



Public Service Pensions and Judicial Offices Act 2022

2022 CHAPTER 7

PART 1

PUBLIC SERVICE PENSION SCHEMES

CHAPTER 1

SCHEMES OTHER THAN JUDICIAL SCHEMES AND LOCAL GOVERNMENT SCHEMES

Compensation

23 Power to pay compensation

- (1) The scheme manager for a Chapter 1 legacy scheme may pay amounts by way of compensation in respect of compensatable losses incurred by members or, in the case of deceased members, their personal representatives.
- (2) Scheme regulations for a Chapter 1 legacy scheme may make provision under which an employer in relation to the scheme is required to reimburse the scheme manager for amounts paid under subsection (1).
- (3) For the purposes of this section a loss incurred by a member, or by a member's personal representatives, is "compensatable" if and to the extent that—
 - (a) any of the following three conditions is met, and
 - (b) the loss is of a description specified in Treasury directions.
- (4) The first condition is that the loss is attributable to, or is reasonably regarded as attributable to, a relevant breach of a non-discrimination rule.
- (5) The second condition is that the loss is attributable to the application of any provision of, or made under, this Chapter.

Changes to legislation: There are currently no known outstanding effects for the Public Service Pensions and Judicial Offices Act 2022, Section 23. (See end of Document for details)

- (6) The third condition is that—
- (a) the member is a relevant member, and
 - (b) the loss is a Part 4 tax loss that is attributable to the value of rights in respect of remediable service which would, apart from section 2(1), be pensionable service under a Chapter 1 new scheme.
- (7) In subsection (6) “relevant member” means a member of the scheme—
- (a) who, immediately before the coming into force of section 2(1)—
 - (i) is a pensioner member of the scheme, or of a Chapter 1 new scheme, in relation to the employment or office, or
 - (ii) is deceased, and
 - (b) in respect of whom an election by virtue of section 6 (election for new scheme benefits) has been made.
- (8) In this section (subject to subsection (10)) “loss” includes a loss of any kind including, in particular, a Part 4 tax loss.
- (9) In this section “Part 4 tax loss”, in relation to a member, means a loss arising as a result of the member—
- (a) incurring a charge, or incurring an increased charge, under Part 4 of FA 2004, or
 - (b) not being entitled to a relief, or being entitled to less relief, under that Part of that Act.
- (10) In this section “loss” does not include an amount that is payable under this Chapter or under regulations made by virtue of this Chapter.
- (11) In this section “non-discrimination rule” means a rule that is, or at any time was, included in a Chapter 1 scheme by virtue of—
- (a) section 61 of EA 2010, or
 - (b) paragraph 2 of Schedule 1 to EEAR(NI) 2006.
- (12) For the purposes of this section a breach of a non-discrimination rule is “relevant” if it arises from the application of—
- (a) an exception to section 18(1) of PSPA 2013 made under section 18(5) to (7) of that Act, or
 - (b) an exception to section 18(1) of PSPA(NI) 2014 made under section 18(5) to (8) of that Act.
- (13) Subsection (1) does not confer power to pay amounts by way of compensation in respect of compensatable losses so far as—
- (a) any person has already received amounts by way of compensation in respect of them, or
 - (b) amounts that any person has paid the scheme have been reduced by amounts in respect of them,
- whether pursuant to an order of a court or tribunal or otherwise.

