



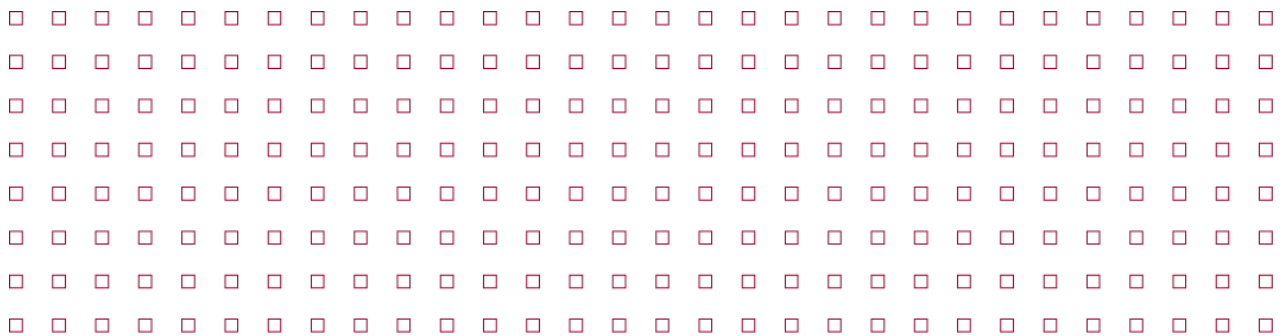
Ministry  
of Justice

# Judicial Pension Scheme 2022

## Member Scheme Guide

### Accessible Version

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Ministry  
of Justice

## **Judicial Pension Scheme 2022**

Member scheme guide



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## Introduction

### Welcome to this guide on the Judicial Pension Scheme (JPS) 2022.

This guide details the features of JPS 2022, covering the basic design of the scheme, the benefits and options available to members and the arrangements for members.

### Disclaimer

Nothing in this guide can override the Judicial Pensions Regulations 2022. Whilst every effort has been made to make this guide as accurate as possible, in the event of any difference, the regulations will take precedence. This guide is based on the regulations current at the time of publication and there is no guarantee that any part of the regulations will not change in the future.

You should not take anything in this guide as financial advice. You might want to consider contacting an Independent Financial Adviser (IFA) to discuss your retirement planning. You can find tips on finding an IFA by visiting the Financial Conduct Authority website: [www.fca.org.uk](http://www.fca.org.uk)

### What is the Judicial Pension Scheme (JPS) 2022?

JPS 2022 is a defined benefit pension scheme, which means you will get a guaranteed level of benefit at retirement payable according to a fixed formula.

It is a Career Average Revalued Earnings (CARE) scheme. Your pension will be based on the average of your pensionable earnings throughout your membership of the scheme.

The value of the pension earned in each year is calculated by taking your pensionable earnings in that scheme year and multiplying it by the scheme accrual rate. The value of your pension whilst in active service will then be maintained by applying index-linking annually. The value of your pension at retirement will be based upon the sum of all previous years accrual plus index linking.

JPS 2022 is a tax-unregistered pension scheme. This means that the annual allowance and the lifetime allowance do not apply. The annual allowance is the limit on the amount that you can save in your pension each year while still receiving tax relief. The lifetime allowance is the limit on the amount of pension benefits that can be built up in pension schemes. Member contributions to the scheme will also not receive any tax relief.

### Background

Prior to JPS 2022, eligible judges could accrue pension benefits under a number of different pension schemes: the Judicial Pensions and Retirement Act (JUPRA)



1993<sup>1</sup>, the Fee-Paid Judicial Pension Scheme (FPJPS) 2017, the New Judicial Pension Scheme (NJPS) 2015 and the Northern Ireland Judicial Pension Scheme (NI JPS). There was also a Partnership Pension Account (PPA) as an alternative to joining NJPS. However, from 31 March 2022, these schemes closed to future accrual.

JPS 2022 was established under the Public Service Pensions Act 2013, with the rules of the scheme set out in the Judicial Pensions Regulations 2022. From 1 April 2022 it is the only scheme in which eligible judges are able to accrue benefits for future service.

### **What happens to the pension I built up in previous judicial pension schemes?**

If you have been in service before 1 April 2022, you may have built up pensions across one or more judicial pension schemes.

All benefits previously accrued in JUPRA, FPJPS, NJPS and NI JPS are protected. This includes the preservation of the automatic lump sum and final salary link in respect of service in schemes which had this feature. However, there can be no further accrual in these schemes and your death in service lump sum benefits will only be paid under JPS 2022.

