

FOI DOF/2024-0050

Request

Under the Freedom of Information Regulations can you supply me with the following information:

1. An explanation of the actual issue that prevents Pensions Branch from issuing projections to partially retired members.
2. An explanation as to the involvement of the Cabinet Office and their role.
3. An explanation as to why Pensions Branch cannot provide a timescale for when the IC projections will be available.
4. Confirmation of when this issue was first identified.
5. Confirmation if this issue is UK wide or just affects Northern Ireland.
6. An explanation as to why scheme members partially retired, who then apply to fully retire are not informed immediately by Pensions Branch that they will be unable to provide IC projections (I applied to retire in October 2023 and was only informed of the issue in January when I initiated contact with Pensions Branch).
7. The section within the Pensions Rules that gives Pensions Branch discretion to indefinitely delay payment of a scheme members full benefits when they have reached pensionable age and have formally applied for payment.
8. Given the stated delay in payment of scheme members benefits will there be interest payable due to loss for the delay period?
9. The number of partially retired members who have now applied to fully retire that this situation affects.
10. Confirmation that this issue with IC projections does not affect scheme members who have not previously partially retired.
11. Confirmation that this group (Partially Retired) is being treated differently to scheme members who had previously not partially retired.
12. Confirmation that this group (Partially Retired) are being treated less favourably than scheme members who had previously not partially retired.
13. Confirmation that this decision to treat those partially retired differently has been equality screened.
14. Confirmation if Trade Unions have been fully informed of this issue.
15. Confirmation if there will be a service wide notification as to this issue to inform scheme members that their proposed retirement date may not be able to be proceeded with. This, so as to prevent members running down leave making travel/life plans based on the reasonable assumption of being able to fully retire when they are eligible to do so.
16. Confirmation if any legal action is pending in relation to this issue.

DoF Response

I can confirm the department holds some of the information requested.

1. An explanation of the actual issue that prevents Pensions Branch from issuing projections to partially retired members.

Civil Service Pensions (CSP)(NI) do not currently have all the information required to provide the full and complete calculations and are awaiting a number of clarifications involving HM Treasury and HMRC on taxation issues.

2. An explanation as to the involvement of the Cabinet Office and their role.

The NICS Pensions Schemes are analogous to the Home Civil Service Pension Schemes which means the NICS Pension Schemes base their rules and regulations on the equivalent GB scheme rules and regulations. Cabinet Office is the Scheme Manager responsible for the Civil Service Pension Schemes in GB.

3. An explanation as to why Pensions Branch cannot provide a timescale for when the IC projections will be available.

The statutory deadline for issuing Remediable Service Statements (RSS) to Immediate Choice members is 31 March 2025. This information can be accessed via the CSP(NI) website by selecting the link below:

<https://www.finance-ni.gov.uk/articles/mccloud-judgment-and-remedy-faqs-timings-and-next-steps>.

4. Confirmation of when this issue was first identified.

The taxation of interest is a HMRC policy matter, therefore CSP(NI) cannot confirm the date the issue was first identified.

5. Confirmation if this issue is UK wide or just affects Northern Ireland.

The issue impacts all Public Service Pension Schemes where remedy interest is a factor.

6. An explanation as to why scheme members partially retired, who then apply to fully retire are not informed immediately by Pensions Branch that they will be unable to provide IC projections (I applied to retire in October 2023 and was only informed of the issue in January when I initiated contact with Pensions Branch).

The information you have requested is held by the department but is exempt under Section 21(1) of the Freedom of Information Act. Section 21 applies to information that is already reasonably accessible to the applicant by other means. Section 21 is an absolute exemption and the department is not required to consider whether the public interest favours disclosure of this information.

This information is provided on the CSP(NI) website at; <https://www.finance-ni.gov.uk/articles/2015-remedy-mccloud-retirement-quotations>.

