
 STATUTORY INSTRUMENTS

1984 No. 1909

PARLIAMENT

The Parliamentary Pensions (Maximum and Abated Pensions and Pension Commutation) Order 1984

<i>Made</i>	- - - -	<i>5th December 1984</i>
<i>Laid before Parliament</i>		<i>10th December 1984</i>
<i>Coming into Operation</i>		<i>31st December 1984</i>

The Lord President of the Council, in exercise of the powers conferred on him by sections 7(3B) and 10(3C) of the Parliamentary and other Pensions Act 1972(a) and by sections 1(5), 2(8), 4(3) and 4(4) and subsections (1) to (3) of section 6 of the Parliamentary Pensions etc. Act 1984(b), hereby makes the following Order:—

Citation and commencement

1.— (1) This Order may be cited as the Parliamentary Pensions (Maximum and Abated Pensions and Pension Commutation) Order 1984 and shall come into operation on 31st December 1984.

(2) Part I of this Order shall be treated as having come into operation on 20th July 1983 in relation to pensions first payable on or after that date.

Interpretation

2.— (1) In this Order, unless the context otherwise requires:—

“Act of 1972” means the Parliamentary and Other Pensions Act 1972;

“Act of 1978” means the Parliamentary Pensions Act 1978(c);

“actual reckonable service” means (in respect of a pension under section 7 of the 1972 Act) the aggregate period of reckonable service as a Member or (in respect of a pension under section 9 of the Act of 1972) such period as an office-holder, but excluding (in respect of the former) any increase in that period by virtue of section 2(4) of the Act of 1978 and any period of reckonable service purchased in pursuance of an order under section 11 of the Act of 1978, and excluding (in respect of either) any additional period determined under section 22 of the Act of 1972;

(a) 1972 c. 48; sections 7(3B) and 10(3C) were inserted respectively by sections 1(2) and 2(5) of the Parliamentary Pensions etc. Act 1984 (c. 52). They relate to Part I of this Order.

(b) 1984 c. 52. Sections 1(5) and 2(8) relate to Part I of this Order, section 4(3) and (4) to Part II, and section 6(1) to (3) to Part III.

(c) 1978 c. 56.

“aggregate period of reckonable service” means the aggregate period of reckonable service as a Member or office-holder (as the case may be) determined in accordance with the provisions of the Act of 1972 and the Act of 1978;

“appropriate period” means in respect of a relevant person, the period until the relevant date or his sixty-fifth birthday (if earlier) from the date on which he began a period of actual reckonable service during which pension in respect of him calculated in accordance with section 7(3) or 10(1) to (3) (as appropriate) of the Act of 1972 would reach:

- (i) (if he is within Article 6(2)(i)) the greater of the maximum pensions under Article 6(2)(i)(a) and (b);
- (ii) (if he is within Article 6(2)(ii)) the greater of the maximum pensions under Article 6(2)(ii)(a) and (b);

“fraction of a year” means a part of a year of actual reckonable service expressed as the proportion borne by the number of days in that part to three hundred and sixty-five;

“Member” means a Member of the House of Commons;

“month” means

- (i) for the purpose of aggregating under Article 8 of this Order any periods of less than a month, a period of 30 days; and
- (ii) in all other cases, a calendar month;

“the multiple” means

- (a) in respect of a pension under section 7 of the Act of 1972 of a relevant person, the relevant terminal salary under section 7(5) of that Act;
- (b) in respect of a pension under section 9 of the Act of 1972 of a relevant person, the relevant terminal salary under section 10(6) of that Act multiplied by the average of all the contribution factors under Part I of the Act of 1972 calculated in relation to him:
 - (i) in the case of Article 6(2)(i)(a) of this Order, for his actual reckonable service before the relevant date;
 - (ii) in all other cases under Part I of this Order, for the part of his actual reckonable service, pension in respect of which is, under a provision of that Part, subject to a maximum referring to “the multiple”;
 - (iii) in Part III of this Order, for the period of his actual reckonable service;