### **Scheme Governance**

The Lord Chancellor is the Scheme Manager and the Ministry of Justice (MOJ) is responsible for managing and administering the scheme on their behalf. The day-to-day administration of the scheme is contracted out to XPS Administration by the MOJ as part of a contract for administering all UK judicial pension schemes.

The Judicial Pension Board (JPB) is responsible for assisting the Scheme Manager:

- to secure compliance with the scheme regulations, any other legislation relating to the governance and administration of the scheme and any requirements imposed by the Pensions Regulator in relation to the scheme, and
- in the performance of the Scheme Manager's functions under the scheme regulations.

The JPB consists of an independent chair appointed by the Lord Chancellor following consultation with the Lord Chief Justice of England and Wales, the Lord

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<sup>1</sup> When this document refers to 'JUPRA', this definition covers all pre-JUPRA schemes in addition to the 1993 scheme

President in Scotland and the Lord Chief Justice of Northern Ireland. In addition, there are three independent members, four employer representatives and four member representatives.

Further information on the JPB can be found on the following webpage:  
<https://www.gov.uk/government/groups/judicial-pension-board>

The Judicial Pension Scheme Advisory Board is responsible for providing advice to the Lord Chancellor, at the Lord Chancellor's request, on the desirability of making changes to the scheme. The Scheme Advisory Board's membership is the same as that of the JPB.

### **How can I make a complaint?**

The Scheme's Internal Dispute Resolution Procedure is available on the scheme webpage or on request from the MOJ.

## **Scheme membership**

This section sets out who is eligible to join the scheme, how to join the scheme and how to opt out of the scheme.

### **Eligibility to join JPS 2022**

The scheme is open to all UK eligible judicial office holders, except where terms and conditions are specifically non-pensionable. This includes both salaried (full and part-time) and fee-paid judges.

### **Joining the scheme**

From 1 April 2022, the JPS 2022 will be the only judicial pension scheme for future accrual. If you are an eligible judicial office holder on this date, or become one after this date, you will be automatically enrolled into the scheme, unless you decide to opt out after joining.

### **Opting out of the scheme**

You can opt out of the scheme at any time by completing an opt-out form. Upon receipt of your completed form, an acknowledgement letter will be sent confirming the date that the opt-out will take effect.

If you opt out within one month of first joining the scheme you will be treated as if you never joined the scheme. Otherwise, the opt-out normally takes effect from the beginning of the pay period after notice of opting out is given.

If you decide to opt out of the scheme you will receive no pensions accrual, no ill health benefits and no death in service cover. No pension contributions will be made to any other arrangement on your behalf and you will not receive any alternative payment in lieu of your JPS 2022 membership.

### **If I opt out of the scheme can I rejoin at a later date?**

If you opt out of the scheme, or initially chose not to join the scheme, you will still be able to opt into membership at a later date. However, you will not be able to opt in more than once within a twelve-month period.

## **Costs and contributions**

This section sets out who contributes to the scheme and how the cost cap for the scheme will work.

### **Member contributions**

As a member you will pay a contribution towards your pension based upon your pensionable earnings. There is one uniform contribution rate for the scheme which all members will pay. This is currently set at 4.26% of your pensionable earnings.

If you are in an eligible judicial office on 31 March 2022, you may opt for a lower contribution rate of 3% of pensionable earnings, for the initial three years of the scheme, in exchange for a reduction in your accrual rate. This option is set out in further detail in the 'Options for members' section below.

As JPS 2022 is an unregistered scheme, your contributions will not receive any tax relief.

### **Employer contributions**

The employer pays the balance of the scheme costs. Employer contributions are assessed every four years as part of an actuarial valuation.

### **What counts as pensionable earnings**

If you are a salaried judge, your pensionable earnings are the same as your actual salary for that scheme year.

If you are a fee-paid judge your pensionable earnings are equivalent to your fees for service in a qualifying judicial office(s) for that scheme year.

### **Annual benefit statements**

After the end of each scheme year (31 March), an Annual Benefit Statement setting out the pension benefits you have earned, and the value of your pension will be available for you to view at [www.mypension.com](http://www.mypension.com)

## **Scheme features and benefits**

This section sets out the key features of the JPS 2022, including how benefits are calculated and when you can take your pension.

