

## DoF Screening template

Screening is the first of two methods by which the necessary level of “regard” is demonstrated as being paid to the statutory equality goal, as set out in Section 75 of the Northern Ireland Act 1998. The DoF Equality Scheme commits us to screening our policies. This includes our strategies and plans, policies, legislative developments; and new ways of working such as – the introduction, change or end of an existing service, procedure, policy etc.

This screening template is designed to help business areas consider the likely equality and human rights impacts of their proposed decisions on different groups of customers, service users, staff and visitors.

Detailed information about the Section 75 equality duties and what they mean in practice is available on the Equality Commission’s website: <http://www.equalityni.org/ECNI/media/ECNI/Publications/Employers%20and%20Service%20Providers/S75GuideforPublicAuthoritiesApril2010.pdf>

A copy of the Screening Template, for each policy screened, should be ‘signed off’ and approved by a senior manager responsible for the policy, made accessible on the DoF website as soon as possible following completion and made available in alternative formats on request.

All Section 75 consultees should be advised of the screening exercise once the final policy decision has been taken.

The screening template has 4 sections to complete. These are:

**Section A** - details about the policy / decision that is being screened.

**Section B** - 4 key questions that require you to outline the likely impacts on equality groups, and all supporting evidence.

**Section C** - 4 key questions in relation to obligations under the Disability Discrimination Order and the Human Rights Act.

**Section D** - the formal record of the screening decision.

## SECTION A

### Information about the policy

This stage of the screening process involves scoping the policy under consideration. The purpose of policy scoping is to help prepare the background and context and set out the aims and objectives for the policy being screened. At this stage, scoping the policy will help identify potential constraints as well as opportunities and will help the policy maker work through the screening on a step-by-step basis.

Remember that the Section 75 statutory duties apply to internal policies (relating to people who work for us) as well as external policies (relating to those who are, or could be, served by us).

*Is this a new or revised policy?*

Revised

#### a) Name of the policy

Public Service Pensions – Amendments to the Cost Control Mechanism (Second LCM for the Public Service Pensions and Judicial Offices Bill).

#### b) Brief Description of the policy

The cost control mechanism for public service pension schemes was introduced following the recommendations of the Independent Public Service Pensions Commission (IPSPC) in 2011. It is designed to ensure a fair balance of risk and cost between members of public service defined benefit pension schemes and the Exchequer (and by extension taxpayers) in the management of scheme costs. Public service pension schemes were reformed in 2015. These changes saw the replacement of the final salary (legacy) schemes with new CARE (career average) scheme designs, also recommended by the IPSPC. Each of the reforms, including the provisions for cost control, were legislated for NI schemes in the Public Service Pensions Act (Northern Ireland) 2015, agreed by the Assembly in 2014. They reflect changes also introduced for equivalent public service schemes in Britain. This proposed policy change also reflects comparable changes being progressed for schemes there.

The cost control mechanism references economic factors and assumptions for cost management common to all UK public service pension schemes including GDP, CPI, earnings growth, and which are set out in directions for scheme valuations made by the Treasury and Department of Finance. The cost control mechanism was first tested

at the 2016 valuations. Provisional results raised the question of whether the cost control mechanism, as currently designed, is too volatile.

Following this the Treasury commissioned the Government Actuary (GA) to conduct a review of the cost control mechanism, which also considered the schemes provided in Northern Ireland. The review was commissioned amidst concern that the mechanism was not operating in line with its original objectives, to maintain a fair balance of liabilities and protect the taxpayer. The [GA's final report](#) to HM Treasury containing his findings and recommendations was published on 15 June 2021. Having considered the GA's report, the Treasury held a consultation (which the Department of Finance and the corresponding schemes provided in Northern Ireland were also part of) between 24 June 2021 and 19 August 2021 to seek views on three key proposals to reform the mechanism, all of which were recommendations by the GA:

- 1. Moving to a reformed scheme only design:** to remove any allowance for legacy schemes in the cost control mechanism, so the mechanism only considers past and future service in the reformed schemes. This ensures consistency between the set of benefits being assessed and the set of benefits potentially being adjusted;
- 2. Widening the corridor:** to widen the corridor from 2% to 3% of pensionable pay. This aims to achieve a better balance between stability and responsiveness of the cost control mechanism; and
- 3. Introducing an economic check:** currently the mechanism does not include changes in long-term economic assumptions and therefore cannot consider the actual cost to the Government of providing the pension benefits. The Government proposes introducing an economic check so that a breach of the mechanism would only be implemented if it would still have occurred had the long-term economic assumptions been considered.

Following its consultation, the Treasury announced in its [CCM consultation response](#) that its intention is to implement all three proposals in time for the (as at) 2020 valuations. It is necessary to implement the reformed scheme only design and the economic check through expanded powers in primary legislation and then by making directions under those powers in due course. The Department of Finance is responsible for implementing these legislative changes for the devolved schemes in NI. The wider cost corridor will be implemented to a longer timeline via secondary legislation.

### c) Aims of the policy/ Rationale behind the changes

The Treasury has laid amendments to the Public Service Pensions and Judicial Officials Bill on 6 January 2022 to set the framework for implementing two of the three reforms, the reformed scheme-only design and the economic check. (On 1 November 2021, a Legislative Consent Motion was approved by the NI Assembly for the NI clauses for the McCloud remedy to be carried in the Public Service Pensions and

Judicial Offices Bill in Westminster. These new amendments are outside the scope of that LCM and the Department of Finance is considering appropriate legislative options to implement the required changes.

These reforms must be in place in time for the next scheme valuations, (using as at 2020 data), which is the next time it will be tested. Both these changes are designed to make the cost cap mechanism more stable and operate in line with its original objectives, protecting the taxpayer, and removing the need for frequent adjustments.

The remaining proposal, the wider 3% corridor, will be implemented through secondary legislation in due course.

d) Who will the policy affect?

Members of the NI public service pension schemes which NI Departments have responsibility for.

e) Is this a NICS wide policy?

This policy affects five of the NICS Departments who have responsibility for the devolved public service pension schemes. Civil Servants – the Department of Finance; Judicial Office Holders & Members of the Police Service – the Department of Justice; Local Government Workers – the Department for Communities; Teachers – the Department for Education; Health Service Workers and Fire & Rescue workers – the Department of Health.

f) Who will implement the policy?

The Department of Finance.

g) Will this policy or revision address an existing inequality? Yes/No  
If yes, please give details.

No – This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service defined benefit pension schemes and the Exchequer. Under the policy all individuals will be treated in the same way without reference to protected characteristics.

h) Will this policy or revision benefit any Section 75 categories? Yes/No  
If yes, please give details.

No – This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. Under the policy all individuals will be treated in the same way without reference to protected characteristics.

i) Will this policy or revision have an adverse differential impact upon any of the Section 75 groupings? Yes/No. If yes, please give details.

No – This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. Under the policy all individuals will be treated in the same way without reference to protected characteristics.

This policy will not have an adverse differential impact upon any of the Section 75 groupings.

## Section B

### Available evidence

Evidence to help inform the screening process may take many forms. Public authorities should ensure that their screening decision is informed by relevant data.

What evidence / information (both qualitative and quantitative) have you gathered to inform this policy? Set out all evidence below along with details of the different Section 75 groups you have met and / or consulted with to help inform your screening assessment. Please also provide details of priorities and needs identified for each Section 75 group.

- **Religious belief**

#### ALL

[Equality Commission for Northern Ireland 'Fair Employment Monitoring Report No.30 - Annual Summary of Monitoring Returns', Latest Edition, 2019.](#)

#### Civil Servants

[Equality Statistics for the NICS - NISRA, July 2021.](#)(Page 8, 9 & 24)

#### Members of Police Force

[Police Service \(NI\) Workforce Composition Statistics – March 2021.](#)

- **Political opinion**

#### Civil Servants

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 30 - this page reference confirms that NICS don't collate this evidence.)

