



# Postal Services Act 2011

## 2011 CHAPTER 5

### PART 2

#### ROYAL MAIL PENSION PLAN

##### *Introduction*

## 16 Introduction

(1) In this Part—

“the RMPP” means the Royal Mail Pension Plan,

“qualifying member of the RMPP” means a person who is or has been a member of the RMPP of a prescribed description,

“the qualifying time” means the time immediately before such date as may be prescribed (which may be before the passing of this Act),

“qualifying accrued rights” means—

- (a) any right which, at the qualifying time, has accrued to or in respect of a qualifying member of the RMPP to future benefits under the RMPP,
- (b) any entitlement under the RMPP to the present payment of a pension or other benefit which a qualifying member of the RMPP has at the qualifying time, or
- (c) any entitlement to benefits, or rights to future benefits, under the RMPP which a person who has survived a qualifying member of the RMPP has at the qualifying time in respect of the member.

(2) For the purposes of the definition of “qualifying accrued rights”—

- (a) references to pensions or other benefits (including future benefits) do not include money purchase benefits but, subject to that, do include benefits attributable to additional voluntary contributions, and
- (b) references to a right include a pension credit right.

(3) In the event that qualifying members of the RMPP include any person (“P”) who is in pensionable service under the RMPP after the qualifying time—

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- (a) the qualifying accrued rights in respect of P, and  
 (b) the amounts payable in respect of those rights,  
 are to be determined for the purposes of this Part on the assumption that P had opted, immediately before the qualifying time, to terminate that service.

**Modifications etc. (not altering text)**

- C1** S. 16 functions made exercisable concurrently (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **2(2)(a)(i)** (with art. 4)

**Commencement Information**

- II** S. 16 in force at 1.10.2011 by [S.I. 2011/2329](#), art. 3

*Powers exercisable*

**17 Transfer of qualifying accrued rights to new public scheme**

- (1) The [<sup>F1</sup>Minister for the Civil Service or the] Secretary of State may by order establish a scheme (a “new public scheme”) which, in respect of pensionable service under the RMPP before the qualifying time, provides for pensions or other benefits to be payable to or in respect of persons who are or have been qualifying members of the RMPP.
- (2) The [<sup>F2</sup>Minister for the Civil Service or the] Secretary of State may by order make provision for the transfer of qualifying accrued rights to a new public scheme (without the need for any approval or consent to the transfer).
- (3) An order under subsection (2) may include provision for the discharge of liabilities in respect of the qualifying accrued rights that are transferred.
- (4) A new public scheme may—
  - (a) include provision for increasing in particular circumstances the amounts payable in respect of qualifying accrued rights,
  - (b) include provision in relation to any persons who are active members of the RMPP which (despite the effect of section 16(3)) differs from the provision made in relation to persons who are deferred members of the RMPP,
  - (c) include provision for the payment of transfer values, and
  - (d) include provision for the transfer of money purchase benefits under the RMPP into the scheme (whether or not the contributions to which those benefits are attributable are made before or after the qualifying time) and the conversion of those benefits into benefits under the scheme.
- (5) An order under this section may include provision for treating a new public scheme as an occupational pension scheme for the purposes of any provision made by or under any enactment specified, or of a description specified, in the order.
- (6) An order under this section may include provision for—
  - (a) treating a new public scheme as a salary-related contracted out scheme for the purposes of Part 3 of the Pension Schemes Act 1993, and
  - (b) applying any provision of that Part with modifications.
- (7) Provision made by an order under this section may have retrospective effect.

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- (8) The [F3Minister for the Civil Service or the] Secretary of State may—
- (a) provide for a new public scheme to be administered by any person, and
  - (b) delegate to any person any functions exercisable by the [F3Minister for the Civil Service or the] Secretary of State under a new public scheme.

#### Textual Amendments

- F1** Words in s. 17(1) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(2)** (with art. 4)
- F2** Words in s. 17(2) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(2)** (with art. 4)
- F3** Words in s. 17(8) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(2)** (with art. 4)

#### Modifications etc. (not altering text)

- C2** S. 17 functions made exercisable concurrently (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **2(2)(a)(ii)** (with art. 4)

#### Commencement Information

- I2** S. 17 in force at 1.10.2011 by [S.I. 2011/2329](#), art. 3

## 18 Division of the RMPP into different sections

- (1) The Secretary of State may by order make provision for—
- (a) the division of the RMPP into different sections,
  - (b) the participation of different companies in the different sections, and
  - (c) the allocation of assets, rights, liabilities or obligations between the different sections.
- (2) Provision made by an order under this section may have retrospective effect.