“N” means in respect of the pension of a relevant person, the period in years and any fraction of a year of his actual reckonable service before the relevant date or (if earlier) his sixty-fifth birthday;

“NS” means in respect of the pension of a relevant person, the lesser of 40 years and the period in years and any fraction of a year of his prospective actual reckonable service at the relevant date;

“national insurance pension” means in respect of a relevant person, the annual amount payable at the weekly rate, applicable on the date from which a pension becomes payable to him by virtue of Article 8(1) of this

Order, under section 6(1)(a) of the Social Security Pensions Act 1975(a) (basic component of a national insurance Category A retirement pension), not being a “specified sum” within section 1(1)(c) of the Social Security (No. 2) Act 1980(b);

“office-holder” means the holder of a qualifying office;

“pension” means (except in “national insurance pension” and any reference thereto) a pension, expressed as an annual amount, under section 7 (Members’ pensions) or section 9 (office-holders’ pensions) of the Act of 1972, as the case may be; and “maximum pension” shall be construed accordingly;

“previous employment” means, in respect of a relevant person, the period of employment (not being a period of self-employment or a period of service as a Member or office-holder) which immediately preceded the last period of his actual reckonable service beginning before the relevant date or his sixty-fifth birthday (if earlier);

“previous expectations” means, in respect of a relevant person, the annual value at his sixty-fifth birthday which in the opinion of the Trustees is to be given to the pension benefits to which he would have become entitled under a pension scheme relating to his previous employment, had he remained in that employment and retired from it at the normal retirement age under that scheme;

“prospective actual reckonable service” means in respect of a relevant person:

- (i) if the relevant date falls before his sixty-fifth birthday, his actual reckonable service before and after that date, assuming continuous actual reckonable service by him from that date until his sixty-fifth birthday;
- (ii) if the relevant date falls on or after his sixty-fifth birthday, his actual reckonable service at his sixty-fifth birthday;

“reckonable service” means reckonable service as a Member or office-holder (as the case may be) under the provisions of the Acts of 1972 and 1978:

“relevant date” means the relevant date for the determination under any provision of the Act of 1972 or the Act of 1978 of the pension of a relevant person;

“relevant person” means a person in respect of whom a pension falls to be determined;

“retained benefits” means in respect of a relevant person, the annual value at his sixty-fifth birthday which in the opinion of the Trustees is to be given to benefits accrued or accruing to him (other than in the Parliamentary Contributory Pension Fund) before his last period of actual reckonable service beginning before that birthday, and being benefits within the classes taken into account by the Commissioners of Inland Revenue in determining maximum benefits for the purposes of their approval of retirement benefit schemes under Chapter II of Part II of the Finance Act 1970(c);

“retained lump sum benefits” means retained benefits which are payable as

(a) 1975 c. 60. The amount of the basic component was increased most recently by the Social Security Benefits Up-rating Order 1984 (S.I. 1984/1104).

(b) 1980 c. 39.

(c) 1970 c. 24.

single payments whether by way of commutation of accrued pension rights, refund of contributions or otherwise;

“Y” means

- (i) (in respect of a pension under section 7 of the Act of 1972 of a relevant person) the period in years and any fraction of a year of his reckonable service, pension in respect of which is, under a provision of this Order, subject to a maximum referring to “Y”;
- (ii) (in respect of a pension under section 9 of the Act of 1972 of a relevant person) the number of years beginning in each case on 1st April, during which he has any actual reckonable service and pension in respect of which is, under a provision of this Order, subject to a maximum referring to “Y”;

“year” means for the purpose of aggregating under Article 8 of this Order any periods of less than a year, a period of 365 days.

(2) Any reference in this Order to the beginning of a period of actual reckonable service of a person or of a relevant person means any such beginning on his becoming a Member or office-holder (as the case may be) other than after an interval in his actual reckonable service occurring on a dissolution of Parliament.

(3) Any reference in this Order to a person or relevant person being or no longer being a Member or office-holder shall be construed as a reference to whichever of those circumstances is applicable to the calculation of his pension.

PART I

MAXIMUM PENSIONS

3. This Part of this Order shall apply to the calculation of the maximum pension of a relevant person at the relevant date.