### **The main features of JPS 2022**

The key elements of the scheme are:

- Tax-unregistered scheme, and therefore not included in any tax limits on pensions, for example Lifetime Allowance (LTA) or Annual Allowance (AA)
- A 'career average' pension build-up model
- A uniform member contribution rate of 4.26% of pensionable earnings
- A pension build up rate of 2.5% of pensionable earnings (1/40<sup>th</sup>)
- No cap on the number of service years you can build up
- Normal Pension Age linked to State Pension Age
- Option for members to take a reduced pension in exchange for a lump sum at retirement at a rate of 12:1, with a commutation supplement to compensate for the tax-unregistered status of the scheme
- A cost control mechanism
- Active members' benefits are revalued under section 9 of the Public Services Pension Act 2013, whereby the change in prices to be applied in a period is the percentage increase or decrease (currently in line with the Consumer Prices Index (CPI))
- Deferred and retired scheme members' benefits increase in line with the Pensions Increase Act 1971 (currently in line with the Consumer Prices Index (CPI))
- Pension for qualifying surviving adults of 37.5% of the member's pension, and pensions for eligible children

### **How are my pension benefits calculated?**

Every scheme year, you will 'bank' an amount of pension into your individual pension account at a rate of 2.5% of your pensionable earnings in that scheme year. Your final pension is based on these banked amounts with index-linking applied.

Index-linking is the process by which the pension earned each year is increased. It ensures that the value of your pension is maintained. The process is further explained in the section below.

### **Annual revaluation (index-linking) of benefits**

Whilst you are in active service, the value of your pension is maintained by applying index-linking annually. For JPS 2022, the level of revaluation is set by HM Treasury each year by reference to the general level of prices.

The revaluation will occur at the beginning of each subsequent scheme year. For JPS 2022, this will be in April.

#### **Example**

Judge A has pensionable earnings of **£134,717** in year 1. They bank 2.5% of this into their pension pot. Their pension from **year 1** is worked out as;

$$£134,717 \times 2.5\% = \mathbf{£3,367}$$

Judge's A pension is revaluted at the beginning of year 2. This is done following an agreed formula. For example, if the rate of revaluation is 3.5% (used for illustrative purposes) then Judge's A pension for year 1 will increase by;

$$£3,367 \times 3.5\% = \mathbf{£117}$$

Judge A will also earn pension based on their pensionable earnings in year 2 which will be added to their pension pot. For example, if their pensionable earnings in year 2 are £136,064 then their pension for **year 2** is worked out as;

$$£136,064 \times 2.5\% = \mathbf{£3,401}$$

Judge A's total pension at the end of year 2 will be their pension from year 1 + revaluation + pension from year 2. This will give them a pension of;

$$£3,367 + £117 + £3,401 = \mathbf{£6,885}$$

This process will continue into subsequent years that Judge A remains in active service.

(All figures rounded down for illustrative purposes))

### **Employer cost cap**

Once the first valuation of the scheme has been completed, an employer cost cap will be set for JPS 2022. This cap is used for measuring certain changes in the cost of the scheme. If a future scheme valuation (scheduled every four years) shows that the cost has gone beyond the margin either side of the cap, the scheme must take action to bring the cost of the scheme back to the level of the employer cost cap.

This action to return the cost of the scheme to the cap could take the form of amending scheme benefits for future accruals to alter the overall cost of the scheme, or by altering the level of member contributions so that a higher or lower level of employer contributions is required.

### **Length of scheme membership**

You can continue to build up pension rights in JPS 2022 until age 75, the judicial mandatory retirement age. You may also be able to sit and accrue benefits past the mandatory retirement age, for example when sitting beyond this age to finish hearing a part-heard case, or in the case of coroners, to complete an ongoing investigation. There is no limit on the number of years' pension that you can accrue under JPS 2022. The more years of membership you have, the bigger your overall pension pot will become.

You need two years' qualifying service to qualify for JPS 2022 benefits. Any service you may have in a judicial pension scheme (NJPS, NI JPS, FPJPS, JUPRA) immediately prior to moving into the scheme will count towards your 'qualifying service'.

On leaving the scheme with less than two years' qualifying service and more than three months service, you will have the option of a refund of contributions or a transfer value to another pension scheme or arrangement. If opting for a transfer, you should check with the scheme administrator that they would accept such a transfer from an unregistered scheme. If you leave the scheme with less than 3 months service, only a refund of employee contributions is available.

Qualifying service is calculated by reference to start and end dates and does not vary depending on full-time or part-time status.