#### Commencement Information

- I3** S. 18 in force at 1.10.2011 by [S.I. 2011/2329](#), art. 3

## 19 Amendments of the RMPP

- (1) The Secretary of State may by order make such amendments of the RMPP as the Secretary of State considers appropriate in connection with any order made under section 17 or 18.
- (2) The provision that may be made by an order under this section includes provision authorising or requiring the amount of pensions or other benefits payable to or in respect of qualifying members of the RMPP to be determined in particular circumstances by reference to pensionable service under the RMPP before and after the qualifying time.
- (3) Provision made by an order under this section may have retrospective effect.

*Status: Point in time view as at 01/01/2024.*

*Changes to legislation: There are currently no known outstanding effects for the Postal Services Act 2011, Part 2. (See end of Document for details)*

### Commencement Information

**I4** S. 19 in force at 1.10.2011 by S.I. 2011/2329, art. 3

## 20 Protection against adverse treatment

- (1) Subsection (2) applies to <sup>F4</sup>...—
- (a) [<sup>F5</sup>the exercise by the Minister for the Civil Service or the Secretary of State of] the power to make an order under section 17 in a case where the order contains provision establishing a new public scheme or transferring qualifying accrued rights to a new public scheme, and
  - (b) [<sup>F6</sup>the exercise by the Secretary of State of] the power to make an order under section 18 or 19.
- (2) In exercising the power the [<sup>F7</sup>Minister making the order] must ensure that the relevant pensions provision in respect of each person who is or has been a member of the RMPP is, in all material respects, at least as good immediately after the exercise of the power as it is immediately before the exercise of the power.
- (3) “The relevant pensions provision” means the provision for the payment of pensions or other benefits which is contained in the RMPP or in a new public scheme.
- (4) Subsections (1) to (3) do not require provision to be included in a new public scheme if the [<sup>F8</sup>Minister making the order] is of the opinion that the provision would be incompatible with any enactment or [<sup>F9</sup>assimilated] obligation (including any enactment applying as a result of any provision made under this Part).
- (5) Nothing in subsections (1) to (3) is to be read as—
- (a) requiring particular provisions of the RMPP or a new public scheme to take the same or similar form,
  - (b) requiring a new public scheme to be established in a particular way,
  - (c) requiring any power or duty conferred or imposed by the RMPP or a new public scheme to be exercised or performed in a particular way, or
  - (d) affecting any power of any person to amend the RMPP or a new public scheme.
- (6) The power of the [<sup>F10</sup>Minister for the Civil Service or the] Secretary of State to amend a new public scheme may not be exercised in any manner which would or might adversely affect any provision of the scheme made in respect of qualifying accrued rights unless—
- (a) the consent requirements are satisfied in respect of the exercise of the power in that manner, or
  - (b) the scheme is amended in the prescribed manner.
- (7) The consent requirements are those prescribed for the purpose of obtaining the consent of members of the scheme to its amendment.

### Textual Amendments

**F4** Words in s. 20(1) omitted (2.4.2014) by virtue of [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(3)(a)(i)** (with art. 4)

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- F5** Words in s. 20(1)(a) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(3)(a)(ii)** (with art. 4)
- F6** Words in s. 20(1)(b) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(3)(a)(iii)** (with art. 4)
- F7** Words in s. 20(2) substituted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(3)(b)** (with art. 4)
- F8** Words in s. 20(4) substituted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(3)(b)** (with art. 4)
- F9** Word in s. 20(4) substituted (1.1.2024) by [The Retained EU Law \(Revocation and Reform\) Act 2023 \(Consequential Amendment\) Regulations 2023 \(S.I. 2023/1424\)](#), reg. 1(2), **Sch. para. 73(2)**
- F10** Words in s. 20(6) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(3)(c)** (with art. 4)

#### **Modifications etc. (not altering text)**

- C3** S. 20 functions made exercisable concurrently (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **2(2)(a)(iii)** (with art. 4)

#### **Commencement Information**

- I5** S. 20 in force at 1.10.2011 by [S.I. 2011/2329](#), **art. 3**

## **21 Transfer of assets of the RMPP**

- (1) The Secretary of State may by order make provision for the transfer of assets of the RMPP to—
- the [<sup>F11</sup>Minister for the Civil Service or the] Secretary of State,
  - a nominee of the Treasury, or
  - a fund established by the [<sup>F12</sup>Minister for the Civil Service or the] Secretary of State for the purpose of holding the assets pending their disposal.
- (2) An order under this section may be made only if an order under section 17 is being, or has been, made.
- (3) An order under this section may include provision for—
- the delegation to any person of the administration and management of any fund within subsection (1)(c), and
  - the making of payments into the Consolidated Fund.
- (4) This section needs to be read with section 22 (which contains restrictions on the exercise of the power to make a transfer under this section).

