adjustment to M’s pension account.

### **Chapter 3**

#### **Transfers on a Club basis**

##### *Section 3*

##### *Club transfers before 1st October 2023*

#### **Club transfers out before 1st October 2023**

**16.**—(1) This paragraph applies in relation to each remedy member (“M”) in respect of whom the scheme manager paid a remediable club transfer value before 1st October 2023.

(2) The remediable club transfer value—

- (a) is not, and is treated as never having been, paid by this scheme, and
- (b) is treated as being, and as always having been, paid by the relevant legacy pension scheme.

#### **Club transfers in before 1st October 2023**

**17.**—(1) This paragraph applies in relation to each remediable club transfer value in respect of a remedy member (“M”) which was accepted by the scheme manager before 1st October 2023.

(2) The remediable club transfer value—

- (a) is not, and is treated as never having been, accepted into this scheme, and
- (b) is treated as being, and as always having been, accepted into the relevant legacy pension scheme.

(3) The rights to benefits in this scheme which would otherwise have been secured by the remediable club transfer value are extinguished.

(4) The scheme manager must, as soon as reasonably practicable, provide M with a statement setting out—

- (a) the remediable club transfer value payments now treated as having been made to M’s relevant legacy pension scheme;

- (b) the corresponding adjustment to M's pension account in this scheme.

#### Chapter 4

#### Variation of the club transfer application period

##### **Variation of the club transfer application period**

**18.** Regulation 107(2) of this scheme applies in relation to—

- (a) a remedy member (“M”) who was not a full protection member of a connected scheme before 1st April 2022, and
- (b) a transfer payment request for a club transfer value payment in respect of such a member,

as if for “the day on which the member becomes an active member of this scheme” there were substituted “1st October 2023”.

### Part 5

#### Pension Accounts

##### **Modification of Pension Accounts**

**19.—**(1) This paragraph applies where—

- (a) a section 6 election or section 10 election is made in respect of a remedy member's (“M”) remediable service in a connected scheme,
- (b) M has pensionable service under this scheme, and
- (c) M's pensionable service and M's remediable service in the connected scheme would be treated as a continuous period of pensionable service if M's remediable service was pensionable under this scheme.

(2) In such a case, for the purpose of calculating the index adjustment, the scheme manager must treat—

- (a) the amount of accrued earned pension under regulation 25(2), and
- (b) the amount of the accrued club transfer earned pension under regulation 25(5),

as though they included any corresponding amounts payable as new scheme benefits by the connected scheme.

### Part 6

#### Liabilities and payment

#### Chapter 1

#### General

##### **Application of Chapters 1, 2 and 3**

**20.** Chapters 1, 2 and 3 apply in relation to a relevant amount owed in respect of the remediable service of a remedy member.

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## Chapter 2

### Interest and netting off

#### Interest

**21.**—(1) The scheme manager must calculate interest on a relevant amount described in direction 15 of the PSP Directions 2022 in accordance with the provisions of directions 14 and 15 which apply to that description of relevant amount.

(2) In relation to a relevant amount not described in direction 15 of the PSP Directions 2022, the scheme manager must determine whether interest is paid and, if so, what rate of interest applies and how it is calculated.

(3) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 16(1) of those Directions—

- (a) direction 16(2) (provision of explanation);
- (b) direction 16(3) and (4) (appeals).

#### Netting off

**22.**—(1) This paragraph applies where—

- (a) relevant amounts owed by and to a person (“P”) fall to be paid at the same time or similar times, and
- (b) the scheme manager has determined the interest (if any) that is to be paid on the relevant amounts in accordance with paragraph 21.

(2) The scheme manager may determine, in accordance with direction 19(2) to (5) of the PSP Directions 2022, that the relevant amounts (and any interest on them) must be aggregated and that the difference must be paid by P to the Scheme or (as the case may be) by the scheme to P.

(3) For the purposes of this paragraph, any amounts owed by P under the rules of a relevant injury and compensation scheme are treated as a relevant amount owed by P to this scheme, where those amounts arose by virtue of the operation of the provisions of Chapter 1 of Part 1 of PSPJOA 2022.

(4) The following provisions of the PSP Directions 2022 apply in relation to a determination under sub-paragraph (2) as if it were a determination under direction 19(1) of those Directions—

- (a) direction 19(6) (provision of explanation);
- (b) direction 19(7) and (8) (appeals).

## Chapter 3

### Reduction and waiver of liabilities

#### Power to reduce or waive amounts owed by a person to the Scheme manager

**23.**—(1) The scheme manager may reduce or waive an amount owed by a person to the scheme under—

- (a) section 14 of PSPJOA 2022, or
- (b) this Schedule.

(2) When reducing or waiving an amount under sub-paragraph (1), the scheme manager must comply with the requirements set out in direction 4(1)(a) to (c) of the PSP Directions 2022 (and the reference in direction 4(1)(c) to “any scheme regulations made by virtue of section 26(1)(b) of PSPJOA 2022” is to be read as a reference to paragraph 25).

## Chapter 4

### Payment of net liabilities

#### **Application of Chapter 4**

**24.** This Chapter applies in respect of a relevant amount (together with any interest on that relevant amount) owed after taking into account the effect, if any, of paragraphs 21 to 23 (a “net liability”).

#### **Payment of amounts owed to the Scheme manager**

**25.—(1)** This paragraph applies where a person (“P”) owes a net liability to the scheme manager.

- (2) The scheme manager must send a notice in writing to P setting out—
- (a) how the net liability has been calculated,
  - (b) an explanation of the circumstances in which the net liability may be reduced or waived under paragraph 23,
  - (c) when and how the net liability must be paid, and
  - (d) the consequences of not paying the net liability.

(3) Where—

- (a) the scheme manager has sent a notice under sub-paragraph (2), and
- (b) the amount of the net liability is subsequently adjusted,

the scheme manager must send another notice in writing to P under sub-paragraph (2).

- (4) P must pay the amount of the net liability to the scheme manager—
- (a) before the end of the period of 6 months beginning with the day after the day on which P receives the most recent notice under sub-paragraph (2), or
  - (b) in accordance with an agreement under sub-paragraph (5).
- (5) P and the scheme manager may agree that the net liability is to be paid in part or in full—
- (a) by way of instalments, or
  - (b) by way of deductions from any benefits (including a lump sum benefit) to which P is entitled under an armed forces pension scheme.
- (6) P and the scheme manager may agree to vary an agreement under sub-paragraph (5).

(7) Where P does not pay any amount that falls due by virtue of sub-paragraph (4)(a) or an agreement under sub-paragraph (5), the scheme manager may deduct such sums from benefits payable to P under an armed forces pension scheme as seem reasonable to the scheme manager for the purpose of discharging P’s liability.

#### **Payment of amounts owed to a person**

**26.—(1)** This paragraph applies where the scheme manager owes a net liability to a person (“P”).

- (2) The scheme manager must pay the amount of the net liability to P—
- (a) as soon as reasonably practicable after the Scheme manager determines the amount of the net liability, or
  - (b) where the scheme manager requires P to provide information in accordance with sub-paragraph (3), as soon as reasonably practicable after receipt of that information.

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(3) Before paying the amount of a net liability owed to P, the scheme manager may, by written notice given as soon as reasonably practicable after the scheme manager determines the amount of the net liability, require P to provide information in relation to the payment of the net liability which is—

- (a) information within P's possession, or
- (b) information which P may reasonably be expected to obtain.”