#### Health Service Workers

Data on political opinion of employees is not readily available for the total Health and Social Care Workforce or recorded by all Health and Social Care employing authorities. There is no evidence that the proposals raise any specific equality issues for members in relation to political opinion.

### **Teachers**

This information is not available as Article 71 of the Fair Employment and Treatment (NI) Order 1998 makes schools exempt from the requirement to monitor the political opinion of their teaching staff. There is no evidence that the proposals raise any specific equality issues for members in relation to political opinion.

### **Northern Ireland Fire & Rescue Workers**

The NIFRS monitors all equality groups identified in Section 75 of the NI Act 1998 including political opinion. Information on all Section 75 groups is collected from applicants for NIFRS vacancies.

### **Members of Police Force**

There is currently no statistical analysis available for this category in respect of members of the PSNI.

- **Racial group**

### **Civil Servants**

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 14, 28 & 29)

### **Northern Ireland Fire & Rescue Workers**

Equality statistics for the NIFRS.

### **Teachers**

This information is not usually collated and we have not been able to identify any single source of information on the workforce in relation to this measure. However, there is no indication that this policy will disproportionately impact on the basis of racial group. The Department for Education is considering whether this information could, in future, be collated and included in the DfE digest of statistics on the Education Workforce which is published on an annual basis.

### **Members of Police Force**

## [Police Service \(NI\) Workforce Composition Statistics – March 2021](#)

### **Health Service Workers**

Data on racial grouping of employees is not readily available for the total Health and Social Care workforce or recorded by all employing authorities. There is no evidence that the proposals raise any specific equality issues for members in relation to racial grouping.

- **Age**

### **Civil Servants**

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 10, 11 & 25)

### **Teachers**

The Annual Statistics Digest - number of teachers registered with the General Teaching Council (NI) by age and gender - March 2018.

### **Members of Police Force**

There is currently no statistical analysis available for this category in respect of members of the PSNI.

### **Northern Ireland Fire & Rescue Workers**

Equality statistics for the NIFRS.

### **Health Service Workers**

Age profiling statistics extracted from the Business Services Organisation (BSO) Health and Social Care Payroll System.

- **Marital status**

### **Civil Servants**

The NICS currently monitors community background, age, disability, ethnic origin and gender but has recently extended that monitoring to cover the remaining equality groups identified in Section 75 of the NI Act 1998 including marital status. At present,



information on all the Section 75 groups is collected from applicants for NICS vacancies and work is continuing on the design of the database that will be used to collect and hold Section 75 data on NICS employees. However, there is no indication that this policy will impact disproportionately on the basis of marital status.

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 30)

### **Teachers**

This information is not usually collated and we have not been able to identify any single source of information on the workforce in relation to this measure. However, there is no indication that this policy will disproportionately impact on the basis of marital status. The Department for Education is considering whether this information could, in future, be collated and included in the DfE digest of statistics on the Education Workforce which is published on an annual basis.

### **Members of Police Force**

There is currently no statistical analysis available for this category in respect of members of the PSNI.

### **Northern Ireland Fire & Rescue Workers**

Equality statistics for the NIFRS.

### **Health Service Workers**

Data on marital status of employees is not readily available for the total Health and Social Care workforce or recorded by all employing authorities. There is no evidence that the proposals raise any specific equality issues for members in relation to marital status.

- **Sexual orientation**

### **Civil Servants**

Data on sexual orientation of employees is not readily available for the total NICS workforce. There is no evidence that the proposals raise any specific equality issues for members in relation to marital status.

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 28 & 29)

### **Health Service Workers**

This information is not readily available for the total Health and Social Care workforce or recorded by all employing authorities. There is no evidence that the proposals raise any specific equality issues for members in relation to sexual orientation.

### **Teachers**

This information is not collected by employing authorities. There is no indication that this policy will disproportionately impact on the basis of sexual orientation.

