

POLICE PENSIONS

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POLICE PENSIONS

Police Pension Scheme [PPS] 1987

New Police Pension Scheme [NPPS] 2006

Police [Injury Benefit] Regulations [PIBR] 2006

New New Police Pension Scheme 2015.

PPS - 1987

The Police Pension scheme is a final salary scheme. Officers who choose to contribute to it become entitled to a pension when they leave the Police. The pension might not be payable immediately, but it will generally be calculated by reference to final pensionable pay.

Types of Pension

Ordinary pension

Awarded immediately on retirement after completion of at least 25 years' pensionable service.

If you have 25 years' pensionable service, you may retire on an ordinary pension paid immediately on retirement if aged 50 or over.

However, if you have 30 years' pensionable service, you may retire with an immediate pension before age 50.

Types of Pension

Short service pension

Payable immediately after completion of at least two, but less than 25, years' pensionable service, if you retire at what would have been the compulsory retirement age for your rank

It is calculated in a similar way to an ordinary pension.

Types of Pension

Deferred pension

Entitled to if you have at least two years to count towards qualifying service, and you either: leave the police, or cease to be a member of PPS by opting out of it, without transferring your PPS rights to another pension scheme.

The deferred pension will be a proportion of your hypothetical pension – i.e. the pension you would have earned by the age of compulsory retirement, subject to the limit of the maximum ordinary pension.

A deferred pension is payable from age **60**. ***It may be paid earlier if you become permanently disabled from performing the ordinary duties of a police officer.*** If you leave before the age of 50 with at least 25 years service, then your deferred pension will be paid from age **50**.

Refund of Contributions

If you leave the police service **with less than two years' qualifying service** without entitlement to any other PPS award, you can have your pension contributions returned to you

Alternatively, ask for your PPS benefits to be transferred to another pension scheme

If you leave the service with less than two years' qualifying service, then unless you are permanently disabled as the result of an injury received in the execution of duty your pension award will be a lump sum, equal to your pension contributions.

III Health Pension

If you are found by the selected medical practitioner to be **permanently disabled for the ordinary duties of a member of the police force**, and there are no suitable alternative duties that you could undertake within the police force (taking account of both your disability and capabilities), the Chief Constable will decide whether to retire you on those grounds.

If the Chief Constable decides to retire you, you will be entitled to an immediate ill-health pension and lump sum

An ill-health pension is calculated in a similar way to an ordinary pension and is then normally enhanced to compensate for the lost opportunity of serving until normal retirement.

Survivor Benefits 1987

Includes widows, widowers and civil partners but not cohabitees who were not married or in a civil partnership.

Since 5 December 2005, same sex couples have been able to have their relationship legally recognised. A couple in a civil partnership are treated in much the same way as a married couple.

A widow or widower is the person to whom an officer was legally married when he or she died. A surviving civil partner is the person with whom an officer had formed a civil partnership when he or she died. A former spouse or civil partner is not eligible to receive an adult survivor's pension.

The benefits available to widows and widowers including rights to ordinary, special, augmented and accrued pensions and the 13 week increase, are paid in the same way to civil partners, except that the entitlement only applies to service completed after **5 April 1988**.

Survivor Benefits 1987

A widow is entitled to a pension based on all the deceased officer's pensionable service if she was married to an officer before he ceased to be a regular police officer and was married to him when he died.

If the officer joined after 1 April 1972, the widow will be entitled to a half-rate pension (i.e. half of the officer's gross pension, before commutation). Otherwise, the widow's pension will depend on whether the officer opted to up-rate his pre-April 1972 service. This could have been done by paying a lump sum, paying additional pension contributions until the completion of 25 years' service; or by the officer taking a reduction in his own pension.

For the **first 13 weeks**, a widow's pension will be increased so that it will equal the deceased officer's pensionable pay

Survivor Benefits

Post Retirement

A widow who married after the officer's retirement will be entitled to a pension based on the officer's service after 5 April 1978 only.