### **When can I take my pension?**

The Normal Pension Age is the age that you can retire and have your pension paid without reduction for early payment.

For JPS 2022, your Normal Pension Age is linked to your State Pension Age (SPA). Therefore, if your SPA changes, all benefits accrued under the scheme will be linked to this new age. This means any new SPA will be the age at which the member's entire pension under the scheme is available on an unreduced basis, including pension earned before the change in SPA.

You can calculate your personal SPA by using the calculator available at:  
[www.gov.uk/calculate-state-pension](http://www.gov.uk/calculate-state-pension)

### **The State Pension Scheme and JPS 2022**

JPS 2022 is separate from State Pension arrangements or any other pension schemes you may be a member of. This means that if you are eligible for a State Pension this will be paid in addition to your judicial pension.



## Options for members

This section provides a guide to the various choices you can make under JPS 2022, and the ways they can impact the pension you will receive.

### Temporary contribution rate

Some judges will have the option to pay a lower contribution rate and receive a lower accrual rate when the scheme is first implemented. This option is further explained below.

#### **Who is eligible for the temporary contribution rate?**

If you hold, or did hold, a qualifying judicial office on 31 March 2022 you will have the option to pay a time-limited lower contribution rate of 3% of pensionable earnings and receive a corresponding lower accrual rate of 2.42% of pensionable earnings. The qualifying judicial offices are listed in the Public Service Pensions Act 2013 (Judicial Offices) Order 2015 (S.I. 2015/580).

#### **How long will the temporary contribution rate apply for?**

If you decide to pay the lower contribution rate of 3%, this will apply for the first three years of the scheme (1 April 2022 – 31 March 2025).

#### **How do I opt for the temporary contribution rate?**

You will have received a letter if you are eligible for the optional contribution rate. You should respond to this letter within the first three months of the scheme if you wish to opt for the contribution rate of 3%. If you do not respond to the letter you will automatically be enrolled on the standard contribution rate for the scheme of 4.26% of pensionable earnings.

#### **I opted for the temporary contribution rate – what happens after the first three years?**

If you have opted for the time-limited lower contribution rate, you will be automatically moved to the standard uniform contribution rate of 4.26% once the initial three-year period is up.

#### **Can I change my mind?**

Whether you decide to pay the lower contribution rate of 3% or the uniform contribution rate of 4.26%, you will not be able to change your mind after the decision is made.

If you opt out of the scheme and you choose to opt back into JPS 2022 at a later date, you will not have the option of paying the lower 3% contribution rate on re-enrolling in the scheme.

### **Options to increase your pension savings**

You can also increase the amount of benefits you receive at retirement by paying extra contributions into the Judicial Additional Voluntary Contributions Scheme (JAVCS).

The JAVCS is a tax-registered, defined contribution scheme. Contributions will therefore attract tax relief and pension benefits count towards an individual's annual allowance and lifetime allowance. Contributions made to the scheme are invested with an authorised independent pension provider. They invest the member's contributions as requested by the member according to a range of investment options. The fund which is generated can be used to purchase pension benefits for the scheme member or their dependants. The JAVCS cannot be used to purchase additional benefits in JPS 2022.

If you would like to know more about JAVCS, please contact [mojadmin@xpsgroup.com](mailto:mojadmin@xpsgroup.com).

### **Allocation**

If you are in good health, and complete a declaration form to that effect, you have the option to allocate (give up) part of your own pension to provide a pension for any financial dependant when you die.

The allocation must be made when you retire or during active service. However, once made, this decision cannot be revoked – the reduction in your pension will be permanent. This means that if the dependent were to die before you, the allocation would have no effect and your pension would not be restored to the original rate.

The annual pension for the financial dependant will be calculated by multiplying the surrendered part of your pension by an 'Allocation Factor'. This 'Allocation Factor' depends on the relative ages and gender of yourself and your dependant.

There are restrictions on the amount of pension you may choose to allocate in that the annual pension you are left with cannot be less than the total amount of allocated pension plus the annual rate of pensions paid to adult dependants.

This option is not available if you are retiring on grounds of ill-health.

## Commutation

### Lump sum commutation

As a member of JPS 2022, you have an option to ‘commute’, or give up, some of your pension in exchange for a cash lump sum at retirement. The maximum amount you will be able to commute is 35.7% of your pension, unless you are commuting a small pension using the trivial commutation or small pot facility.

You will receive £12 of lump sum for every £1 of pension per annum you give up.