### **Members of Police Force**

There is currently no statistical analysis available for this category in respect of members of the PSNI.

### **Northern Ireland Fire & Rescue Workers**

Equality statistics for the NIFRS.

- **Men & women generally**

### **ALL**

[Equality Commission for Northern Ireland 'Fair Employment Monitoring Report No.30 - Annual Summary of Monitoring Returns', Latest Edition, 2019.](#)

### **Civil Servants**

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 6, 7 & 23)

### **Teachers**

The Annual Statistics Digest - number of teachers registered with the General Teaching Council (NI) by age and gender - March 2018

### **Members of Police Force**

[Police Service \(NI\) Workforce Composition Statistics – March 2021.](#)

### **Northern Ireland Fire & Rescue Workers**

Equality statistics for the NIFRS.

- **Disability**

### **Civil Servants**

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 12, 13, 26 & 29)

### **Teachers**

This information is not usually collated. However, there is no indication that this policy will disproportionately impact on the basis of disability. The Department for Education is considering whether this information could in future be collated and included in the DfE digest of statistics on the Education Workforce which is published on an annual basis.

### **Northern Ireland Fire & Rescue Workers**

Equality statistics for the NIFRS.

### **Members of Police Force**

There is currently no statistical analysis available for this category in respect of members of the PSNI.

### **Health Service Workers**

This information is not readily available for the total HSC workforce or recorded by all employing authorities. There is no evidence that the proposals raise any specific equality issues for members in relation to disability.

- **Dependants**

### **Civil Servants**

Data on dependants of employees is not readily available for the total NICS workforce. There is no evidence that the proposals raise any specific equality issues for members in relation to dependant status.

[Equality Statistics for the NICS - NISRA, July 2021.](#) (Page 28 & 30)

### **Teachers**

This information is not collected by employing authorities. There is no evidence that this policy will disproportionately impact on the basis of dependant status.

### **Members of Police Force**

There is currently no statistical analysis available for this category in respect of members of the PSNI.

### **Fire & Rescue Workers**

The NIFRS monitors all equality groups identified in Section 75 of the NI Act 1998 including dependant status. Information on all Section 75 groups is collected from applicants for NIFRS vacancies.

### **Health Service Workers**

This information is not readily available for the total Health and Social care workforce or recorded by all employing authorities. There is no evidence that the proposals raise any specific equality issues for members in relation to dependant status.

### **If you have no evidence held, outline how you will obtain it:**

The use of data will be kept under review as further policy development is conducted. The Department of Finance welcomed views from consultees for all proposals in this assessment.

Data for each of the nine Section 75 categories is not readily available and collated by all of the NI public service pension schemes. There is no opportunity for this to change.

## Screening questions

There are 4 essential screening questions:

1. What is the likely impact on equality of opportunity for those affected by this policy, for each of the nine Section 75 categories? (minor/major/none)
2. Are there opportunities to better promote equality of opportunity for people within the Section 75 categories? (yes/no)
3. To what extent is the policy likely to impact upon good relations between people of different religious belief, political opinion or racial group? (minor/major/none)
4. Are there opportunities to better promote good relations between these three groups? (Yes/No)

### **1. What is the likely impact on equality of opportunity for those affected by this policy, for each of the nine Section 75 categories?**