- 7. The section within the Pensions Rules that gives Pensions Branch discretion to indefinitely delay payment of a scheme members full benefits when they have reached pensionable age and have formally applied for payment.**

Section 29(10) of the [Public Service Pensions and Judicial Offices Act 2022](#) provides that Immediate Choice RSS are provided within 18 months of section 2(1) coming into force. For the NICS pension schemes, section 2(1) came into force on 1 October 2023, therefore the statutory deadline for providing Immediate Choice members their RSS choice information is 31 March 2025. As a temporary workaround, members who partially retired during the remedy period (1 April 2015 to 31 March 2022) and wish to fully retire before an Immediate Choice can be issued, can have their existing final retirement benefits put into payment without delay. They will then receive their remedy RSS when CSP(NI) are in a position to provide it and their benefits in payment will be adjusted, if necessary, to reflect their remedy choice.

- 8. Given the stated delay in payment of scheme members benefits will there be interest payable due to loss for the delay period?**

As stated previously, statutory deadline for issuing immediate Choice RSS is 31 March 2025 and CSP(NI) are working towards this timeframe therefore members have not suffered delays at this point. Interest, where due, will be paid in line with the relevant legislation.

- 9. The number of partially retired members who have now applied to fully retire that this situation affects.**

Between 01/10/2023 and 31/01/2024, 44 partially retired members in scope of the remedy applied to fully retire.

- 10. Confirmation that this issue with IC projections does not affect scheme members who have not previously partially retired.**

Members in scope of the remedy who have not previously partially retired during the remedy period fall under the Deferred Choice Underpin provisions of the [Public Service Pensions and Judicial Offices Act 2022](#) rather than an Immediate Choice. Interest is not a feature of the Deferred Choice Underpin as there are no remediable pension benefits already in payment. Therefore, we are not prevented from issuing members with their choice on leaving the service.

- 11. Confirmation that this group (Partially Retired) is being treated differently to scheme members who had previously not partially retired.**

The [Public Service Pensions and Judicial Offices Act 2022](#) sets out the various member groups and how they are treated for remedy purposes. CSP(NI) is compliant with this legislation.

12. Confirmation that this group (Partially Retired) are being treated less favourably than scheme members who had previously not partially retired.

The [Public Service Pensions and Judicial Offices Act 2022](#) sets out the various member groups and how they are treated for remedy purposes. CSP(NI) is compliant with this legislation. CSP(NI) can confirm that everyone who is entitled to an Immediate Choice will receive one, so no one is being treated any differently in that regard.

13. Confirmation that this decision to treat those partially retired differently has been equality screened.

The information you have requested is reasonably accessible and therefore exempt under Section 21(1) of the Freedom of Information Act. Section 21 applies to information that is already reasonably accessible to the applicant by other means. Section 21 is an absolute exemption and the department is not required to consider whether the public interest favours disclosure of this information.

The [Public Service Pensions and Judicial Offices Act 2022](#), which sets out how the remedy will be implemented, has the following associated assessments published alongside it:

- [Assessment of Impacts](#) 380kB
- [Equality Impact Assessment](#) 1.25MB

14. Confirmation if Trade Unions have been fully informed of this issue.

CSP(NI) can confirm that prior to the introduction of remedy legislation, appropriate consultation exercises were undertaken both in GB and NI. Furthermore, for the NICS pension scheme, CSP(NI) have actively engaged with Trade Union representatives both through the Pensions Forum and remedy workshops.

15. Confirmation if there will be a service wide notification as to this issue to inform scheme members that their proposed retirement date may not be able to be proceeded with. This, so as to prevent members running down leave making travel/life plans based on the reasonable assumption of being able to fully retire when they are eligible to do so.

CSP(NI) is working with stakeholders to resolve this temporary issue. Until such time as all information is available to allow the full calculations to be provided, members have access to a workaround and can have retirement benefits put into payment in the interim. There are limited numbers that are in this position and CSP(NI) has contacted those members individually. There is currently no impediment from CSP(NI) preventing members proceeding with their planned retirement on the date they propose to retire.

16. Confirmation if any legal action is pending in relation to this issue.

There is currently no legal action pending involving the timing of issuing Immediate Choice RSS.