You will also receive a commutation supplement to compensate for the tax unregistered status of the scheme. This covers the tax due on the commuted lump sum and the tax that would be liable on the commutation supplement itself.

### Example

Judge A has an annual pension of £36,000 and would like a lump sum on retirement of £96,000.

The reduction in pension is calculated as:

Commutation lump sum:  $£96,000/12 = \mathbf{£8,000}$  (i.e. 1:12 commutation).

To obtain this commuted lump sum, Judge A must give up the amount of pension commuted, in this instance, £8,000.

New pension value:  $£36,000 - £8,000 = \mathbf{£28,000 p.a.}$

### Commutation Supplement

However, the £96,000 lump sum would be taxed at a top rate of 45% (used for illustrative purposes, the exact rate of tax will depend on individual circumstances).

The commutation supplement would be worked out as follows:

$$0.45 \times (£96,000) \div (1-0.45) = \mathbf{£78,545}$$

A further £78,545 would therefore be paid to Judge A to account for tax.

The total paid to Judge A would be:

$$£96,000 + £78,545 = \mathbf{£174,545}$$

After deducting tax at 45%, this would leave Judge A with a net lump sum of **£96,000**.

### **Trivial and Small Pot commutation**

If you have a small pension, you may be able to commute all of this under the trivial commutation or small pot facility. The financial limit for small pots and trivial commutation under JPS 2022 reflects the HMRC limit for registered pension schemes.

Currently the financial limit for small pots is up to three small pots of £10,000 each from non-occupational schemes and an unlimited number from occupational schemes. The trivial commutation limit is £30,000 across all judicial pension schemes and registered pension schemes, subject to certain restrictions being met.

You will also receive a commutation supplement to mirror the treatment of income tax payable on a lump sum from a registered pension scheme.

If you choose to receive a small pot or trivial commutation lump sum payment you will extinguish your right to any JPS 2022 pension payments, including dependant benefits following the death of a member.

Trivial commutation and small pots are optional choices for scheme members, pension credit members and eligible dependents. If you have a small pension value, there is no obligation for you to take up these options.

## Life Events

This section outlines how changes to personal circumstances, for example having a baby, getting divorced, or having a break from employment, can impact your pension benefits.

### Divorce or Dissolution

Changes to your relationship status do not automatically affect your pension but could affect what benefits could be paid out if you die. For example, if you no longer had a partner, no partner's pension would be paid. You should therefore make sure you keep your death benefit nomination up to date if your personal circumstances change.

Your pension may also be included in any payment / settlement agreed as part of divorce or dissolution order.

### **What happens if I am subject to a Pension Sharing on Divorce or Dissolution Order?**

Where a Pension Sharing on Divorce or Dissolution Order is made, a pension credit member's account will be opened and the former spouse or civil partner will become a member of the scheme in his or her own right. The value of the member's accrued judicial pension rights to be shared will be determined as at the date of the Decree Absolute or Final Order.

In order to fund the benefits payable to your former spouse or civil partner a corresponding reduction is required in your pension account and a consequent reduction in any pension payable to the surviving spouse or civil partner of any subsequent marriage or civil partnership.

### **Who can help me understand the effect a Pension Sharing Order will have on my pension?**

If you are involved in divorce proceedings where a pension sharing order is being considered, you should contact the Scheme Administrator. They can provide a valuation of your benefits and detailed information on how pension sharing could impact your judicial pension position.

You can find out further information on Pension Sharing Orders on the Money & Pensions service: <https://www.moneyhelper.org.uk/en/family-and-care/divorce-and-separation/pension-sharing>

### **Taking maternity, paternity, shared parental or adoption leave**

If you choose to take paid maternity, paternity, shared parental or adoption leave you are still an active member of the scheme.

If you decide to take paid maternity, paternity, shared parental or adoption leave, you will continue to pay contributions to the scheme and accrue benefits. This will be based on the amount of pay you actually receive, rather than your usual pensionable earnings.

However, you are not required to pay member contributions while on unpaid adoption leave, maternity leave, parental leave, paternity leave or additional paternity leave.

### **Taking a career break**

You will not pay member contributions whilst taking a period of unpaid leave. You will also no longer accrue pension benefits, or receive ill health or death in service benefits during this period.

## Leaving the Scheme

This section covers all forms of leaving the scheme, including early, late, partial, and medical retirement as well as provisions for judges who wish to sit in retirement. This section also looks at provisions which will be made in the event of the scheme member's death.