#### **• Religious belief:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

#### **• Political opinion:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

- **Racial group:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

- **Age:**

Minor – There are more public service pension scheme members represented in the age groupings between 25 to 49. However the policy change to a ‘reformed scheme only design’ and an ‘economic check’ does not apply any direct, differential impact for members with reference to their age. Under the current public service pension arrangements members may be accruing pension service in either legacy or reformed schemes. Due to the scheme reforms which occurred in 2015 most legacy scheme members are in the older cohorts, and as it currently operates, the cost cap mechanism has so far attributed costs arising only in the legacy schemes as the main driver of overall cost change affecting the cost cap. However while the mechanism includes these legacy scheme costs when calculating a cost cap breach it only permits for any change in benefits which might occur as a consequence to apply to the reformed schemes. In his report on the review of the cost cap mechanism the Government Actuary found this to be a somewhat perverse outcome wherein existed a certain indirect intergenerational unfairness between older legacy scheme members and their generally younger reformed scheme counterparts. Under the remedy for age discrimination which will now apply for NI scheme members as a consequence of the LCM for the Public Service Pensions and Judicial Offices Bill which the NI Assembly agreed a LCM for on 1 November 2021, (relevant screening for this policy change is here), all members will accrue future service only in the reformed schemes from 1 April 2022. Consequently all members will be treated equally from that date for their service. The move to a reformed scheme only design for the cost cap mechanism while not directly differentiating between members on basis of their age, brings this equality of treatment to scheme cost control, and the intergenerational unfairness identified in the cost cap mechanism process by the Government Actuary should be reduced. As all members will be in the same reformed arrangements regardless of protected characteristics any disproportionate imbalance previously a feature of costs attributable to generally older members in the legacy scheme is addressed and comparatively younger members will not experience changes to their benefits based on costs associated with relatively older members in the legacy final salary schemes. Some indirect age-related consequences may remain associated with the cost control process, e.g. the protected nature of accrued pension rights and the overall design of the cost control mechanism are such that it is not possible to exactly align the change in costs that trigger a breach with those who will directly be affected by any related

rectification. However the in terms of the aim to stabilise the mechanism this approach would appear to be more intergenerationally fair than it presently is.

The Department considers that the economic check will make the mechanism more stable by making it less likely that breaches of the floor and ceiling are implemented through benefit increases or benefit reductions. Depending on the underlying causes of a breach when it does occur this may also indirectly affect intergenerational fairness. However again it is not possible to exactly align the change in costs that trigger a breach with those who will directly be affected by any related rectification. The economic check is necessary to protect taxpayers by ensuring consistency between benefit changes and changes in the wider economic outlook whilst also maintaining the value of schemes to all members without reference to protected characteristics. There are many variables which affect individual pension outcomes and scheme members may be either net beneficiaries or net losers of policies depending on prevailing economic and financial factors unrelated to age.

For these reasons the Department of Finance maintains that the proposals to ensure the cost cap mechanism operates fairly and with stability for the future and in line with its original aims are justified and proportionate and do not effect an unjustified adverse differential impact on protected characteristics for age.

**The table below provides details of active members of the NI public sector schemes by Age as at 31 March 2021 (Data obtained from schemes for the review of the Public Service Pensions Act (NI) 2014)**

	age group								
	16-24	25-39	40-49	50-55	56-60	61-65	66-70	71-75	75+
<b>Male</b>	2293	20000	17167	11287	8015	4161	936	179	12
<b>Female</b>	6894	49786	41583	25728	16308	7561	1318	218	20
<b>Total</b>	9187 (4.30%)	69787 (32.69%)	58750 (27.52%)	37015 (17.34%)	24323 (11.40%)	11722 (5.49%)	2254 (1.05%)	397 (0.18%)	32 (0.01%)

- **Marital status:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

- **Sexual orientation:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

- **Men and women generally:**

Minor - The Northern Ireland public service workforce contains a proportionately greater female representation, although this varies across departments and employment types. As a consequence the policy revision may apply to more females, but this is an incidental indirect effect of its purpose. There may be an indirect impact insofar that women may have entered the workforce in greater numbers as time has progressed, meaning that they account for a greater proportion of the younger cohorts than they do of older cohorts. On the other hand in these circumstance a reformed scheme only design means more women would be insulated from benefit changes based on changes in costs associated with legacy schemes of which they would relatively less likely to be members, and those legacy scheme costs could otherwise lead to both ceiling and floor breaches.