Survivor Benefits

Co habiting Partners

Currently no provision under 1987 Regulations-
A pension for a widow, widower or surviving civil partner, normally of half of the officer's pension entitlement, ceases on remarriage, the formation of a new civil partnership or cohabitation. A pension is not payable to a surviving cohabitee who was not married to nor in a civil partnership with the officer

Recent court case regarding partner entitlements

Home Office reviewing situation

Children's Pension

Children's pensions will be payable to your legitimate or adopted children, but not to the children (including step-children) of a marriage which took place in retirement, nor to children adopted in retirement.

The same awards are payable to your children regardless of whether you are a male or female officer.

See NARPO website for ages and criteria

NPPS - 2006

Applies to those who joined police service from 6 April 2006

The earliest date that a pension can be paid is at age 55.
35 years' service is needed for a maximum pension.

A maximum pension is an annual payment of half of final pay, plus an automatic tax-free lump sum of four times the annual pension.

Final pay can take account of pay in up to 10 years prior to retirement, if this would give a bigger pension.

Each year of pensionable service gives entitlement to a pension of 1/70 of final pay, up to a limit of 35/70.

Medical and ill health Pension

A **standard ill-health pension**-payable if you are disabled for the ordinary duties of a member of the police force-**no enhancements.**

An **enhanced top-up ill health pension**- payable in addition to a standard ill health pension. The top up has the effect that your pensionable service is enhanced by up to 50% of your prospective service to age 55. For example, if you are aged 35, the enhancement of service is up to 10 years.

Deferred pension

Entitled if under 55 and have at least two years to count towards qualifying service, and either: leave the police, or cease to be a member of NPPS by opting out of it, without transferring NPPS rights to another pension scheme.

If the person leaves the service or opt out of NPPS before age 55 then only be entitled to a deferred pension, regardless of how many years of pensionable service

Deferred pension is payable from age **65**.

If the person leaves the police service they choose to have a deferred pension paid earlier than age 65, but it will be reduced for early payment.

Survivor Benefits 2006

Adult survivors can include spouses, civil partners and unmarried partners who are not civil partners and are payable for life, irrespective of whether the survivor remarries or forms a new partnership.

Provision for the payment of a pension for life to a police officer's partner, **even if not married to each other or in a civil partnership.** But must satisfy a number of conditions and officer and partner must complete all the necessary documentation – otherwise no pension can be paid.

A lump sum death grant of three times' pay is payable and freedom to nominate who should receive it.

A pension for a spouse or civil partner is payable for life – these are normally half of the officer's pension entitlement.

Dependent children under the age of 23 may qualify for a pension.

Police Pension Scheme 2015

The 2015 Scheme is a Career Average Revalued Earnings (CARE) This means that for each year an Active Member will earn a fraction of their Pensionable Earnings ($1/55.3$) for that year as earned pension and this will be revalued for each subsequent year until the officer retires.

Whether in full-time or part-time work, earned pension is built up in the same way.

The 2015 Scheme is funded by the contributions from members and Police Pension Authorities (Chief Constable)

Pension Benefits for Members

The Normal Pension Age (NPA) is 60.

The Normal Minimum Pension Age (NMPA) is 55.

Option to retire at any time after NMPA and to take immediate payment of pension;

If the officer decides to retire with immediate payment of pension after NMPA and before NPA, benefits will be actuarially reduced by reference to NPA.

No maximum period of service. If the officer decides to continue in service beyond NPA there will be an actuarial uplift applied to the pension as it will be paid later than it would be in normal circumstances.

Survivor Benefits

A pension will be paid to spouse or civil partner for the rest of their life.

A partner who is neither a spouse nor a civil partner may be entitled to payment of a pension for life.

Eligible children under the age of 23 may qualify for a pension.

III Health retirement

Lower Tier, payable if permanently medically unfit for the ordinary duties of a member of the police force but not permanently medically unfit for any regular employment.

If compulsorily retired on these grounds, will become entitled to immediate payment of a lower tier ill-health pension and have the option to commute part of it for a lump sum.

Benefits will be calculated based on the amount of accrued pension at the time of ill health retirement. There will be no reduction for early payment and no enhancement.

III Health Pension

Enhanced Upper Tier, payable if permanently medically unfit for the ordinary duties of a member of the police force and also permanently medically unfit for any regular employment.

