
STATUTORY INSTRUMENTS

2023 No. 942

The Public Service (Civil Servants and Others)
Pensions (Remediable Service) Regulations 2023

PART 6

Transfers

CHAPTER 1

General

Interpretation of Part 6

36.—(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⁽¹⁾;
- (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 club transfer value”, in relation to a member, means the payment or acceptance by the scheme manager of—

- (a) a transfer value under Part F of Section I in accordance with the public sector transfer arrangements (within the meaning given to that term by rule A.1(4) of Section I);
 - (b) a transfer value under Section 6 of Section II in connection with a qualifying transfer (within the meaning given to that term by rule 6.37(iii) of Section II);
 - (c) a transfer value under Part G of Section III in connection with a Club transfer (within the meaning given to that term by rule A.1(4) of Section III);
 - (d) a club transfer value under Part 10 of the 2014 Regulations,
- 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 (other than a remediable club transfer value) under—

- (a) Part F of Section I;
- (b) Section 6 of Section II;
- (c) Part G of Section III;

⁽¹⁾ See section 33 of PSPJOA 2022 for the meaning of “Chapter 1 scheme”.

- (d) Part 10 of the 2014 Regulations,
so far as the transfer value relates to the member's remediable rights;
"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 transfer value (including a remediable value), that value is to be calculated in accordance with—

- (a) the provisions of the civil service 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 calculation of the value which originally secured rights under a civil service scheme.

Transferred out remediable service statements

37. Where a remedy member has transferred any rights in respect of remediable service out of a civil service 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 regulation 4).

CHAPTER 2

Transfers on a cash equivalent basis

SECTION 1

Transfers before 1st October 2023

Transfers out before 1st October 2023

38.—(1) This regulation applies in relation to a remedy member ("M") in respect of whom the scheme manager paid a remediable transfer value before 1st October 2023.

(2) The scheme manager, having consulted the scheme actuary, must calculate the transfer value of M's remediable rights as if they were secured in—

- (a) the PCSPS, and separately
(b) alpha.

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

(4) Where—

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

the scheme manager must take reasonable steps to pay the receiving scheme an amount equal to $x - y$.

(5) A payment made under 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 compensatable 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(2) ("the 2009 Regulations") read as if regulation 6(1)(a) of those Regulations were omitted, the compensatable amount is to be reduced by the amount equal to the income tax that would be chargeable on it if regulation 3(b) of the 2009 Regulations applied to it;
- (b) would not be a payment so described, the compensatable 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(3).

Transfers in before 1st October 2023

39.—(1) This regulation applies in relation to each payment of a remediable transfer value in respect of a member ("M") which was accepted by the scheme manager before 1st October 2023.

(2) The scheme manager, having consulted the scheme actuary, must determine M's remediable benefits if the transfer value, together with any payment accepted under paragraph (3), were applied in respect of rights secured in—

- (a) the PCSPS, and separately
- (b) alpha.

(3) Where the sending scheme was a reformed public service pension scheme, the scheme manager may accept a payment—

- (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 paragraph (3) is to be used for the purpose of determining M's benefits under a civil service scheme on the same terms as the remediable transfer value.

SECTION 2

Transfers on or after 1st October 2023

Application of Section 2

40. 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.

Transfers out on or after 1st October 2023

41.—(1) This regulation applies to a remediable transfer value to be paid in relation to M by the scheme manager on or after 1st October 2023.

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

(3) [2003 c. 1](#).

(2) The scheme manager, having consulted the scheme actuary, must calculate the transfer value of M's remediable rights as if those rights had been secured in—

- (a) the PCSPS, and separately
- (b) alpha.

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

CHAPTER 3

Transfers on a club basis

SECTION 1

Club transfers before 1st October 2023

Club transfers out before 1st October 2023

42.—(1) This regulation applies in relation to each 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 transfer value of M's rights under a civil service scheme as if all of M's remediable rights had been secured in—

- (a) the PCSPS, and separately
- (b) alpha.

