



YOUR POLICE PENSION

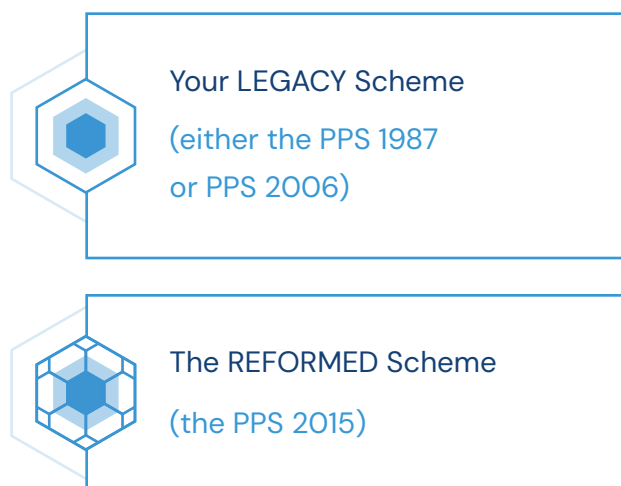
2023 UPDATE

For members building up benefits in
a police pension scheme (active members).

An update about your police pension

YOU ARE CURRENTLY BUILDING UP BENEFITS IN THE POLICE PENSION SCHEME.

As a result of a legal challenge to the way in which new pension schemes were introduced, from 1 October 2023, new options will be introduced which mean that eligible members can choose the benefits that you receive from either:



The options are only applicable to members that:

- have been in pensionable service on or before 31 March 2012; and
- had pensionable service between 1 April 2015 to 31 March 2022; and
- not have a gap in service of 5 years or more (known as a disqualifying break).

If you do not meet these requirements, these changes do not affect you. If you are eligible, the choice will be in relation to only the benefits you built up between 1 April 2015 and 31 March 2022. You can find out more about the review on page 2. You can choose whichever option is best for you.

What happens now?

October 2023 – all service for eligible members during the remedy period is rolled back into their legacy scheme – either PPS 1987 or, for those who joined between 6 April 2006 and 31 March 2012, PPS 2006.

August 2024 – new annual benefit statements and remediable service statements (RSS) will be issued to eligible active members showing the value of the benefits built up during the remedy period in both schemes.

You do not need to make a choice of benefits until you retire.

What do you need to do?

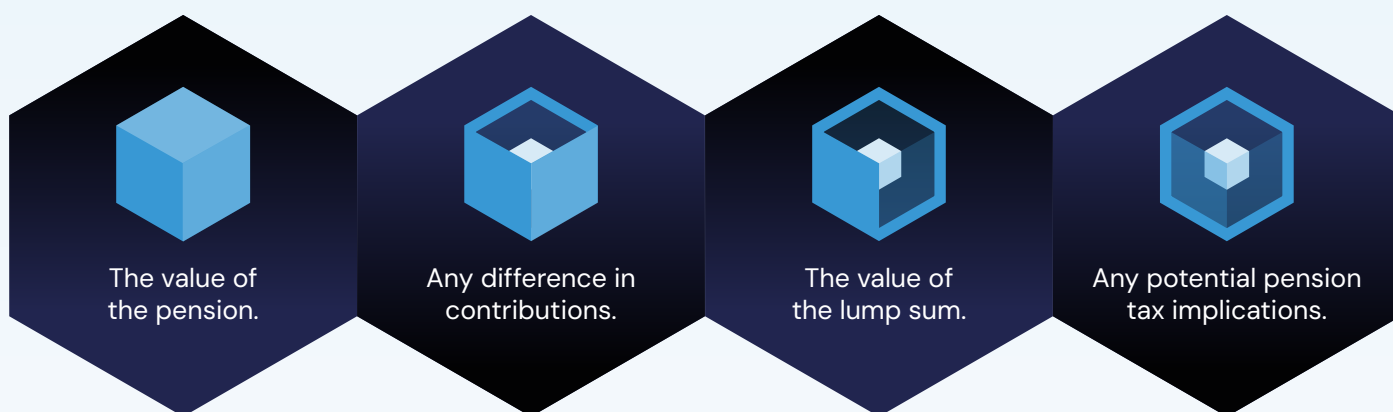
You do not need to take any action now.

What happens next?

Each year you will be given full details of the benefits that you can choose from in each of the schemes.