### Deferring JPS 2022

You can choose to stop paying into the scheme before you are eligible to draw your pension. In this case you will no longer be an active member of the scheme and will no longer be accruing benefits under the scheme.

Whilst you are a deferred member of the scheme, your pension will be preserved, and will be subject to increases in accordance with the Pension Increase Act 1971 at the point of drawing your pension.

If you have not yet reached normal pension age, you can only become a deferred member if you have at least two years' qualifying service. Any service you may have in a judicial pension scheme (NJPS, NI JPS, FPJPS, JUPRA) immediately prior to moving into the scheme will count towards your 'qualifying service'.

### Transfers out of the scheme

You may decide to transfer your judicial pension rights out of the scheme to a registered pension scheme or a qualifying recognised overseas pension scheme. This will be subject to the relevant provisions in Part 10 of the regulations.

Where such a transfer is made, a tax charge on the member will likely arise. Separately, the administrators of the scheme into which the money is being transferred to may also have to pay a further charge.

**If you are considering a transfer out of the scheme you are strongly advised to seek independent financial advice, including consideration of the tax implications of doing so.**

Where a transfer out is paid to another pension provider, all rights to benefits under the scheme will be extinguished, including any benefits that may have been payable to your beneficiaries in the event of your death.

## Retirement

### Retiring before your Normal Pension Age

You may choose to retire from judicial office and draw your pension benefits before your Normal Pension Age, which for JPS 2022 is linked to your State Pension Age, so long as you are older than or at the normal minimum pension age

(currently age 55). However, if you do this your benefits will be subject to an early retirement reduction. This is to reflect that you will be paid earlier and for longer than if you had had retired at your Normal Pension Age. The early retirement reduction is determined using factors set by the Scheme Manager having taken advice from the Scheme Actuary.

### **Can I retire from judicial office before the Normal Pension Age but delay taking my pension until a later date?**

You can choose to retire early but not draw your pension until a later date e.g. after your Normal Pension Age. In this case, you will become a deferred member of the scheme until you decide to draw your pension (and then become a pensioner member of the scheme). Your JPS 2022 benefits will only be subject to an early retirement reduction if you decide to draw your pension before the Normal Pension Age.

### **Retiring at your Normal Pension Age**

If you decide to retire and draw your pension at your Normal Pension Age, your benefits will be paid in full without any reductions or enhancements.

### **Retiring after your Normal Pension Age**

You may also choose to retire from judicial office and draw your pension after your Normal Pension Age. In this case a late retirement enhancement will be applied, reflecting the fact that your pension will be in payment later and for a shorter period of time than would have been the case if you had retired at scheme pension age. This enhancement, known as the 'Age Addition', will be determined using factors set by the Scheme Manager having taken advice from the Scheme Actuary.

### **Retiring as a deferred member**

Your pension as a deferred member will be based on your accrued pension plus any age additions. For example, a 'late payment supplement' will be added to your pension if you retire from judicial office and draw your pension after your Normal Pension Age, and an 'early payment reduction' will be subtracted if you retire and draw your pension before Normal Pension Age. Any commutation and/or allocation will also be subtracted.



### **Rejoining the scheme after leaving JPS 2022**

If you opt out of the scheme but later rejoin, and your time out of the scheme is five years or less, your previous period of contributions will link with your current period in respect of a particular office. This will include any final salary link from JUPRA.

If you opt out of the scheme but later rejoin, and your time out of the scheme is more than five years, your previous period of contributions will not link and your benefits for the earlier period will be calculated separately. This means that any final salary link from JUPRA will be lost and your final salary will be calculated by taking your salary immediately before your break in service.

If you leave JPS 2022 to serve in another public service pension scheme, and subsequently rejoin JPS 2022, you would accrue benefits in that other scheme but be treated as not having left JPS 2022, and any final salary link from JUPRA would still apply.

### **Partial retirement in JPS 2022**

Partial retirement allows a member to take some or all their pension benefits whilst remaining in office.

You can do this by reducing your working hours, i.e. “partially retiring”, in order to access your benefits. For JPS 2022, this will mean reducing your pensionable earnings to 80% or less of their original amount. For example, if a judicial office holder was to sit four days a week, instead of five days, this would be a reduction in pay to 80% of the previous value.

If you are a fee-paid judge you can still partially retire but this will be exercised separately for each office you hold. The reduction in pay to 80% of the previous value will be based on the average earnings over a three-year period for each office (or if less than three years, the numbers of years you have sat).