Less than Six Years' Actual Reckonable Service

4.—(1) Subject to the following paragraphs of this Article, if at any date the prospective actual reckonable service of a relevant person is less than six years, the pension payable to him shall be subject to a maximum, of $Y/60$ of the multiple, in respect of his actual reckonable service from that date until the relevant date or (if earlier) his sixty-fifth birthday, and in respect (in the case of a Member) of any increase by virtue of section 2(4) of the Act of 1978 in his aggregate period of reckonable service.

(2) Subject to paragraph (4) of this Article, if, in addition to the circumstances specified in paragraph (1) of this Article—

- (i) the relevant person was a Member or office-holder on his sixty-fifth birthday, or he is entitled to a pension by virtue of section 2 or 3 of the Act of 1978 (ill-health pension), or he dies while he is a Member or office-holder and before his sixty-fifth birthday; and
- (ii) in the opinion of the Trustees, if the maximum pension of that person in respect of his actual reckonable service at the relevant

date or (if earlier) his sixty-fifth birthday, and in respect (in the case of a Member) of any increase by virtue of section 2(4) of the Act of 1978 in his aggregate period of reckonable service, were the amount of his previous expectations less his retained benefits (if any) accruing during his previous employment, his pension would be greater than if calculated subject to the maximum under paragraph (1) of this Article,

the maximum allowing the greater pension shall apply.

(3) Subject to paragraph (4) of this Article, if, in addition to the circumstances specified in paragraph (1) of this Article—

- (i) either the relevant person is no longer a Member or office-holder and the relevant date falls on his sixty-fifth birthday or he has not yet reached his sixty-fifth birthday; and
- (ii) he is not within paragraph (2)(i) of this Article; and
- (iii) in the opinion of the Trustees, if the maximum pension of that person in respect of his actual reckonable service at the relevant date were the product of N/NS and the amount mentioned in paragraph (2)(ii) of this Article, his pension would be greater than if calculated subject to the maximum under paragraph (1) of this Article,

the maximum allowing the greater pension shall apply.

(4) Notwithstanding the provisions of paragraphs (1), (2) and (3) of this Article, if at the relevant date a relevant person has in aggregate six or more years of actual reckonable service before or after his sixty-fifth birthday, his pension shall not be subject to a maximum under this Article.

More than 33 1/3 Years' Prospective Actual Reckonable Service

5.— (1) Subject to paragraph (2) of this Article and to Article 6, if at the relevant date—

- (i) a relevant person has more than 33 years and 4 months of prospective actual reckonable service; and
- (ii) either he is no longer a Member or office-holder and the relevant date falls on his sixty-fifth birthday or he has not yet reached his sixty-fifth birthday,

his pension shall be subject to whichever of the following, in the opinion of the Trustees, is the greater:

- (a) a maximum, of the product of N/NS and 2/3 of the multiple, in respect of his actual reckonable service at the relevant date;
- (b) a maximum of the product of N/NS and his previous expectations (if any), in respect of that service at that date.

(2) Notwithstanding the provisions of paragraph (1) of this Article, the pension of a relevant person shall not be subject to a maximum under this Article if at the relevant date that person is entitled to a pension under section 2 or 3 of the Act of 1978, or he dies on that date while he is a Member or office-holder and before his sixty-fifth birthday.

Retained Benefits

6.— (1) If a relevant person has any retained benefits, his pension shall, unless it is subject to a maximum under Article 4, be subject to the appropriate maximum in accordance with paragraph (2) of this Article.