Women may also be disproportionately affected by the economic check which is expected to reduce the frequency of breaches. This would depend on the underlying causes of the breach when it does occur and whether they could be seen to be associated with costs for older members, who are more likely to be men. Women could also benefit by being relatively more insulated from smaller and temporary changes in costs related to the past service of relatively older members who are more likely to be men. However both these secondary outcomes recede somewhat with the removal of the legacy schemes from the mechanism. The Department's view is the economic check, justified and proportionate measures to introduce in terms of increased stability and certainty of benefit levels for members.

Overall the policy revisions aim to ensure the cost control mechanism operates in line with its original objectives which is a mechanism designed to ensure a fair balance of risk between members of public service defined benefit public service pension schemes and the Exchequer. It will apply equally for all eligible members regardless of their gender, and protect taxpayers while preserving the value of schemes to members. There are many variables which affect individual pension outcomes and scheme members may be either net beneficiaries or net losers of policies depending on prevailing economic and financial factors unrelated to sex. The Department believes the revision of policy provides a positive policy outcome without any adverse differential effects on gender groups.



**The table below provides details of Active members of NI public sector pension schemes by gender as at 31/3/21 (Data obtained from schemes for the review of the Public Service Pensions Act (NI) 2014)**

	Male	Female
<b>Total</b>	64,050 (30%)	149,416 (70%)
<b>Overall total</b>	213,466	

- **Disability:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

- **Dependants:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is likely to be no impact of opportunity for those affected by this policy within the above Section 75 category.

## **2. Are there opportunities to better promote equality of opportunity for people within the Section 75 categories?**

- **Religious belief:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Political opinion:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the

Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Racial group:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Age:**

No - This policy relates exclusively to ensuring the Cost Control Mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit (DB) pension schemes and the Exchequer (and by extension taxpayers). There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Marital status:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Sexual orientation:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Men and women generally:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Disability:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

- **Dependants:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. There is no realistic scope for the policy itself to be used to promote equality of opportunity for people within the above Section 75 category.

### **3. To what extent is the policy likely to impact upon good relations between people of different religious belief, political opinion or racial group?**

- **Religious belief:**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. The policy is likely to have no impact upon good relations between people of different religious belief.

- **Political opinion**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. The policy is likely to have no impact upon good relations between people of different political opinion.

- **Racial group**

None - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes

and the Exchequer. The policy is likely to have no impact upon good relations between people of different racial groups.

#### **4. Are there opportunities to better promote good relations between these three groups?**

- **Religious belief:**

No - This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. The policy will not provide opportunities to better good relations between people of different religious belief.

- **Political opinion**

No- This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. The policy will not provide opportunities to better good relations between people of different political opinion.

- **Racial group**

No- This policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service Defined Benefit pension schemes and the Exchequer. The policy will not provide opportunities to better good relations between people of different racial groups.

### **Additional considerations**

#### **Multiple identity**

Generally speaking, people can fall into more than one Section 75 category. Taking this into consideration, are there any potential impacts of the policy/decision on people with multiple identities?

*(For example; disabled minority ethnic people; disabled women; young Protestant men; and young lesbians, gay and bisexual people).*

No – There are no potential impacts of the policy on people with multiple identities. The policy relates exclusively to ensuring the cost control mechanism for public service

pension schemes is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service defined benefit schemes and the Exchequer.

Provide details of data on the impact of the policy on people with multiple identities. Specify relevant Section 75 categories concerned.

Not applicable – see above response.

## Mitigation

When the public authority concludes that the likely impact is 'minor' and an equality impact assessment is not to be conducted, the public authority may consider mitigation to lessen the severity of any equality impact, or the introduction of an alternative policy to better promote equality of opportunity or good relations.

Alternatively there may already be policies in place which would mitigate any adverse impact identified.

### Mitigation measures proposed:

The screening exercise identifies only minor impacts which cannot be mitigated against. They are incidental to the imperative of the policy revision which is to ensure the cost control mechanism is operating in line with its original objectives to ensure a fair balance of risk between members of public service defined benefit pension schemes and the Exchequer (and by extension taxpayers). There are no unjustified adverse differential impacts for the section 75 groupings.