(3) The scheme manager must provide to the receiving scheme the result of the calculations mentioned in 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 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 paragraph (4) is subject to the same conditions as the remediable club transfer value.

Club transfers in before 1st October 2023

43.—(1) This regulation 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 payment relates, and
- (b) which is made by the sending scheme pursuant to, or to provision made under, PSPJOA 2022.

(3) An adjustment accepted under paragraph (2) is to be used for the purpose of determining M's benefits under a civil service scheme on the same terms as the remediable club transfer value.

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

- (a) the PCSPS, and separately
- (b) alpha.

SECTION 2

Club transfers on or after 1st October 2023

Application of Section 2

44. This Section applies in respect of a member (“M”) who is a deferred choice member, and to whom no pension benefits have become payable in relation to M’s remediable service.

Club transfers out on or after 1st October 2023

45.—(1) This regulation applies in relation to a remediable club transfer value to be paid by the scheme manager in respect of M on or after 1st October 2023.

(2) The scheme manager must calculate the transfer value of M’s rights under a civil service scheme as if all of M’s remediable rights had been secured in—

- (a) the PCSPS, and separately
- (b) alpha.

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

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

Club transfers in on or after 1st October 2023

46.—(1) This regulation applies in relation to a remediable club transfer value payment which is accepted by the scheme manager on or after 1st October 2023.

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

- (a) the PCSPS, and separately
- (b) alpha.

SECTION 3

Interim payment of benefits in certain cases

Interim payment of benefits in certain cases

47.—(1) This regulation applies in relation to a deferred choice member (“M”) in respect of whom the scheme manager has accepted a remediable club transfer value, where—

- (a) benefits become payable under the PCSPS in relation to M’s remediable service, and
- (b) it is impracticable for the scheme manager to issue a remediable service statement in relation to M’s remediable service because the sending scheme has not provided the information required to determine the value of M’s rights in accordance with regulation 43(4).

(2) The scheme manager may, during the relevant period, pay to a person who is entitled to receive benefits in relation to M's pensionable service ("the beneficiary") the following benefits in relation to M's rights under the PCSPS—

- (a) such benefits as do not relate to the remediable club transfer value, determined as if a deferred choice decision has been made that no section 10 election is to be made in relation to M's remediable service, and
- (b) such benefits as relate to the remediable club transfer value determined as if regulation 50(1) does not apply in relation to the rights secured by the remediable club transfer value.

(3) Where, at the end of the relevant period—

- (a) the aggregate of the benefits that have been paid pursuant to paragraph (2), exceeds
- (b) the aggregate of the benefits to which (after taking into account the effect, if any, of regulation 50(1) and (4) and section 10(4) of PSPJOA 2022) the beneficiary is entitled under the PCSPS in respect of M's pensionable service,

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

(4) Where, at the end of the relevant period—

- (a) the amount mentioned in paragraph (3)(a), is less than
- (b) the amount mentioned in paragraph (3)(b),

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

(5) Regulation 13(1)(b)(iii) does not apply to determine the end of the section 10 election period in relation to M.

(6) In this regulation, "relevant period" means the period beginning with the day on which benefits become payable in relation to M's remediable service and ending with the earlier of—

- (a) the time at which a deferred choice decision is made in relation to M's remediable service, and
- (b) the end of the section 10 election period in relation to M.

CHAPTER 4

Treatment of rights secured by virtue of a remediable value

Application and interpretation of Chapter 4

48.—(1) This Chapter applies in relation to the following accepted by the scheme manager in respect of a member ("M")—

- (a) a remediable transfer value, together with any payment accepted under regulation 39(3);
- (b) a remediable club transfer value, together with any adjustment accepted under regulation 43(2).

(2) In this Chapter, "transferred in remediable rights" means M's remediable rights in a civil service scheme secured by virtue of a remediable value accepted by the scheme manager together with any payment or, as the case may be, adjustment under regulation 39(3) or 43(2).