- (2)(i) If either the relevant person was a Member or office-holder on his sixty-fifth birthday or he is entitled to a pension by virtue of section 2 or 3 of the Act of 1978, or he dies while he is a Member or office-holder and before his sixty-fifth birthday, his pension shall be subject to whichever of the following will, in the opinion of the Trustees, allow him the greatest pension:
- (a) a maximum, of the amount of $\frac{2}{3}$ of the multiple, less the amount of his retained benefits, in respect of his aggregate period of reckonable service at his sixty-fifth birthday;
 - (b) a maximum, of his previous expectations (if any) less his retained benefits accruing during his previous employment, in respect of his aggregate period of reckonable service at his sixty-fifth birthday;
 - (c) a maximum, of $\frac{Y}{60}$ of the multiple, in respect of his actual reckonable service during the appropriate period and (in the case of a Member) in respect of any increase in his aggregate period of reckonable service by virtue of section 2(4) of the Act of 1978.
- (ii) Unless the relevant person is within sub-paragraph (i) of this paragraph, if either he is no longer a Member or office-holder and the relevant date falls on his sixty-fifth birthday or he has not yet reached his sixty-fifth birthday, his pension shall be subject to whichever of the following will, in the opinion of the Trustees, allow him the greatest pension:
- (a) a maximum of the product of $\frac{N}{NS}$ and the amount under paragraph (2)(i)(a) of this Article, in respect of his actual reckonable service before the relevant date;
 - (b) a maximum of the product of $\frac{N}{NS}$ and the amount under paragraph (2)(i)(b) of this Article, in respect of his actual reckonable service before the relevant date;
 - (c) a maximum of $\frac{Y}{60}$ of the multiple, in respect of his actual reckonable service during the appropriate period.

Office-holders' Pensions where Entitlement under Part II

7. If a person becomes entitled to a pension under section 9 of the Act of 1972 (pensions for office-holders) and has, by virtue of Article 8(1) of this Order, become entitled to a pension under section 7(4A) of that Act, the maximum pension payable to him under section 9 shall be a pension calculated in respect of him under section 10(1) to (3B) of that Act in accordance with the foregoing provisions of this Order, reduced from such date as his pension under section 7(4A) shall be abated under the provisions of Part II of this Order by the percentage by which that pension shall for the time being be abated under the provisions of that Part of this Order.

PART II

ENTITLEMENT TO EARLY, ABATED PENSIONS

8.— (1) If, in the case of the dissolution of Parliament on 13th May 1983 or any subsequent dissolution, a person—

- (i) has satisfied the conditions in section 7(4A)(a) and (c) of the Act of 1972 but has not satisfied, or has satisfied only in part, the conditions in section 7(4A)(b) of that Act; and
- (ii) at the dissolution has attained the age of 57 and been a Member for a period of not less than sixteen years, or for two or more periods amounting in the aggregate to not less than sixteen years (which period or periods in aggregate in respect of a person are hereinafter referred to as “the relevant period”); and
- (iii) applies in writing to the Trustees under this Article within a period of six months (in the case of the dissolution of Parliament on 13th May 1983) from the date of the coming into operation of this Order or (in the case of any subsequent dissolution) beginning with the day of the dissolution,

and the Trustees are satisfied that he does not intend to stand and, in the case of the dissolution of 13th May 1983, has not stood since the general election consequent upon that dissolution for re-election to the House of Commons, he shall be entitled to a pension under section 7(4A) of the Act of 1972.

(2) Subject to the following paragraphs of this Article, the pension to which a person is entitled by virtue of paragraph (1) of this Article shall be abated—

- (i) from the date from which that pension is payable (under section 7(4A) of the Act of 1972) by the percentage specified in the appropriate table of Part A of Schedule 1 to this Order in relation to both the person's age at the relevant dissolution referred to in paragraph (1) of this Article and the relevant period; or
- (ii) (in the case of a person who has so requested in his application referred to in paragraph (1) of this Article)—
 - (a) from the date from which that pension is payable until (in the case of a man) his sixty-fifth birthday or (in the case of a woman) her sixtieth birthday, by the percentage specified in column A of the appropriate table of Part B of Schedule 1 to this Order in relation both to the person's age at the relevant dissolution referred to in paragraph (1) of this Article and to the relevant period; and
 - (b) from the date of the relevant birthday referred to in (a) above, by the percentage specified in column B of the appropriate table of Part B of that Schedule in relation both to that age and that period.