#### **Textual Amendments**

- F11** Words in s. 21(1)(a) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(4)** (with art. 4)
- F12** Words in s. 21(1)(c) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(4)** (with art. 4)

#### **Commencement Information**

- I6** S. 21 in force at 1.10.2011 by [S.I. 2011/2329](#), **art. 3**

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*Changes to legislation: There are currently no known outstanding effects for the Postal Services Act 2011, Part 2. (See end of Document for details)*

## 22 Restriction on power to transfer assets

- (1) The power of the Secretary of State to make an order under section 21 (a “transfer order”) must be exercised so as to secure that the ratio of assets to liabilities of the RMPP immediately after the relevant time is at least equal to the ratio of the assets to liabilities of the RMPP immediately before that time.
- (2) “The relevant time” is the time at which the order under section 17 in consequence of which the transfer order is made has effect.
- (3) For the purposes of this section any reference to the assets or liabilities of the RMPP is to their amount or value determined, calculated and verified by a prescribed person and in the prescribed manner.
- (4) In calculating the value of any liabilities for those purposes, a provision of the RMPP that limits the amount of its liabilities by reference to the amount of its assets is to be disregarded.
- (5) For the purposes of this section as it applies in relation to the transfer of assets after the relevant time by virtue of a transfer order—
  - (a) treat the assets as if they had been transferred at the relevant time, but
  - (b) disregard so much of the assets as were transferred to reflect the fact that the assets were not actually transferred at the relevant time.

### Commencement Information

I7 [S. 22](#) in force at 1.10.2011 by [S.I. 2011/2329](#), [art. 3](#)

### *Supplementary provisions*

## 23 Taxation

- (1) The Treasury may by regulations make provision for varying the way in which any relevant tax would, apart from the regulations, have effect in relation to—
  - (a) a new public scheme,
  - (b) members of a new public scheme, or
  - (c) a fund within section 21(1)(c).
- (2) Regulations under subsection (1) may include provision for treating a new public scheme as a registered pension scheme.
- (3) The Treasury may by regulations make provision for varying the way in which any relevant tax would, apart from the regulations, have effect in relation to, or in connection with, anything done in relation to—
  - (a) the RMPP, or
  - (b) any members of the RMPP,
 by or under, or in consequence of, an order made under this Part.
- (4) Regulations under subsection (1) or (3) may include provision for any of the following—
  - (a) a tax provision not to apply or to apply with modifications,

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- (b) anything done to have or not to have a specified consequence for the purposes of a tax provision, and
  - (c) the withdrawal of relief and the charging of a relevant tax.
- (5) Provision made by regulations under subsection (1) or (3), other than provision withdrawing a relief or charging a relevant tax, may have retrospective effect.
- (6) The Treasury may by regulations make provision, in relation to qualifying accounting periods, for extinguishing such losses made in a trade as they consider are attributable to deductions made for, or in connection with, contributions in respect of qualifying members of the RMPP.
- (7) A “qualifying” accounting period is one beginning on or after the date (“the trigger date”) on which an order under section 17 is made establishing a new public scheme or transferring qualifying accrued rights to a new public scheme.
- (8) Regulations under subsection (6) have effect only if the company whose losses are extinguished is wholly owned by the Crown (within the meaning of Part 1) on the day before the trigger date.
- (9) In this section—
- “relevant tax” means—
    - (a) income tax,
    - (b) capital gains tax,
    - (c) corporation tax,
    - (d) inheritance tax,
    - (e) stamp duty and stamp duty reserve tax, and
    - (f) stamp duty land tax,
  - “registered pension scheme” has the same meaning as in Part 4 of the Finance Act 2004,
  - “tax provision” means any provision made by or under an enactment relating to a relevant tax.

#### **Commencement Information**

**18** S. 23 in force at 1.10.2011 by S.I. 2011/2329, art. 3

## **24 Information**

- (1) The [<sup>F13</sup>Minister for the Civil Service or the] Secretary of State may by order make provision for requiring any prescribed person to disclose any information (whether in the form of a document or otherwise) to the [<sup>F13</sup>Minister for the Civil Service or the] Secretary of State for any purpose of this Part.
- (2) Information that—
- (a) relates to pensions or other benefits under the RMPP or a new public scheme, or
  - (b) relates to the administration of the RMPP or a new public scheme in respect of those pensions or other benefits,
- may be shared among relevant persons for the purpose of facilitating the administration of the RMPP or new public scheme.

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- (3) “Relevant persons” means—
- [<sup>F14</sup>(za) the Minister for the Civil Service,]
- (a) the Secretary of State,
  - (b) any person who administers, or exercises functions under, a new public scheme,
  - (c) the trustee of the RMPP,
  - (d) any person who exercises functions on behalf of the trustee of the RMPP, or
  - (e) any person who is or has been an employer of a qualifying member of the RMPP.
- (4) In the event that a section of the RMPP is constituted as a separate pension scheme the members of which consist of or include persons who are qualifying members of the RMPP—
- (a) any reference in subsection (2) to the RMPP includes that separate pension scheme, and
  - (b) any reference in subsection (3) to the trustee of the RMPP includes the trustees or managers of that separate pension scheme.

