

Pensions Update:Written statement - HCWS187

WS Treasury

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Pensions Update

The government is developing proposals to address the unlawful age discrimination identified by the Court of Appeal in the 2015 reforms to the Judicial and Firefighters' pension schemes.

On 15 July 2019, the government announced it would take steps to remove this discrimination retrospectively (HCWS1725). It confirmed that this would apply to pension scheme members with relevant service across all those public service pension schemes that were introduced in 2014 and 2015, regardless of whether individuals had made a claim. This is a complex undertaking, and it is important to get it right.

Since February 2020 relevant pension schemes have been conducting technical discussions with member and employer representatives to seek initial views on the government's high-level proposals for removing the discrimination.

I am grateful for the constructive engagement of trade unions, staff associations, public service employers and other stakeholders in these discussions. The government is considering the initial views of stakeholders and continuing to work through the details of the technical design elements of the proposals. Detailed proposals will be published later in the year and will be subject to public consultation. The government will welcome views on these proposals.

For the avoidance of doubt, members of public service pension schemes with relevant service will not need to make a claim in order for the eventual changes to apply to them.

I would like to reassure members that their pension entitlements are safe. The proposals the government is considering would allow relevant members to make a choice as to whether they accrued service in the legacy or reformed schemes for periods of relevant service, depending on what is better for them. The government will provide more detail later in the year, but if an individual's pension circumstances change as a result, the government may also need to consider whether previous tax years back to 2015-16 should be re-opened in relation to their pension.

The government will also set out its proposal to remove the discrimination for future service in the forthcoming consultation.

In January 2019, the government announced a pause to the cost control mechanism in public service pension schemes, due to uncertainty about benefit entitlements arising from the McCloud judgment. Alongside its proposals for addressing discrimination, the government will also provide an update on the cost control mechanism.

This statement has also been made in the House of Lords: [HLWS182](#)