Transferred in remediable rights treated as being in the PCSPS

49.—(1) Where M's transferred in remediable rights would, apart from this regulation, be rights to benefits under alpha, the rights—

- (a) are not, and are treated as never having been, rights under alpha, and
- (b) are treated as being, and as always having been, rights under the PCSPS.

(2) Paragraph (1) has effect—

- (a) for the purposes of determining which civil service scheme is (or at any time was) required to pay benefits to or in respect of M's transferred in remediable rights, and
- (b) subject to regulation 50, for all other purposes.

Varying the value of benefits secured by virtue of transferred in remediable rights

50.—(1) Where—

- (a) M is a deferred choice member, and
- (b) M's transferred in remediable rights are treated as rights to benefits under the PCSPS by virtue of regulation 49(1)(b),

the scheme manager must vary the value of those rights so that they are of an equivalent value to the rights M would have secured under the PCSPS if the rights had been transferred into that scheme.

(2) A variation under paragraph (1) is to be treated as having taken effect when these Regulations come into force.

(3) Where—

- (a) M is an immediate choice member, and
 - (i) an immediate choice decision has been made that no section 6 election is to be made in relation to M's remediable service, or
 - (ii) the end of the section 6 election period in relation to M has passed and no section 6 election has been made (or deemed to have been made) in relation to M's remediable service, and
- (b) M's transferred in remediable rights are treated as rights to benefits under the PCSPS by virtue of regulation 49(1)(b),

the scheme manager must vary the value of those rights so that they are of an equivalent value to rights M would have secured under the PCSPS if the rights had been transferred into that scheme.

(4) A variation under paragraph (3) is to be treated as having taken effect on the earlier of—

- (a) the time that an immediate choice decision (including a deemed section 6 election) is treated as having taken effect in relation to M's remediable service, and
- (b) the end of the section 6 election period in relation to M.

(5) Where—

- (a) the benefits payable to or in respect of M's remediable service are alpha benefits by virtue of a section 6 election (including a deemed section 6 election) or a section 10 election, and
- (b) the benefits payable in relation to M's transferred in remediable rights would otherwise be PCSPS benefits,

the scheme manager must vary the value of those rights so that they are of an equivalent value to rights M would have secured under alpha if the rights had been transferred into that scheme.

(6) Where the scheme manager is required to vary the value of any rights under this regulation so that they are of an equivalent value to rights that would have been secured in another scheme ("the alternative scheme"), the scheme manager must—

- (a) where the rights were secured by virtue of a remediable transfer value, first consult the scheme actuary, and
- (b) calculate the varied value of the rights as if the remediable value which originally secured rights under a civil service scheme were transferred into the alternative scheme in the relevant pension year that the transfer occurred.

(7) In paragraph (6), “relevant pension year” has the meaning given by direction 4(14)(f)(i) of the PSP Directions 2022.

Benefits already paid in relation to transferred in remediable rights

51.—(1) Paragraph (2) applies in relation to any benefits (“the paid benefits”) that alpha has at any time paid to a person (“P”) so far as—

- (a) they are calculated by reference to P’s, or any other person’s, transferred in remediable rights, and
 - (b) they are benefits that, as a result of regulation 49(1)(a), P was not entitled to receive from alpha.
- (2) The paid benefits are to be treated for all purposes—
- (a) as not having been paid to P by alpha, but
 - (b) as having been paid to P instead by the PCSPS.

Pension benefits and lump sum benefits in relation to transferred in remediable rights

52.—(1) This regulation applies in relation to any benefits that have been paid to or in respect of the transferred in remediable rights of 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 regulation 51(2)) have been paid under the PCSPS to any person (“the beneficiary”) in respect of M’s transferred in remediable rights, exceeds
 - (b) the aggregate of the benefits to which (after taking into account the effect, if any, of regulation 50(3) or (5) in relation to the rights) the beneficiary is entitled under the scheme in respect of the rights,

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

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

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

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