Where a member holds multiple assignments in an Upper-tier Tribunal or First-tier Tribunal, they must reduce their hours to 80% or less in each individual assignment to qualify for partial retirement in that Tribunal.

The partial retirement option is only available once and must be exercised within three months of the reshaping of your working pattern. You are entitled to retire if you have reached the normal minimum pension age (currently 55) for the scheme and, if under your Normal Pension Age, have two years of qualifying service. Service in a previous judicial pension scheme will be taken into account for the purpose of determining if you have sufficient qualifying service.

If you partially retire you will continue to accrue benefits for the remaining hours that you sit but your pension benefits for this period will be based on your pensionable earnings for your reduced hours.

Partial retirement is also a feature of some legacy schemes, so if you hold benefits in these schemes and wish to draw these through partial retirement, you may need to check whether you satisfy the eligibility conditions for partial retirement under the relevant schemes.

### **Sitting in retirement**

Subject to business need, you may decide to apply to return to judicial office during your retirement. If approved, you will be appointed to a sitting in retirement office. In order to sit in retirement, you must retire in full from the relevant pre-retirement office. A reduction in hours will not suffice.

As a member of JPS 2022, you can accrue pension benefit in a sitting in retirement office, whilst at the same time drawing your pension benefit in respect of an office from which you have retired. Not all sitting in retirement offices will be eligible to accrue in JPS 2022. A list of sitting in retirement offices which are eligible to build up a pension in JPS 2022 can be found in the scheme regulations. Sitting in retirement offices not eligible to accrue a pension in JPS 2022 may be eligible for a NEST auto-enrolment pension.

If you hold multiple appointments, it will be possible to retire and apply to sit in retirement in each individual office whilst continuing as normal in one or more other (pre-retirement) offices. If you sit in multiple chambers within the First-tier or Upper Tribunal, you must retire from all chambers in order to sit in retirement.

For pension that has been earned from service pre-retirement and has accrued in JPS 2022, your pension will continue to be paid whilst sitting in retirement. Whilst sitting in retirement and if your sitting in retirement office is eligible, you will also accrue further benefits under JPS 2022, unless you choose to opt out.

If you hold benefits in a judicial pension scheme other than JPS 2022, the ability to draw pension benefit in respect of your retired office will be determined by the criteria contained within the scheme in which the benefit is held.

Please note that the new sitting in retirement policy, together with the provisions relating to sitting in retirement within the JPS 2022 regulations will be commenced separately from the scheme as a whole. It is currently expected that the new sitting in retirement policy will commence later in 2022.

### **Medical retirement**

If you have at least two years' membership and are too ill to work in your present job you may be able to retire early and take your pension benefits. In this case, the requirement to retire after normal minimum pension age will not apply.

The JPS 2022 provides a single level of ill-health retirement benefits. Ill-health pensions will be payable where the Scheme Manager is satisfied, by means of a medical certificate, that the member has “suffered a permanent breakdown in health involving incapacity for employment”.

An ill-health pension will be payable for life and will be equal to the accrued pension, plus half of the expected pension that you would have accrued before Normal Pension Age. No enhancement applies if you retire on grounds of ill health after your Normal Pension Age.

If you opted for the lower contribution and lower accrual rate option for the first three years of the scheme and cease pensionable service due to ill-health at any point in this period, the calculation of your expected pension will take into account the lower accrual rate of 2.42% of pensionable earnings. After the three-year period is over, the regular accrual rate of 2.5% will be used to calculate the rest of your expected pension.

### **Death benefits**

If you are an active, deferred or pensioner member of the scheme JPS 2022 will provide two benefits in the event of your death: a lump sum to the people you have nominated and pension benefits to eligible dependants.

If you were a member of a legacy judicial pension scheme prior to joining JPS 2022 your eligible dependants will also get a pension based on your previous judicial pension. This will be on top of any pension that would be due from your JPS 2022 pension. The Death in Service lump sum payment will only be paid from JPS 2022.

### **Death in service (DIS) lump sum**

If you die whilst an active member of the scheme, your beneficiaries will be eligible to receive a DIS lump sum. You can nominate one or more beneficiaries to receive a lump sum on death benefit. A beneficiary can be one or more individuals, an incorporated or unincorporated body, or a combination of the two. A nomination can be made, changed or cancelled at any time.