Will receive this pension in addition to the lower tier ill-health pension.

The level of medical unfitness is determined by a Selected Medical Practitioner (SMP) and there are appeal rights against medical decisions.

An ill-health pension will be increased in line with CPI for as long as it is paid.

Injury Awards PIBR 2006

Paid as a result of an injury on duty, where officer is permanently disabled from performing the ordinary duties of a member of the police force, and have left the service. Will receive an injury award under the Police (Injury Benefit) Regulations 2006.

A gratuity and annual pension are payable and are based on length of service and the degree to which earning capacity has been affected, by the qualifying injury.

An injury pension may be revised up or down after retirement if it can be shown that there has been a 'substantial change' since retirement or the last review.

Injury Award Reviews

An injury award is for life but, can be reviewed at a 'suitable interval'

Can be revised up or down if it is shown that there has been a 'substantial change' since the last review.

Can be instigated by the Force or individual

Injury Award Reviews

In recent years there have been many legal challenges to the review process and consequently an injury award cannot be reduced automatically because someone has reached a particular age. A review should be an assessment of an individual's own personal circumstances and a 'blanket' approach can not be taken to reduce an award.

Advice on injury reviews and aide memoir on NARPO website

Deductions from Injury Pension

Certain relevant benefits can be deducted from Injury pensions e.g.

- Industrial Injuries Benefits under Sect 94 SSCB 1992
- Reduced Earnings Allowance.
- Retirement allowance.
- Industrial Death Benefit.
- Incapacity Benefit until the first day after retirement which is not or is deemed not to be a day of incapacity for work.
- Severe Disablement Allowance and any increases.

Non relevant benefits

Disability Living Allowance [being replaced by PIP]

Mobility Allowance

Carers Allowance

Industrial Injuries payable for a different injury/condition other than the 'qualifying duty injury' or the relevant proportion of the industrial injuries benefit thereof.

Incapacity Benefit once there has been a day deemed not to be a day of incapacity for work [benefit of the doubt principle].

Employment and Support Allowance

ESA is a direct replacement for Incapacity benefit so on first sight one would expect it to be deductible, however Incapacity Benefit is expressly detailed as a 'relevant benefit' under Schedule 3 of The Police [Injury Benefit] Regulations 2006;

The Police Injury Benefit (Amendment) (England and Wales) Regulations 2018

ESA is only deductible until the first day after retirement which is not a day on which someone has, or is treated as having, limited capability for work within the meaning of section 1(4) of the Welfare Reform Act 2007(b)

Contracting Out

Members of PPS did not participate fully in the State Pension arrangements. Instead, PPS takes on the responsibility for paying part of the pension that would otherwise have been paid by the State and you paid a lower rate of National Insurance contributions.

Your police pension is guaranteed never to be smaller than the amount you have given up from the State. It will usually be very much greater.

Widows Pension For Life

Northern Ireland all survivors of members of the RUC pension scheme now retain their pensions for life irrespective of the circumstances of the death of the former officer. As a result all survivors are entitled to have their pensions reinstated effective from 1 July 2014.

England and Wales this change only applies to widows, widowers or surviving civil partners, who marry, remarry, form a civil partnership or start to cohabit on or after 1st April 2015 and only if officer dies as a result of an injury received on duty.

Scotland the change applies to all those wives, husbands, or civil partners of police officers who died on duty who have already had their pension withdrawn because of remarriage, forming a civil partnership or cohabitation and consequently they will have their pension reinstated with effect from 1 October 2015, irrespective of the date of their remarriage, cohabitation or civil partnership.

Pension Boards

Established Pensions Boards in Forces

Chief Constable is the Pension Authority

Consultative group, some of which include
NARPO

NEC

Pensions and Welfare Reform Sub
Committee

Widows Pension for Life campaign

Police Injury Reviews

Pension Tapering challenge

Pension elections- 1972

NARPO WEBSITE

The NARPO website at www.narpo.org contains all this and more!

Most of the answers to the queries you may get are contained on those pages – so have a look and familiarise yourself with the issues.



ANY QUESTIONS?

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