#### Textual Amendments

**F13** Words in s. 24(1) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(5)(a)** (with art. 4)

**F14** S. 24(3)(za) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(5)(b)** (with art. 4)

#### Modifications etc. (not altering text)

**C4** S. 24 functions made exercisable concurrently (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **2(2)(a)(iv)** (with art. 4)

#### Commencement Information

**I9** S. 24 in force at 1.10.2011 by [S.I. 2011/2329](#), art. 3

## 25 Orders and regulations

- (1) Before making—
- (a) an order under section 17 that contains provision establishing a new public scheme or transferring qualifying accrued rights to a new public scheme, or
  - (b) any order under any other provision of this Part,
- the [<sup>F15</sup>Minister for the Civil Service or the] Secretary of State must consult the trustee of the RMPP and a Royal Mail company (within the meaning of Part 1).
- (2) The [<sup>F16</sup>Minister for the Civil Service or the] Secretary of State may not make an order under any provision of this Part (apart from section 24) unless the Treasury have consented to its making.
- (3) Any order under this Part is subject to negative resolution procedure.
- (4) Any order under this Part may provide for it (or any of its provisions) to come into force on a specified day.



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- (5) A “specified day” means a day specified in an order made by the <sup>F17</sup>Minister for the Civil Service or the Secretary of State under this subsection (and different days may be specified for different purposes).

Subsections (1) to (3) do not apply to an order under this subsection.

- (6) A statutory instrument containing regulations under section 23 is subject to annulment in pursuance of a resolution of the House of Commons.
- (7) Nothing in any provision of this Part that authorises the inclusion of any particular kind of provision in any order, regulations or scheme is to be read as restricting the generality of the provision that may be included in the order, regulations or scheme.

#### Textual Amendments

- F15** Words in s. 25(1) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(6)** (with art. 4)
- F16** Words in s. 25(2) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(6)** (with art. 4)
- F17** Words in s. 25(5) inserted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(6)** (with art. 4)

#### Modifications etc. (not altering text)

- C5** S. 25 functions made exercisable concurrently (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **2(2)(a)(v)** (with art. 4)

#### Commencement Information

- I10** S. 25 in force at 1.10.2011 by [S.I. 2011/2329](#), art. 3

## 26 Interpretation of Part 2

- (1) In this Part—

“active member” has the meaning given by section 124(1) of the Pensions Act 1995,

“company” means any body corporate,

“deferred member” has the meaning given by section 124(1) of the Pensions Act 1995,

“enactment” includes an enactment whenever passed or made,

“member” has the meaning given by section 124(1) of the Pensions Act 1995,

“money purchase benefits” has the meaning given by section 181 of the Pension Schemes Act 1993,

“new public scheme” has the meaning given by section 17,

“occupational pension scheme” has the meaning given by section 1 of the Pension Schemes Act 1993,

“pensionable service” has the meaning given by section 124(1) of the Pensions Act 1995,

“pension credit right” has the meaning given by section 124(1) of the Pensions Act 1995,

<sup>F18</sup>“prescribed” means—

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- (a) in section 22(3), specified in, or determined in accordance with, an order made by the Secretary of State;
  - (b) elsewhere in this Part, specified in, or determined in accordance with, an order made by the Minister for the Civil Service or the Secretary of State,]
    - “qualifying accrued rights”, in relation to qualifying members of the RMPP, has the meaning given by section 16,
    - “qualifying member of the RMPP” has the meaning given by section 16,
    - “the qualifying time” has the meaning given by section 16,
    - “the RMPP” has the meaning given by section 16.
- (2) Any reference in this Part to amending the RMPP includes—
- (a) amending the trust deed or rules of the RMPP or any other instrument relating to the constitution, management or operation of the RMPP, and
  - (b) amending any instrument relating to the provision of financial support to or in relation to the RMPP.

#### **Textual Amendments**

**F18** Words in s. 26(1) substituted (2.4.2014) by [The Transfer of Functions \(Royal Mail Pension Plan\) Order 2014 \(S.I. 2014/500\)](#), arts. 1(2), **5(7)** (with art. 4)

#### **Commencement Information**

**I11** S. 26 in force at 1.10.2011 by [S.I. 2011/2329](#), art. 3

**Status:**

Point in time view as at 01/01/2024.

**Changes to legislation:**

There are currently no known outstanding effects for the Postal Services Act 2011, Part 2.