
McCloud Judgement

In 2015, the Government introduced reforms to public sector pensions. The Independent Parliamentary Standards Authority (IPSA) introduced similar reforms to the PCPF, which came into effect on 8 May 2015. As part of the changes, transitional provisions were introduced to protect the rights of all members within ten years of normal retirement age, with tapering protections applied for those between 10 and 13.5 years from pension age. These protections allowed members to stay in the previous scheme until retirement, or for a period of time, depending on their age. Younger members who were more than 13.5 years from retirement age were moved to the new scheme with immediate effect.

The changes were challenged by members of the firefighters' and judges' schemes (which became known as the McCloud case) who complained of unfair treatment on grounds of age discrimination. In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members of the judges' and firefighters' schemes, as part of the reforms, amounted to unlawful discrimination.

On 15 July 2019, the Treasury published a statement which announced that they accepted that the McCloud judgement applied to all of the main public service pension schemes. Due to the unique status of the PCPF, the PCPF was not covered by the McCloud judgement or the Treasury's announcement and it was a decision for IPSA as to whether to make equivalent changes to the transitional protections that apply in the PCPF. The Trustees wrote to IPSA and on 24 September 2019, in response to the Chair on the matter, IPSA confirmed their intention that future changes to the PCPF should be in line with the Government's approach to other public service schemes. Potential remedies are currently unknown but once further information is available, we will communicate with scheme members as appropriate.

Please be assured that the pension you have built to date is safe.