YOUR PENSION ADMINISTRATOR WILL CONTACT YOU WITH MORE INFORMATION.

This information will be provided in a personalised document called a 'remediable service statement' or 'RSS'. It will compare details such as:



Contributions and interest

The RSS will also contain details of contributions due from you or owed to you in respect of legacy scheme membership during the remedy period, plus interest due or owed.

If you owe contributions and interest, you'll have an opportunity once a year from next August to pay the amount off as a lump sum, or defer paying it off until your retirement. If you defer, interest will continue to be applied.

If you are owed contributions, you will have a choice to receive those now, or you may defer until retirement.

If, at retirement, you choose reformed scheme membership for the remedy period, any amount you have paid will be paid back to you with interest applied.

In August 2023, annual benefit statements were sent out from your administrator in respect of membership up to end March 2023. Because the rollback had not happened, this statement did not reflect the impact of the remedy or provide information on choices.

Your recent annual benefit statement will contain contact details for your pension administrator. Many administrators now provide online access to pension information through member self service. If you are not registered, please ensure that you do so and check the website for any updates.

If you want to retire before August 2024

If you want to retire before you receive a RSS, the NPCC pension calculator is available at www.policepensioninfo.co.uk/calculator to help provide an estimate of your benefits at retirement.

Please provide as much notice as possible and at least three months' notice so that your benefits can be calculated.

Your administrator will provide you with the details that you need to make a choice of remedy period benefits shortly before you retire.

Background

In April 2015, a new pension scheme (called PPS 2015) was introduced. Most members moved to this new scheme in April 2015. As part of the roll out of the new scheme, members closest to their normal pension age were given 'protection' and remained in their legacy scheme after April 2015. This protection period ran from 1 April 2015 and ended for all members at 31 March 2022. This time period is now known as the 'remedy period'.

After a legal challenge, the courts determined that these protections were age discriminatory and not fair to all members of the pension scheme i.e. younger members in the scheme were missing out on additional years of benefits from the original pension schemes. The changes being introduced from 1 October 2023 aim to give all members the same choice of benefits for the 'Remedy period'. We refer to this as remedy.

Pre-Remedy

1 APRIL 2015 – 31 MARCH 2022



You were put into a scheme based on your age and service.

You didn't have a choice.

Post-Remedy

1 APRIL 2015 – 31 MARCH 2022



You can choose the scheme that is right for you.

Everyone is individual

We appreciate that everyone has individual circumstances, which is why personalised communications will be provided in the future.

Consideration has been given to things like the payment of interest on potential missed payments as well as changes to tax circumstances. All details will be provided to you in a personalised remediable service statement which will be issued with your annual benefit statement from August 2024.

Useful terms to know

Administrator

This is the company that looks after the day-to-day running of your pension scheme. Your administrator will be different depending on the police force that you served with.

Remedy period

1 April 2015 to 31 March 2022. This is the time period where the government wants to ensure that all members have the same choice of benefits.

Remediable service statement (RSS)

A personalised document that affected members will receive from their scheme administrator. This will compare the benefits in each of the schemes. Sometimes referred to as RSS.

Interest

If you owe, or are owed, a sum of money in respect of missed payments, this will be paid with interest up to the date the payment is made. For money owed to members, interest is initially calculated at 8% a year. For money owed back to the scheme, interest is calculated at the NS&I direct saver rate.

Remedy

Remedy is how we refer to the process of remedying benefits within the remedy period. Remedy comes into effect from 1 October 2023 with the regulations.

Eligibility

Members that are eligible must:

- have been in pensionable service on or before 31 March 2012; and
- had pensionable service between 1 April 2015 to 31 March 2022; and
- not have a gap in service of 5 years or more (known as a disqualifying break).

Pensionable service does not have to have been in the police pension scheme, it could also have been in another relevant public service pension scheme. Full details can be found in section 1(5)(b) of the PSPJOA.

Reformed scheme

The PPS 2015, which was rolled out in 2015 as part of the public sector pensions reform.

Legacy scheme

One of the 'older' police pension schemes. This will either be PPS 1987 or PPS 2006.

Annual benefit statement (ABS)

This is an annual statement that you are sent each year from 31 August. It gives you an annual summary of your pension savings and tells you about the savings you have now and what they could be worth in the future.