(3) If the relevant period or a person's age at the relevant dissolution referred to in paragraph (1) of this Article includes a part of a year—

- (i) for the purposes of this Article that period or that age (as the case may be) shall be rounded down to the nearest complete month;
- (ii) subject to paragraph (4) of this Article, the percentage by which his pension is, under any provision of paragraph (2) of this Article, to be abated shall be a percentage calculated proportionately by

reference to the figures in the appropriate table or the specified column of that table of Part A or B of Schedule 1 to this Order (as provided in paragraph (2) of this Article).

(4) Where a person's pension is under paragraph (2)(ii) of this Article to be abated, for the year or part of a year beginning on the date, or the anniversary of the date, from which that pension becomes payable, and during which year or part of a year—

- (i) that pension is payable to that person; and
- (ii) his sixty-fifth or her sixtieth birthday (as the case may be) falls,

that pension shall be abated—

- (a) from the beginning of that year or part of a year until the date of that birthday, by the percentage (if any) provided for under paragraph (2)(ii)(a), or calculated proportionately under paragraph (3), of this Article, reduced by the fraction of a year (beginning on the same date as that year or part of a year) which will fall on or after the date of that birthday; and
- (b) from the date of that birthday, by the percentage provided for under paragraph (2)(ii)(b), or calculated proportionately under paragraph (3), of this Article, reduced by the fraction of that year or part of a year which falls before the date of that birthday.

(5) If, in a case within paragraph (2)(ii) of this Article, the difference between the amounts by which a person's pension under section 7(4A) of the Act of 1972 would (apart from this paragraph) be abated under paragraph (2)(ii)(a) and under paragraph (2)(ii)(b) respectively is greater than the national insurance pension, the pension under section 7(4A) shall be abated by a percentage before, and a percentage after, that person reaches (in the case of a man) his sixty-fifth birthday or (in the case of a woman) her sixtieth birthday—

- (i) such that the difference between the amount by which that pension shall be abated before, and the amount after, the date of that birthday shall be equal to the national insurance pension; and
- (ii) which in the opinion of the Trustees will together provide pension benefits before and after that date equivalent to the person's pension under section 7(4A) abated before that date under paragraph (2)(ii)(a), and after that date under paragraph (2)(ii)(b), of this Article.

PART III

MAXIMUM COMMUTATION OF PENSIONS

9. If a person—

- (i) has given notice in accordance with section 11 of the Act of 1972 in respect of the commutation of his pension, and at the date of the coming into operation of this Order no determination has been made by the Trustees under subsection (2) of that section in respect of that notice; or
- (ii) gives such notice after the date of the coming into operation of this Order,

the permitted maximum for the purposes of subsection (4) of that section (referred to in this Part of this Order as “the permitted maximum”) shall be an amount calculated in accordance with this Part of this Order, instead of an amount determined under subsection (5) of that section.

Members' Pensions

10. In the case of a person entitled to a pension under section 7 of the Act of 1972:

(1) who has no retained lump sum benefits and who either was a Member on his sixty-fifth birthday or is so entitled by virtue of section 2 of the Act of 1978 (ill-health pensions), the amount of the permitted maximum shall be the aggregate of:

(i) the amount of:

- (a) the number of eightieths of the multiple, either specified in the table in Schedule 2 to this Order in relation to the number of complete years of his actual reckonable service or (if the period of that service includes a fraction of a year) calculated proportionately by reference to the numbers specified in that table; and
- (b) the product of three-eightieths of the multiple and any period, expressed in years and any fraction of a year, determined in respect of him under section 22(3) of the Act of 1972 (Transfers from other pension schemes),

subject to a maximum of the amount of 120/80 of the multiple; and

(ii) the amount of the product of three-eightieths of the multiple and the period, expressed in years and any fraction of a year and subject to a maximum of five years, being his actual reckonable service in excess of forty years and occurring after his sixty-fifth birthday;

(2) who has no retained lump sum benefits, was no longer a Member on his sixty-fifth birthday and is not entitled to a pension by virtue of section 2 of the Act of 1978, the amount of the permitted maximum, subject to a maximum of 120/80 of the multiple, shall be whichever is the greater of:

