

**EXPLANATORY MEMORANDUM TO**  
**THE JUDICIAL PENSIONS (MISCELLANEOUS) (AMENDMENT) REGULATIONS**  
**2015**

**2015 No. 533**

1. This explanatory memorandum has been prepared by the Ministry of Justice and is laid before Parliament by Command of Her Majesty.
2. **Purpose of the instrument**
  - 2.1 This instrument amends the table to the schedule of the Judicial Pensions (Miscellaneous) Regulations 1995 to include changes to the actuarial factors used to calculate a pension on early retirement.
  - 2.2 These changes will result in judicial office holders receiving a slightly higher pension on early retirement.
3. **Matters of special interest to the Joint Committee on Statutory Instruments**
  - 3.1 None.
4. **Legislative Context**
  - 4.1 This instrument updates the Early Retirement factors applicable to the pension scheme under the Judicial Pensions and Retirement Act 1993. The actuarial assumptions of the scheme were updated as part of the 2012 judicial pension valuation.
5. **Territorial Extent and Application**
  - 5.1 This instrument applies to all of the United Kingdom.
6. **European Convention on Human Rights**
  - 6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.
7. **Policy background**
  - 7.1 On early retirement a member's pension is reduced to reflect the longer average time they are expected to receive their pension for and the earlier payment of their lump sum. A comparison needs to be made between the actuarial value of the benefits the member receives on early retirement and the actuarial value of the

alternative benefits the member would have received on normal retirement. The early retirement factors (ERFs) making up the changes in this order are used to do this.

7.2 The actuarial assumptions relating to the Judicial Pension Scheme valuation were revised in 2012 and therefore the ERFs used by the scheme were also reviewed to ensure they were consistent with the revised actuarial assumptions.

7.3 The ERFs are required to change to ensure that they remain cost neutral in line with the new actuarial assumptions.

## **8. Consultation outcome**

8.1 No consultation has taken place for this instrument due to its specific nature and limited effect.

## **9. Guidance**

9.1 The Government does not intend to produce specific guidance in relation to this instrument due to its specific nature and limited effect.

## **10. Impact**

10.1 An Impact Assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.

## **11. Regulating small business**

11.1 The legislation does not apply to small business.

## **12. Monitoring & review**

12.1 The effect of the provisions is monitored through the annual liability calculations for the scheme, undertaken by the Government Actuary's Department.

## **13. Contact**

Luke Fusi at the Ministry of Justice Tel: 0203 334 3468 or email: [luke.fusi@justice.gsi.gov.uk](mailto:luke.fusi@justice.gsi.gov.uk) can answer any queries regarding the instrument.