Under the policy revision all members will be treated equally and afforded the same choices and opportunities, without reference to protected characteristics. These reforms will make the cost control mechanism more stable, protect the taxpayer and provide certainty on member benefits and contribution rates. The Department believes these reforms strike an appropriate balance for that purpose.

The design of devolved public service schemes remains broadly identical to that for equivalent schemes in Britain. These proposals reflect identical changes proposed for the cost cap regime applying for equivalent schemes elsewhere in the UK. Public service pensions are paid from AME (annually managed expenditure) and cost control policy for devolved schemes is expected to reflect that maintained by Treasury for those equivalent schemes. Implementing these proposals for devolved schemes will maintain this position. To do differently could lead to divergent valuation outcomes at the 2020 and subsequent valuations. This could have implications for Block Grant funding, if funds are diverted to cover shortfalls where resultant scheme costs could exceed the comparable cost control profile for equivalent schemes in Britain. This could have implications for funding available for other important public service.

Members of the public service schemes will continue to receive a high quality defined benefit pension with a guaranteed payment in retirement that is protected against inflation, regardless of the Section 75 category they fall into.

## Section C

DoF also has legislative obligations to meet under the [Disability Discrimination Order](#) and the [Human Rights Act](#). The following questions relate to these two areas.

### Consideration of Disability Duties

Does the proposed policy / decision provide an opportunity for DoF to better **promote positive attitudes** towards disabled people?

#### Explain your assessment in full

No – The proposed policy does not provide an opportunity for DoF to better promote positive attitudes towards disabled people. The proposed policy relates exclusively to ensuring the cost control mechanism for public service pension schemes is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service defined benefit pension schemes and the Exchequer.

Does the proposed policy / decision provide an opportunity to actively **increase the participation** by disabled people in public life?

#### Explain your assessment in full

No – The proposed policy does not provide an opportunity to actively increase the participation by disabled people in public life. The proposed policy relates exclusively to ensuring the cost control mechanism is operating in line with its original objectives for a mechanism designed to ensure a fair balance of risk between members of public service defined benefit pension schemes and the Exchequer.

## Consideration of Human Rights

The Human Rights Act (HRA) 1998 brings the European Convention on Human Rights (ECHR) into UK law and it applies in N Ireland. Articles 3 and 4 are classified as “absolute” rights i.e. the State can never withhold or take away these rights. All others are either “qualified” or “limited”. Further information is available via the following link

<http://www.nicshumanrightsguide.com/>

Indicate any potential adverse impacts that the policy / decision may have in relation to human rights issues.

### Adverse Impact

(delete as appropriate)

Right to Life	<b>Article 2</b>	No
Prohibition of torture, inhuman or degrading treatment	<b>Article 3</b>	No
Prohibition of slavery and forced labour	<b>Article 4</b>	No
Right to liberty and security	<b>Article 5</b>	No
Right to a fair and public trial	<b>Article 6</b>	No
Right to no punishment without law	<b>Article 7</b>	No
Right to respect for private and family life, home and correspondence	<b>Article 8</b>	No
Right to freedom of thought, conscience and religion	<b>Article 9</b>	No
Right to freedom of expression	<b>Article 10</b>	No
Right to freedom of peaceful assembly and association	<b>Article 11</b>	No



Right to marry and to found a family	<b>Article 12</b>	No
The prohibition of discrimination	<b>Article 14</b>	No
Protection of property and enjoyment of possessions	<b>Protocol 1 Article 1</b>	No
Right to education	<b>Protocol 1 Article 2</b>	No
Right to free and secret elections	<b>Protocol 1 Article 3</b>	No

Please indicate any ways which you consider the policy positively promotes human rights.

The policy does not provide an opportunity to positively promote human rights.

Please explain any adverse impacts on human rights that you have identified.

No adverse impacts on human rights have been identified.