- (i) the amount of the product of N/NS and the number of eightieths of the multiple, either specified in the table in Schedule 2 to this Order in relation to the number of complete years of his prospective actual reckonable service or (if the period of that service includes a fraction of a year) calculated proportionately as under sub-paragraph (i)(a) of paragraph (1) of this Article; and
- (ii) the amount of the product of three-eightieths of the multiple and the period, expressed in years and any fraction of a year, of his actual reckonable service,

aggregated with the amount referred to in paragraph (1)(i)(b) of this Article;

(3) who has retained lump sum benefits, but would otherwise be within paragraph (1) of this Article, the amount of the permitted maximum shall be as provided in that paragraph, subject, in respect of the amount under sub-

paragraph (i) of that paragraph, to a maximum instead of that provided for in that sub-paragraph, of whichever is the greater of:

- (i) the amount of 120/80 of the multiple, less the amount of his retained lump sum benefits; and
- (ii) the amount of the product of three-eightieths of the multiple and the aggregate, expressed in years and any fraction of a year subject to a maximum of forty years, of his actual reckonable service and of any period determined in respect of him under section 22(3) of the Act of 1972;

(4) who has retained lump sum benefits but would otherwise be within paragraph (2) of this Article, the amount of the permitted maximum shall be whichever is the greater of:

- (i) the aggregate of:
 - (a) the amount referred to in paragraph (2)(i) of this Article, subject to a maximum of the product of N/NS and the amount referred to in paragraph (3)(i) of this Article; and
 - (b) the amount referred to in paragraph (1)(i)(b) of this Article, subject to a maximum of the amount of 120/80 of the multiple, less his retained lump sum benefits; and
- (ii) the amount referred to in paragraph (3)(ii) of this Article.

Office-holders' pensions

11. In the case of a person entitled to a pension under section 9 of the Act of 1972:

(1) who has no retained lump sum benefits and who either was an office-holder on his sixty-fifth birthday or is so entitled by virtue of section 3 of the Act of 1978 (ill-health pensions), the amount of the permitted maximum shall be the aggregate of:

- (i) the amount of:
 - (a) the number of eightieths of the multiple, specified in the table in Schedule 2 to this Order in relation to the number of years, each beginning on 1st April, during which he had any actual reckonable service; and
 - (b) the product of three-eightieths of the multiple and any period, expressed in years and any fraction of a year, determined in respect of him under section 22(4) of the Act of 1972,
 subject to a maximum of the amount of 120/80 of the multiple; and
- (ii) the amount of the product of—
 - (a) subject to a maximum of five, the number of years, each beginning on 1st April, during which he had any actual reckonable service, being years in excess of the first 40 such years and beginning after his sixty-fifth birthday; and
 - (b) three-eightieths of the relevant terminal salary under section 10(6) of the Act of 1972; and

- (c) the average of all the contribution factors under Part I of the Act of 1972 in relation to him for the years under (a) above or (where the maximum under (a) applies) the first five of those years;

(2) who has no retained lump sum benefits, was no longer an office-holder on his sixty-fifth birthday and is not entitled to a pension by virtue of section 3 of the Act of 1978, the amount of the permitted maximum, subject to a maximum of 120/80 of the multiple, shall be whichever is the greater of:

- (i) the amount of the product of N/NS and the number of eightieths of the multiple, specified in the table in Schedule 2 to this Order in relation to the number of years, each beginning on 1st April, during which any part of his prospective actual reckonable service falls; and
- (ii) the amount of the product of three-eightieths of the multiple and the number of years, each beginning on 1st April, during which he has any actual reckonable service,

aggregated with the amount referred to in paragraph 1(i)(b) of this Article;

(3) who has retained lump sum benefits, but would otherwise be within paragraph (1) of this Article, the amount of the permitted maximum shall be as provided in that paragraph, subject, in respect of the amount under subparagraph (i) of that paragraph, to a maximum, instead of that provided for in that sub-paragraph, of whichever is the greater of:

- (i) the amount of 120/80 of the multiple, less his retained lump sum benefits; and
- (ii) the amount of the product of three-eightieths of the multiple and, subject to a maximum of forty years, the aggregate of:
- (a) the number of years, each beginning on 1st April, during which he has any actual reckonable service; and
- (b) the number of years (if any) determined in respect of him under section 22(4) of the Act of 1972;

(4) who has retained lump sum benefits but would otherwise be within paragraph (2) of this Article, paragraph (4) of Article 10 of this Order shall apply in respect of him, as if set out in this Article.