Under JPS 2022, the DIS lump sum will be calculated as the greater of:

- 2 x ‘final pay’ (less any lump sum paid already to the member prior to the member’s death); and
- 5 x member’s full retirement pension in relation to that period of service (less any payments of retirement pension made to the member under this scheme).

'Final pay' in this context is defined as the greater of:

- The amount of a member's pensionable earnings payable in respect of the 12 months ending with the last day of pensionable service;
- The amount of a member's pensionable earnings for any scheme year in the 10 scheme years immediately before the last active scheme year.

A DIS lump sum supplement will also be paid to compensate for the tax-unregistered status of the scheme. This covers the tax due on the DIS lump sum and the tax that would be liable on the DIS supplement itself.

### **Death out of service lump sum**

If you die whilst a deferred or pensioner member of the scheme, your beneficiaries may be eligible to receive a lump sum.

If you are a pensioner member of the scheme the amount of the lump sum benefit payable will be equal to:

- The total amount of the member's full retirement pension, multiplied by 5; less
- The total amount of pension paid to the member under the scheme.

As a pensioner member, the death out of service lump sum is only available if you die within 5 years after your full retirement pension or ill-health pension becomes payable.

If you are a deferred member, the lump sum benefit payable would be based on the deferred pension revalued to the date of death, multiplied by 5.

A death out of service supplement will also be paid to compensate for the tax-unregistered status of the scheme. This covers the tax due on the lump sum and the tax that would be liable on the supplement itself.

### **Adult dependants' pensions**

An adult dependant's pension is also payable for life to an eligible spouse, civil partner or cohabiting partner from the date of your death.

This pension will be equal to 3/8ths (37.5%) of the scheme member's pension, plus an enhancement factor if you were to die whilst an active member of the scheme.

A 'surviving adult' pension under the JPS 2022 will be paid for life. It does not stop if the survivor remarries or enters into a new relationship. However, where the surviving adult is more than 12 years younger than the member, the pension is to be reduced by 2.5% for every year of difference over 12 (subject to a maximum reduction of 50%).

### **Children's pensions**

Children's pensions are payable to a birth child or adopted child of the member who is;

- Under age 18;
- In full-time education and under age 23; or
- Unable to engage in gainful employment because of physical or mental impairment and either a) aged under 23, or b) the impairment is likely to be permanent and the person is dependent on the member as at the date of the member's death because of physical or mental impairment.

Any other young person who meets any of the three conditions listed above and was financially dependent on you at the date of death will also be eligible for a pension.

The amount of children's pension will depend on the rate of any surviving adults' pensions and the number of eligible children.

## **Contacts**

### **Scheme Contacts**

XPS Administration

Building Two

Centre Square

Middlesbrough

TS1 2BF

Tel: 0118 313 0910 (9am – 5pm Monday to Friday)

Email: [MOJAdmin@xpsgroup.com](mailto:MOJAdmin@xpsgroup.com).

MOJ Pensions Operations

Ministry of Justice

10 South Colonnade

Canary Wharf

London

E14 4PU

Email: [judicialpensions@justice.gov.uk](mailto:judicialpensions@justice.gov.uk)

### **Other Contacts**

The Money and Pensions Service is available at any time to assist members and beneficiaries with pension questions and also issues they have been unable to resolve with the trustees or managers of the pensions scheme.

Tel: 01159 659570

Post: The Money and Pensions Service

Holborn Centre

120 Holborn

London

EC1N 2TD

Web: <http://www.pensionsadvisoryservice.org.uk>

Email: [contact@maps.org.uk](mailto:contact@maps.org.uk)

The Pensions Ombudsman may investigate and determine certain complaints or disputes about pensions that are referred to the Pensions Ombudsman in accordance with the 1993 Act. Individuals can ask the Pensions Ombudsman to look into complaints about how pension schemes are run. In some situations, employers, trustees and pension scheme managers can ask them to look into a problem.

Tel: Local: 0800 917 4487 Overseas: +44 (0) 207 630 2200

Post: Pensions Ombudsman Service

10 South Colonnade

Canary Wharf

E14 4PU

Web: <http://www.pensions-ombudsman.org.uk>

E-mail: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

The Pensions Regulator may intervene in the running of schemes where trustees, managers, employers or professional advisers have failed in their duties.

Tel: 0345 600 0707

Post: The Pensions Regulator

Napier House

Trafalgar Place

Brighton

BN1 4DW

Web: <http://www.thepensionsregulator.gov.uk>

E-mail: [customersupport@tpr.gov.uk](mailto:customersupport@tpr.gov.uk)









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