Modifications etc. (not altering text)

- C1** Pt. 1 Ch. 1 applied (1.10.2023) by S.I. 2005/438, **Sch. 3 para. 40(4)** (as inserted by [The Armed Forces Pensions \(Remediable Service\) Regulations 2023 \(S.I. 2023/998\)](#), reg. 1(b), **Sch. 2**)

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- C2** Pt. 1 Ch. 1 applied (E.W.) (1.10.2023) by The National Health Service Pension Schemes (Remediable Service) Regulations 2023 (S.I. 2023/985), regs. 1(2), **76(5)**
- C3** Pt. 1 Ch. 1 applied (N.I.) (1.10.2023) by The Health and Social Care Pension Schemes (Remediable Service) Regulations (Northern Ireland) 2023 (S.R. 2023/132), regs. 1, **74(5)**
- C4** Pt. 1 Ch. 1 applied (S.) (1.10.2023) by The Teachers' Pensions (Remediable Service) (Scotland) Regulations 2023 (S.S.I. 2023/241), regs. 1(b), **63**
- C5** Pt. 1 Ch. 1 applied (E.W.) (1.10.2023) by The Teachers' Pension Scheme (Remediable Service) Regulations 2023 (S.I. 2023/871), regs. 1(b), **63(7)**
- C6** Ss. 2-30 applied (N.I.) (1.10.2023) by The Firefighters' Pensions (Remediable Service) Regulations (Northern Ireland) 2023 (S.R. 2023/133), regs. 1, **55(1)**
- C7** Ss. 2-30 applied (E.W.) (1.10.2023) by The Firefighters' Pensions (Remediable Service) Regulations 2023 (S.I. 2023/843), regs. 1(b), **56(2)**
- C8** S. 23 restricted (N.I.) (1.10.2023) by The Teachers' Pension Scheme (Remediable Service) Regulations (Northern Ireland) 2023 (S.R. 2023/131), regs. 1, **70(2)**
- C9** S. 23 applied (E.W.) (1.10.2023) by The National Health Service Pension Schemes (Remediable Service) Regulations 2023 (S.I. 2023/985), reg. 1(2), **Sch. 1 para. 2**
- C10** S. 23 restricted (E.W.) (1.10.2023) by The Police Pensions (Remediable Service) Regulations 2023 (S.I. 2023/831), regs. 1(b), **59(2)**
- C11** S. 23 restricted (E.W.) (1.10.2023) by The Firefighters' Pensions (Remediable Service) Regulations 2023 (S.I. 2023/843), regs. 1(b), **59(2)**
- C12** S. 23 restricted (N.I.) (1.10.2023) by The Firefighters' Pensions (Remediable Service) Regulations (Northern Ireland) 2023 (S.R. 2023/133), regs. 1, **58(2)**
- C13** Ss. 2-30 applied (N.I.) (1.10.2023) by The Public Service (Civil Servants and Others) Pensions (Remediable Service) Regulations (Northern Ireland) 2023 (S.R. 2023/141), regs. 1(b), **63(2)**
- C14** Ss. 2-30 applied (E.W.) (1.10.2023) by The Firefighters' Pensions (Remediable Service) (Wales) Regulations 2023 (S.I. 2023/961), regs. 1(3), **57(2)**
- C15** Ss. 2-30 applied (E.W.) (1.10.2023) by The Police Pensions (Remediable Service) Regulations 2023 (S.I. 2023/831), regs. 1(b), **56(2)**
- C16** S. 23 restricted (E.W.) (1.10.2023) by The Teachers' Pension Scheme (Remediable Service) Regulations 2023 (S.I. 2023/871), regs. 1(b), **71(2)**
- C17** Ss. 2-30 applied (1.10.2023) by The Public Service (Civil Servants and Others) Pensions (Remediable Service) Regulations 2023 (S.I. 2023/942), regs. 1(b), **63(2)**
- C18** Ss. 2-30 applied (N.I.) (1.10.2023) by The Police Pensions (Remediable Service) Regulations (Northern Ireland) 2023 (S.R. 2023/122), regs. 1(b), **55(2)**

Commencement Information

- I1** S. 23 in force at Royal Assent for specified purposes, see **s. 131(1)**
- I2** S. 23 in force at 1.10.2023 in force in so far as not already in force (or on such earlier day as may be appointed), see **s. 131(2)(a)(b)**

Changes to legislation:

There are currently no known outstanding effects for the Public Service Pensions and Judicial Offices Act 2022, Section 23.