Whitelaw,
Lord President of the Council

Dated 5th December 1984.

Article 8

SCHEDULE 1

PERCENTAGE ABATEMENT OF PENSION ENTITLEMENT UNDER SECTION 7(4A) OF THE ACT OF 1972

PART A—ABATEMENT BY SINGLE PERCENTAGE FROM DATE PENSION PAYABLE

TABLE 1—MEN

Age at dissolution (years)	Service (years)				
	20 or more	19	18	17	16
65	0	0	0	0	0
64	0	2	4	5½	7½
63	0	3½	7	10½	14
62	0	5	10	15½	20½
61	0	6½	13	19½	26
60	0	7½	15	23	30½
59	14	19	24	29	35
58	28	31	34	37	39
57	42½	42½	42½	42½	42½

TABLE 2—WOMEN

Age at dissolution (years)	Service (years)				
	20 or more	19	18	17	16
65	0	0	0	0	0
64	0	1½	3	4½	6
63	0	3	6	9	12
62	0	4½	9	13	17½
61	0	5½	11	16½	22
60	0	7	13½	20	26½
59	12	16½	21	26	30½
58	25	27½	30	32	34
57	37½	37½	37½	37½	37½

PART B—ABATEMENT BY DIFFERENT PERCENTAGES BEFORE AND AFTER THE 65TH OR 60TH BIRTHDAY

TABLE 1—MEN

The figures specified below are (in column A) the percentage abatement until the 65th birthday of the person entitled to a pension and (column B) the percentage abatement from that birthday.

Age at dissolution (years)	30 or more		29		28		27		26		25		24		23		22		21		20		19		18		17		16			
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B				
65	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
64	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
63	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
62	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
61	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
60	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
59	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3	0.0	22.3
58	14.1	37.8	13.6	38.1	13.1	38.4	12.6	38.8	12.0	39.3	11.4	39.7	10.7	40.2	9.9	40.7	9.1	41.3	8.2	41.9	7.2	42.6	5.1	46.4	10.9	50.3	12.3	54.2	13.0	57.3	13.0	57.3
57	29.5	53.1	29.1	53.5	28.6	53.9	28.1	54.3	27.5	54.8	26.9	55.3	26.3	55.8	25.6	56.4	24.8	57.0	24.0	57.7	23.0	58.5	22.0	59.3	20.9	60.2	19.6	61.3	18.2	62.5	18.2	62.5

TABLE 2—WOMEN

The figures specified below are (in column A) the percentage abatement until the 60th birthday of the person entitled to a pension and (column B) the percentage abatement from that birthday.

Age at dissolution (years)	Service (years)																																	
	30 or more		29		28		27		26		25		24		23		22		21		20		19		18		17		16					
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B				
65	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
64	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
63	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
62	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
61	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
60	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
59	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	12.7	0.0	
58	4.0	27.6	3.3	27.7	2.5	27.8	1.6	27.9	0.7	28.0	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1	0.0	28.1
57	17.6	41.3	16.9	41.4	16.2	41.5	15.4	41.7	14.6	41.8	13.7	42.0	12.7	42.2	11.6	42.4	10.4	42.6	9.1	42.9	7.7	43.1	6.1	43.4	4.4	43.8	2.4	44.1	0.0	44.5	0.0	44.5		

SCHEDULE 2

Articles 10 and 11

MAXIMUM COMMUTATION OF PENSIONS

TABLE

Number of years	Number of eightieths
1	3
2	6
3	9
4	12
5	15
6	18
7	21
8	24
9	30
10	36
11	42
12	48
13	54
14	63
15	72
16	81
17	90
18	99
19	108
20 or more	120

EXPLANATORY NOTE

(This Note is not part of the Order.)

