
STATUTORY INSTRUMENTS

2014 No. 1964

**The Public Service (Civil Servants and
Others) Pensions Regulations 2014**

PART 4

Scheme membership

CHAPTER 3

Pensionable earnings

Pensionable earnings

26.—(1) For the purpose of calculating a member’s pension or other benefits under this scheme, the member’s pensionable earnings for any period are the sum of—

- (a) the member’s permanent pensionable earnings in respect of that period; and
- (b) the member’s fluctuating pensionable earnings in respect of that period.

(2) The money value of any benefit in kind forms part of a member’s pensionable earnings if—

- (a) the benefit is expressly provided on a pensionable basis; or
- (b) the scheme manager determines the benefit forms part of the member’s permanent pensionable earnings or fluctuating pensionable earnings.

(3) If a benefit in kind is expressly provided on a pensionable basis, the scheme manager must determine whether the benefit forms part of the member’s permanent pensionable earnings or fluctuating pensionable earnings.

(4) In this regulation—

“benefit in kind” means anything other than money provided to a member of this scheme in connection with the member’s pensionable service;

“money value”, in relation to a benefit in kind, means—

- (a) an amount determined by the employer in accordance with the arrangement under which the benefit is provided; or
- (b) otherwise, an amount determined by the scheme manager;

“permanent pensionable earnings”, in respect of any period, means—

- (a) basic pay in respect of that period;
- (b) any allowance granted on a permanent basis that the scheme manager determines to be permanent pensionable earnings in respect of that period; and
- (c) the money value of any benefit in kind that the scheme manager determines to be permanent pensionable earnings in respect of that period;

“fluctuating pensionable earnings”, in respect of any period, means any of the following that the scheme manager determines to be fluctuating pensionable earnings in respect of that period—

- (a) any non-consolidated performance-related pay not forming part of basic pay;
- (b) any allowance not granted on a permanent basis; and
- (c) the money value of any benefit in kind.

Meaning of “assumed pay”

27.—(1) For the purpose of these Regulations, an active member of this scheme (P) receives assumed pay in respect of any period in which the circumstances in paragraph (3) apply (“period of assumed pay”).

(2) For the purpose of paragraph (1), “assumed pay” means the sum of—

- (a) an amount equal to the pensionable earnings that P would have received in respect of that period if those circumstances had not applied; and
- (b) any increase the scheme manager considers appropriate.

(3) The circumstances are—

- (a) P is on sick leave on reduced pay;
- (b) P is on adoption leave, maternity leave, parental leave, paternity leave or additional paternity leave;
- (c) P is receiving statutory pay;
- (d) P is on secondment to a different employer under an arrangement providing for P to continue to be an active member of this scheme in relation to P’s service although P is paid for it by that employer;
- (e) P is on unpaid leave in circumstances that the scheme manager has agreed can count for the purpose of this paragraph;
- (f) P is absent from duty because of being called out, or recalled, for permanent service in Her Majesty’s armed forces in pursuance of a call-out notice served, or a call-out or recall order made, under the Reserve Forces Act 1996(1);
- (g) P is receiving pensionable earnings at a reduced rate in accordance with arrangements for members required by the scheme manager which apply where the members are entitled to—
 - (i) pension benefits under another occupational pension scheme; or
 - (ii) a payment under a compensation scheme; or
- (h) P voluntarily surrenders pensionable earnings in whole or in part.

(4) For the purpose of paragraph (3)(a), a period of sick leave on reduced pay does not include a period of leave in respect of which P is paid at a rate determined by P’s employer to be appropriate because it is equivalent to the annual rate of an ill-health pension.

(5) Paragraph (3)(f) does not apply to any period of permanent service during which P is in pensionable service in—

- (a) an existing scheme that relates to the armed forces or another scheme under section 1 of the Act that relates to the armed forces; or
- (b) any other occupational pension scheme.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.