If you have identified any adverse impacts on human rights through this screening you must complete a Human Rights Impact Assessment: <https://www.executiveoffice-ni.gov.uk/publications/human-rights-impact-assessment-proforma>.

## Monitoring Arrangements

Public authorities should consider the guidance contained in the Commission's [Monitoring Guidance for Use by Public Authorities \(July 2007\)](#):

<http://www.equalityni.org/ECNI/media/ECNI/Publications/Employers%20and%20Service%20Providers/S75MonitoringGuidance2007.pdf>

The Commission recommends that where the policy has been amended or an alternative policy introduced, the public authority should monitor more broadly than for adverse impact (See Benefits, P.9-10, paras 2.13 – 2.20 of the Monitoring Guidance).

Effective monitoring will help the public authority identify any future adverse impact arising from the policy which may lead the public authority to conduct an equality impact assessment, as well as help with future planning and policy development.

### **Please detail proposed monitoring arrangements below:**

The Department of Finance will utilise the data listed below in the future in order to monitor the impact of this policy / decision on equality, good relations and disability duties.

#### **Equality**

[Equality Commission for Northern Ireland 'Fair Employment Monitoring Report No.30 - Annual Summary of Monitoring Returns', Latest Edition, 2019.](#)

[Equality Statistics for the NICS - NISRA, July 2021.](#)

NIFRS Equality Statistics.

#### **Good Relations**

Northern Ireland Public Service Workforce Statistics.

#### **Disability Duties**

Northern Ireland Public Service Workforce Statistics.

NIFRS Equality Statistics.

## Section D - Formal Record of Screening Decision

### Title of Proposed Policy / Decision being screened:

Public Service Pensions - The Cost Control Mechanism

I can confirm that the proposed policy / decision has been screened for (i) equality of opportunity, (ii) good relations disabilities duties and (iii) human rights issues

On the basis of the answers to the screening questions, I recommend that this policy / decision is –

(delete as appropriate)

\* **Screened Out** - Mitigating Actions (minor impacts)

#### Provide a brief note to explain how this decision was reached:

The screening exercise identifies only minor impacts for sex and age. These are incidental to the imperative of the policy revision which is to ensure the cost control mechanism is operating in line with its original objectives to ensure a fair balance of risk between members of public service defined benefit pension schemes and the Exchequer (and by extension taxpayers). There are no unjustified adverse differential impacts for the section 75 groupings.

Under the policy revision all members will be treated equally and afforded the same choices and opportunities, without reference to protected characteristics.

These reforms will make the cost control mechanism more stable, protect the taxpayer and provide certainty on member benefits and contribution rates. The Department believes these reforms strike an appropriate balance for that purpose.

The design of devolved public service schemes remains broadly identical to that for equivalent schemes in Britain. These proposals reflect identical changes proposed for the cost cap regime applying for equivalent schemes elsewhere in the UK. Public service pensions are paid from AME (annually managed expenditure) and cost control policy for devolved schemes is expected to reflect that maintained by Treasury for those equivalent schemes. Implementing these proposals for devolved schemes will maintain this position. To do differently could lead to divergent valuation outcomes at the 2020 and subsequent valuations. This could have implications for Block Grant funding, if funds are diverted to cover shortfalls where resultant scheme costs could exceed the comparable cost control profile for equivalent schemes in Britain. This could have implications for funding available for other important public service.

Members of the public service schemes will continue to receive a high quality defined benefit pension with a guaranteed payment in retirement that is protected against inflation, regardless of their gender; racial background; age; disability; persons with

dependents and persons without; political opinion; religion or belief; sexual orientation, or marital/civil partnership status.

### **Screening assessment completed by -**

**Name** Darrell Harvey  
**Grade** Staff Officer  
**Date** 07/01/2022

### **And approved by –**

**Name** Stephen Ball  
**Grade** G7  
**Date** 10/01/2022

Central Support Team Notified	10/01/2022
Equality Contacts advised	14/01/2022
Screening uploaded to DoF website	14/01/2022