The Parliamentary Pensions etc. Act 1984 (c. 52) made new provision in respect of the parliamentary contributory pension scheme for Members of Parliament and the supplementary scheme for ministerial and other office-holders. These provisions include a new annual accrual rate for benefits of one-fiftieth, a basic limit on pension of two-thirds of final salary for Members (with equivalent provision for office-holders), and provision for the extension of entitlement to early pension for Members leaving at a dissolution of Parliament and for laying down a new permitted maximum lump sum payable by way of commutation of pension.

Part I of this Order makes provision for Members' and office-holders' pensions to be subject in certain circumstances to a maximum further to the basic limit referred to above. Under powers in sections 1(5) and 2(8) of the 1984 Act, the Order provides (*Article 1(2)*) for the new maxima to apply to pensions which fall to be determined after 19th July 1983.

Under *Article 4* of the Order, if at any date (in practice at the start of a period of service) a Member's or office-holder's prospective actual reckonable service (namely his total actual reckonable service assuming that he will serve from that date until his sixty-fifth birthday) is less than six years, his pension will be subject to a maximum, in respect of his actual reckonable service during the period from that date until that birthday (but not in respect of any earlier service). The maximum is based on an assumed rate of accrual of one-sixtieth, or (if greater) on his previous pension expectations from other employment. If his actual reckonable service before and after age 65 is in total six years or more, the maximum provided by the Order does not apply.

The Order further provides (*Article 5*) that where, on a determination of his pension, a person has ceased to be a Member or office-holder before the age of 65, but prospectively he has more than 33 1/3 years of actual reckonable service (had he continued in service until that age), his maximum pension is the proportion of the basic two-thirds limit that the length of his actual reckonable service bears to that prospective service or (if greater) that proportion of his previous expectations from other employment. The limit under Article 5 does not apply to ill-health pensions.

Article 6 of the Order provides for the basic two-thirds limit to be reduced by the amount of any benefits a Member or office-holder retains from other employment. Article 6 also provides for the maximum pension not to be less than a maximum based on an assumed accrual rate of one-sixtieth, and for a maximum based on his previous expectations in other employment to apply if this will be higher.

Article 7 of the Order provides for the pension to which an office-holder becomes entitled before reaching the age of 65, where he has become entitled under Part II of the Order to an early Member's pension, to be subject to a maximum which reduces it by the same percentage as his Member's pension is abated under Part II.

Part II of the Order (*Article 8*) extends entitlement to an early Member's pension to Members who leave the House of Commons at a dissolution (including that of 13th May 1983) but have not met part or all of the requirements for such a pension (the age of 60 and 20 years of service at the dissolution) under section 7(4A) of the Parliamentary and other Pensions Act 1972. Entitlement is extended to Members who at the relevant dissolution are at least 57 years old and have been a Member for at least 16 years. The amount of the pension to which they become entitled is abated at a constant percentage from the date of entitlement or, if the Member requests it, mainly or entirely from (in the case of a man) his sixty-fifth birthday or (in the case of a woman) her sixtieth birthday. The percentage abatement provided for in general decreases in accordance with the Member's greater age and length of service at the relevant dissolution. The percentage abatement of the annual amount of the Member's pension is provided for in tables in Schedule 1 to the Order and by further provision in Article 8 for its calculation by reference to the nearest completed month of age and period of service. In a case where the difference between the amount of the abatements provided for before and after age sixty-five or sixty would exceed the basic national insurance retirement pension, other rates of abatement are to apply such that the difference is equal to the basic national insurance retirement pension.

Part III (*Articles 9 to 11*) of the Order provides for the new permitted maximum for the lump sum payable by way of commutation of pension. The amount of the maximum is to vary depending in general on whether a person is still a Member or office-holder at his sixty-fifth birthday, on whether he has retained any lump sum pension benefits from other employment, and on the length of his actual reckonable service and of any period of service transferred from another scheme. Different provision is made in respect of Members' pensions (*Article 10*) and those of office-holders (*Article 11*) because of the different methods of calculating the amounts of these pensions.

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