



## McCloud Factsheet

### Introduction

In June 2019 the Supreme Court refused the Government permission to appeal the Court of Appeal's December 2018 judgment in the McCloud and Sargeant cases.

The [judgement](#) found that both the judges and firefighters pension schemes were discriminatory to some of their members. This was on the grounds of age discrimination when the career average arrangement was introduced in 2015 and the 'transition protection' which was provided to some members.

Transitional protection allowed some older workers to stay in the old pension schemes, instead of being moved to the new career average schemes with higher pension ages in 2015. Those within ten years of their Normal Pension Age as at 1 April 2012 remained in their pre-2015 scheme, the majority of which were final salary schemes.

On 15 July 2019 the Government announced that they accepted that the judgment applies to all the main public service pension schemes, including the Teachers' Pension Scheme.

### What's happening now?

The final decision on the steps needed to compensate members who suffered discrimination following the McCloud judgement (as this case is often referred to), is the role of an Employment Tribunal.

The Government has confirmed that this will apply to all members with relevant service in the main public service schemes, including the Teachers' Pension Scheme, and not just those who have lodged legal claims.

All relevant stakeholders will be involved in the legal processes as appropriate and in general discussions with the Government about the issues that may be involved in deciding changes to pension schemes.

### What changes will the Government develop for pension schemes?

As some members will be better off in the old schemes, and some better off in the new schemes, it's not as simple as putting everyone back in the old schemes. The changes the Government is developing to pension schemes will need to ensure every member is treated equally, and that members can keep the benefits they have or are receiving as a retired member.

The way the changes are implemented will need to vary across schemes to some extent, as while they're public service schemes, they're all designed differently.

### Will deferred and pensioner members be within scope of the changes too?

The proposals for the changes are at an early stage but it's assumed that deferred and retired members would be considered in the same way as active members.

### When will the Government confirm details of the changes developed for pension schemes?

The judges' and firefighters' cases will now go back to the Employment Tribunal, which will set out how the Government will develop changes to the pension schemes.

It's a matter for the Tribunal to agree timing and to make the final decision on how the changes will be taken forward.

### How do I find out more information?

We'll continue to provide you with information as and when we're made aware of it. We encourage you to keep checking our website and social media pages for further updates.